



CBER Economic Indexes for Nevada and Southern Nevada

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CBER's Indexes of Nevada Economic Activity



Coincident Index Components

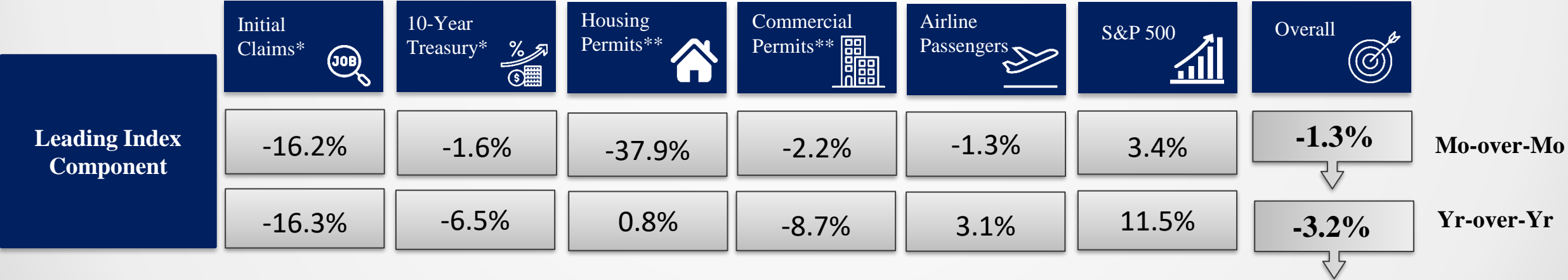
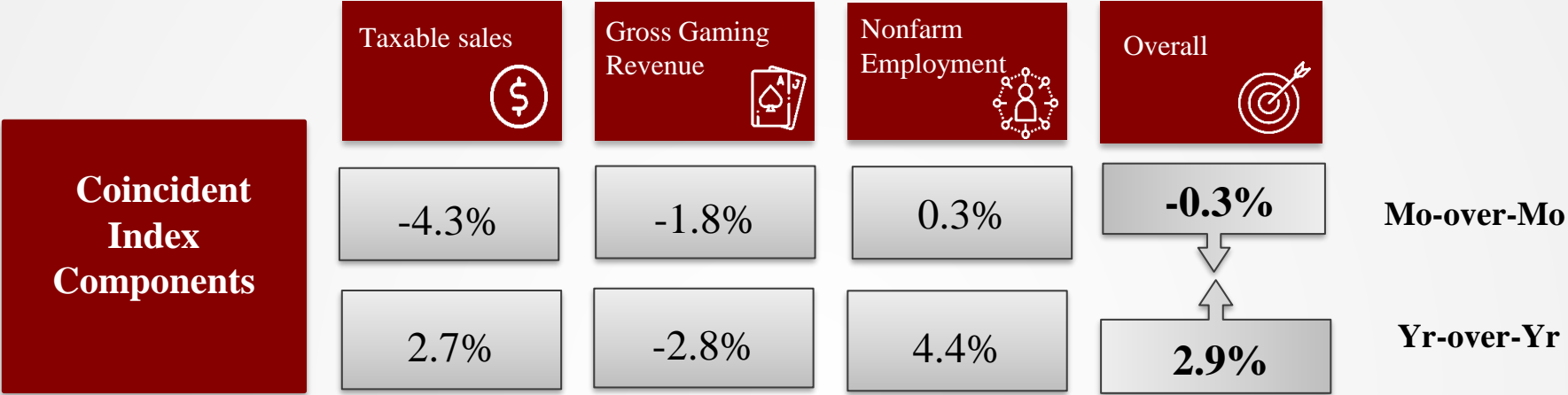
- Nevada Taxable Sales
- Nevada Gross Gaming Revenue
- Nevada Nonfarm Employment

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 June 2023



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

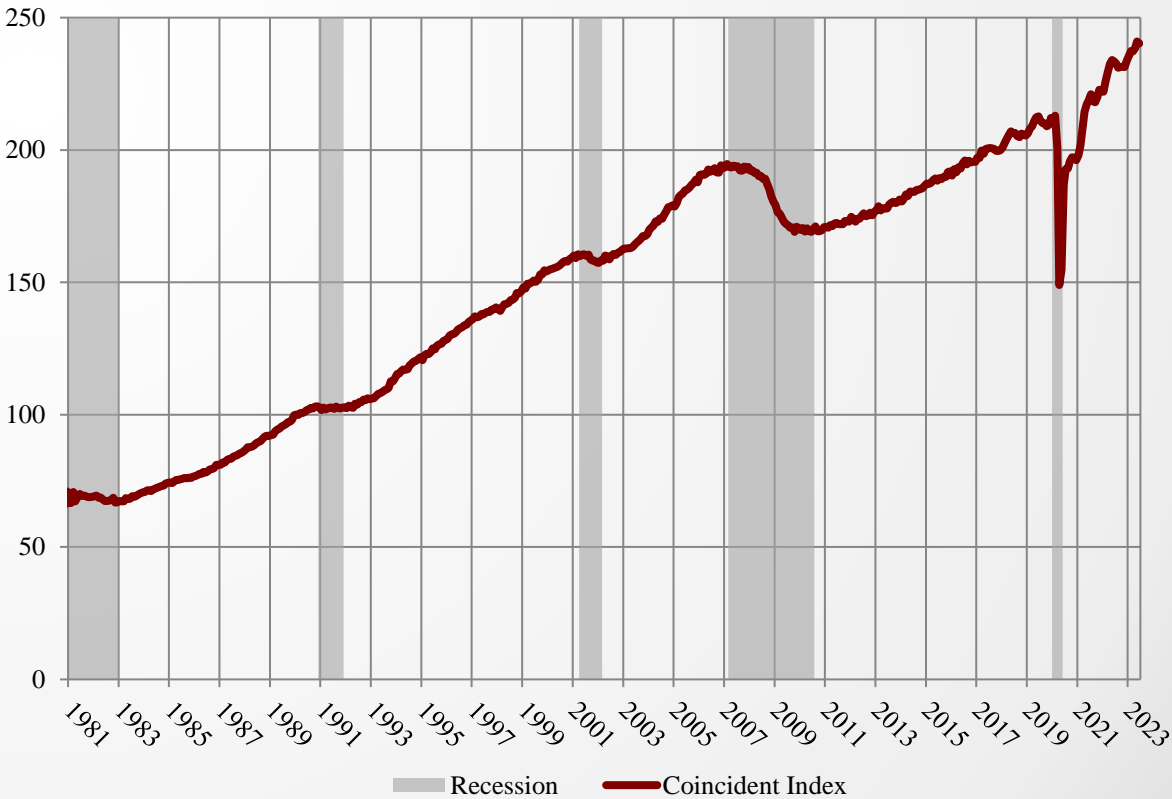
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The CBER Nevada coincident index fell month-over-month but continues to rise year-over-year.

The CBER Nevada coincident index fell month-over-month by 0.3 percent in June. From last month, taxable sales and gross gaming revenue fell by 4.3 and 1.8 percent, respectively. Meanwhile nonfarm employment rose by 0.3 percent. The coincident index fell for the first time, month-over-month, since March 2023.

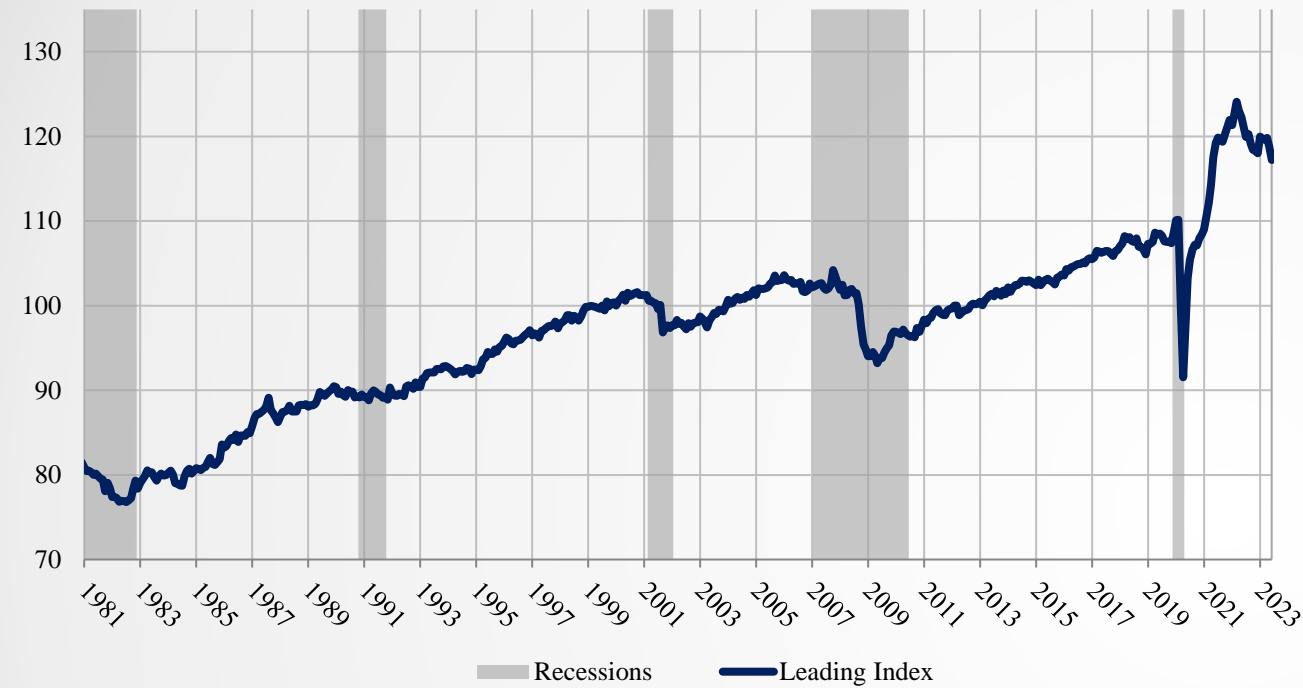
On a year-over-year basis, the CBER Nevada coincident index increased by 2.9 percent. This gain was led by the growth in taxable sales and nonfarm employment of 2.7 and 4.4 percent, respectively. Gross gaming revenue, however, declined by 2.8 percent from last year. The recovery from the pandemic recession continues to occur with a series of pauses interrupting positive growth.

Series	Latest Period	Month-Over-Month	Year-Over-Year
Taxable Sales (SA)	7,260,822,043	-4.3%	2.7%
Gross Gaming Revenue (SA)	1,264,452,065	-1.8%	-2.8%
Nonfarm Employment (SA)	1,576,551	0.3%	4.4%
Index and % Change	240.4	-0.3%	2.9%



Nevada Leading Index in June 2023

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



Date	Index	Month-over-Month	Year-over-Year
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%
Jun-23	117.8	-1.3%	-3.2%

The CBER Nevada leading index declined in June on a monthly basis by 1.3 percent. The S&P 500 increased by 3.4 percent from the preceding month. Housing Permits, initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), commercial permits, and Nevada airline passengers declined by 37.9, 16.2, 1.6, 2.2, and 1.3 percent, respectively, from the preceding month.

On a year-over-year basis, the CBER Nevada leading index also declined by 3.2 percent. Three components—initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), and commercial permits—fell by 16.3, 6.5, and 8.7 percent, respectively, from June 2022. Housing permits, Nevada airline passengers, and the S&P 500 increased by 0.8, 3.1, and 11.5 percent, respectively, from June 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 index 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

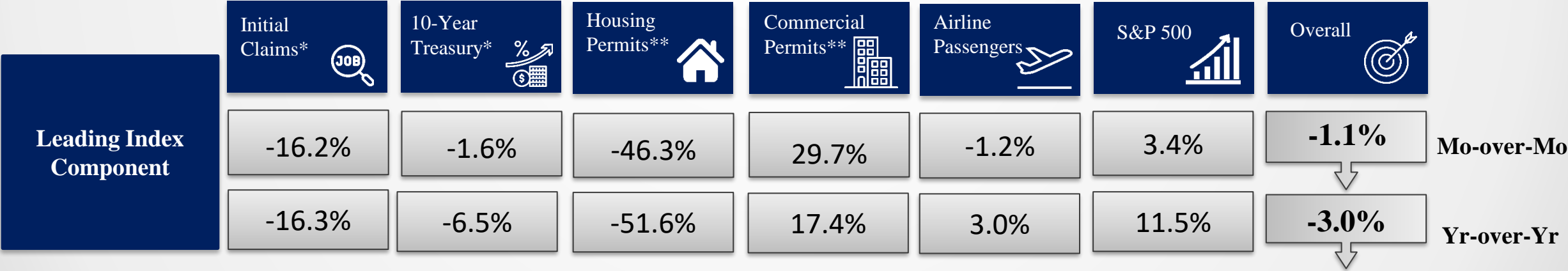
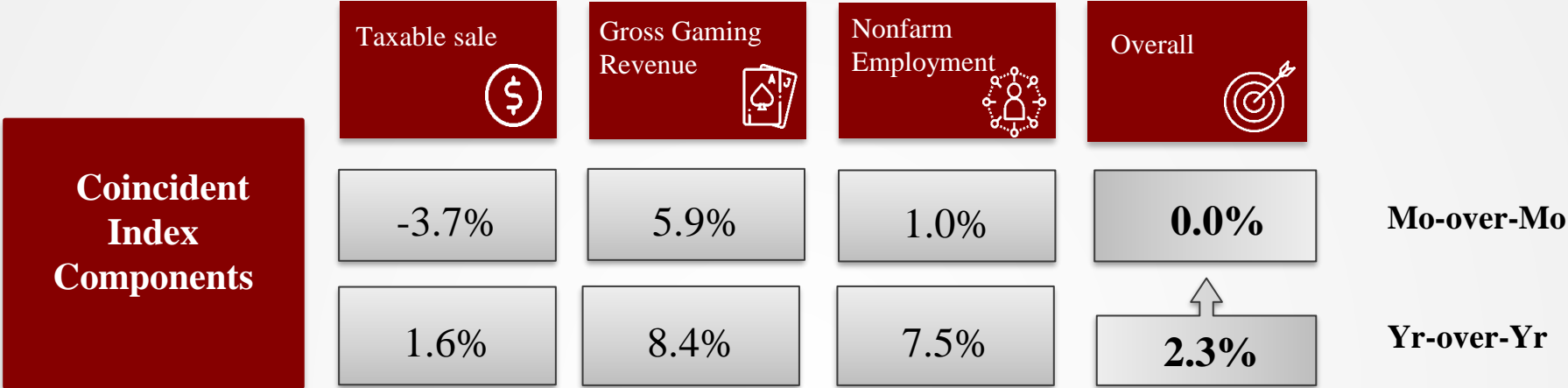
Tourism Index

- 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 June 2023



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

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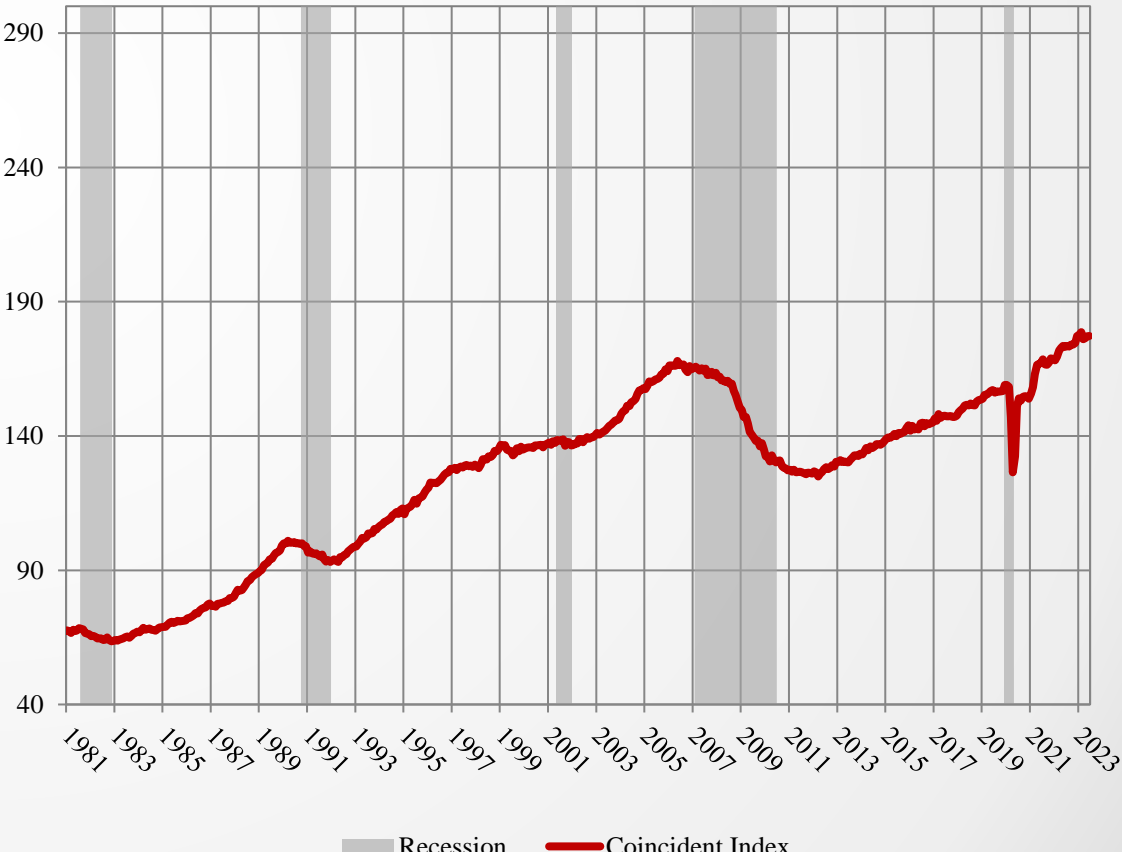
Southern Nevada Coincident Index in June 2023

The CBER Southern Nevada coincident index did not change month-over-month and rose year-over-year.

The CBER Southern Nevada coincident index experienced a 0.0 percent change month-over-month in June. It remains unchanged while taxable sales fell by 3.7 percent. Meanwhile, gross gaming revenue and nonfarm employment rose by 5.9 and 1.0 percent month-over-month, respectively. The month of June underwent the slowest growth month-over-month since March 2023.

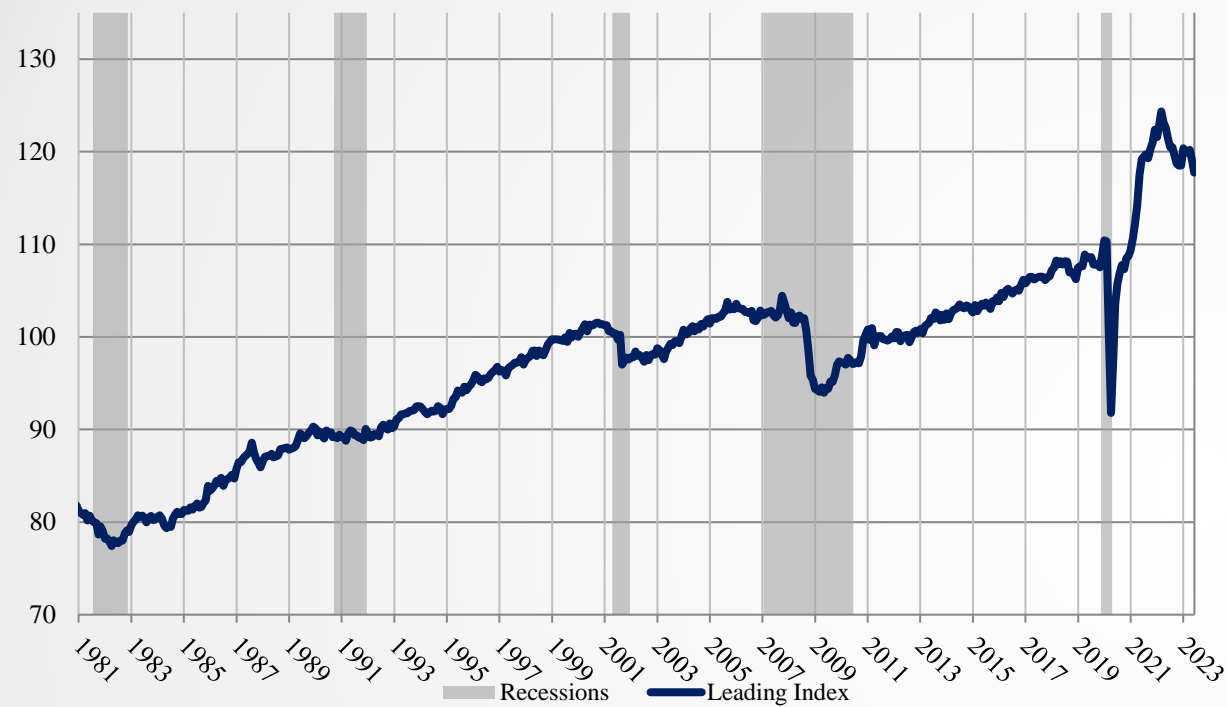
The CBER Southern Nevada coincident index posted a year-over-year gain of 2.3 percent. The growth reflected increases in all components. That is, taxable sales, gross gaming revenue, and nonfarm employment rose by 1.6, 8.4, and 7.5 percent, respectively. The recovery from the pandemic recession continues to occur with a series of pauses interrupting positive growth.

Series	Latest Value	Mo-over-Mo	Yr-over-Yr
Taxable Sales (SA)	5,321,224,078	-3.7%	1.6%
Gross Gaming Revenue (SA)	1,187,228,411	5.9%	8.4%
Nonfarm Employment (SA)	81,688	1.0%	7.5%
Index and % Change	177.2	0.0%	2.3%



Southern Nevada Leading Index in June 2023

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

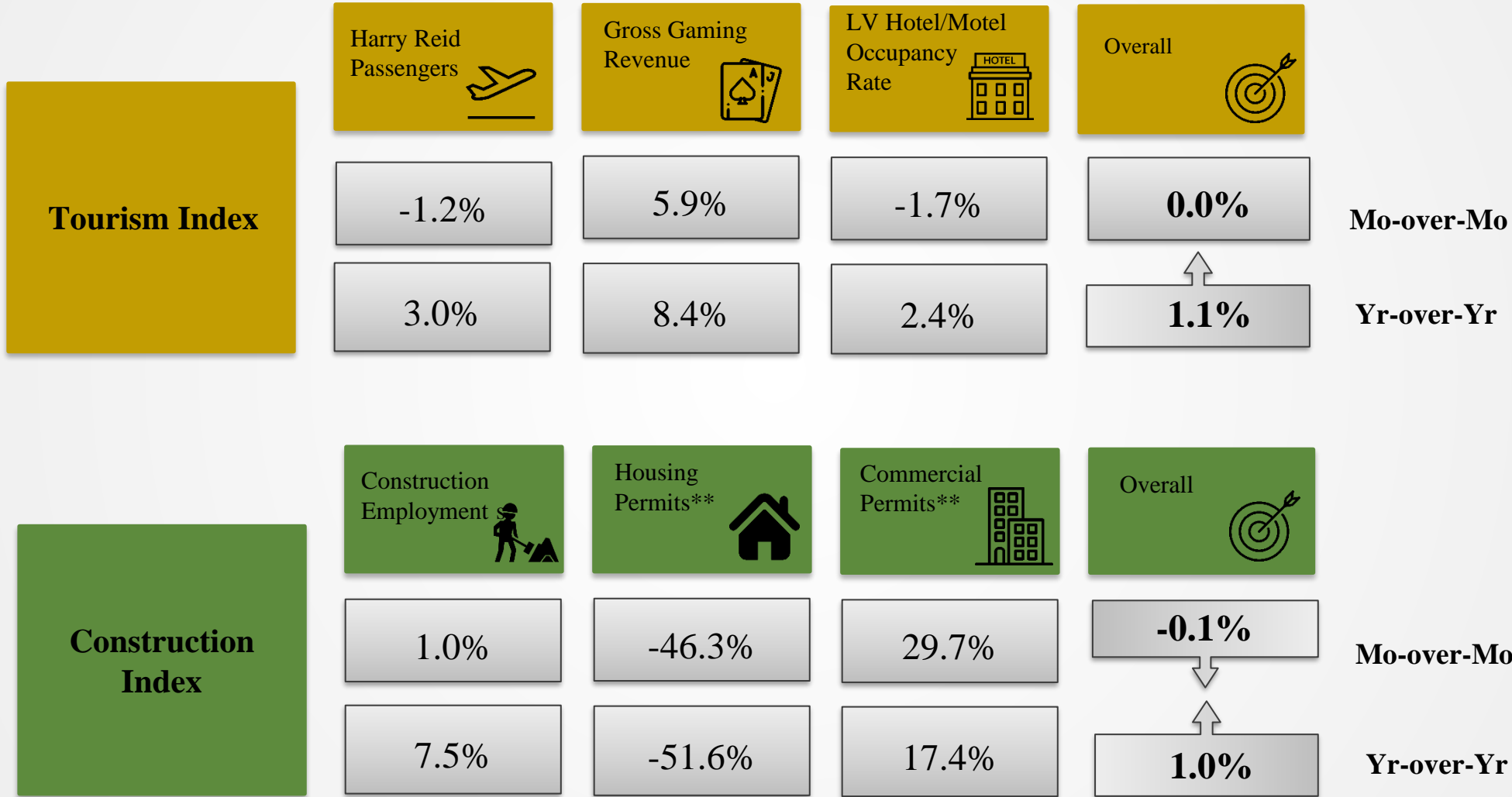


Date	Index	Month-over-Month	Year-over-Year
Jun-22	121.8	-0.9%	1.9%
Jul-22	120.7	-0.9%	0.9%
Aug-22	120.6	-0.1%	0.6%
Sep-22	119.7	-0.8%	0.3%
Oct-22	118.7	-0.8%	-1.4%
Nov-22	118.4	-0.2%	-2.1%
Dec-22	118.4	-0.1%	-3.2%
Jan-23	120.3	1.6%	-1.1%
Feb-23	120.0	-0.2%	-2.4%
Mar-23	120.2	0.2%	-3.6%
Apr-23	120.7	0.4%	-2.5%
May-23	119.8	-0.9%	-2.1%
Jun-23	117.7	-1.1%	-3.0%

The CBER Southern Nevada leading index declined by 1.1 percent month-over-month. Initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), housing permits, and the Harry Reid airline passengers fell by 16.2, 1.6, 46.3, and 1.2 percent, respectively, in June. Commercial permits and the S&P 500 rose by 29.7 and 3.4 percent, respectively, in June.

On a yearly basis, the CBER Southern Nevada leading index fell by 3.0 percent. Three components – initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), and housing permits – fell by 16.3, 6.5, and 51.6 percent, respectively, from June 2022. Meanwhile, commercial permits, Harry Reid airline passengers, and the S&P 500 grew by 17.4, 3.0, and 11.5 percent, respectively.

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



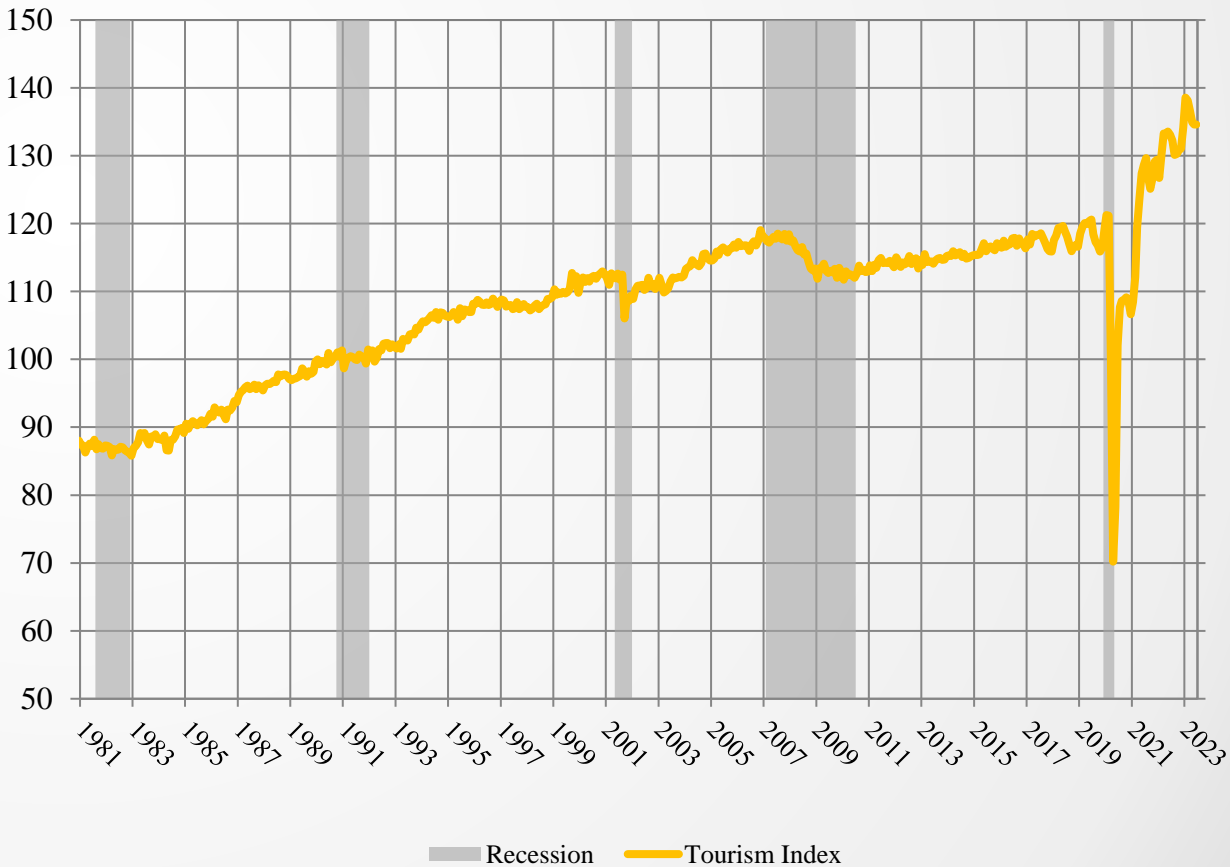
* Inverted ** Data are partly forecasted as Clark County Service's permit reports have not been available since December 2017.
Icons are made by 1) www.freepik.com 2) Payungkead and Retinaicons from www.flaticon.com

The CBER Southern Nevada tourism index remains the same month-over-month but increased year-over-year.

The CBER Southern Nevada tourism index did not improve with a 0.0 percent change month-over-month in June. Harry Reid airline passengers and the Las Vegas hotel/motel occupancy rate fell by 1.2 and 1.7 percent, respectively, from last month. Gross gaming revenue increased by 5.9 percent in June.

On an annual basis, the CBER Southern Nevada tourism index grew by 1.1 percent. All three components—Harry Reid airline passengers, the Las Vegas hotel/motel occupancy rate, and gross gaming revenue—rose by 3.0, 8.4, and 2.4 percent, respectively, from June 2022.

Series	Latest Value	Mo-over-Mo	Yr-over-Yr
Harry Reid Passengers (SA)	4,824,784	-1.2%	3.0%
Gross Gaming Revenue (SA)	1,187,228,411	5.9%	8.4%
LV Hotel/Motel Occupancy Rate (SA)	0.830	-1.7%	2.4%
Index and % Change	134.6	0.0%	1.1%

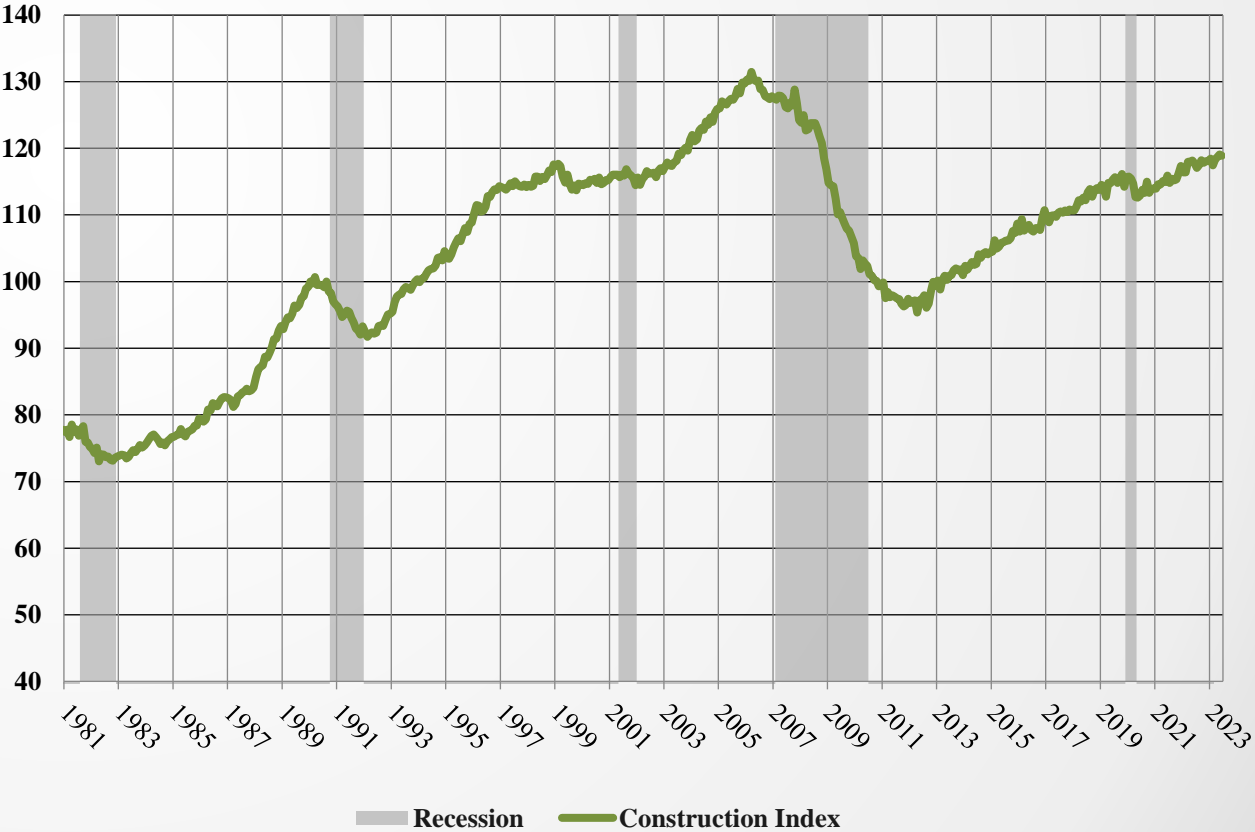


The CBER Southern Nevada construction index fell month-over-month and rose year-over-year.

The CBER Southern Nevada construction index fell slightly by 0.1 percent from last month. On a monthly basis, housing permits decreased by 46.3 percent, while construction employment and commercial permits rose by 1.0 and 29.7 percent, respectively.

The CBER Southern Nevada construction index increased by 1.0 percent year-over-year. Housing permits decreased by 51.6 percent from June 2022. Meanwhile, construction employment and commercial permits rose by 7.5 and 17.4 percent, respectively, from June 2022.

Series	Latest Period	Mo-over-Mo	Yr-over-Yr
Construction Employment (SA)	81,688	1.0%	7.5%
Housing Permits (SA)	889	-46.3%	-51.6%
Commercial Permits (SA)	39	29.7%	17.4%
Index and % Change	118.9	-0.1%	1.0%



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

Southern 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
- Harry Reid International Airport
- Las Vegas Convention and Visitors Authority
- Federal Reserve Bank of St. Louis
- CBER, UNLV

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.