

An aerial photograph of Las Vegas, Nevada, showing the city skyline and the Strip. A large, thick red arrow graphic is superimposed on the left side of the image, pointing towards the right. The arrow is composed of two parallel lines, creating a sense of forward motion and direction.

CBER Economic Indexes for Nevada and Southern Nevada

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CBER's Indexes of Nevada Economic Activity



Coincident Index Components

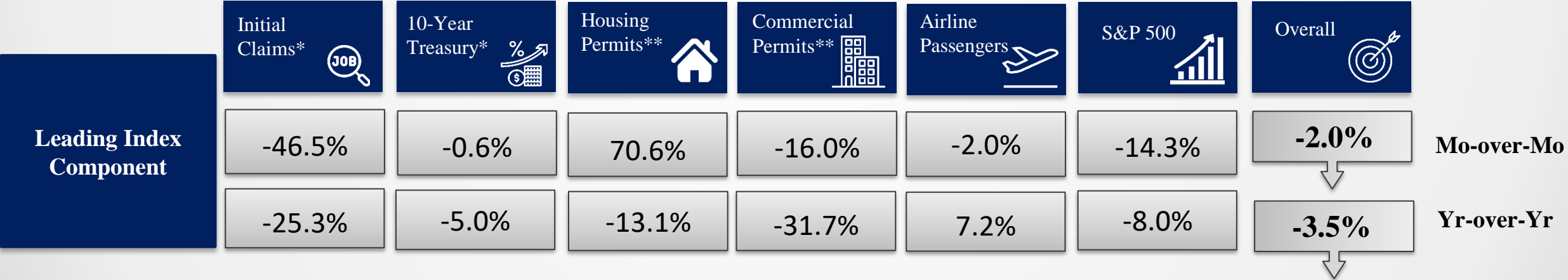
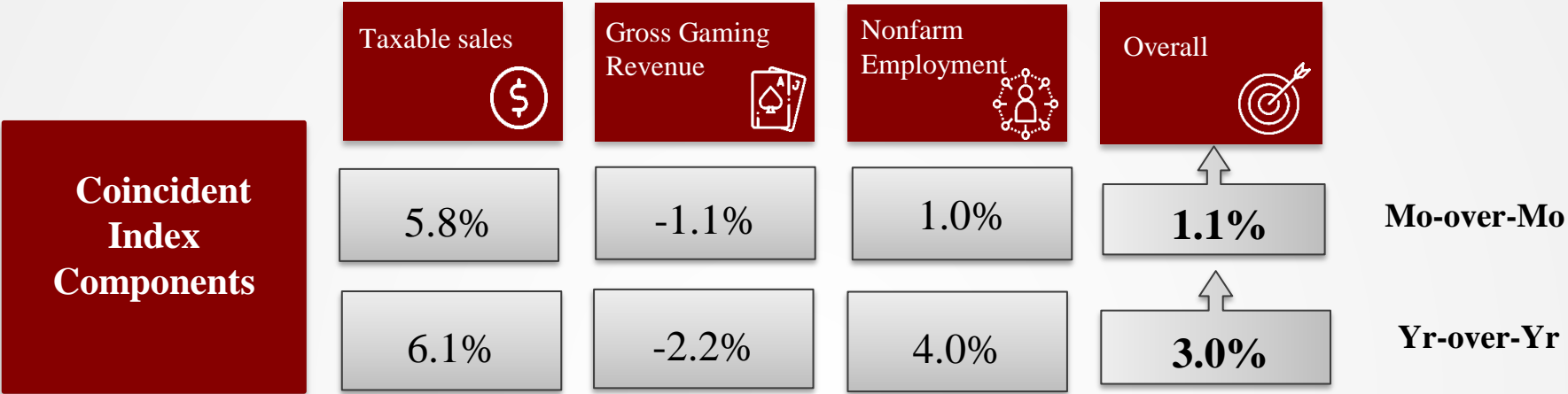
- Nevada Taxable Sales
- Nevada Gross Gaming Revenue
- Nevada Nonfarm Employment

Leading Index Component

- Nevada Initial Claims for Unemployment (inverted)
- Real 10-Year Treasury Rate (inverted)
- Nevada Housing Permits
- Nevada Commercial Permits
- Nevada Airline Passengers
- Standard & Poor's Stock Market Index

The CBER Nevada coincident and leading indexes use the Department of Commerce index construction method. The CBER Nevada coincident index measures the ups and downs of the Nevada economy, while the CBER Nevada leading index provides an indication for the future direction of the coincident index. The coincident index provides the benchmark series that defines the business cycle or reference cycle in Nevada. The leading index then tracks the economy relative to that reference cycle. The coincident index peaked in February 2007 and then fell dramatically through June 2010. Prior to the Great Recession, identified by the benchmark Nevada coincident index, the Nevada leading index peaked in November 2005, 14 months before the Nevada coincident index peaked. Then, the Nevada leading index troughed in May 2009, 13 months before the Nevada coincident index troughed. The COVID-19 recession differs from typical economic recessions. It provides almost no signal that it is coming. The coincident index peaked in December 2019 while the leading index peaked in January 2020. The big dips in both indexes came with the March data and the April data should provide even more dramatic decreases in the two indexes. The Nevada COVID-19 recession began in December 2019. All series are seasonally adjusted (SA). A full description of the methodology used to construct the indexes can be found at this [link](#).

Summary of CBER's Nevada Coincident and Leading Indexes in May 2023



* Inverted ** Data are partly forecasted as Clark County Service's permit reports have not been available since December 2017.

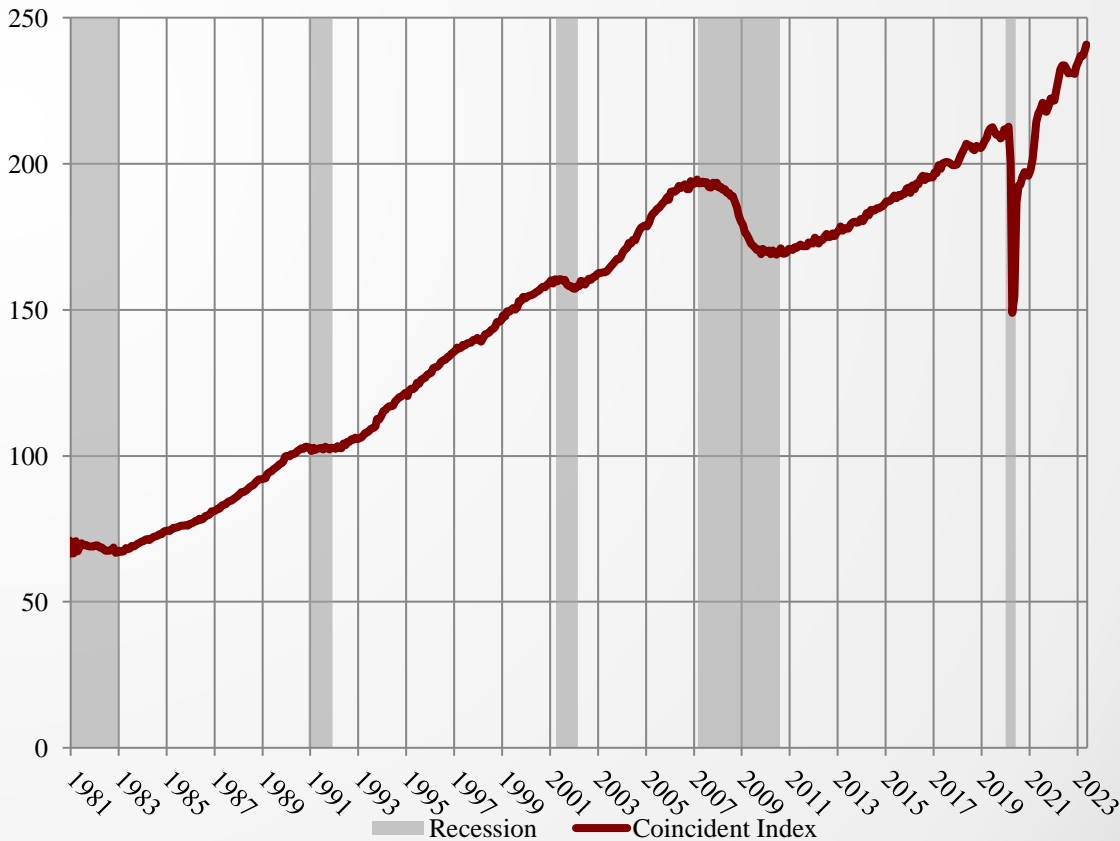
Icons are made by 1) www.freepik.com 2) phatplus, mynamepong, and Payungkeas from www.flaticon.com

The CBER Nevada coincident index rose month-over-month and year-over-year.

The CBER Nevada coincident index rose month-over-month by 1.1 percent in May. From last month, taxable sales and nonfarm employment rose by 5.8 and 1.0 percent, respectively. Meanwhile gross gaming revenue declined by 1.1 percent. The coincident index continues to rise month-over-month since November 2022.

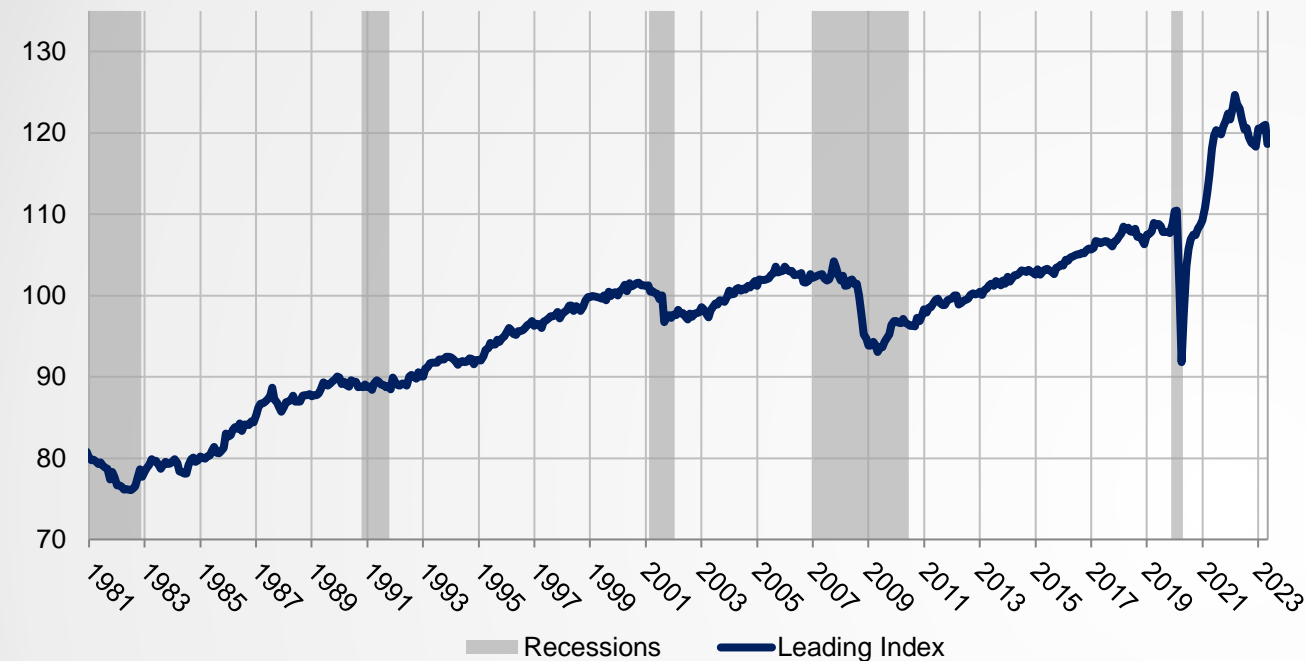
On a year-over-year basis, the CBER Nevada coincident index increased by 3 percent. This gain was led by the growth in taxable sales and nonfarm employment of 6.1 and 4 percent, respectively. Gross gaming revenue, however, declined by 2.2 percent from last year. The recovery from the pandemic recession continues to occur with a series of pauses interrupting positive growth.

| Series | Latest Period | Month-Over-Month | Year-Over-Year |
|---------------------------|---------------|------------------|----------------|
| Taxable Sales (SA) | 7,592,716,334 | 5.8% | 6.1% |
| Gross Gaming Revenue (SA) | 1,286,010,763 | -1.1% | -2.2% |
| Nonfarm Employment (SA) | 1,572,218 | 1.0% | 4.0% |
| Index and % Change | 240.8 | 1.1% | 3.0% |



Nevada Leading Index in May 2023

The CBER Nevada leading index declined month-over-month and year-over-year.



| Date | Index | Month-over-Month | Year-over-Year |
|---------------|--------------|------------------|----------------|
| May-22 | 123.1 | -0.9% | 4.2% |
| Jun-22 | 121.8 | -1.1% | 1.6% |
| Jul-22 | 120.5 | -1.0% | 0.0% |
| Aug-22 | 120.8 | 0.2% | 0.5% |
| Sep-22 | 119.6 | -1.0% | -0.3% |
| Oct-22 | 118.8 | -0.6% | -1.7% |
| Nov-22 | 118.6 | -0.2% | -2.5% |
| Dec-22 | 118.3 | -0.2% | -3.3% |
| Jan-23 | 120.3 | 1.7% | -1.2% |
| Feb-23 | 120.3 | 0.0% | -2.4% |
| Mar-23 | 120.3 | 0.0% | -3.7% |
| Apr-23 | 120.9 | 0.5% | -2.6% |
| May-23 | 118.6 | -2.0% | -3.5% |

The CBER Nevada leading index declined in May on a monthly basis by 2.0 percent. Housing permits increased by 70.6 percent from the preceding month. Initial claims for unemployment insurance (inverted), ten-year real Treasury yield (inverted), the S&P 500, commercial permits, and Nevada airline passengers declined by 46.5, 0.6, 14.3, 16.0, and 2.0 percent, respectively, from the preceding month.

On a year-over-year basis, the CBER Nevada leading index also declined by 3.5 percent. Five components—initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), housing permits, commercial permits, and the S&P 500 index —fell by 25.3, 5.0, 13.1, 31.7, and 8.0 percent, respectively, from May 2022. Nevada airline passengers is the only component that grew, increasing by 7.2 percent from May 2022.



CBER Indexes of Southern Nevada Economic Activity

CBER's Indexes of Southern Nevada Economic Activity

The CBER Southern Nevada coincident and leading indexes use the Department of Commerce index construction method. The coincident index measures the ups and downs of the Southern Nevada economy. The leading index provides a signal about the future direction of the coincident index. The coincident index peaked in February 2007 and then fell dramatically through June 2010. Prior to the Great Recession, identified by the benchmark Southern Nevada coincident index, the Southern Nevada leading index peaked in September 2005, 16 months before the Southern Nevada coincident index peaked. Then the Southern Nevada leading index troughed in May 2009, 13 months before the Southern Nevada coincident indexed troughed. As noted above, the COVID-19 recession differs from typical economic recessions. It provides almost no signal that it is coming. The coincident index peaked in December 2019 while the leading index peaked in January 2020. The big dips in both indexes came with the March data and the April data should provide even more dramatic decreases in the two indexes. The Southern Nevada COVID-19 recession began in December 2019. All series are SA.

Coincident Index

- CC Taxable Sales
- CC Gross Gaming Revenue
- CC Nonfarm Employment

Note: CC = Clark County

Leading Index

- NV Initial Claims for Unemployment (inverted)
- Real 10-Year Treasury Rate (inverted)
- CC Housing Permits
- CC Commercial Permits
- Harry Reid Passengers
- S&P 500

Tourism Index

- Harry Reid Passengers
- CC Gross Gaming Revenue
- LV Hotel/Motel Occupancy Rate

Construction Index

- CC Construction Employment
- CC Housing Permits
- CC Commercial Permits

Summary of CBER’s Southern Nevada Coincident and Leading Indexes in May 2023



* Inverted ** Data are partly forecasted as Clark County Service’s permit reports have not been available since December 2017.

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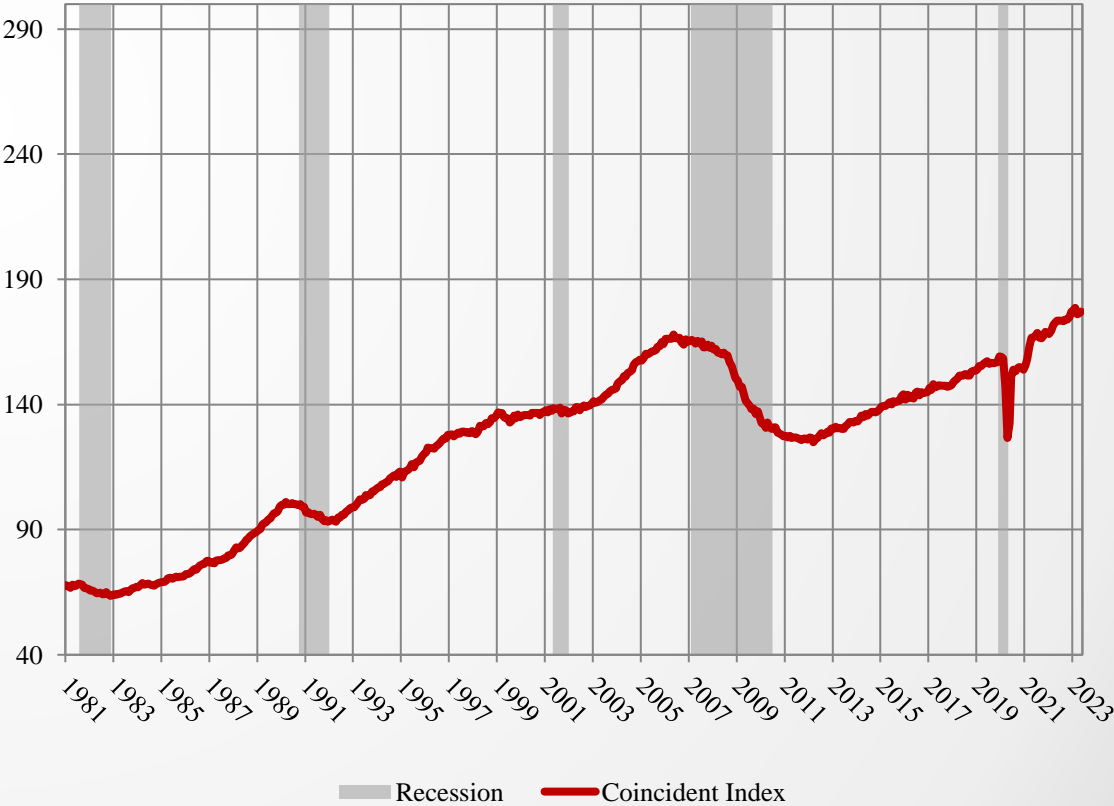
Southern Nevada Coincident Index in May 2023

The CBER Southern Nevada coincident index rose month-over-month and year-over-year.

The CBER Southern Nevada coincident index rose again by 0.4 percent month-over-month in May. This growth was led by taxable sales, which rose by 3.8 percent. Meanwhile, gross gaming revenue and nonfarm employment declined by 1.7 and 0.3 percent month-over-month, respectively. May’s growth is the same as April’s, which was the slowest growth month-over-month since September 2022.

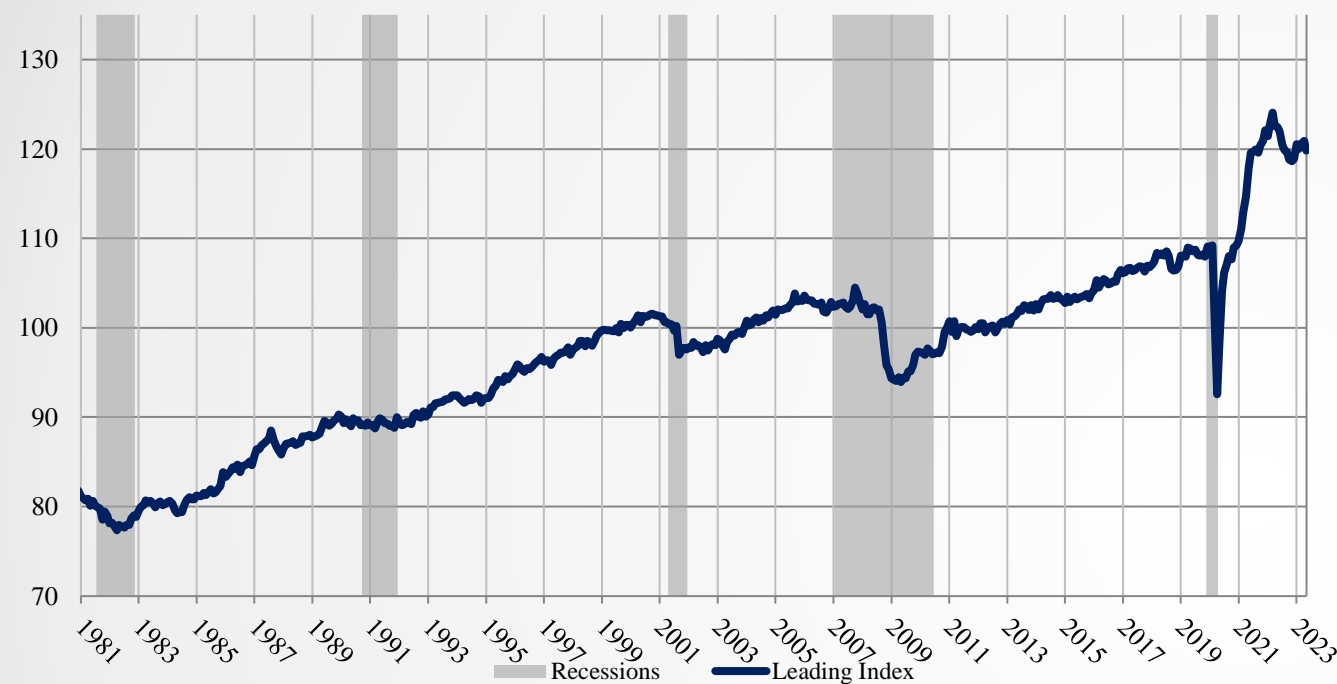
The CBER Southern Nevada coincident index posted a year-over-year gain of 2.1 percent. The growth reflected increases in taxable sales and nonfarm employment of 5.0 and 6.9, respectively. Gross gaming revenue, however, declined by 2.5 percent year-over-year. The recovery from the pandemic recession continues to occur with a series of pauses interrupting positive growth.

| Series | Latest Value | Mo-over-Mo | Yr-over-Yr |
|---------------------------|---------------|------------|------------|
| Taxable Sales (SA) | 5,539,010,513 | 3.8% | 5.0% |
| Gross Gaming Revenue (SA) | 1,110,729,244 | -1.7% | -2.5% |
| Nonfarm Employment (SA) | 80,787 | -0.3% | 6.9% |
| Index and % Change | 177.1 | 0.4% | 2.1% |



Southern Nevada Leading Index in May 2023

The CBER Southern Nevada leading index declined month-over-month and year-over-year.

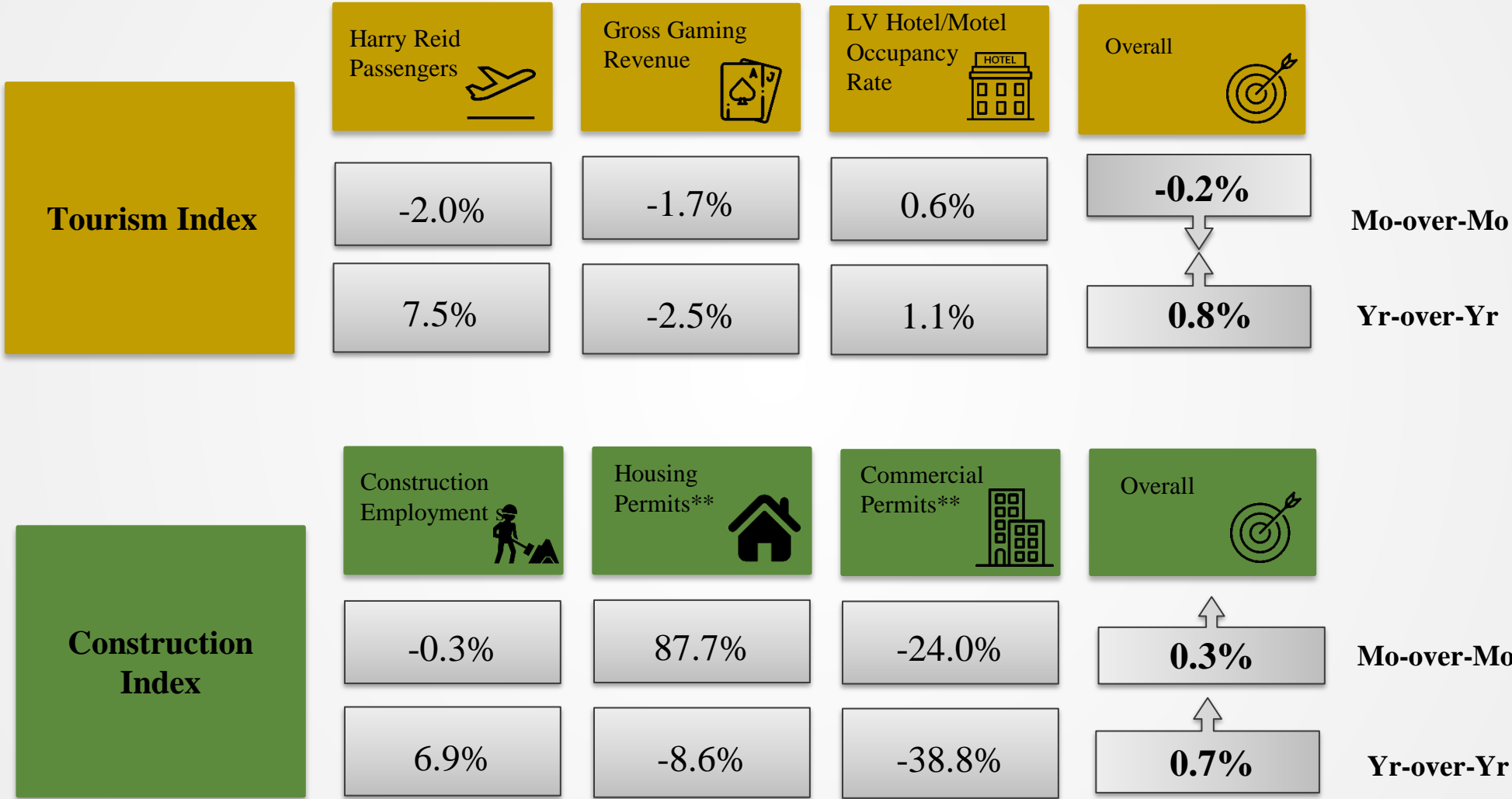


| Date | Index | Month-over-Month | Year-over-Year |
|--------|-------|------------------|----------------|
| May-22 | 122.9 | -0.6% | 4.4% |
| Jun-22 | 121.8 | -0.9% | 1.9% |
| Jul-22 | 120.7 | -0.9% | 0.9% |
| Aug-22 | 120.6 | -0.1% | 0.6% |
| Sep-22 | 119.7 | -0.8% | 0.3% |
| Oct-22 | 118.7 | -0.8% | -1.4% |
| Nov-22 | 118.4 | -0.2% | -2.1% |
| Dec-22 | 118.4 | -0.1% | -3.2% |
| Jan-23 | 120.3 | 1.6% | -1.1% |
| Feb-23 | 120.0 | -0.2% | -2.4% |
| Mar-23 | 120.2 | 0.2% | -3.6% |
| Apr-23 | 120.7 | 0.4% | -2.5% |
| May-23 | 119.8 | -0.9% | -2.1% |

The CBER Southern Nevada leading index declined by 0.9 percent month-over-month. Initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), commercial permits, and the Harry Reid airline passengers fell by 46.5, 0.6, 24.0, and 2.0 percent, respectively, in May. Housing permits and S&P 500 rose by 87.7 and 2.7 percent, respectively, in May.

On a yearly basis, the CBER Southern Nevada leading index fell by 2.1 percent. Four components – initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), housing permits, and commercial permits – fell by 25.3, 5.0, 8.6, and 38.8 percent, respectively, from May 2022. Meanwhile, Harry Reid airline passengers and the S&P 500 grew by 7.5 and 15.5 percent, respectively.

Summary of CBER's Southern Nevada Tourism and Construction Indexes in May 2023



* Inverted ** Data are partly forecasted as Clark County Service's permit reports have not been available since December 2017.
Icons are made by 1) www.freepik.com 2) Payungkead and Retinaicons from www.flaticon.com

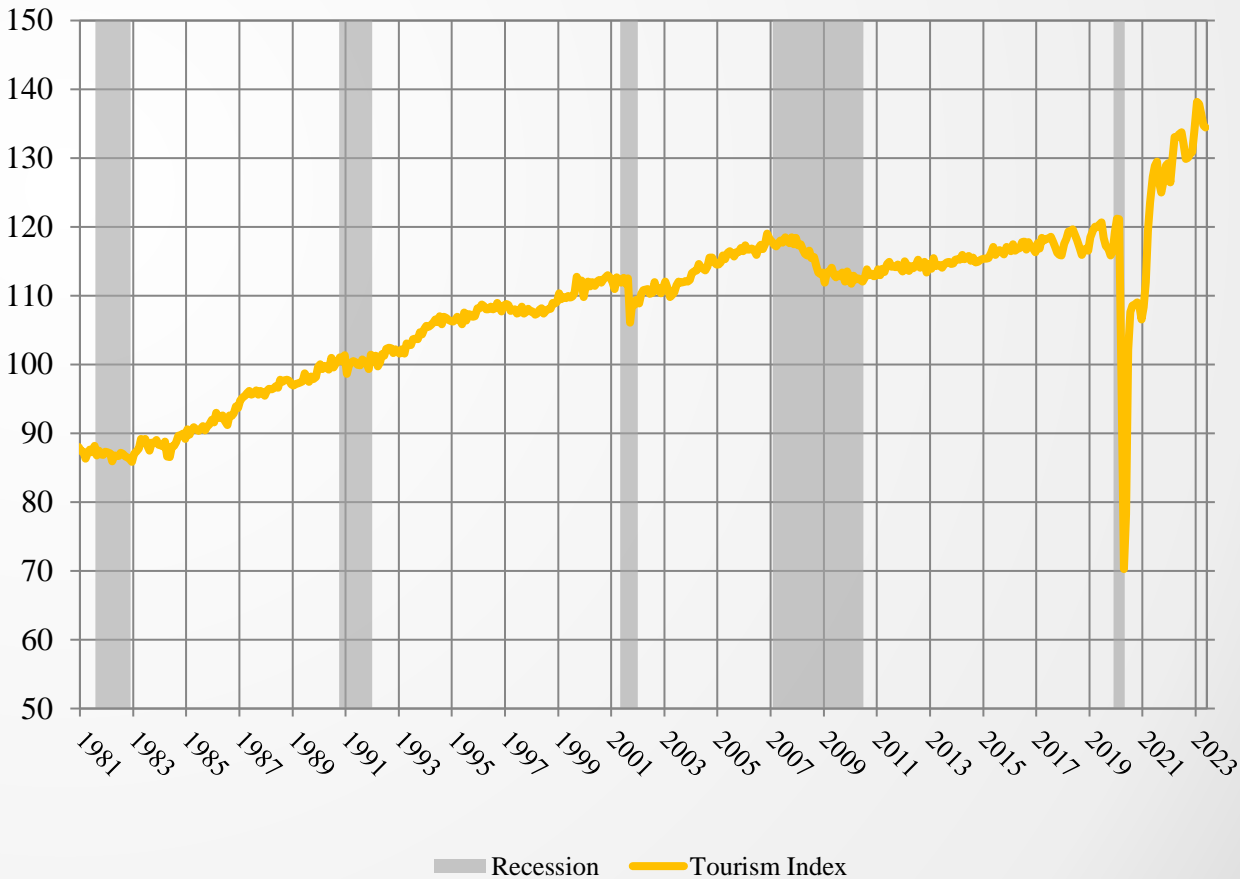
Southern Nevada Tourism Index in May 2023

The CBER Southern Nevada tourism index decreased month-over-month but increased year-over-year.

The CBER Southern Nevada tourism index decreased by 0.2 percent month-over-month in May. Harry Reid airline passengers and gross gaming revenue fell by 2.0 and 1.7 percent, respectively, from last month. The Las Vegas hotel/motel occupancy rate increased by 0.6 percent in May.

On an annual basis, the CBER Southern Nevada tourism index grew by 0.8 percent. Harry Reid airline passengers and the Las Vegas hotel/motel occupancy rate both led the growth by 7.5 and 1.1 percent, respectively, from May 2022. Meanwhile, gross gaming revenue declined by 2.5 percent from a year ago.

| Series | Latest Value | Mo-over-Mo | Yr-over-Yr |
|------------------------------------|---------------|------------|------------|
| Harry Reid Passengers (SA) | 4,906,630 | -2.0% | 7.5% |
| Gross Gaming Revenue (SA) | 1,110,729,244 | -1.7% | -2.5% |
| LV Hotel/Motel Occupancy Rate (SA) | 0.845 | 0.6% | 1.1% |
| Index and % Change | 134.5 | -0.2% | 0.8% |

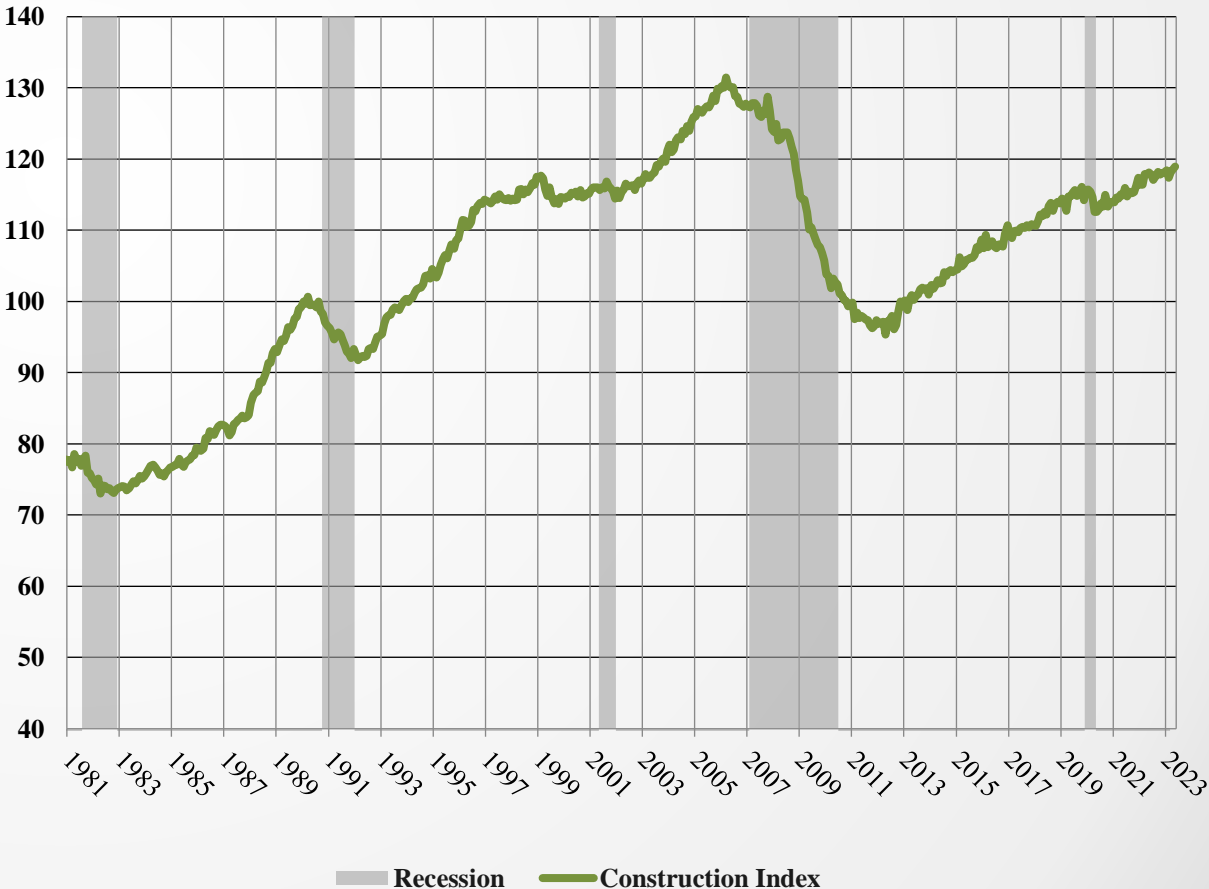


The CBER Southern Nevada construction index rose month-over-month and year-over-year.

The CBER Southern Nevada construction index rose slightly by 0.3 percent from last month. On a monthly basis, housing permits increased by 87.7 percent, while construction employment and commercial permits fell by 0.3 and 24.0 percent, respectively.

The CBER Southern Nevada construction index increased by 0.7 percent year-over-year. Housing permits and commercial permits decreased by 8.6 and 38.8 percent, respectively, from May 2022. In contrast, construction employment rose by 6.9 percent.

| Series | Latest Period | Mo-over-Mo | Yr-over-Yr |
|------------------------------|---------------|------------|------------|
| Construction Employment (SA) | 80,787 | -0.3% | 6.9% |
| Housing Permits (SA) | 1,621 | 87.7% | -8.6% |
| Commercial Permits (SA) | 30 | -24.0% | -38.8% |
| Index and % Change | 118.9 | 0.3% | 0.7% |



Sources

Nevada Indexes:

- Nevada Department of Taxation
- Nevada Gaming Control Board
- Nevada Department of Employment, Training and Rehabilitation
- U.S. Bureau of Labor Statistics
- Various Permitting Agencies
- Yahoo Finance
- Board of Governors of the Federal Reserve System
- Reno-Tahoe International Airport
- Harry Reid International Airport
- Federal Reserve Bank of St. Louis
- CBER, UNLV

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- U.S. Bureau of Labor Statistics
- Various Permitting Agencies
- Yahoo Finance
- Board of Governors of the Federal Reserve System
- Harry Reid International Airport
- Las Vegas Convention and Visitors Authority
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The views expressed are those of the authors and do not necessarily express those of the University of Nevada, Las Vegas or the Nevada System of Higher Education.