

CBER Economic Indexes for Nevada and Southern Nevada

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What Makes Up CBER's 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

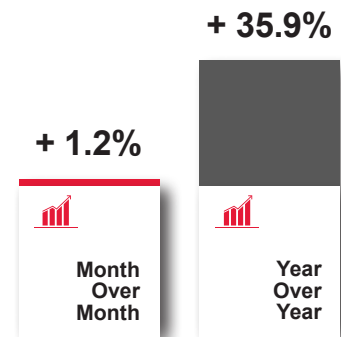
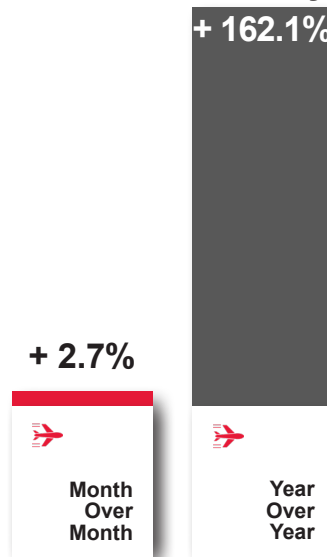
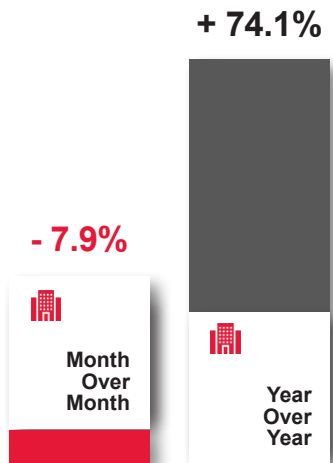
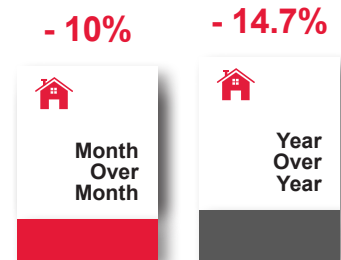
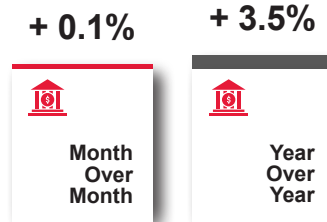
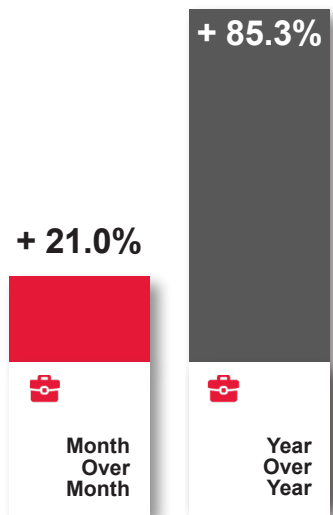
The CBER leading indexes use the Department of Commerce index construction method. The CBER Nevada leading index provides an indication for the future direction of the current economy, such as measured by the coincident index. The leading index then tracks the economy relative to that coincident index or reference cycle. For example, prior to the Great Recession, the Nevada leading index peaked in November 2005, 14 months before CBER's Nevada coincident index peaked. Then, the Nevada leading index troughed in May 2009, 13 months before the Nevada coincident index (and thus the economy) troughed.

A word of caution, the COVID-19 recession differs from typical economic recessions. It provided almost no signal that it was coming. For example, the leading index peaked in January 2020, but by the time we had the data (April and May) it was too late.

All series are seasonally adjusted (SA). A full description of the methodology used to construct the indexes can be found at: <http://cber.unlv.edu/publications/nvindices.pdf>



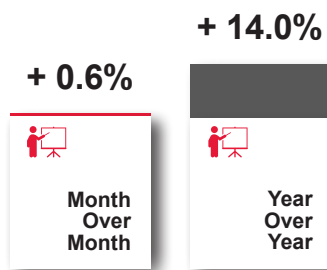
Nevada Leading Index Components



Commercial Permits

Airline Passengers

S & P 500

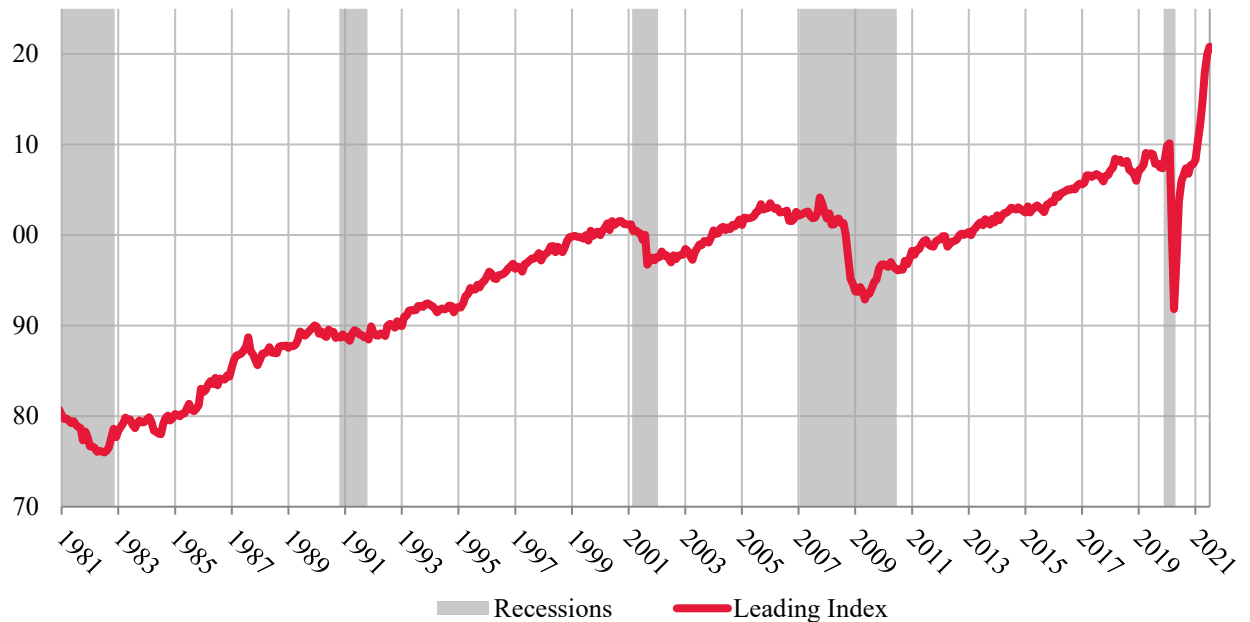


* Data is compiled from latest released information, July 2021



Nevada Leading Index Through July 2021

The CBER Nevada leading index increased strongly both month-over-month and year-over-year.



Date	Index	Mo-Over-Mo	Yr-Over-Yr	From 2 Yr Ago
July 2020	106.2	2.2%	-2.7 %	-1.9%
August 2020	106.6	0.6 %	-1.1 %	-1.4 %
September 2020	107.4	0.7 %	-0.5 %	0.2 %
October 2020	106.8	-0.5 %	-0.7 %	-0.2 %
November 2020	107.7	0.9 %	0.3 %	1.0 %
December 2020	107.8	0.1 %	-0.5%	1.8 %
January 2021	108.3	0.4 %	-1.4 %	1.1 %
February 2021	110.2	1.8 %	0.1 %	2.7 %
March 2021	112.3	1.9 %	11.7%	4.2 %
April 2021	114.8	2.2 %	25.0 %	5.2 %
May 2021	118.0	2.8 %	20.9 %	8.5 %
June 2021	120.0	1.7 %	15.8 %	10.1 %
July 2021	120.8	0.6%	14.0%	10.9%



Nevada Leading Index Through July 2021

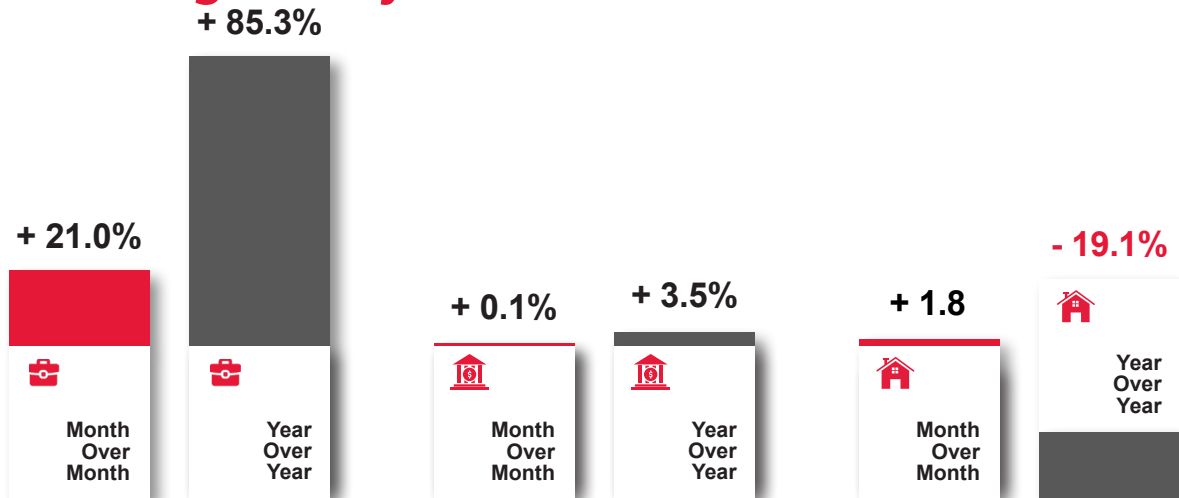
Summary

The CBER Nevada leading index **increased by 0.6 percent** from last month. On the positive side, initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), Nevada passengers, and the S&P 500 **saw increases of 21.0, 0.1, 2.7, and 1.2 percent**, respectively, from June. While commercial permits and housing permits **decreased by 7.9 and 10.0 percent**, respectively.

On a year-over-year basis, the CBER Nevada leading index jumped higher by 14.0 percent. Five components—initial claims for unemployment insurance (inverted), the ten-year real Treasury yield (inverted), commercial permits, Nevada passengers, and the S&P 500—**experienced substantial growth of 85.3, 3.5, 74.1, 162.1, and 35.9 percent**, respectively, from July 2020. Housing permits, however, **declined by 14.7 percent**. The index also exceeds its prior February 2020 peak and **is 10.9 percent higher** than its level from two years ago.



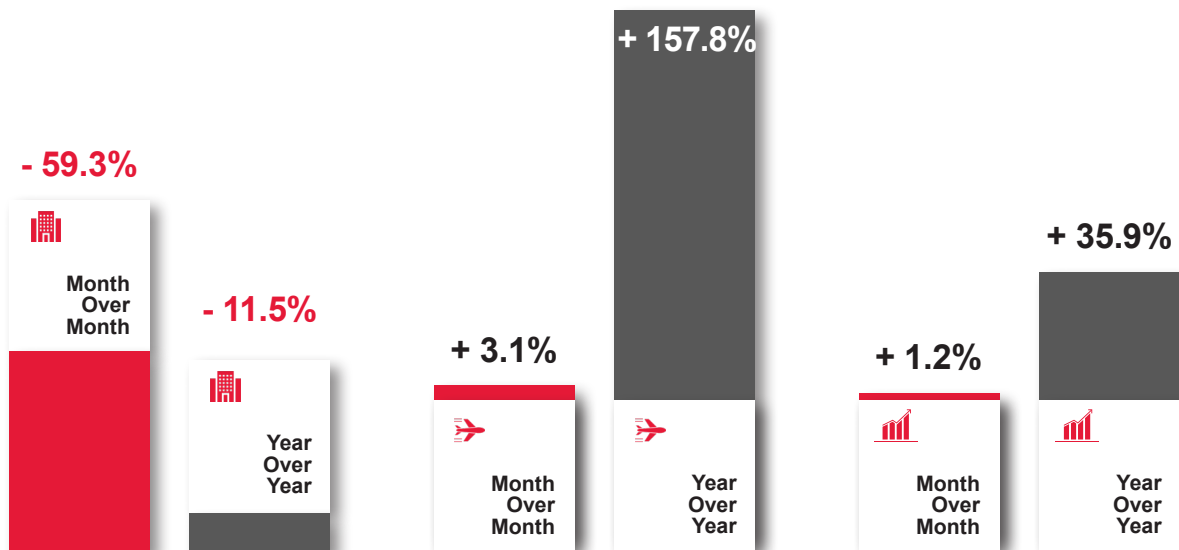
Southern Nevada Leading Index Through July 2021



Initial Claims

10-Year Treasury

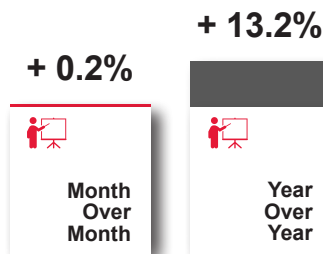
Housing Permits



Commercial Permits

Airline Passengers

S & P 500

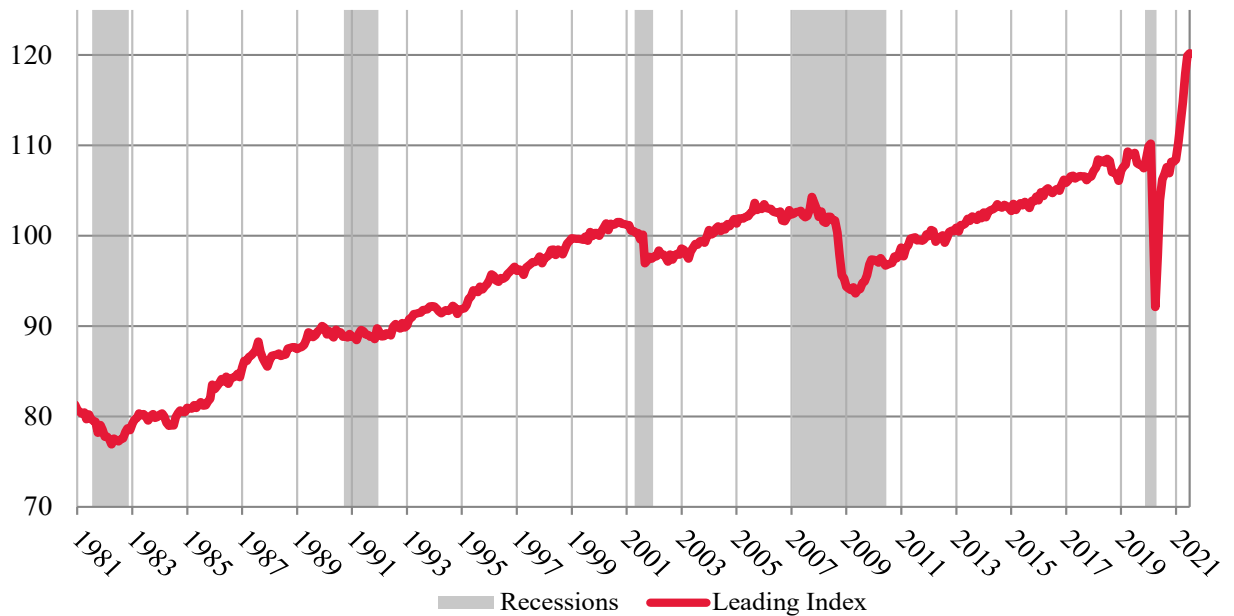


Overall



Southern Nevada Leading Index Through July 2021

The CBER Southern Nevada leading index increased strongly both month-over-month and year-over-year.



Date	Index	Mo-Over-Mo	Yr-Over-Yr	From 2 Yr Ago
July 2020	106.2	2.2 %	-2.7 %	-2.1 %
August 2020	106.9	0.6 %	-1.1 %	-1.3 %
September 2020	107.6	0.7 %	-0.3 %	0.5 %
October 2020	106.9	-0.6 %	-0.8 %	-0.1 %
November 2020	108.2	1.2 %	0.7 %	1.3 %
December 2020	108.2	0.0 %	-0.3 %	2.0%
January 2021	108.4	0.2 %	-1.4 %	1.1 %
February 2021	110.3	1.7 %	0.1 %	2.5 %
March 2021	112.4	1.9 %	11.7 %	4.2 %
April 2021	114.8	2.1 %	24.6 %	5.0 %
May 2021	117.9	2.8 %	20.5 %	8.3 %
June 2021	120.2	1.7 %	15.4 %	10.0 %
July 2021	120.2	0.2 %	13.2 %	10.1 %



Southern Nevada Leading Index in July 2021

Summary

The CBER Southern Nevada leading index **increased by 0.2 percent** month-over-month. On the positive side, initial claims for unemployment insurance (inverted), the ten-year Treasury yield (inverted), housing permits, McCarran passengers, and the S&P 500 **increased by 21.0, 0.1, 1.8, 3.1, and 1.2 percent**, respectively, from June. Commercial permits, nevertheless, **fell by 59.3 percent** from last month.

On a yearly basis, the index **climbed robustly by 10.1 percent**. That is, four components—initial claims for unemployment insurance (inverted), the ten-year Treasury yield (inverted), McCarran passengers, and the S&P 500 —**experienced increases of 85.3, 3.5, 157.8, and 35.9 percent**, respectively, from last year, while commercial permits and housing permits **contracted by 19.1 and 11.5 percent**, respectively. The index significantly surpassed its prior February 2020 peak and **climbed higher by 10.1 percent** from July 2019.

If you would like to review the full report with both the Coincident and Leading Indexes, email CBER at: CBER@unlv.edu