



# **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 August 2024

Coincident Index Components	Taxable sales 	Gross Gaming Revenue 	Nonfarm Employment 	Overall 	
	-0.7%	0.4%	-0.2%	<b>-0.2%</b>	Mo-over-Mo
	-1.7%	-2.4%	3.1%	<b>1.8%</b>	Yr-over-Yr

Leading Index Component	Initial Claims* 	10-Year Treasury* 	Housing Permits** 	Airline Passengers 	S&P 500 	Overall 	
	-0.8%	0.0%	8.3%	2.1%	-0.4%	<b>0.1%</b>	Mo-over-Mo
	-15.7%	-0.8%	22.7%	5.8%	23.2%	<b>1.3%</b>	Yr-over-Yr

\* 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)

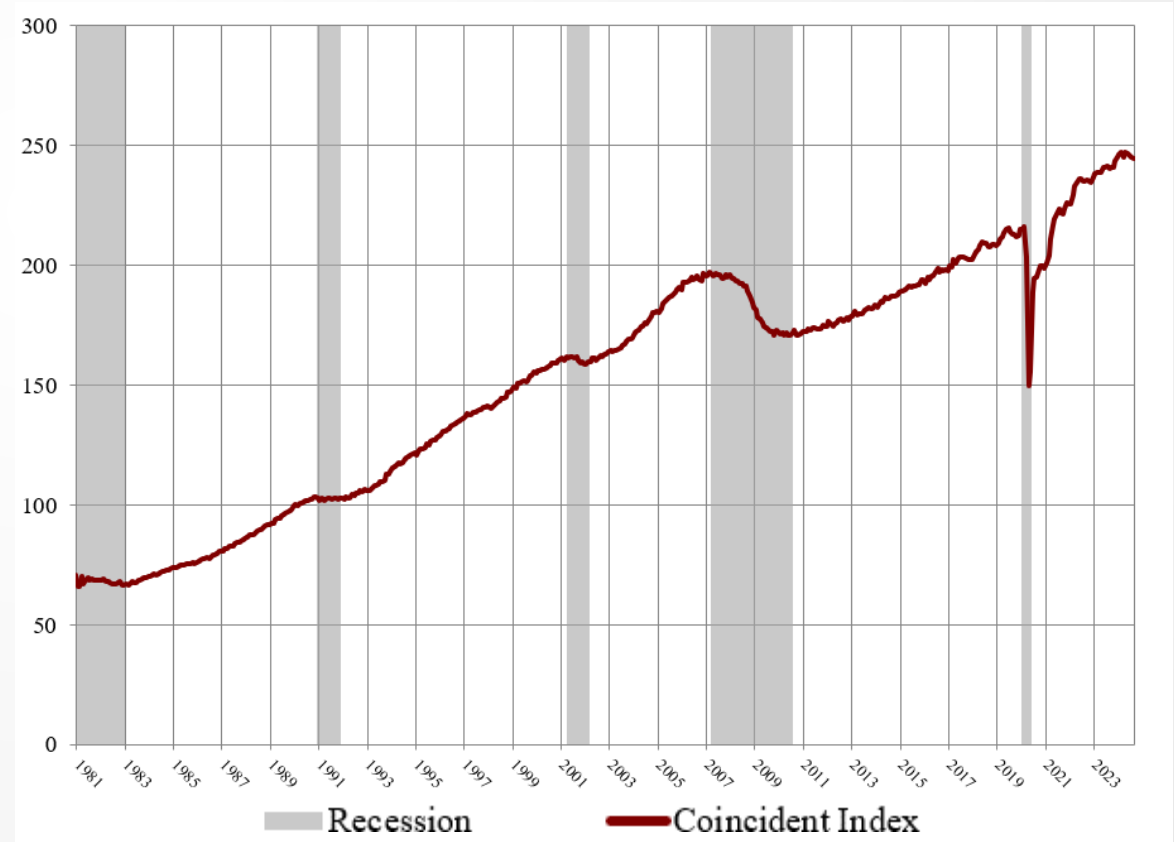
# Nevada Coincident Index in August 2024

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

The CBER Nevada coincident index decreased by 0.2 percent month-over-month in August. Since last month, taxable sales and nonfarm employment both fell by 0.7 and 0.2 percent, respectively, from July 2024. On the other hand, gross gaming rose by 0.4 percent.

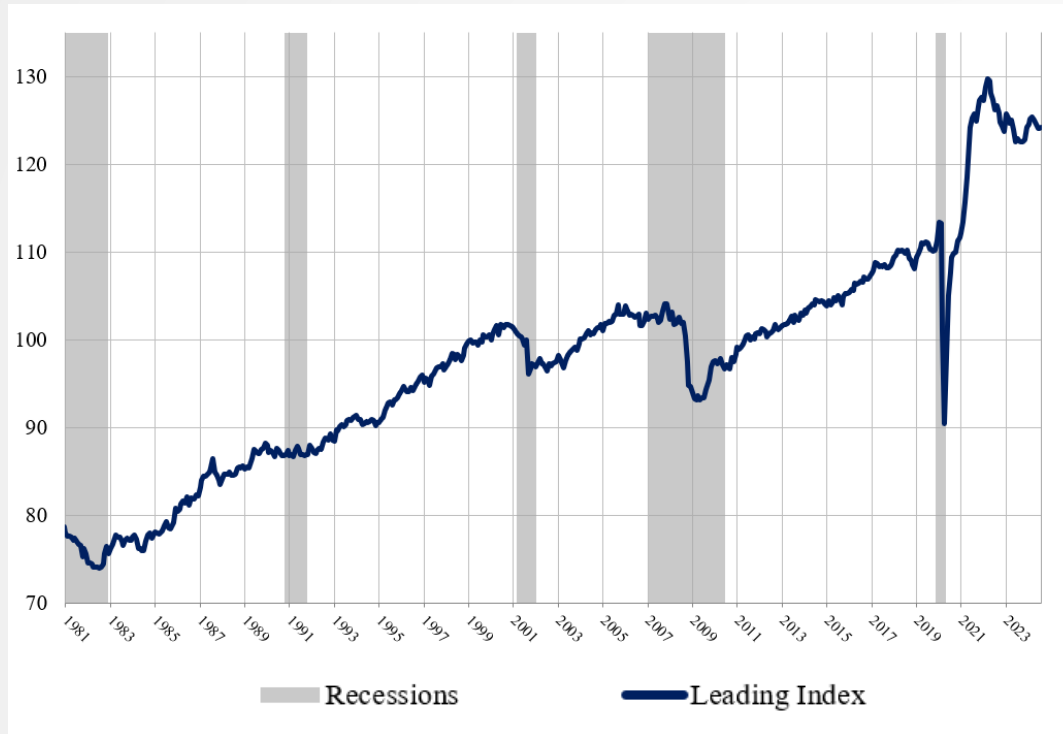
On a year-over-year basis, the CBER Nevada coincident index increased by 1.8 percent. Taxable sales and gross gaming revenue fell by 1.7 and 2.4 percent, respectively, from the previous year. Meanwhile, nonfarm employment increased by 3.1 percent from August 2023.

Series	Latest Period	Month-Over-Month	Year-Over-Year
Taxable Sales (SA)	7,364,809,593	-0.7%	-1.7%
Gross Gaming Revenue (SA)	1,218,731,969	0.4%	-2.4%
Nonfarm Employment (SA)	1,585,894	-0.2%	3.1%
<b>Index and % Change</b>	<b>244.6</b>	<b>-0.2%</b>	<b>1.8%</b>



# Nevada Leading Index in August 2024

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



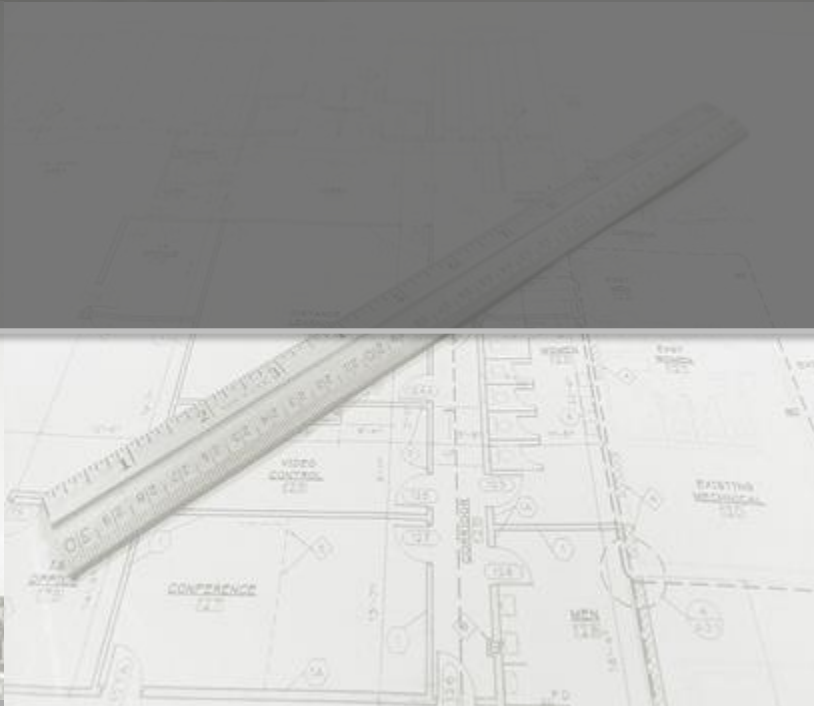
Date	Index	Month-over-Month	Year-over-Year
Aug-23	122.6	-0.3%	-3.2%
Sep-23	122.5	-0.1%	-2.6%
Oct-23	122.5	0.0%	-1.8%
Nov-23	122.8	0.2%	-1.2%
Dec-23	124.2	1.2%	0.4%
Jan-24	124.6	0.3%	-0.9%
Feb-24	125.1	0.4%	-0.1%
Mar-24	125.4	0.2%	0.6%
Apr-24	125.0	-0.3%	0.0%
May-24	124.6	-0.3%	0.5%
Jun-24	124.1	-0.4%	1.3%
Jul-24	124.1	-0.1%	0.9%
<b>Aug-24</b>	<b>124.2</b>	<b>0.1%</b>	<b>1.3%</b>

The CBER Nevada leading index increased in August on a monthly basis by 0.1 percent. Initial claims for unemployment insurance (inverted) and the S&P 500 both fell by 0.8 and 0.4 percent, respectively, from the preceding month. Housing permits and Nevada airline passengers rose by 8.3 and 2.1 percent, respectively, from July 2024. The ten-year real Treasury yield (inverted) remained unchanged.

On a year-over-year basis, the CBER Nevada leading index increased by 1.3 percent from August 2023. On the positive side, housing permits, Nevada airline passengers, and the S&P 500 all rose by 22.7, 5.8, and 23.2 percent, respectively. On the negative side, initial claims for unemployment insurance (inverted) and the ten-year real Treasury yield (inverted) both fell by 15.7 and 0.8 percent, respectively, from the previous year. The leading index has fallen from its peak in March 2022, showing uncertainty in Nevada’s economy. The index increased for the first time after recently posting four consecutive months of decline.



## 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

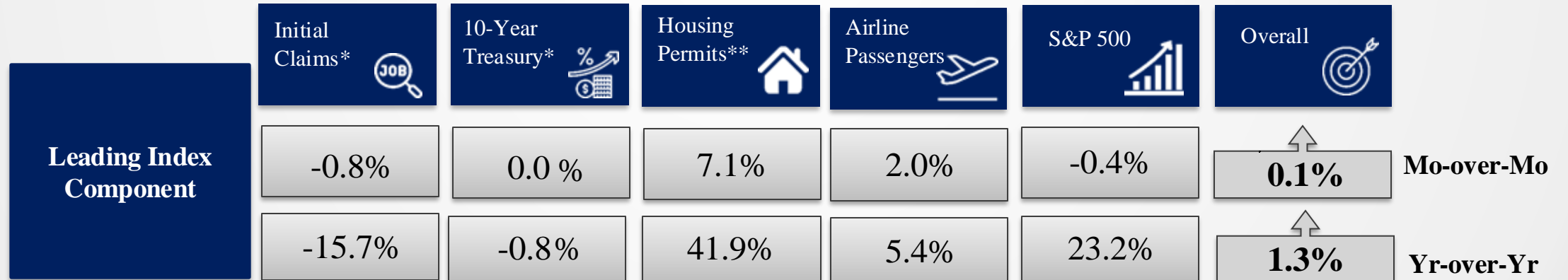
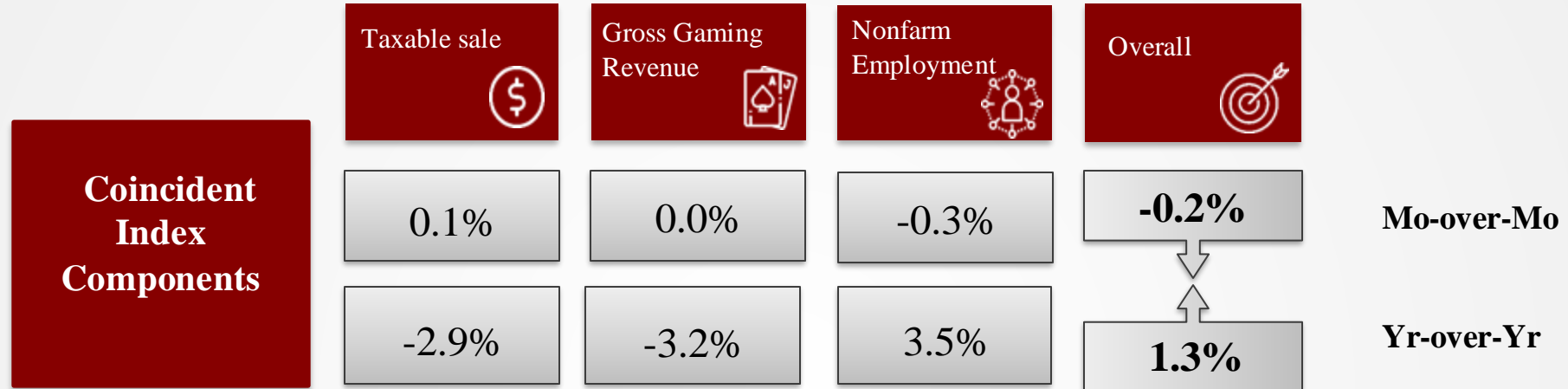
- Harry Reid Passengers
- CC Gross Gaming Revenue
- LV Hotel/Motel Occupancy Rate

### Construction Index

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



# Summary of CBER's Southern Nevada Coincident and Leading Indexes in August 2024



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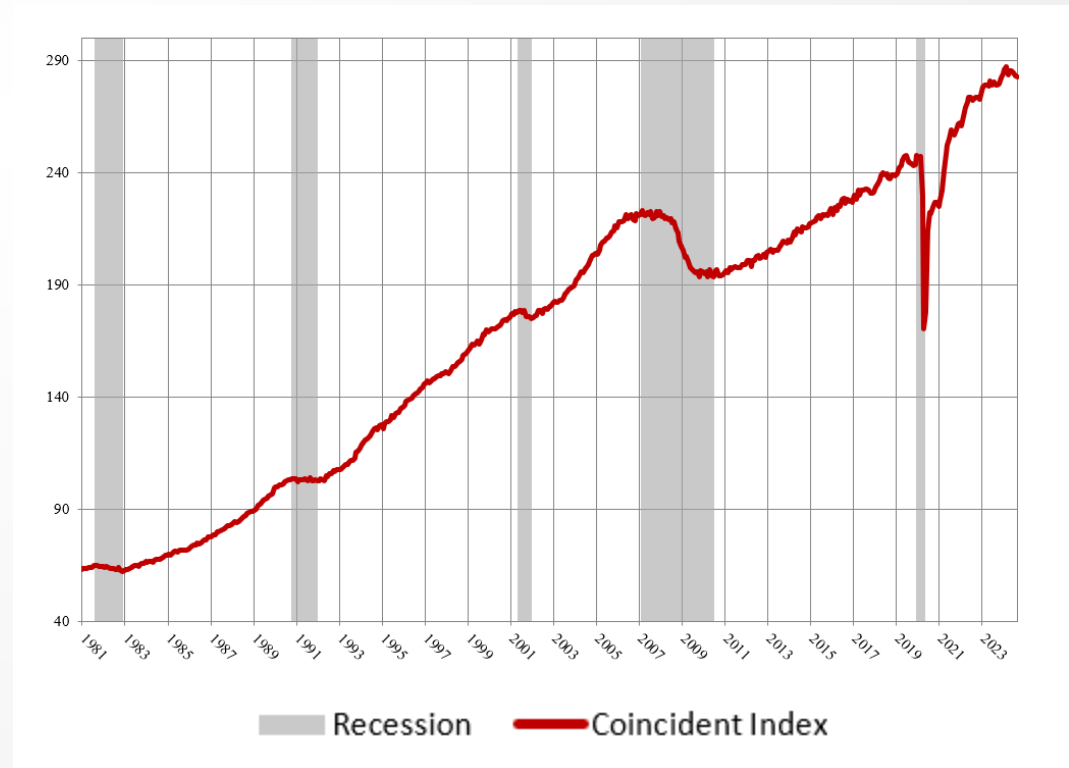
# Southern Nevada Coincident Index in August 2024

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

The CBER Southern Nevada coincident index fell by 0.2 percent month-over-month in August. Since July 2024, Taxable sales rose by 0.1 percent and nonfarm employment fell by 0.3 percent. Gross gaming revenue remained unchanged. Although the Southern Nevada index experienced growth in the fall of 2023 and winter of 2023, it appears now to have paused in the spring and summer of 2024. Most recently, the Southern Nevada coincident index has declined for the fourth month in a row.

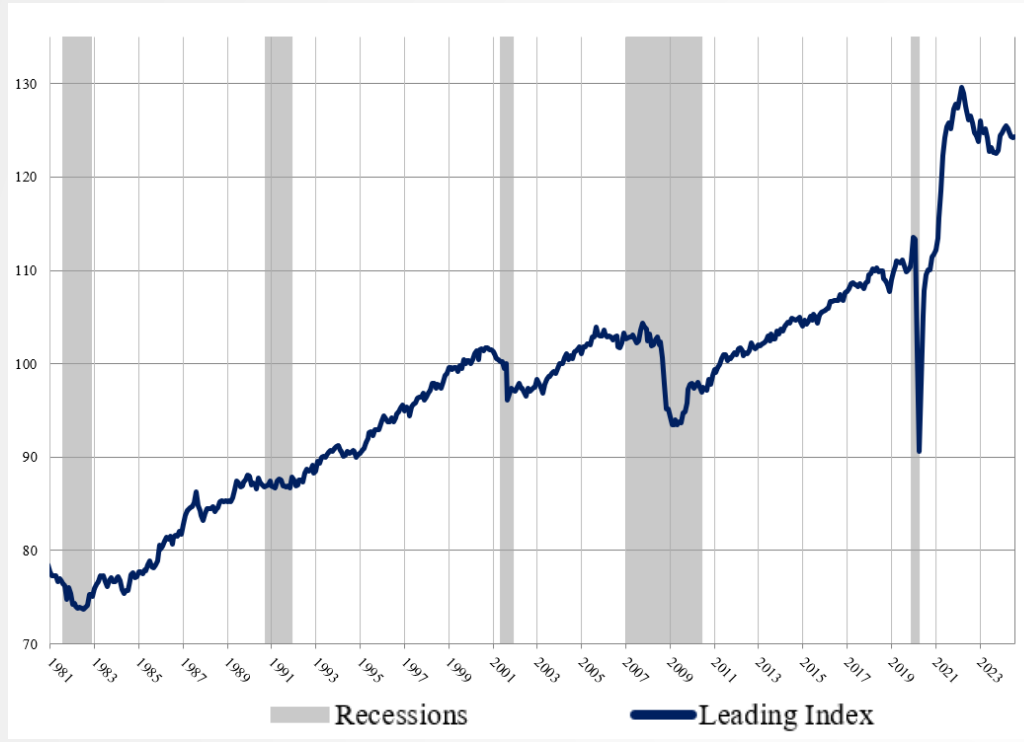
The CBER Southern Nevada coincident index posted a year-over-year gain of 1.3 percent. Taxable sales and gross gaming revenue fell by 2.9 and 3.2 percent, respectively, year-over-year. Meanwhile, nonfarm employment increased by 3.5 percent from the previous year.

Series	Latest Value	Mo-over-Mo	Yr-over-Yr
Taxable Sales (SA)	5,317,240,729	0.1%	-2.9%
Gross Gaming Revenue (SA)	1,047,010,097	0.0%	-3.2%
Nonfarm Employment (SA)	1,159,616	-0.3%	3.5%
<b>Index and % Change</b>	<b>282.7</b>	<b>-0.2%</b>	<b>1.3%</b>



# Southern Nevada Leading Index in August 2024

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

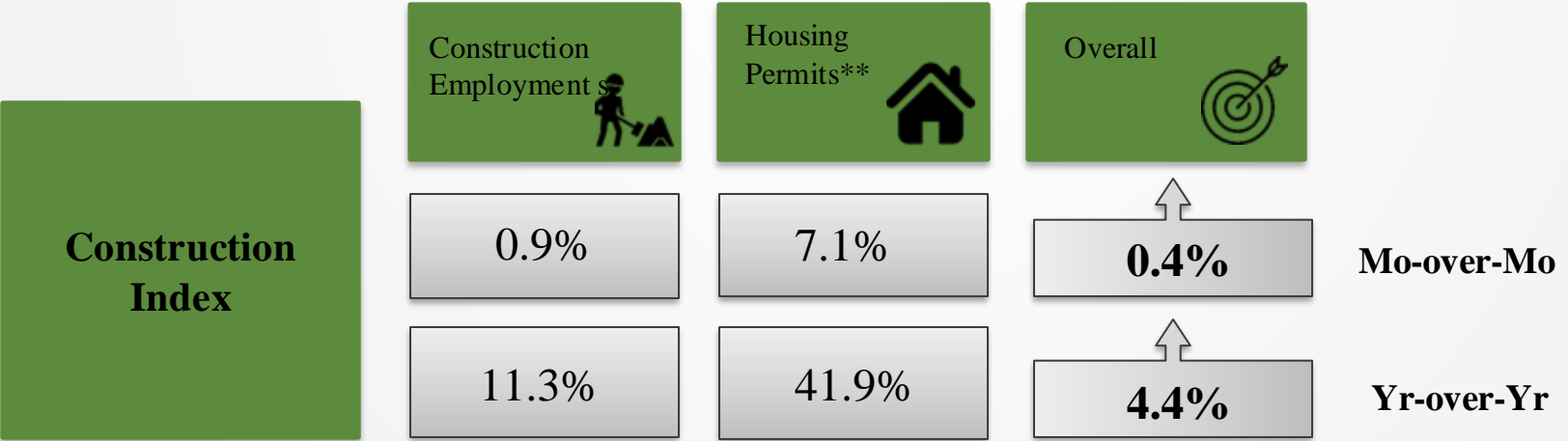
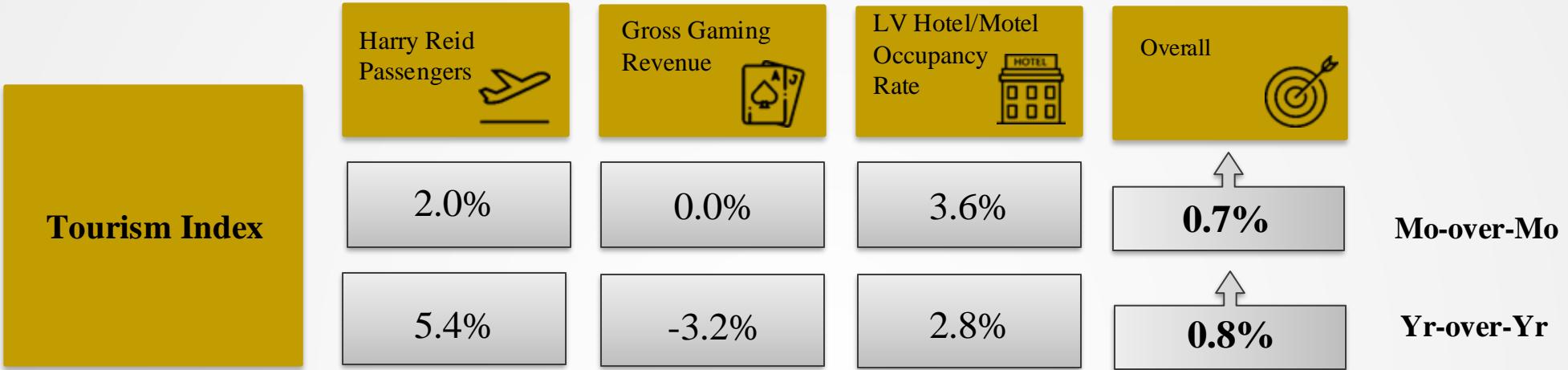


Date	Index	Month-over-Month	Year-over-Year
Aug-23	122.7	-0.4%	-3.1%
Sep-23	122.7	0.0%	-2.5%
Oct-23	122.6	-0.1%	-1.8%
Nov-23	122.8	0.2%	-1.3%
Dec-23	124.4	1.3%	0.5%
Jan-24	124.7	0.2%	-1.0%
Feb-24	125.1	0.3%	0.0%
Mar-24	125.5	0.3%	0.5%
Apr-24	125.1	-0.3%	0.0%
May-24	124.9	-0.2%	0.5%
Jun-24	124.3	-0.5%	1.3%
Jul-24	124.2	-0.1%	0.9%
<b>Aug-24</b>	<b>124.3</b>	<b>0.1%</b>	<b>1.3%</b>

The CBER Southern Nevada leading index rose month-over-month by 0.1 percent. In August, housing permits and Harry Reid airline passengers rose by 7.1 and 2.0 percent, respectively. Initial claims for unemployment insurance (inverted) and the S&P 500 experienced month-over-month decreases of 0.8 and 0.4 percent, respectively. Meanwhile, the ten-year real Treasury yield (inverted) remained unchanged.

On a yearly basis, the CBER Southern Nevada leading index rose by 1.3 percent. Three components—housing permits, Harry Reid airline passengers, and the S&P 500—rose by 41.9, 5.4, and 23.2 percent, respectively, from August 2023. Meanwhile, initial claims for unemployment insurance (inverted) and the ten-year real Treasury yield (inverted) fell by 15.7 and 0.8 percent, respectively. Although the leading index has fallen from its peak in March 2022, no strong signs of a recession exist in the coincident index. After four consecutive months of decline, the leading index has posted its first monthly increase. At the moment, the leading index provides much uncertainty about the future path of the Southern Nevada economy.

# Summary of CBER's Southern Nevada Tourism and Construction Indexes in August 2024



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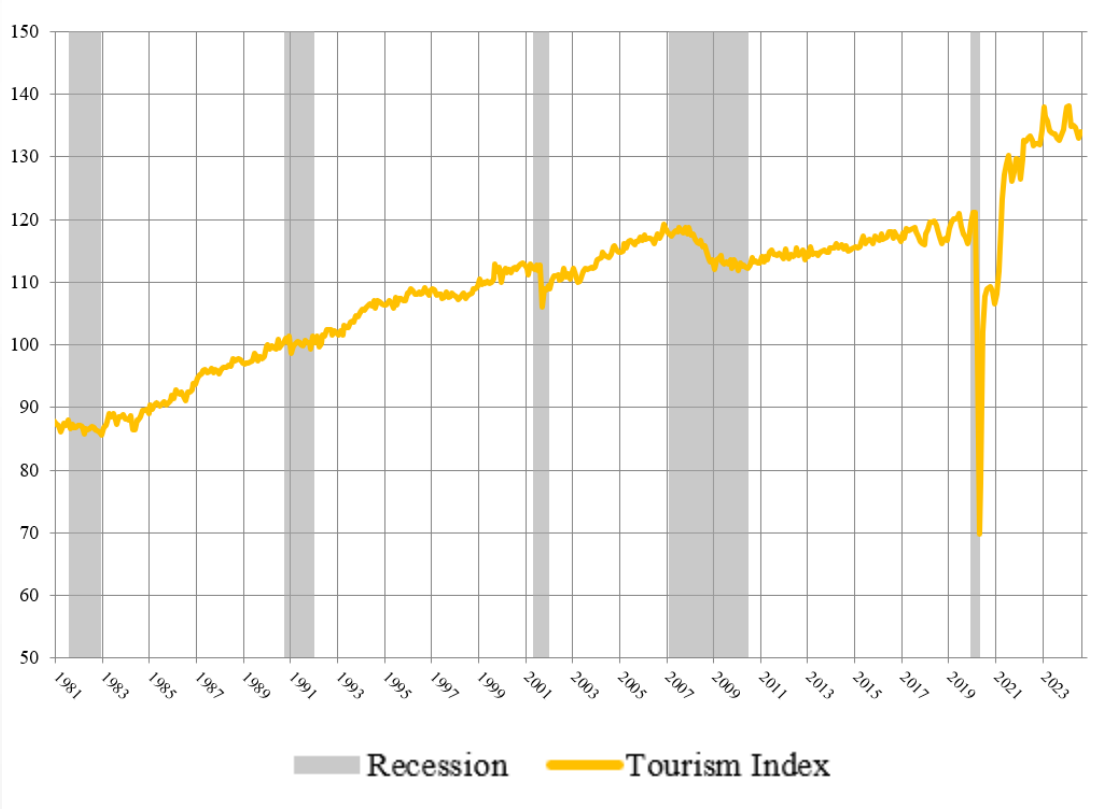
# Southern Nevada Tourism Index in August 2024

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

The CBER Southern Nevada tourism index rose by 0.7 percent month-over-month in August. Harry Reid airline passengers and the Las Vegas hotel/motel occupancy rate both increased by 2.0 and 3.6 percent, respectively, since July 2024. Gross gaming revenue remained unchanged.

On an annual basis, the CBER Southern Nevada tourism index increased by 0.8 percent. Harry Reid airline passengers and the Las Vegas hotel/motel occupancy rate both rose by 5.4 and 2.8 percent, respectively, from August 2023. Meanwhile, gross gaming revenue fell by 3.2 percent from the previous year.

Series	Latest Value	Mo-over-Mo	Yr-over-Yr
Harry Reid Passengers (SA)	4,818,914	2.0%	5.4%
Gross Gaming Revenue (SA)	1,047,010,097	0.0%	-3.2%
LV Hotel/Motel Occupancy Rate (SA)	82.9%	3.6%	2.8%
<b>Index and % Change</b>	<b>134.0</b>	<b>0.7%</b>	<b>0.8%</b>



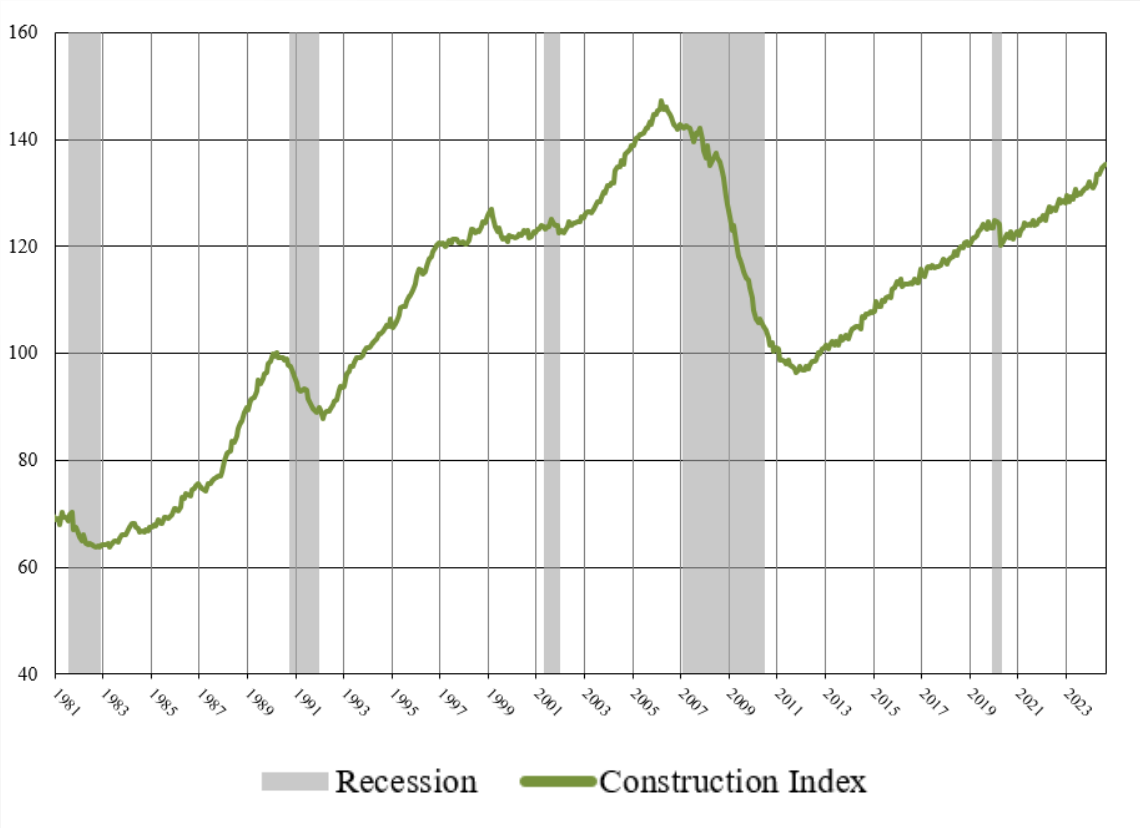
# Southern Nevada Construction Index in August 2024

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

The CBER Southern Nevada construction index rose by 0.4 percent from last month. On a monthly basis, construction employment and housing permits both increased by 0.9 and 7.1 percent, respectively.

On a year-over-year basis, the CBER Southern Nevada construction index increased by 4.4 percent. On a yearly basis, construction employment and housing permits both increased by 11.3 and 41.9 percent, respectively.

Series	Latest Period	Mo-over-Mo	Yr-over-Yr
Construction Employment (SA)	91,107	0.9%	11.3%
Housing Permits (SA)	1,334	7.1%	41.9%
<b>Index and % Change</b>	<b>135.5</b>	<b>0.4%</b>	<b>4.4%</b>



# 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.*