



CBER Economic Indexes for Nevada and Southern Nevada

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CBER's Indexes of Nevada Economic Activity



Coincident Index Components

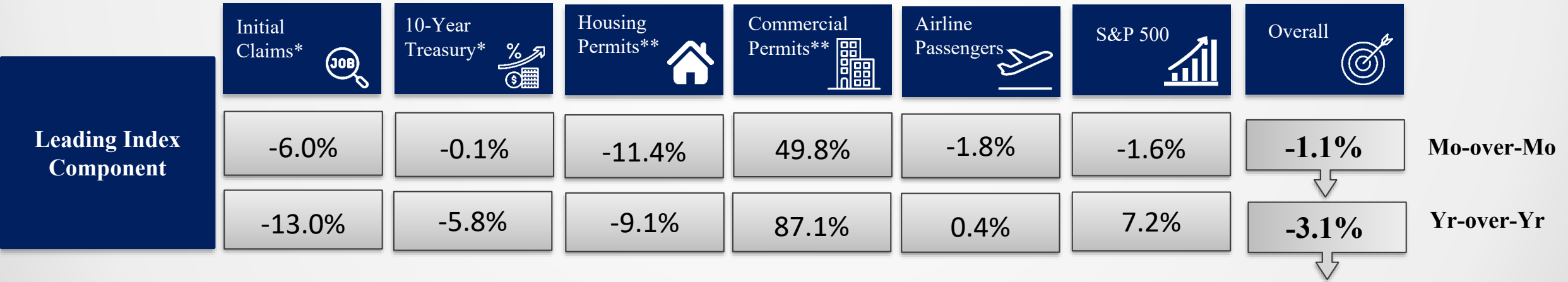
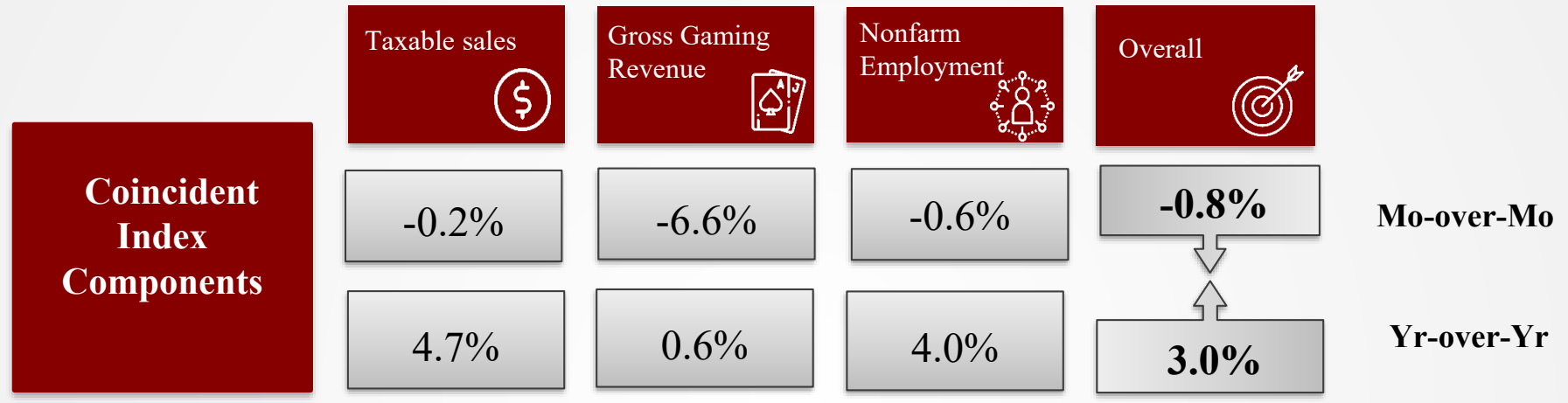
- Nevada Taxable Sales
- Nevada Gross Gaming Revenue
- Nevada Nonfarm Employment

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 August 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

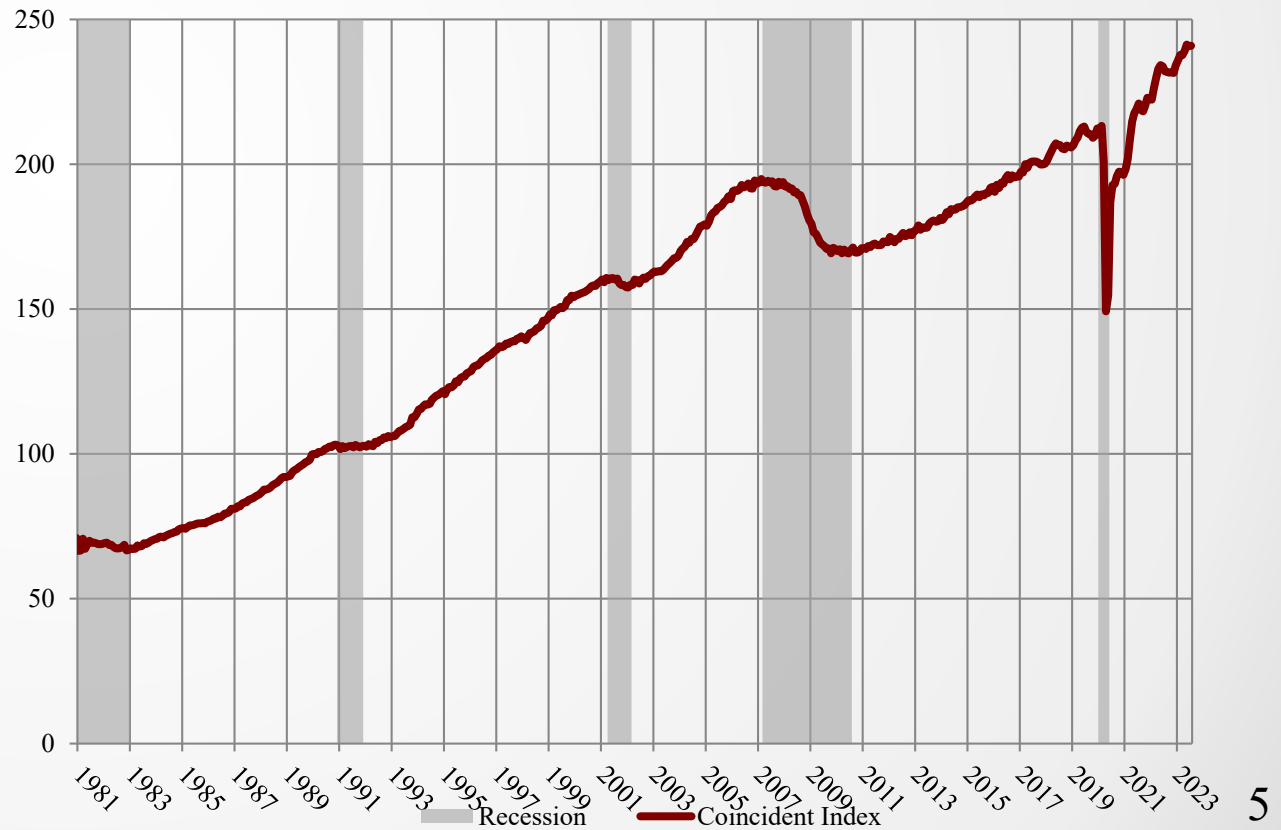
Nevada Coincident Index in August 2023

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

The CBER Nevada coincident index fell month-over-month by 0.8 percent in August. Since last month, taxable sales, gross gaming revenue and nonfarm employment fell by 0.2, 6.6, and 0.6 percent, respectively. This marks the second consecutive month-over-month decline since March 2023, indicating ongoing challenges for the coincident index in August.

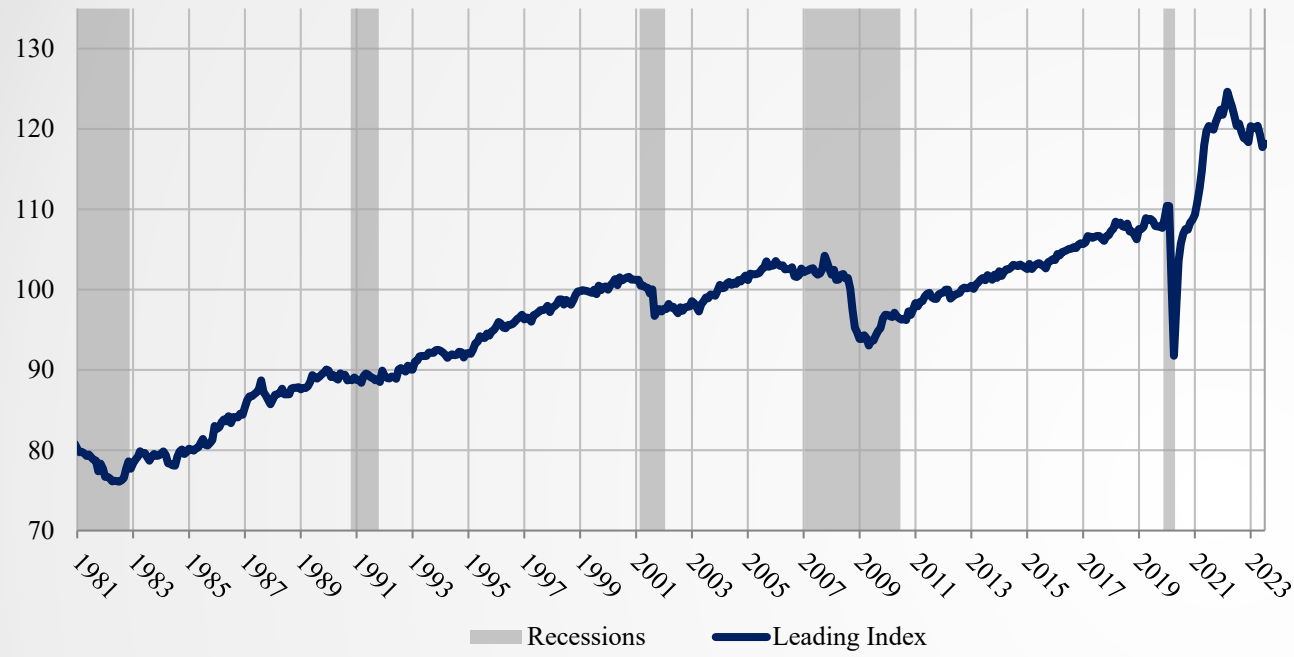
On a year-over-year basis, the CBER Nevada coincident index increased by 3.0 percent. This gain was led by the growth in taxable sales, gross gaming revenue, and nonfarm employment of 4.7, 0.6 and 4.0 percent, respectively, from August 2022.

| Series | Latest Period | Month-Over-Month | Year-Over-Year |
|---------------------------|---------------|------------------|----------------|
| Taxable Sales (SA) | 7,505,725,223 | -0.2% | 4.7% |
| Gross Gaming Revenue (SA) | 1,209,856,822 | -6.6% | 0.6% |
| Nonfarm Employment (SA) | 1,559,365 | -0.6% | 4.0% |
| Index and % Change | 238.9 | -0.8% | 3.0% |



Nevada Leading Index in August 2023

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



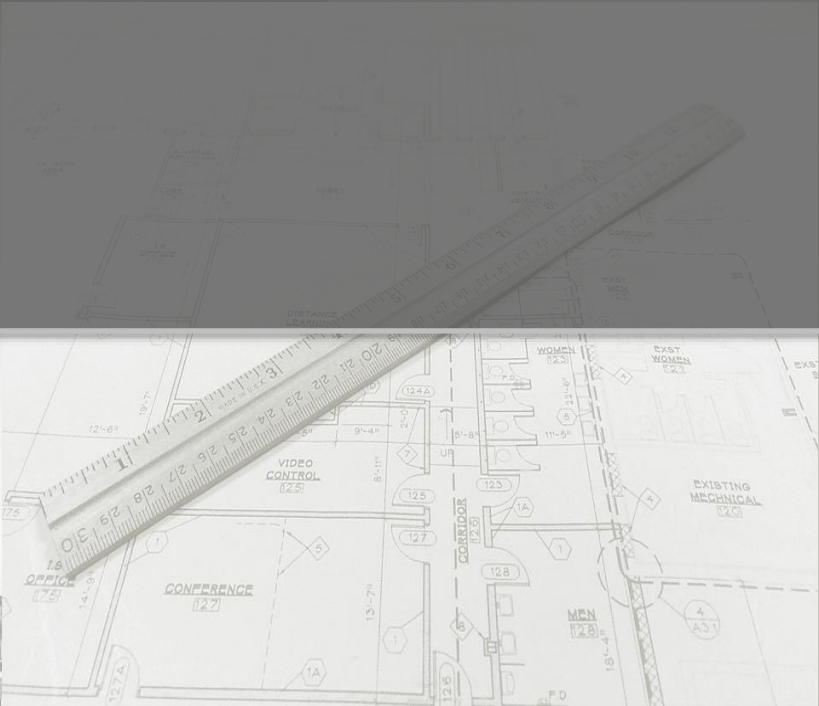
| Date | Index | Month-over-Month | Year-over-Year |
|---------------|--------------|------------------|----------------|
| Aug-22 | 120.7 | 0.2% | 0.5% |
| Sep-22 | 119.6 | -0.9% | -0.2% |
| Oct-22 | 118.9 | -0.6% | -1.6% |
| Nov-22 | 118.7 | -0.2% | -2.4% |
| Dec-22 | 118.4 | -0.3% | -3.3% |
| Jan-23 | 120.4 | 1.7% | -1.2% |
| Feb-23 | 120.2 | -0.1% | -2.3% |
| Mar-23 | 120.1 | -0.1% | -3.6% |
| Apr-23 | 120.4 | 0.2% | -2.6% |
| May-23 | 119.3 | -0.9% | -2.9% |
| Jun-23 | 117.7 | -1.3% | -3.2% |
| Jul-23 | 118.2 | 0.4% | -1.8% |
| Aug-23 | 116.9 | -1.1% | -3.1% |

The CBER Nevada leading index decreased in August on a monthly basis by 1.1 percent. Nevada airline passengers, housing permits, the ten-year real Treasury yield (inverted), initial claims for unemployment insurance (inverted), and the S&P 500 fell by 1.8, 11.4, 0.1, 6.0, and 1.6 percent, respectively, from the preceding month. Commercial permits rose by 49.8 percent from the preceding month.

On a year-over-year basis, housing permits, the ten-year real Treasury yield (inverted), and initial claims for unemployment insurance (inverted) fell by 9.1, 5.8, and 13.0 percent, respectively. On the positive side, commercial permits, Nevada passengers, and the S&P 500 rose by 87.1, 0.4, and 7.2 percent, respectively, from the previous year.



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

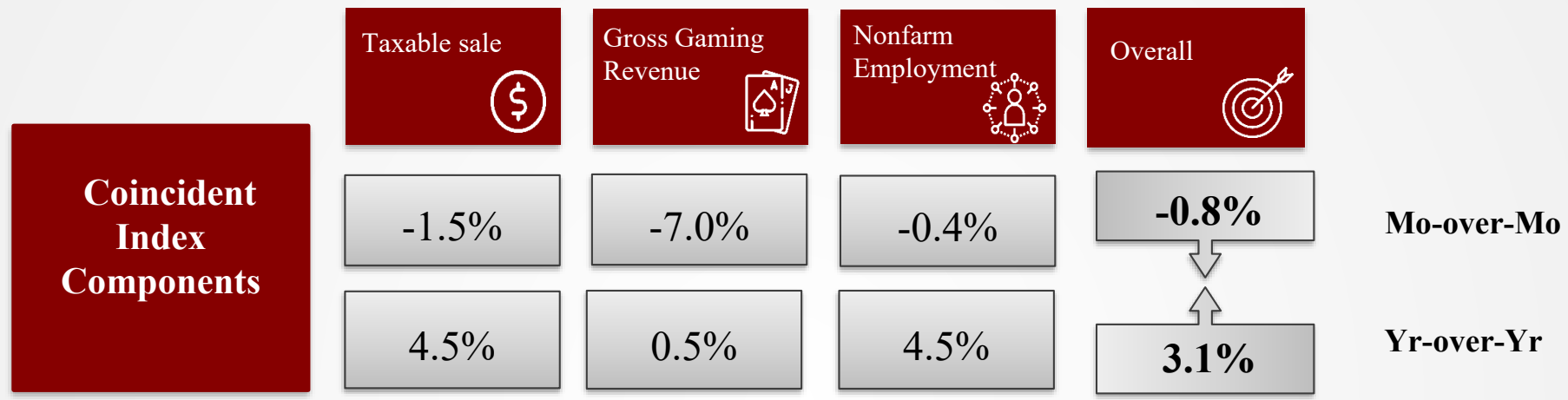
Tourism Index

- 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 August 2023



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

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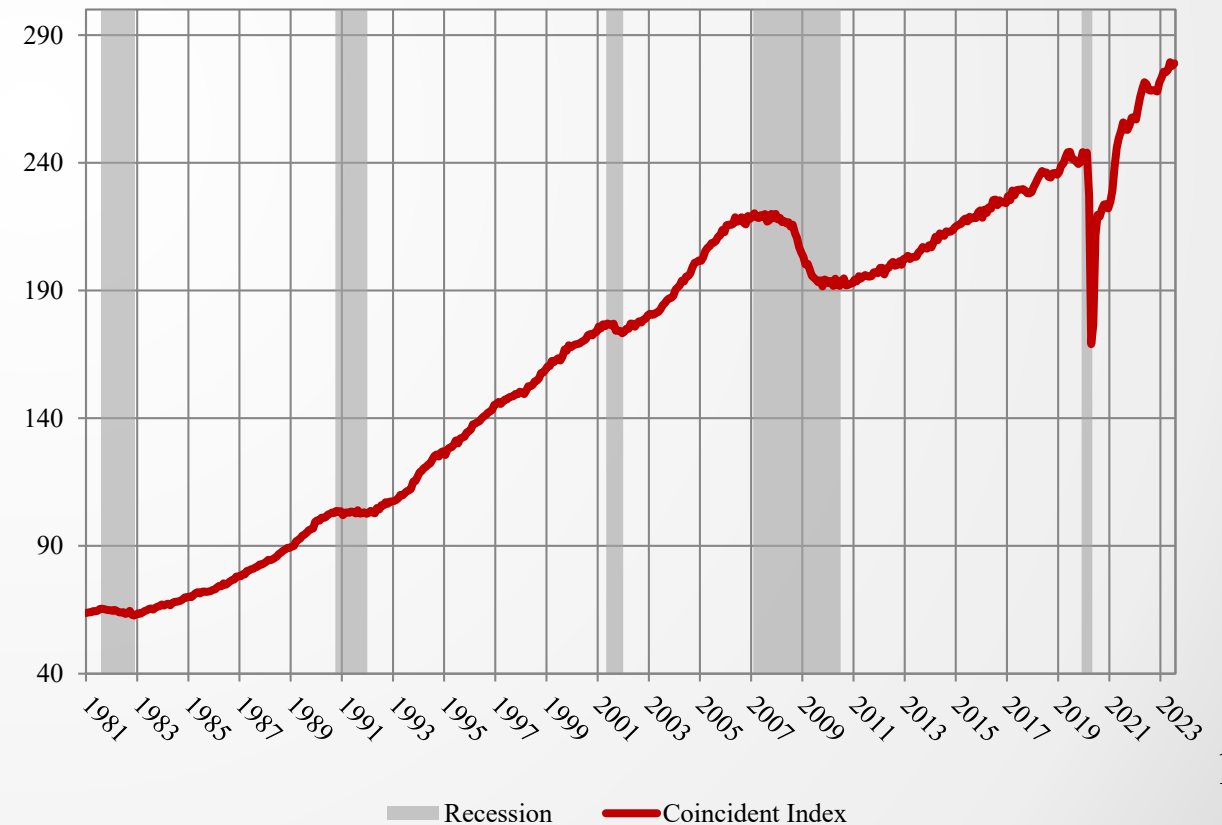
Southern Nevada Coincident Index in August 2023

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

The CBER Southern Nevada coincident index experienced a decline of 0.8 percent month-over-month in August. Taxable sales, gross gaming revenue and nonfarm employment all fell by 1.5, 7.0, and 0.4 percent month-over-month, respectively. August has brought about a further downturn in the Southern Nevada Coincident Index since March 2023.

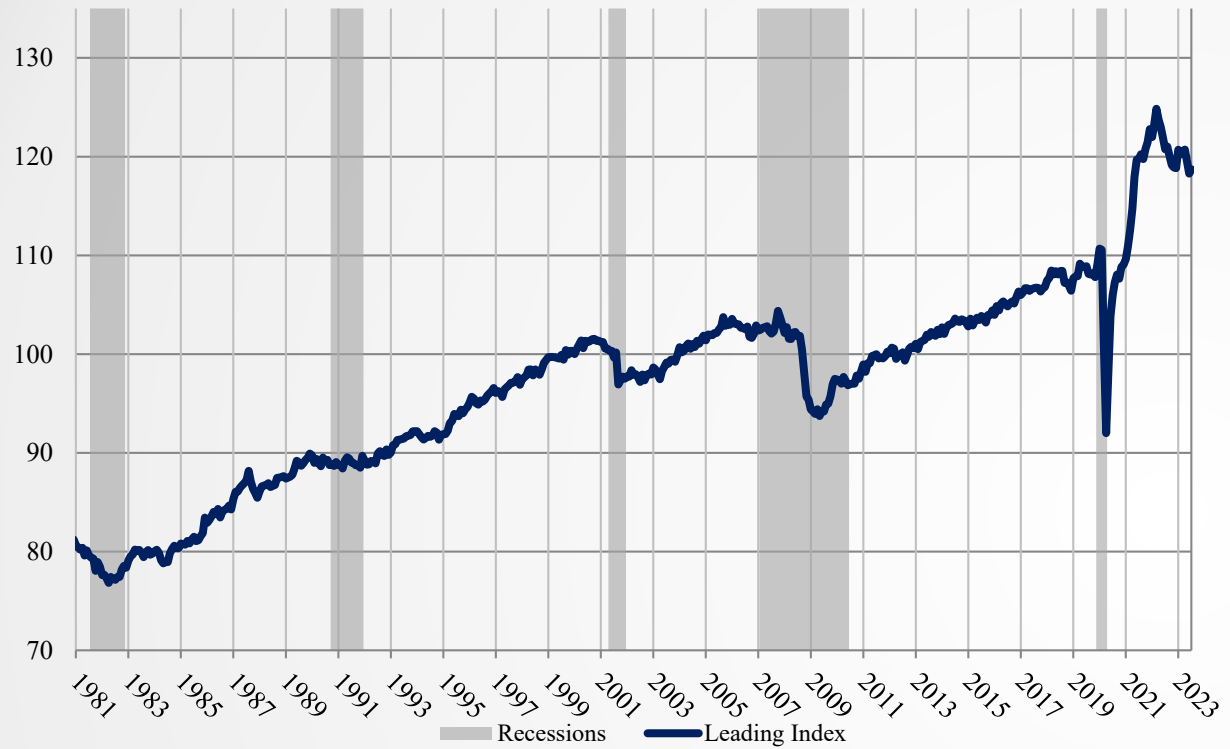
The CBER Southern Nevada coincident index posted a year-over-year gain of 3.1 percent. The growth reflected increases in all components: taxable sales, gross gaming revenue, and nonfarm employment rose by 4.5, 0.5, 4.5 percent, respectively. The recovery from the pandemic recession continues to occur with a series of pauses interrupting positive growth.

| Series | Latest Value | Mo-over-Mo | Yr-over-Yr |
|---------------------------|---------------|--------------|-------------|
| Taxable Sales (SA) | 5,483,519,497 | -1.5% | 4.5% |
| Gross Gaming Revenue (SA) | 1,045,025,118 | -7.0% | 0.5% |
| Nonfarm Employment (SA) | 1,137,533 | -0.4% | 4.5% |
| Index and % Change | 276.6 | -0.8% | 3.1% |



Southern Nevada Leading Index in August 2023

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

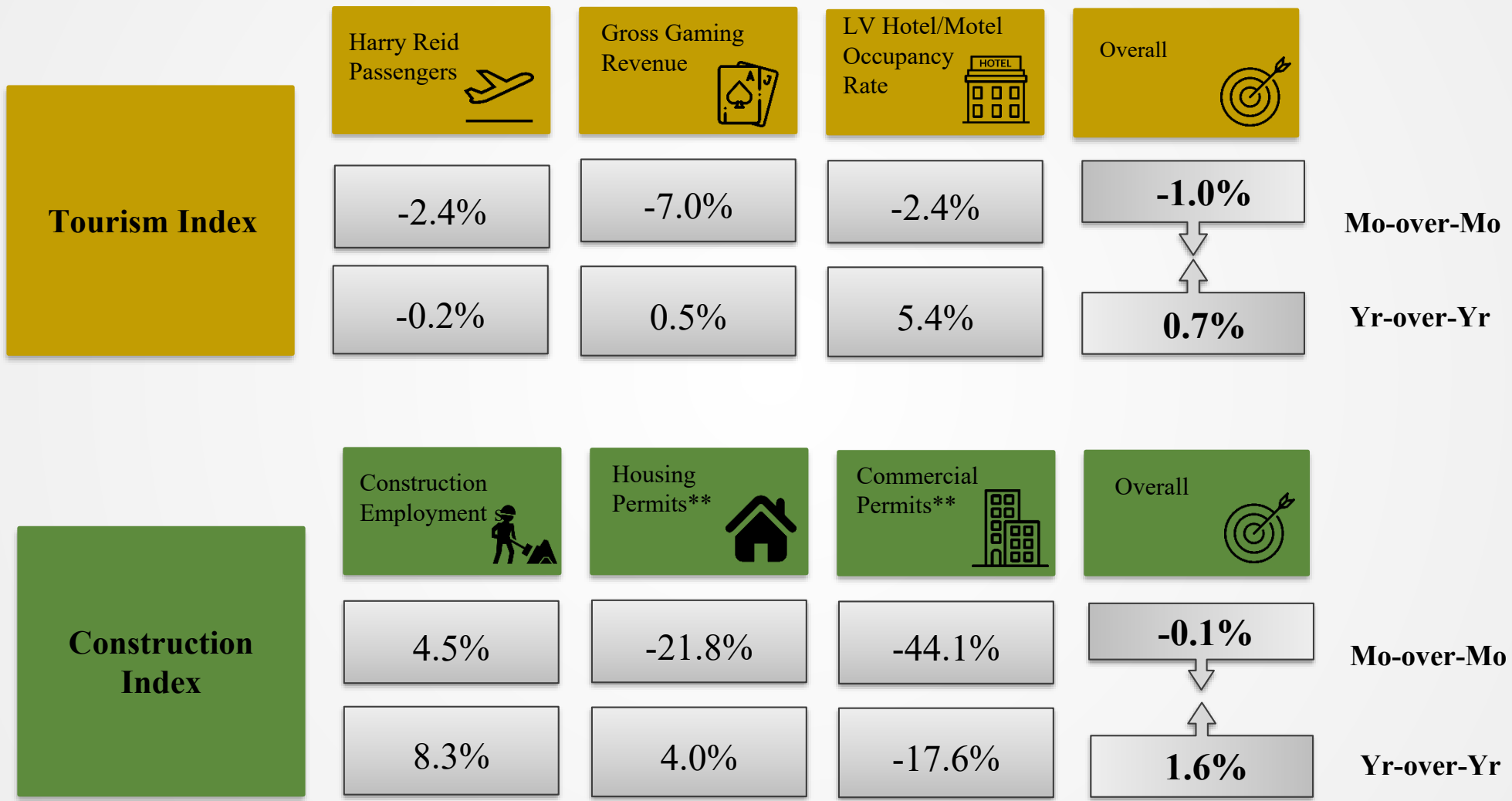


| Date | Index | Month-over-Month | Year-over-Year |
|--------|-------|------------------|----------------|
| Aug-22 | 121.0 | 0.2% | 0.6% |
| Sep-22 | 120.1 | -0.8% | 0.3% |
| Oct-22 | 119.2 | -0.8% | -1.4% |
| Nov-22 | 118.9 | -0.2% | -2.1% |
| Dec-22 | 118.8 | -0.1% | -3.2% |
| Jan-23 | 120.7 | 1.6% | -1.0% |
| Feb-23 | 120.2 | -0.4% | -2.4% |
| Mar-23 | 120.4 | 0.2% | -3.5% |
| Apr-23 | 120.7 | 0.2% | -2.4% |
| May-23 | 119.5 | -1.0% | -2.8% |
| Jun-23 | 118.3 | -1.0% | -3.0% |
| Jul-23 | 118.7 | 0.4% | -1.7% |
| Aug-23 | 117.6 | -0.9% | -2.8% |

The CBER Southern Nevada leading index decreased by 0.9 percent month-over-month. In August, initial claims for unemployment insurance (inverted) and the Harry Reid airline passengers fell by 6.0 and 2.4 percent, respectively. The ten-year bond yield (inverted) experienced a marginal decrease of 0.1 percent. Housing permits recorded a significant month-over-month decrease of 21.8 percent, while commercial permits and the S&P 500 exhibited a substantial decline of 44.1 and 1.6 percent, respectively.

On a yearly basis, the CBER Southern Nevada leading index fell by 2.8 percent. Two components – housing permits and the S&P 500 rose by 4.0 and 7.2 percent, respectively, from August 2022. Meanwhile, initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), commercial permits, and Harry Reid airline passengers fell by 13.0, 5.8, 17.6, 0.2 percent, respectively.

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



* Inverted ** Data are partly forecasted as Clark County Service's permit reports have not been available since December 2017.
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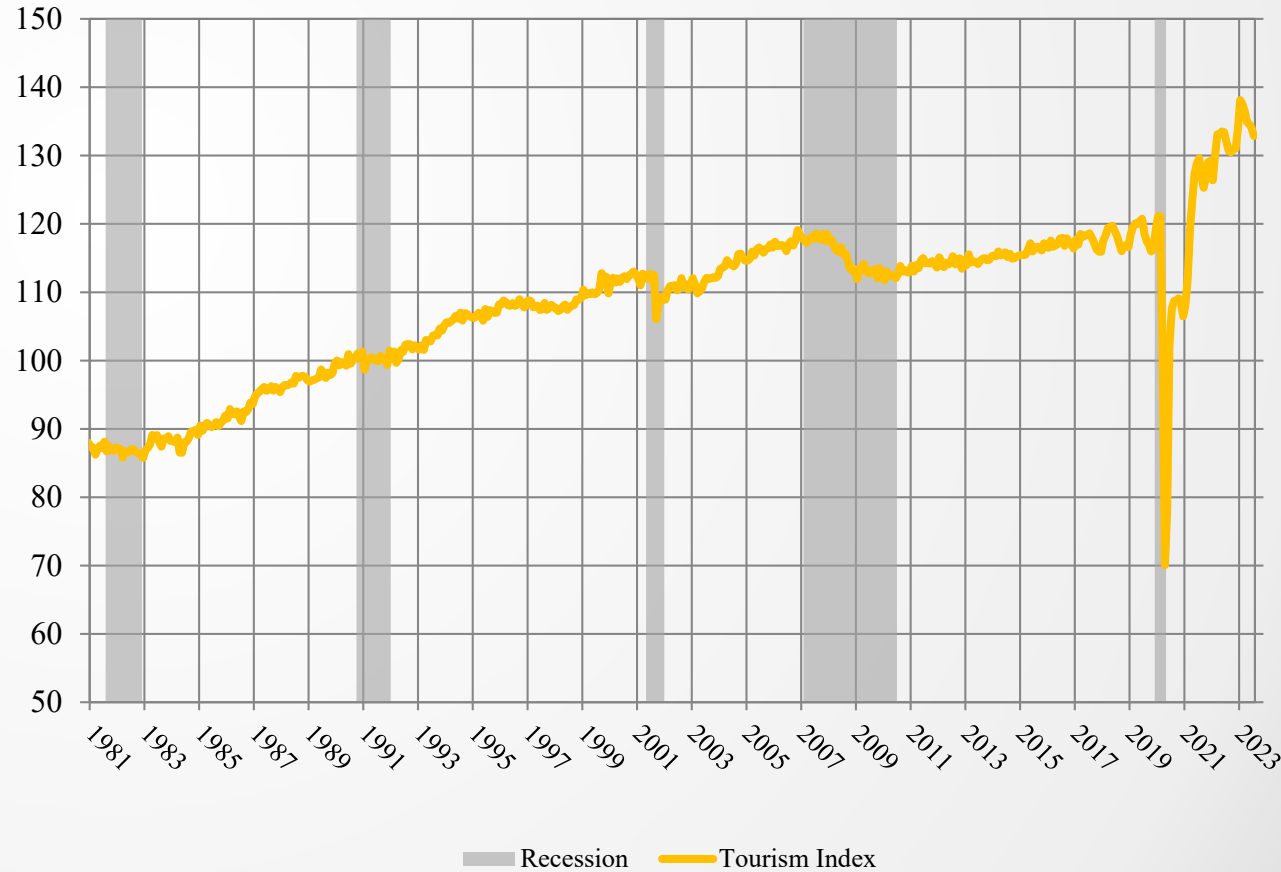
Southern Nevada Tourism Index in August 2023

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

The CBER Southern Nevada tourism index fell 1.0 percent month-over-month in August. Harry Reid airline passengers, gross gaming revenue, and the Las Vegas hotel/motel occupancy rate fell by 2.4, 7.0, 2.4 percent , respectively, from last month.

On an annual basis, the CBER Southern Nevada tourism index increased by 0.7 percent. The two components – gross gaming revenue and the Las Vegas hotel/motel occupancy rate rose by 0.5 and 5.4 percent, respectively, from August 2022. Harry Reid airline passengers, however, fell by 0.2 percent.

| Series | Latest Value | Mo-over-Mo | Yr-over-Yr |
|------------------------------------|---------------|--------------|-------------|
| Harry Reid Passengers (SA) | 4,487,169 | -2.4% | -0.2% |
| Gross Gaming Revenue (SA) | 1,045,025,118 | -7.0% | 0.5% |
| LV Hotel/Motel Occupancy Rate (SA) | 0.781 | -2.4% | 5.4% |
| Index and % Change | 131.6 | -1.0% | 0.7% |



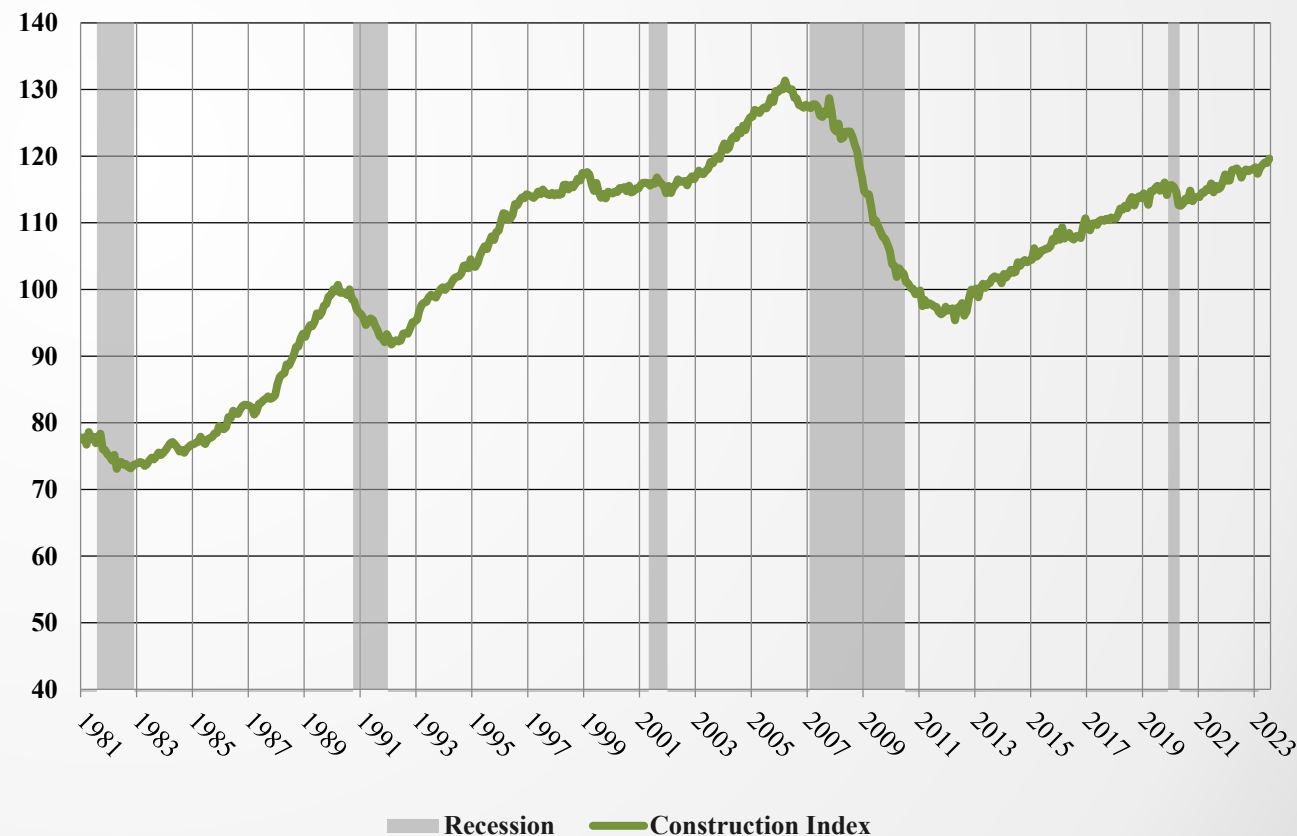
Southern Nevada Construction Index in August 2023

The CBER Southern Nevada construction index decreased 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, construction employment increased by 4.5 percent, while housing permits and commercial permits fell by 21.8 and 44.1 percent, respectively.

The CBER Southern Nevada construction index increased by 1.6 percent year-over-year. Two components— construction employment and housing permits rose by 8.3 and 4.0. Commercial permits, however, decreased by 17.6 percent from August 2022.

| Series | Latest Period | Mo-over-Mo | Yr-over-Yr |
|------------------------------|---------------|--------------|-------------|
| Construction Employment (SA) | 84,442 | 4.5% | 8.3% |
| Housing Permits (SA) | 986 | -21.8% | 4.0% |
| Commercial Permits (SA) | 32 | -44.1% | -17.6% |
| Index and % Change | 119.5 | -0.1% | 1.6% |



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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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.