

An aerial photograph of Las Vegas, Nevada, showing the city's skyline and dense urban development. A large, thick red arrow graphic is superimposed on the left side of the image, pointing towards the right. The arrow has a slight 3D effect with a shadow.

# **CBER Economic Indexes for Nevada and Southern Nevada**

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Center for Business and Economic Research, UNLV



## CBER's Indexes of Nevada Economic Activity





### Coincident Index Components

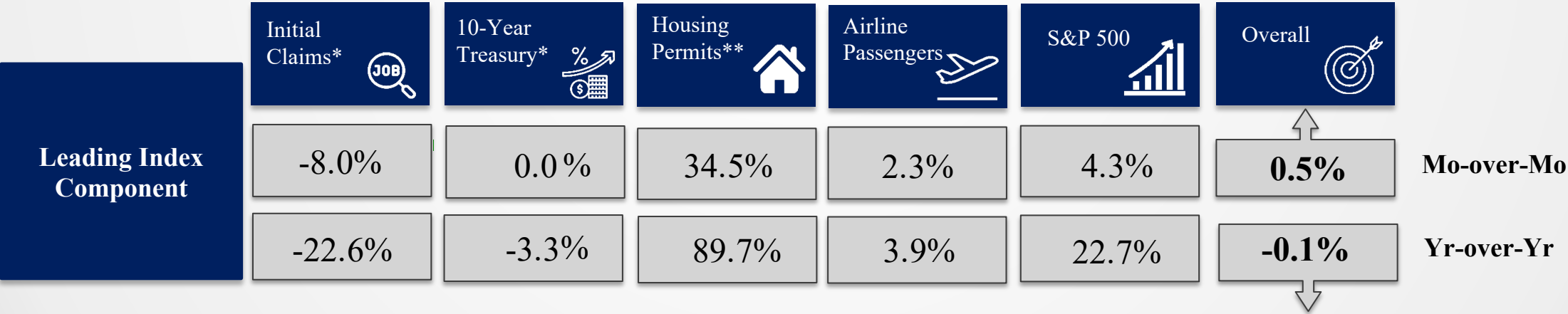
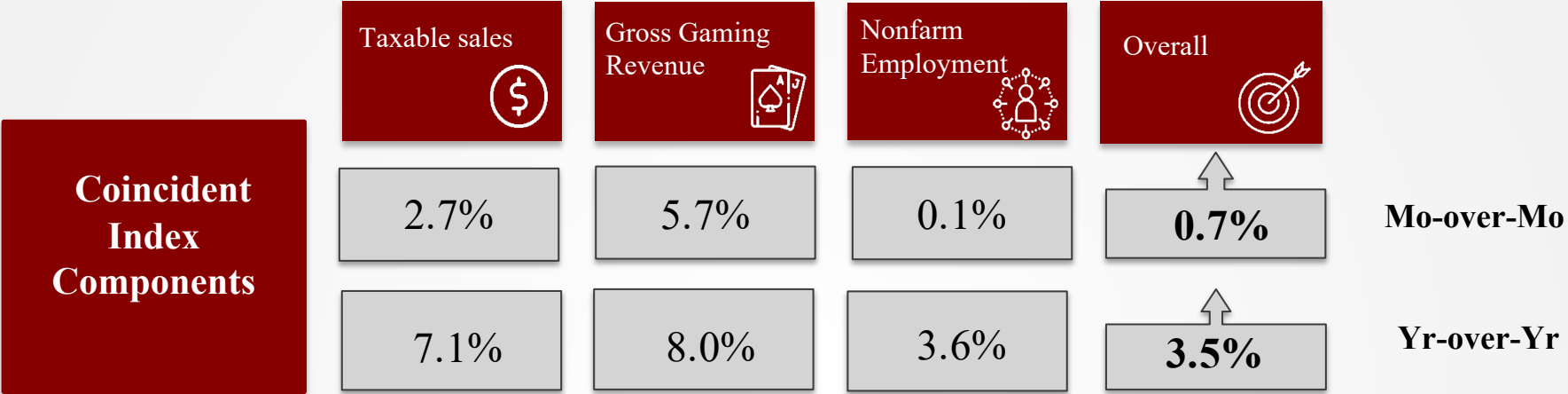
- Nevada Taxable Sales
- Nevada Gross Gaming Revenue
- Nevada Nonfarm Employment

### 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 February 2024



\* 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](http://www.freepik.com) 2) phatplus, mynamepong, and Payungkeas from [www.flaticon.com](http://www.flaticon.com)



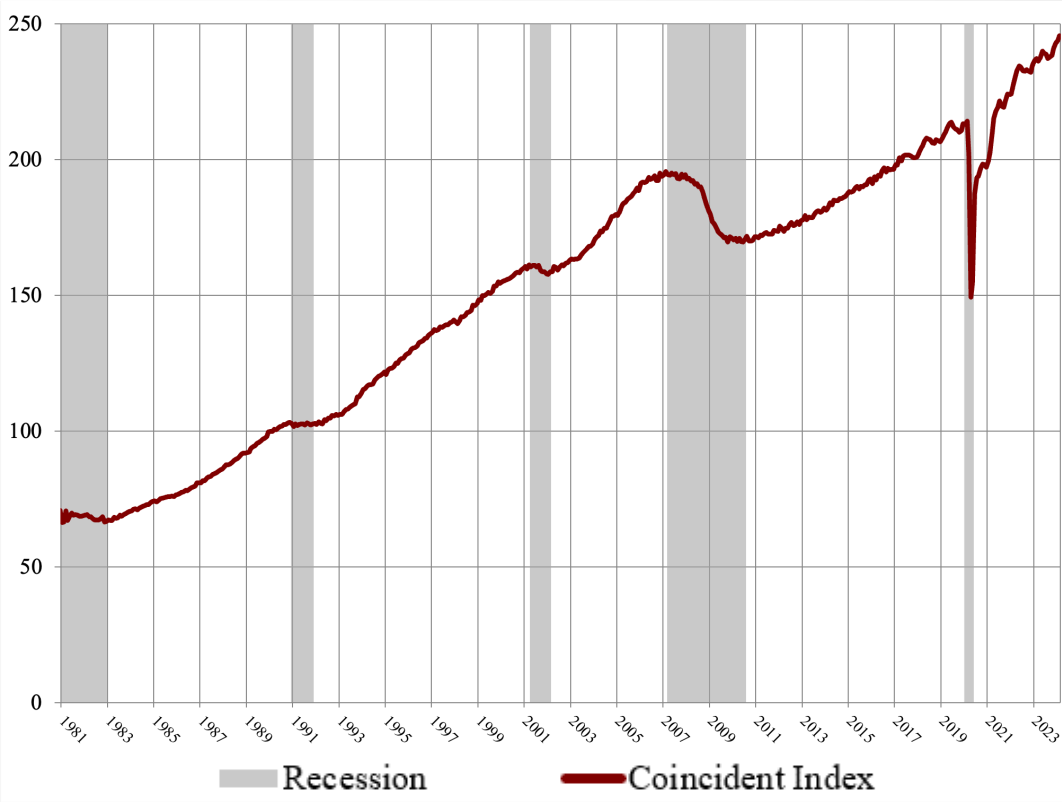
# Nevada Coincident Index in February 2024

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

The CBER Nevada coincident index increased by 0.7 percent month-over-month in February. Since last month, taxable sales, gross gaming revenue, and nonfarm employment all rose by 2.7, 5.7, and 0.1 percent, respectively.

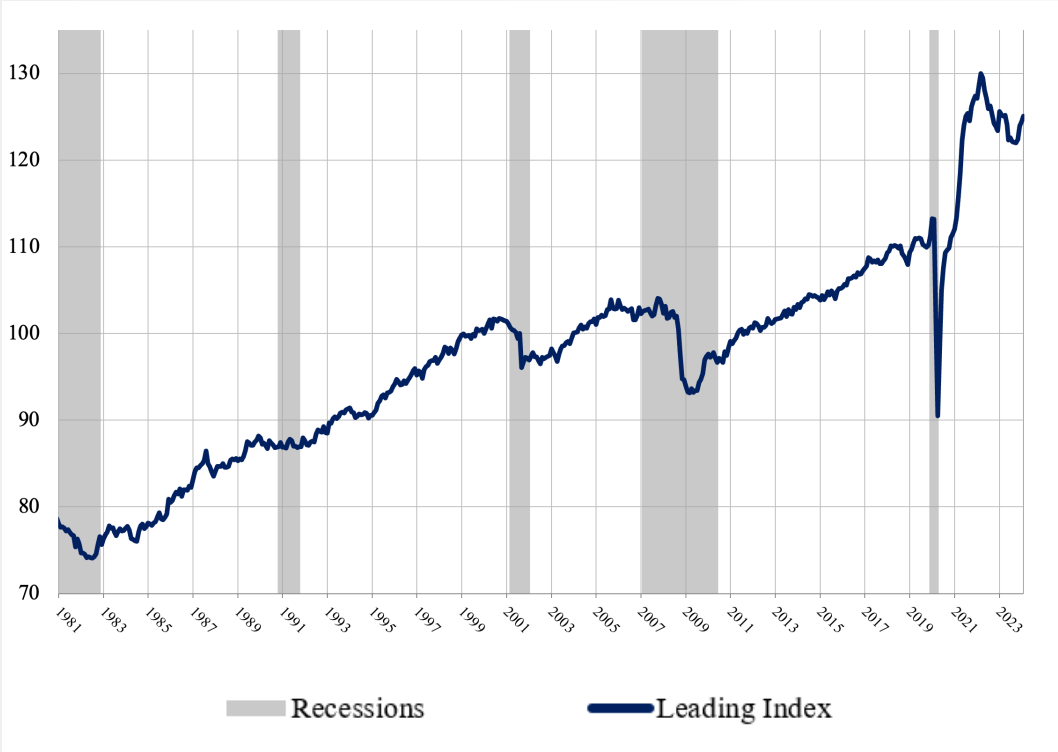
On a year-over-year basis, the CBER Nevada coincident index increased by 3.5 percent. This gain was led by the growth in taxable sales, gross gaming revenue, and nonfarm employment of 7.1, 8.0, and 3.6 percent, respectively, from February 2023. Visually, the coincident index appears to have reestablished its growth path prior to the pandemic recession, but still below the path prior to the Great Recession.

Series	Latest Period	Month-Over-Month	Year-Over-Year
Taxable Sales (SA)	7,922,156,864	2.7%	7.1%
Gross Gaming Revenue (SA)	1,462,150,509	5.7%	8.0%
Nonfarm Employment (SA)	1,573,646	0.1%	3.6%
Index and % Change	245.5	0.7%	3.5%



# Nevada Leading Index in February 2024

*The CBER Nevada leading index rose month-over-month but declined year-over-year.*



Date	Index	Month-over-Month	Year-over-Year
Feb-23	125.2	-0.3%	-2.7%
Mar-23	125.1	-0.1%	-3.8%
Apr-23	125.2	0.1%	-3.3%
May-23	124.1	-0.9%	-3.1%
Jun-23	122.3	-1.4%	-3.8%
Jul-23	122.6	0.2%	-2.6%
Aug-23	122.2	-0.3%	-3.2%
Sep-23	122.0	-0.1%	-2.6%
Oct-23	122.0	0.0%	-1.8%
Nov-23	122.4	0.3%	-1.3%
Dec-23	123.9	1.3%	0.4%
Jan-24	124.4	0.4%	-0.9%
Feb-24	125.1	0.5%	-0.1%

The CBER Nevada leading index increased in February on a monthly basis by 0.5 percent. Housing permits, Nevada airline passengers, and the S&P 500 rose by 34.5, 2.3, and 4.3 percent, respectively, from the preceding month. Initial claims for unemployment insurance (inverted) fell by 8.0 percent from January 2024. Meanwhile the ten-year Treasury yield (inverted) remained unchanged from last month.

On a year-over-year basis, the CBER Nevada leading index fell by 0.1 percent from February 2023. On the positive side, housing permits, Nevada airline passengers, and the S&P 500 rose by 89.7, 3.9, and 22.7 percent, respectively. On the negative side, initial claims for unemployment insurance (inverted) and the ten-year real Treasury yield (inverted) fell by 22.6 and 3.3 percent, respectively, from the previous year. Although the leading index has fallen from its peak in March 2022, no signs of a recession exist in the coincident index. Moreover, the leading index has risen the last five months.





## 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 October 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

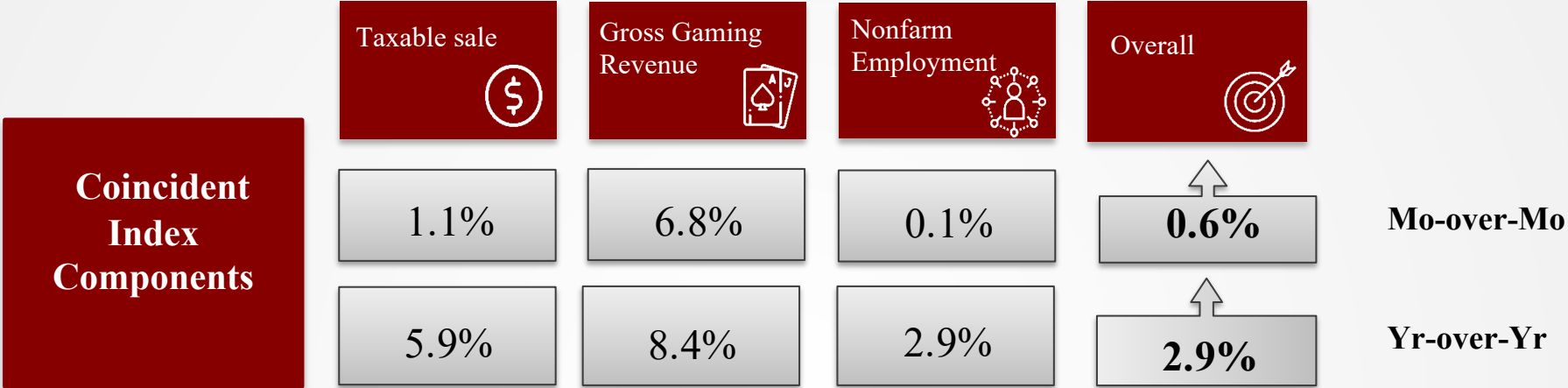
- Harry Reid Passengers
- CC Gross Gaming Revenue
- LV Hotel/Motel Occupancy Rate

### Construction Index

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



# Summary of CBER’s Southern Nevada Coincident and Leading Indexes in February 2024



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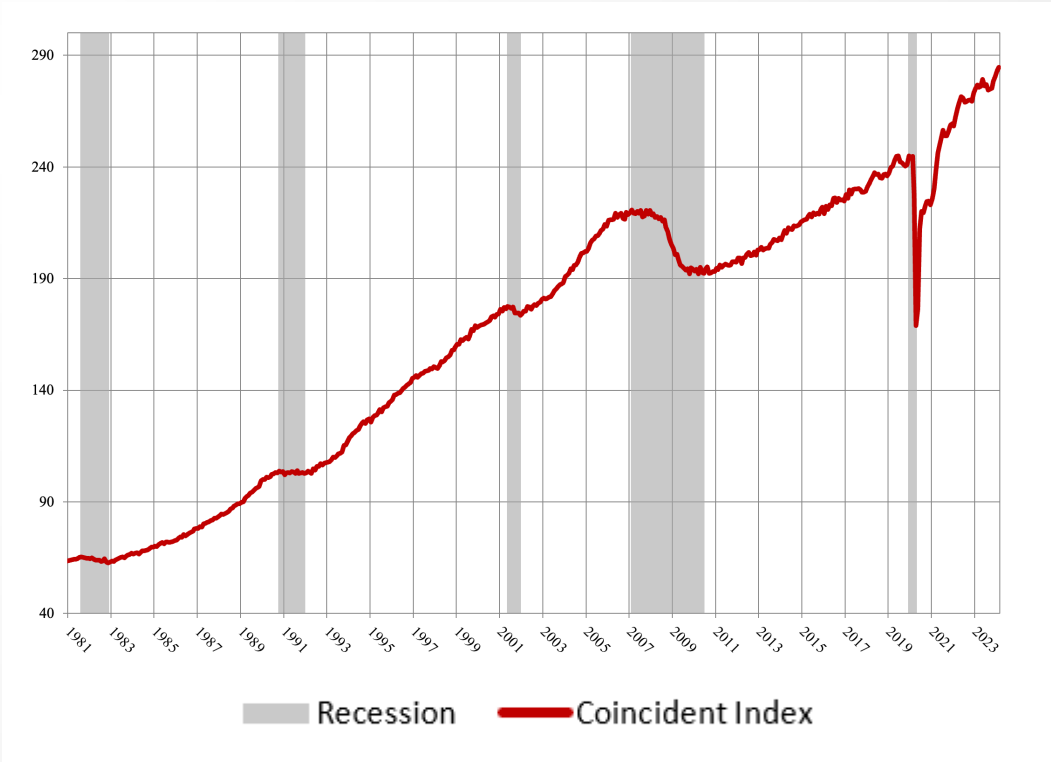
# Southern Nevada Coincident Index in February 2024

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

The CBER Southern Nevada coincident index rose by 0.6 percent month-over-month in February. Taxable sales, gross gaming revenue, and nonfarm employment rose by 1.1, 6.8, and 0.1 percent month-over-month, respectively, from January 2024. Southern Nevada has started to experience growth since October 2023, after pausing in 2023.

The CBER Southern Nevada coincident index posted a year-over-year gain of 2.9 percent. The annual growth was driven by positive increases in all three components. Taxable sales, gross gaming revenue, and nonfarm employment rose by 5.9, 8.4, and 2.9 percent, respectively, year-over-year.

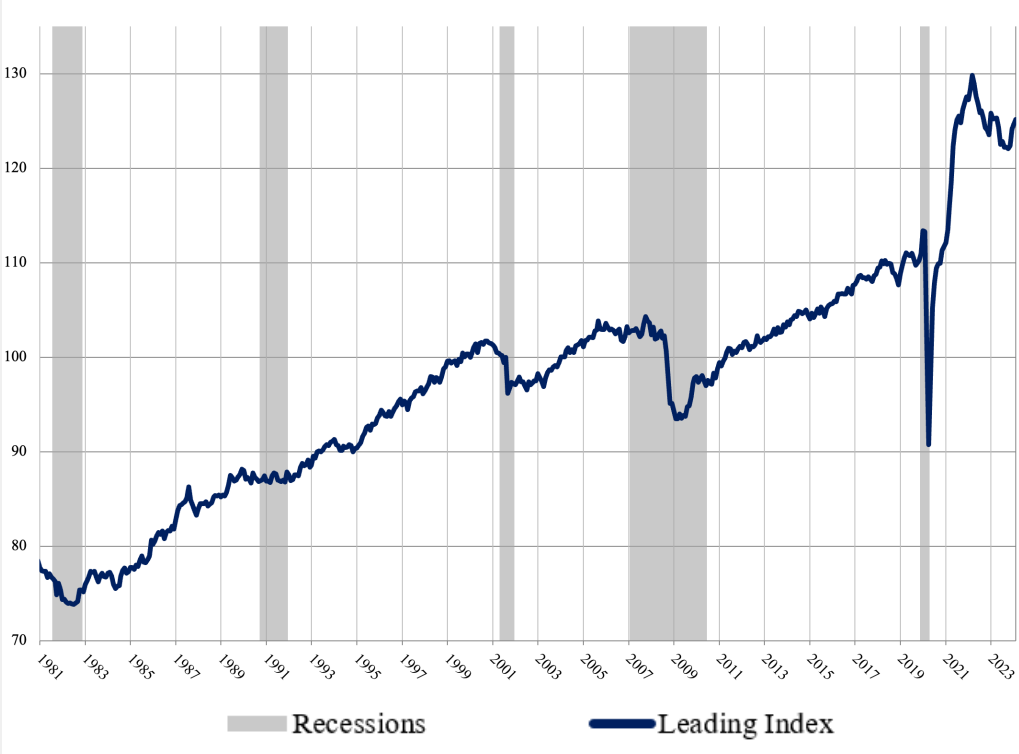
Series	Latest Value	Mo-over-Mo	Yr-over-Yr
Taxable Sales (SA)	5,826,766,932	1.1%	5.9%
Gross Gaming Revenue (SA)	1,285,131,540	6.8%	8.4%
Nonfarm Employment (SA)	1,147,949	0.1%	2.9%
Index and % Change	284.6	0.6%	2.9%





# Southern Nevada Leading Index in February 2024

*The CBER Southern Nevada leading index rose month-over-month and remained unchanged year-over-year.*

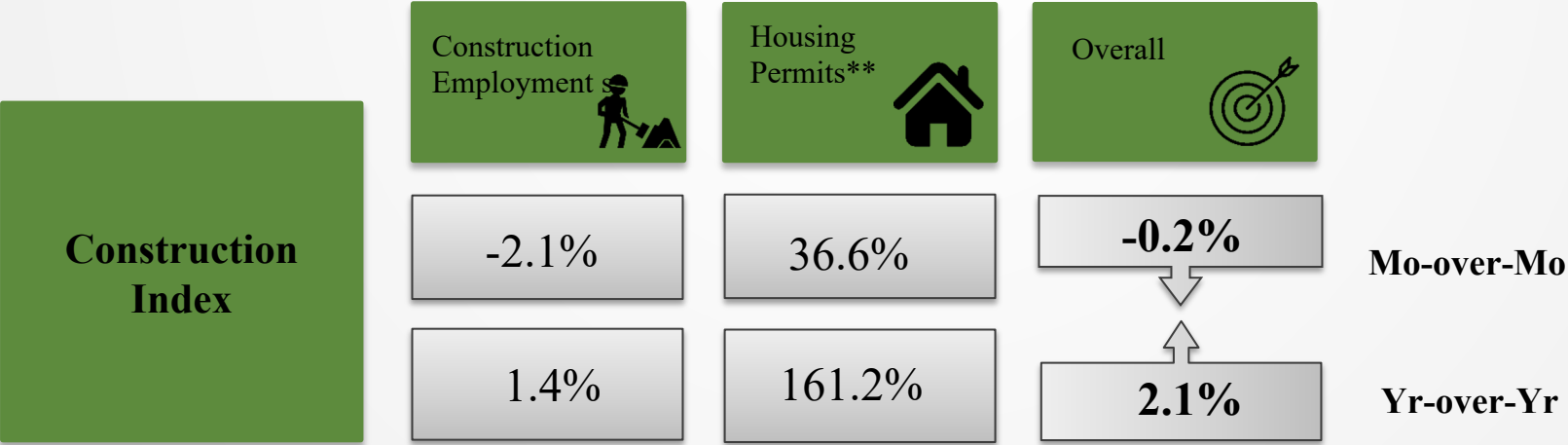
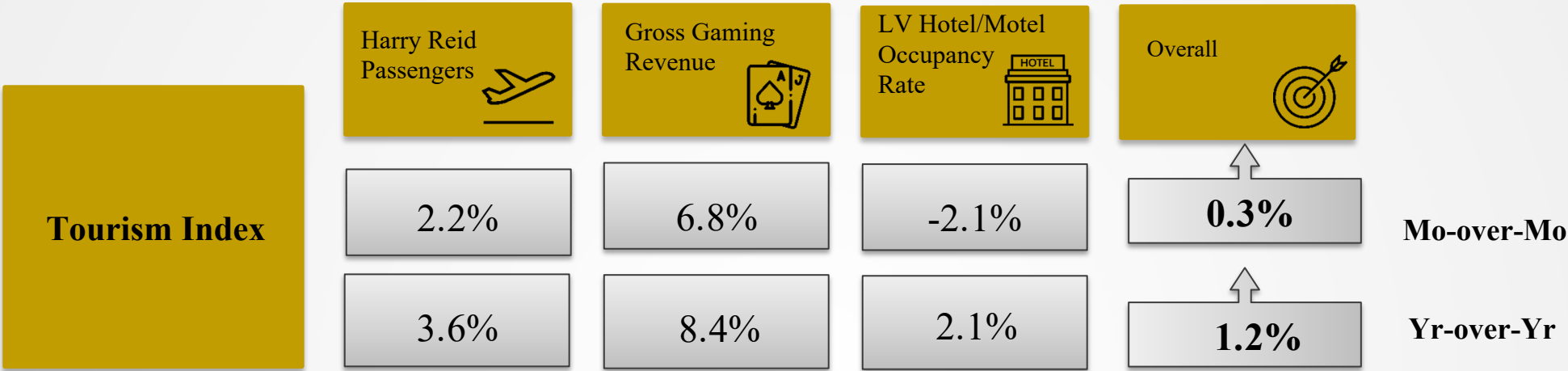


Date	Index	Month-over-Month	Year-over-Year
Feb-23	125.2	-0.5%	-2.5%
Mar-23	125.3	0.1%	-3.5%
Apr-23	125.3	0.0%	-2.8%
May-23	124.3	-0.8%	-2.6%
Jun-23	122.5	-1.4%	-3.4%
Jul-23	122.8	0.3%	-2.4%
Aug-23	122.2	-0.5%	-3.1%
Sep-23	122.2	0.0%	-2.5%
Oct-23	122.1	-0.1%	-1.8%
Nov-23	122.4	0.3%	-1.3%
Dec-23	124.2	1.4%	0.5%
Jan-24	124.6	0.3%	-1.0%
Feb-24	125.2	0.5%	0.0%

The CBER Southern Nevada leading index rose month-over-month by 0.5 percent in February. Housing permits, Harry Reid airline passengers, and the S&P 500 rose by 36.6, 2.2, and 4.3 percent, respectively. Initial claims for unemployment insurance (inverted) had a month-over-month decrease of 8.0 percent, while the ten-year Treasury yield (inverted) remained unchanged from January.

On a year-over-year basis, the CBER Southern Nevada leading index did not change. Two components – initial claims for unemployment insurance (inverted) and the ten-year real Treasury yield (inverted) – fell by 22.6 and 3.3 percent, respectively, from February 2023. Meanwhile housing permits, Harry Reid airline passengers, and the S&P 500 all rose by 161.2, 3.6, and 22.7 percent, respectively. Although the leading index has fallen from its peak in March 2022, no signs of a recession exist in the coincident index and the leading index has risen the last four months.

# Summary of CBER’s Southern Nevada Tourism and Construction Indexes in February 2024



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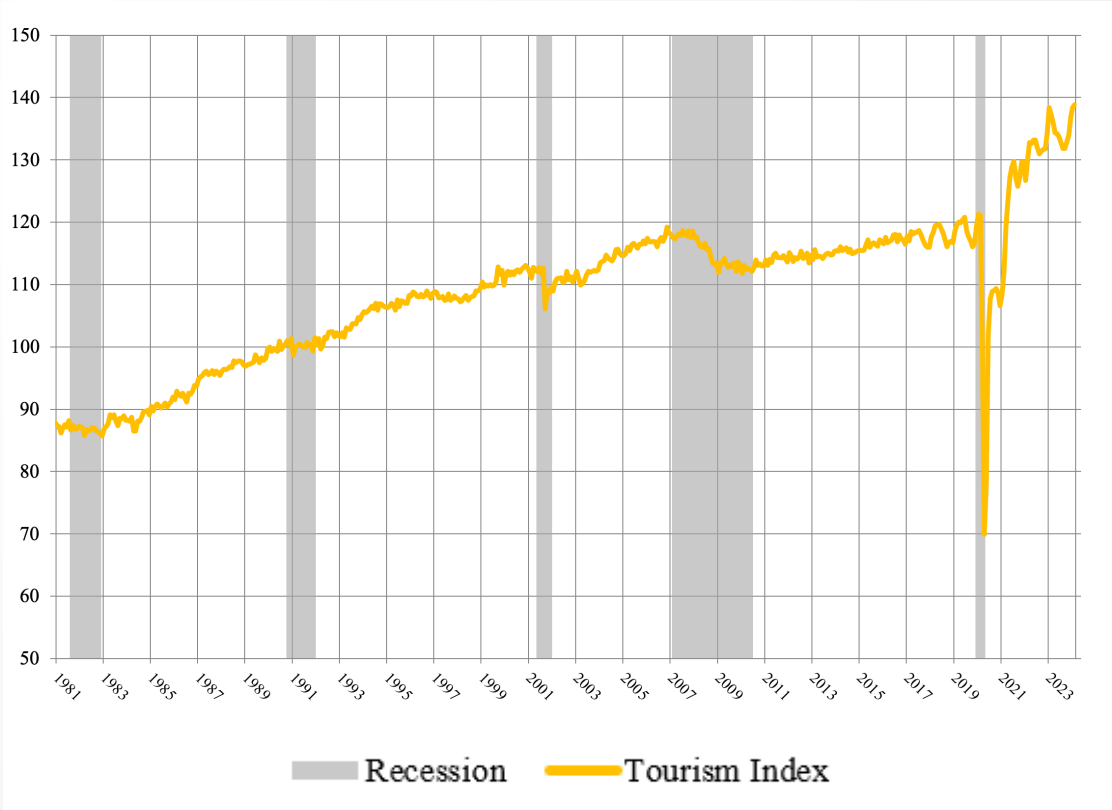
# Southern Nevada Tourism Index in February 2024

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

The CBER Southern Nevada tourism index rose 0.3 percent month-over-month in February. Harry Reid airline passengers and gross gaming revenue rose by 2.2 and 6.8 percent, respectively, from last month. Meanwhile, the Las Vegas hotel/motel occupancy rate fell by 2.1 percent since January 2024. Visually, note that higher volatility remains in the tourism index post-pandemic recession.

On an annual basis, the CBER Southern Nevada tourism index increased by 1.2 percent. Harry Reid airline passengers, gross gaming revenue, and the Las Vegas hotel/motel occupancy rate rose by 3.6, 8.4, and 2.1 percent, respectively, from February 2023.

Series	Latest Value	Mo-over-Mo	Yr-over-Yr
Harry Reid Passengers (SA)	5,326,127	2.2%	3.6%
Gross Gaming Revenue (SA)	1,285,131,540	6.8%	8.4%
LV Hotel/Motel Occupancy Rate (SA)	92.5%	-2.1%	2.1%
Index and % Change	138.9	0.3%	1.2%



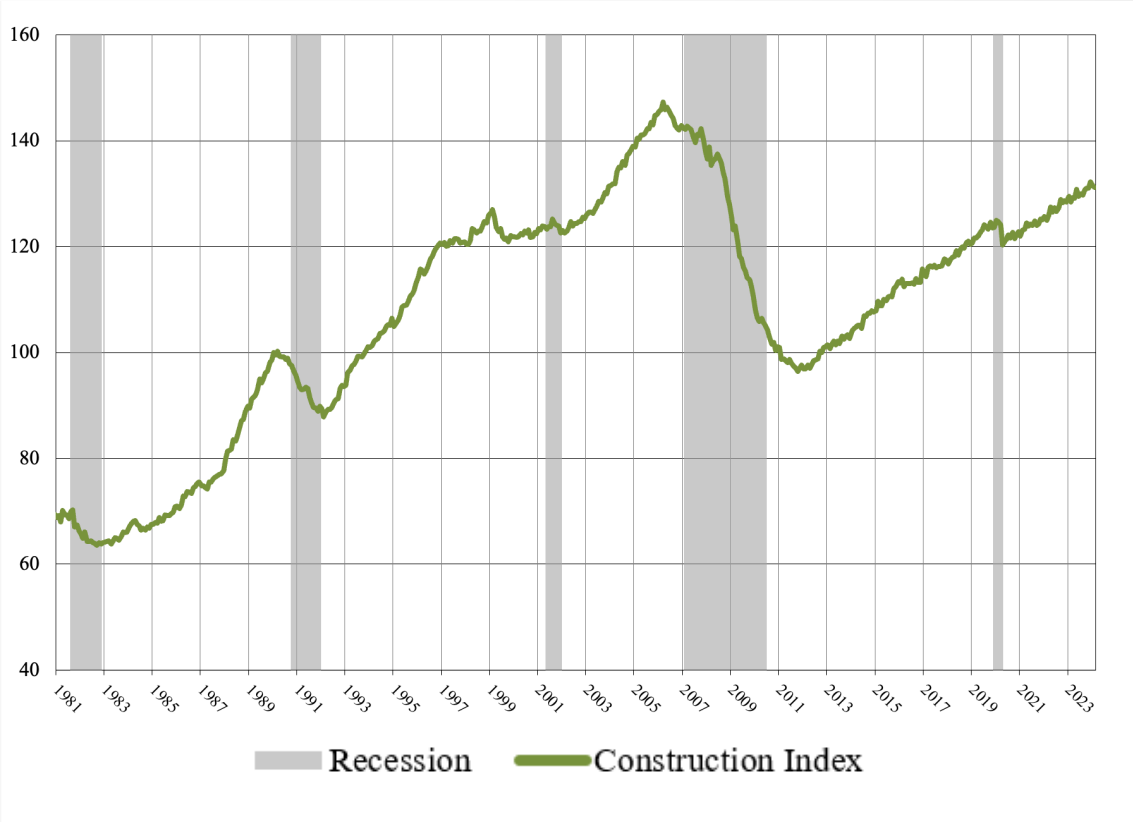
# Southern Nevada Construction Index in February 2024

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

The CBER Southern Nevada construction index fell slightly by 0.2 percent from last month. On a monthly basis, construction employment decreased by 2.1 percent, while housing permits rose by 36.6 percent.

The CBER Southern Nevada construction index increased by 2.1 percent year-over-year. Construction employment and housing permits rose by 1.4 and 161.2 percent, respectively, from February 2023. Visually, we see that the construction recessions extended longer for both the financial crisis in the early 1970s and the Great Recession in the late 2000s.

Series	Latest Period	Mo-over-Mo	Yr-over-Yr
Construction Employment (SA)	83,087	-2.1%	1.4%
Housing Permits (SA)	1,273	36.6%	161.2%
Index and % Change	131.2	-0.2%	2.1%



# 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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- 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.*