



# Workforce & Economic Briefing

AUGUST 2008

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August 20, 2008

*MEMORANDUM*

**TO:** All Recipients  
**FROM:** Bill Anderson, Chief Economist  
**RE:** *Nevada Workforce & Economic Briefing*

The Department of Employment, Training and Rehabilitation, through its Research and Analysis Bureau, strives to make available the most comprehensive and timely Nevada labor market and economic information and analyses possible. DETR's information releases are designed to assist public officials as they go about formulating policy, the business community as they make investment decisions, and employees assessing their work options.

Please find attached the August issue of the Bureau's *Nevada Workforce & Economic Briefing*. I think that it will be a very useful tool and provide recipients with quick and easy access to information necessary to interpret current trends.

I trust that you will find the information and analyses in the *Briefing*, which is updated on a quarterly basis, to be extremely useful and insightful. If you have any questions or need additional insights, please contact me, at 684-0387, and I will be happy to assist you.

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# HIGHLIGHTS & SUMMARY

## Highlights

- Nevada's economy continued to weaken in the second quarter of 2008. A number of factors, such as strained consumer budgets, a weak housing market, unfavorable credit conditions, and high travel costs, have combined to stall Nevada's unparalleled economic growth of years past.
- After topping out in early-2002, Nevada's unemployment rate (seasonally adjusted<sup>1</sup>) trended down until the beginning of 2006, and it has been on the upswing, albeit unevenly, since. The jobless rate came in at 6.4% in June, up from 4.8% a year ago. Just eight states were home to jobless rates higher than Nevada's in June.
- In years past, Nevada's economy grew at a rate well in excess of the nation as a whole. However, the current downturn has been especially pronounced in Nevada. As a result, current labor market fundamentals are weaker in Nevada than in the U.S. For instance, Nevada's jobless rate averaged 5.9% through the first half of 2008, well above the nation's 5.3% rate. A year ago, during the first half of 2007, Nevada's unemployment rate was 4.6%, vs. 4.8% in the U.S.
- Clark County's unemployment rate during the first half of the year averaged 5.8%. In Washoe County, the jobless rate has averaged 6.3% so far this year. Throughout the balance of the State, the unemployment rate averaged 6.5%. Unemployment rates in the State's rural counties varied considerably during the first half of 2008, from 4.1% in Elko to 8.9% in Lyon.

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<sup>1</sup> The seasonal adjustment process removes the month-to-month seasonal effects from a data series. Over the course of a year, the levels of employment and unemployment undergo sharp fluctuations due to such seasonal developments as changes in weather, the planting and harvesting of crops, major holidays, and the opening and closing of schools. Since these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month.

- Nevada's economy has lost jobs in each of the past four months. The June job reading, at 1.29 million, was off by 12,100 relative to a year ago. Through the first half of 2008, job readings were down 0.2% from the same period in 2007. Nationally, jobs were up 0.3% over the same period, providing further evidence of the economic downturn's relatively pronounced impact in Nevada. During a five-year period ending in 2007, job growth in Nevada averaged 4.2% annually, well in excess of the 1.1% average annual gain in the U.S. as a whole.
- As in the State as a whole, Las Vegas metropolitan statistical area (MSA) job growth in the first half of 2008 turned negative. Specifically, Las Vegas metro area job readings were off 0.1% from year-ago levels through the first six months of the year. In the Reno metro area, job levels were down 0.4% during the same period. Jobs in the Carson City MSA have also trended down, and stand 1.7% lower than in the first half of 2007.
- All told, the State's construction industry shed 10,900 jobs in the first half of 2008 relative to a year ago. This translates into an 8.1% decline. The professional and business services sector eliminated 5,700 jobs over the same period. The State's largest industry, leisure and hospitality, held job levels steady over the period. One bright spot was in the trade, transportation, and utilities sector, led by retail trade, where 6,300 jobs were added.
- Nevada average weekly wages averaged \$811 for all of 2007. This translates into a gain of 5.2% from 2006. This compares favorably to the 3.4% advance for all of 2006, and represents the strongest advance in a decade. Wage growth strengthened in the second half of the year.
- Through the first half of 2008, initial claims for unemployment insurance in Nevada averaged 17,300 per month. This compares unfavorably with the monthly average of 12,700 during the first half of 2007, a gain of 37%. The average duration of UI claims continued to creep up, albeit unevenly. In June, it stood at 13.84 weeks, compared to 13.24 weeks a year ago. The number of individuals exhausting their unemployment insurance benefits has also trended up, further evidence of the economy's weakness. The number of recipients receiving final benefit payments averaged 3,100 per month in this year's first half, up nearly 60% from 2007.
- Claims activity in the construction sector, up 69% from a year ago in June, illustrates the difficulties facing this sector.
- During the first quarter of 2008, there were 60,400 Nevada employers. This translates into a gain of 3.4% from a year ago. In the second quarter of 2006, growth in the number of Nevada employers stood at 6.1%. Growth has eased a bit in every quarter since.

- Nevada's taxable sales, which comprise the tax base for the State's largest General Fund revenue source (the sales tax), declined in four of the first five months of the year. May brought with it a 1.5% year-over-year decline.
- Las Vegas visitor volume totaled 16.33 million during the first five months of 2008, unchanged from a year ago. Over the same period, gaming win was down 6.2%. Gaming win has significant impacts on gaming tax collections, the second-largest General Fund revenue source.
- Personal income trends in Nevada, although still impressive relative to trends nationwide, continue to weaken. Since peaking at 12.7% growth in 2004, income gains have gradually eased. 2008:IQ growth came in at 6.3% year-over-year. In the U.S. as a whole, personal income grew at a 4.8% clip during the first three months of the year. Over the past decade, U.S. income growth has exceeded that for Nevada only once, in 2000:IVQ.
- Housing fundamentals remain weak. Statewide housing permit activity in the first half of 2008, at 7,800 permits, was down by more than one-third from a year ago.
- So far this year (through the first six months), new home closings in southern Nevada have declined by 45% on an annualized basis. This followed a similar decline for all of 2007. Median prices for new homes fell from year-ago readings in each of the first six months of 2008.
- There are some very tentative signs that southern Nevada may be approaching the bottom of this housing cycle. So far this year, new home prices have trended in a relatively narrow range--from a high of \$283,000 to a low of \$270,000--measured on a monthly basis. During the first half of last year, prices ranged from a high of \$335,000 to a low of \$306,000. Additionally, recorded resales have increased in every month during 2008. June resales were 13% higher than a year ago.
- Looking forward, there is reason for cautious optimism. The current slump has proven to be more pronounced than many expected in Nevada. Also, it appears that the expected rebound will not be quite as high as was previously anticipated. However, we are looking for some stability in the economy beginning in 2009, and some more positive trends starting in 2010.





**2007 and 2008 Summary (continued)**

**Retail and Gaming Activity Summary**

	January	February	March	April	May	June	July	August	September	October	November	December
<b>Taxable Sales (millions of \$)</b>												
2007 YTD Total	\$3,705	\$7,531	\$12,011	\$15,918	\$20,030	\$24,504	\$28,499	\$32,432	\$36,623	\$40,603	\$44,403	\$49,079
2008 YTD Total	\$3,524	\$7,145	\$11,450	\$15,370	\$19,419							
2007-2008 Change	-4.9%	-5.1%	-4.7%	-3.4%	-3.1%							
<b>Las Vegas Visitor Volume</b>												
2007 YTD Total	3,156,419	6,172,269	9,629,007	12,943,455	16,324,246	19,606,561	22,984,754	26,338,751	29,606,876	32,991,422	36,120,930	39,196,761
2008 YTD Total	3,138,312	6,246,309	9,670,074	12,935,325	16,331,316							
2007-2008 Change	-0.6%	1.2%	0.4%	-0.1%	0.0%							
<b>Gaming Win (millions of \$)</b>												
2007 YTD Total	\$1,117	\$2,173	\$3,228	\$4,281	\$5,424	\$6,384	\$7,530	\$8,547	\$9,605	\$10,770	\$11,751	\$12,847
2008 YTD Total	\$1,064	\$2,079	\$3,118	\$4,118	\$5,088							
2007-2008 Change	-4.7%	-4.3%	-3.4%	-3.8%	-6.2%							

**Personal Income Summary (billions of \$; seasonally adjusted at annual rates)**

	IQ	IIQ	IIIQ	IVQ
2007 YTD Average	\$101.9	\$102.4	\$103.3	\$104.4
2008 YTD Average	\$108.3			
2007-2008 Change	6.3%			

**Nevada Residential Housing Permit Activity Summary**

	January	February	March	April	May	June	July	August	September	October	November	December
2007 YTD Total	1,538	3,426	5,699	8,105	10,322	12,282	13,539	16,186	19,300	24,358	25,158	27,168
2008 YTD Total	467	2,217	2,915	3,834	5,217	7,811						
2007-2008 Change	-69.6%	-35.3%	-48.9%	-52.7%	-49.5%	-36.4%						

**Southern Nevada Real Estate and Construction Summary (confidential)**

	January	February	March	April	May	June	July	August	September	October	November	December
<b>New Home Closings</b>												
2007 YTD Total	2,052	3,463	5,262	6,830	8,581	10,453	12,177	14,147	15,546	16,870	18,391	19,731
2008 YTD Total	881	1,772	2,918	3,912	4,833	5,755						
2007-2008 Change	-57.1%	-48.8%	-44.5%	-42.7%	-43.7%	-44.9%						
<b>New Home Permits</b>												
2007 YTD Total	1,158	2,437	4,406	6,210	7,934	9,281	10,140	10,906	11,526	13,964	14,290	14,510
2008 YTD Total	347	738	1,133	1,844	2,578	3,462						
2007-2008 Change	-70.0%	-69.7%	-74.3%	-70.3%	-67.5%	-62.7%						
<b>New Home Median Price</b>												
2007	\$334,945	\$315,965	\$305,990	\$318,346	\$308,874	\$323,990	\$326,750	\$338,560	\$313,480	\$300,812	\$270,278	\$280,085
2008	\$274,000	\$283,000	\$278,630	\$285,990	\$278,245	\$269,900						
2007-2008 Change	-18.2%	-10.4%	-8.9%	-10.2%	-9.9%	-16.7%						
<b>Recorded Resales</b>												
2007 YTD Total	2,423	4,755	7,494	9,847	12,434	14,856	16,957	19,019	20,563	22,092	23,499	24,838
2008 YTD Total	1,488	3,017	4,916	7,163	9,769	12,500						
2007-2008 Change	-38.6%	-36.6%	-34.4%	-27.3%	-21.4%	-15.9%						

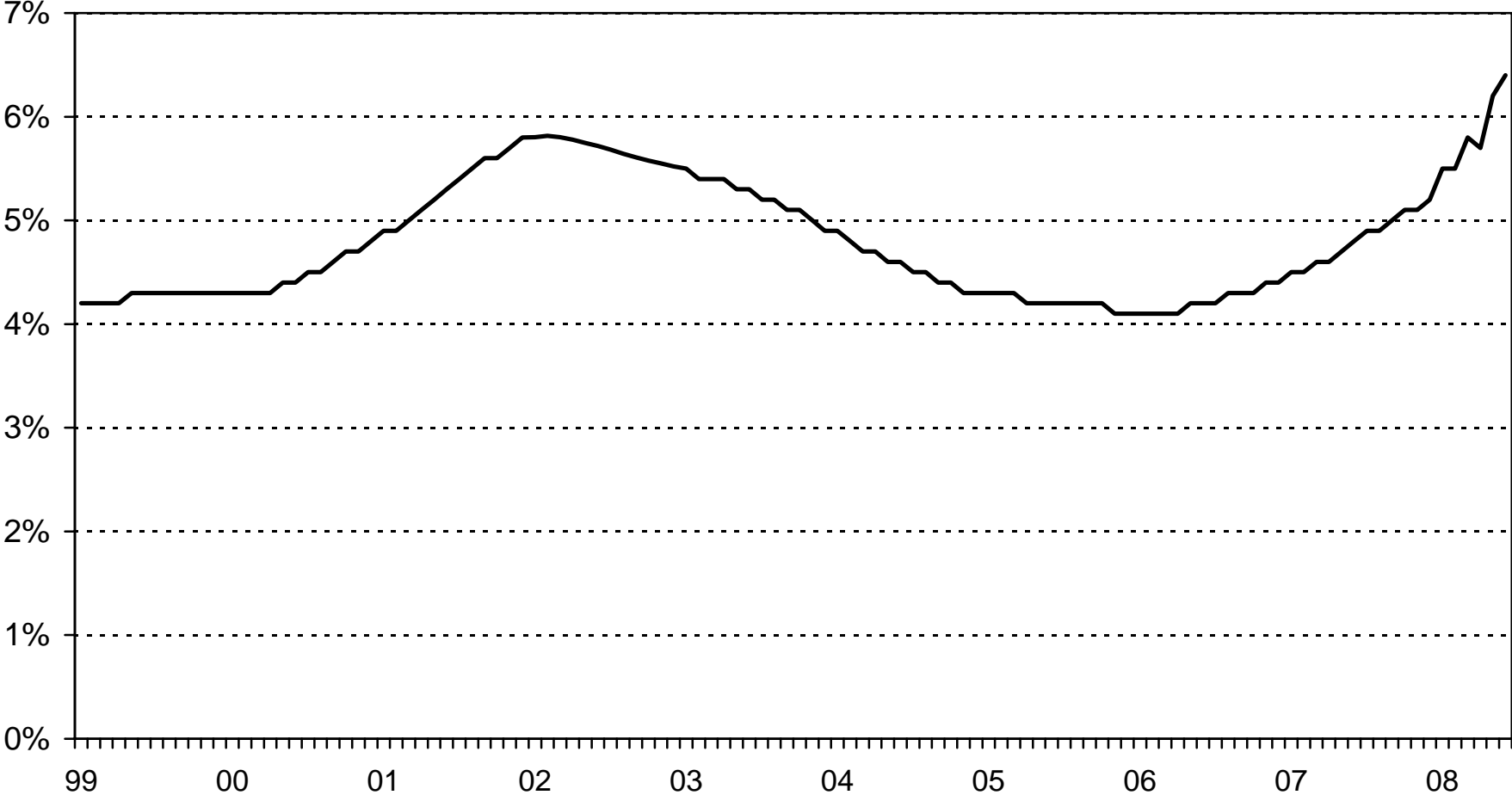
# UNEMPLOYMENT RATE

**Nevada Unemployment Rate**  
(seasonally adjusted)

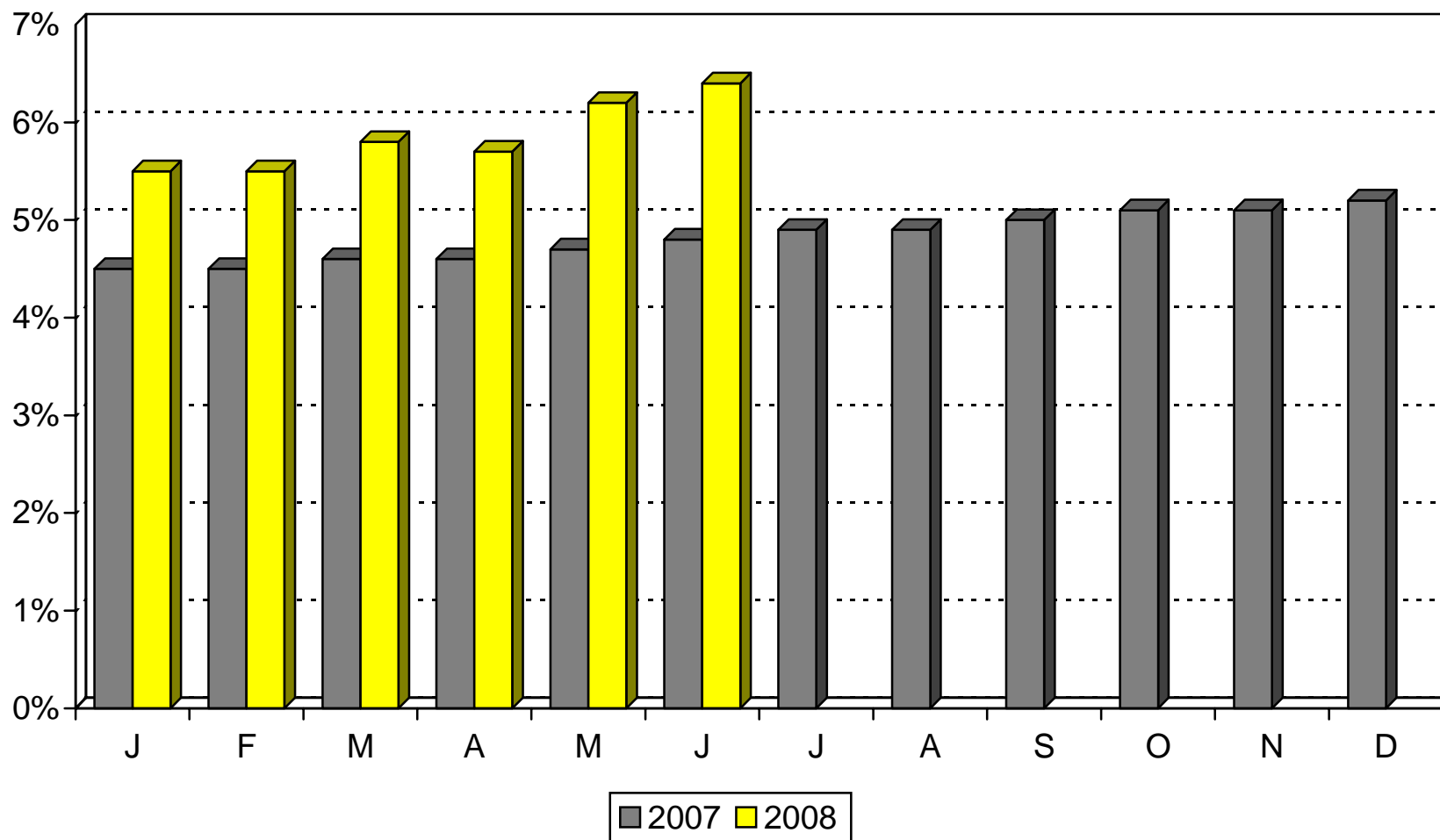
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
1999	4.2%	4.2%	4.2%	4.2%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
2000	4.3%	4.3%	4.3%	4.3%	4.4%	4.4%	4.5%	4.5%	4.6%	4.7%	4.7%	4.8%	4.5%
2001	4.9%	4.9%	5.0%	5.1%	5.2%	5.3%	5.4%	5.5%	5.6%	5.6%	5.7%	5.8%	5.3%
2002	5.8%	5.8%	5.8%	5.8%	5.7%	5.7%	5.7%	5.6%	5.6%	5.6%	5.5%	5.5%	5.7%
2003	5.5%	5.4%	5.4%	5.4%	5.3%	5.3%	5.2%	5.2%	5.1%	5.1%	5.0%	4.9%	5.3%
2004	4.9%	4.8%	4.7%	4.7%	4.6%	4.6%	4.5%	4.5%	4.4%	4.4%	4.3%	4.3%	4.5%
2005	4.3%	4.3%	4.3%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.1%	4.1%	4.2%
2006	4.1%	4.1%	4.1%	4.1%	4.2%	4.2%	4.2%	4.3%	4.3%	4.3%	4.4%	4.4%	4.2%
2007	4.5%	4.5%	4.6%	4.6%	4.7%	4.8%	4.9%	4.9%	5.0%	5.1%	5.1%	5.2%	4.8%
2008	5.5%	5.5%	5.8%	5.7%	6.2%	6.4%							
<b>2007-2008</b>													
<b>Change</b>													
<b>(pct. points)</b>	1.0	1.0	1.2	1.1	1.5	1.6							

The federal/state cooperative program under which employment and unemployment estimates for states and local areas are developed is the Local Area Unemployment Statistics Program (LAUS). These estimates are prepared by state employment security agencies in accordance with Bureau of Labor Statistics definitions and procedures. They are used for planning and budgetary purposes, as an indication of need for employment and training programs, and to allocate federal funds under the Workforce Investment Act (WIA), Federal Emergency Management Agency (FEMA), etc.

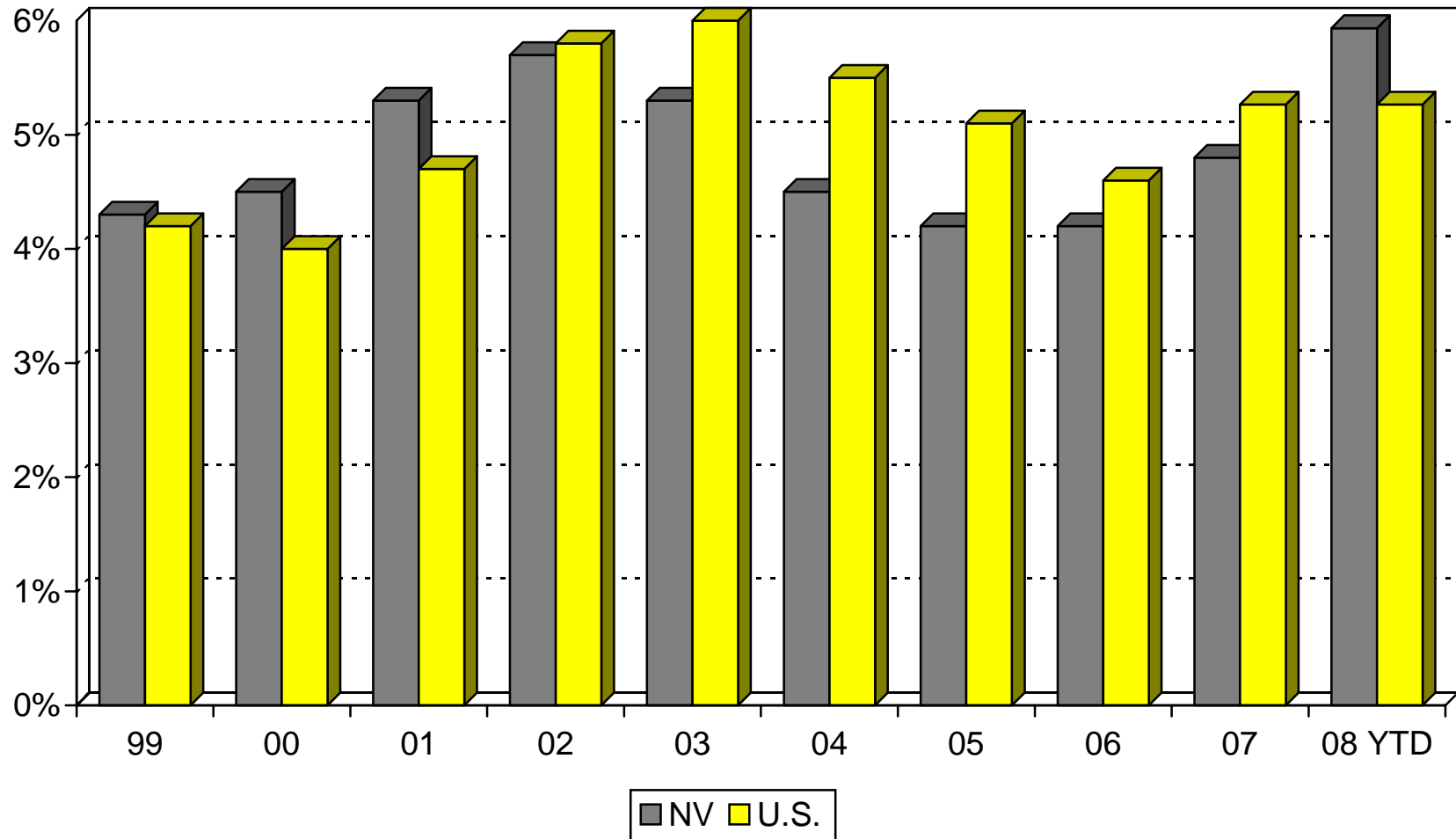
# Nevada Unemployment Rate (seasonally adjusted)



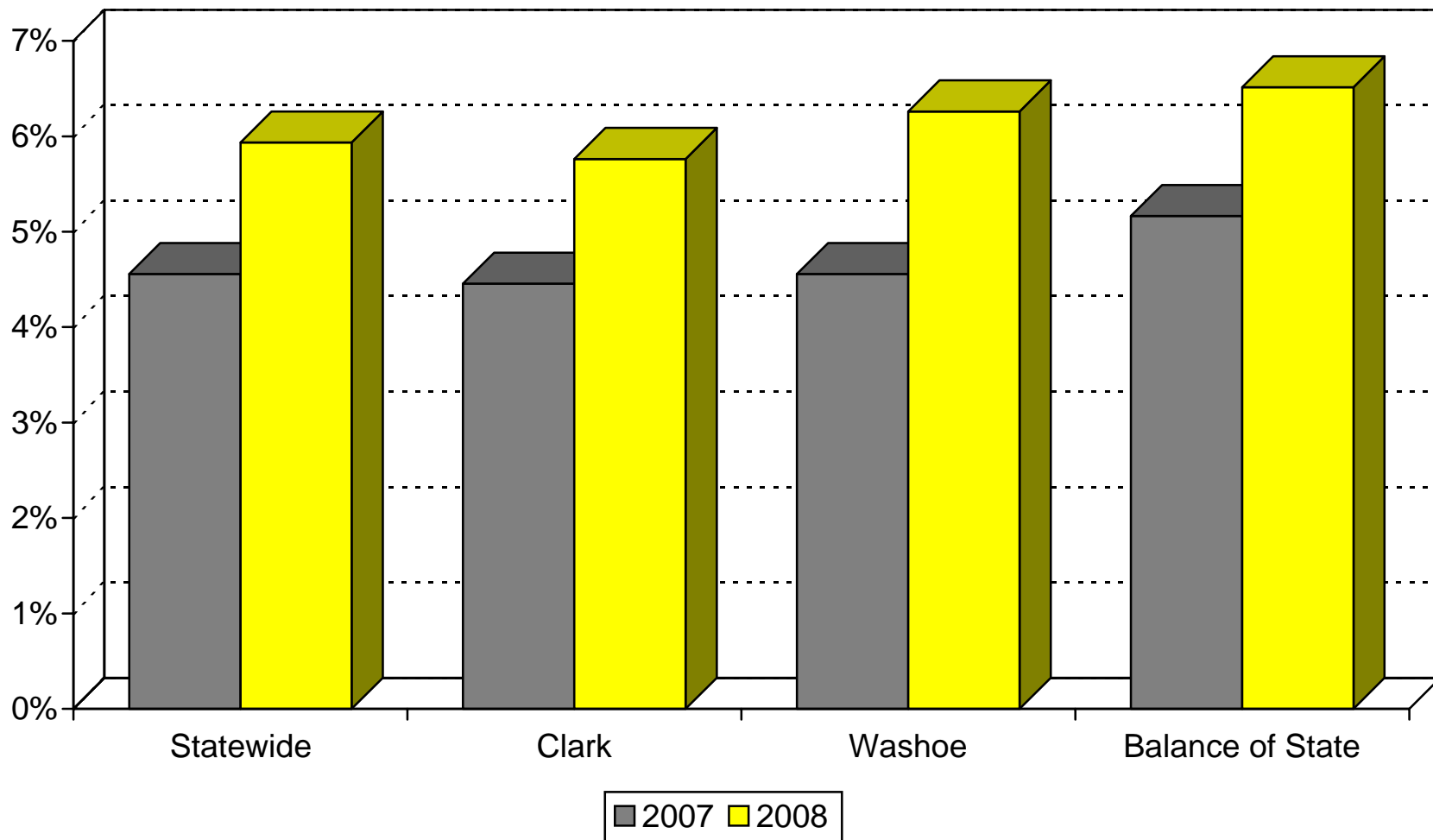
# Nevada Unemployment Rate: 2008 vs. 2007 (seasonally adjusted)



# Nevada Unemployment Rate vs. the U.S. (2008 YTD through June)



## Regional Unemployment Rates (YTD through June)



**JOBS**

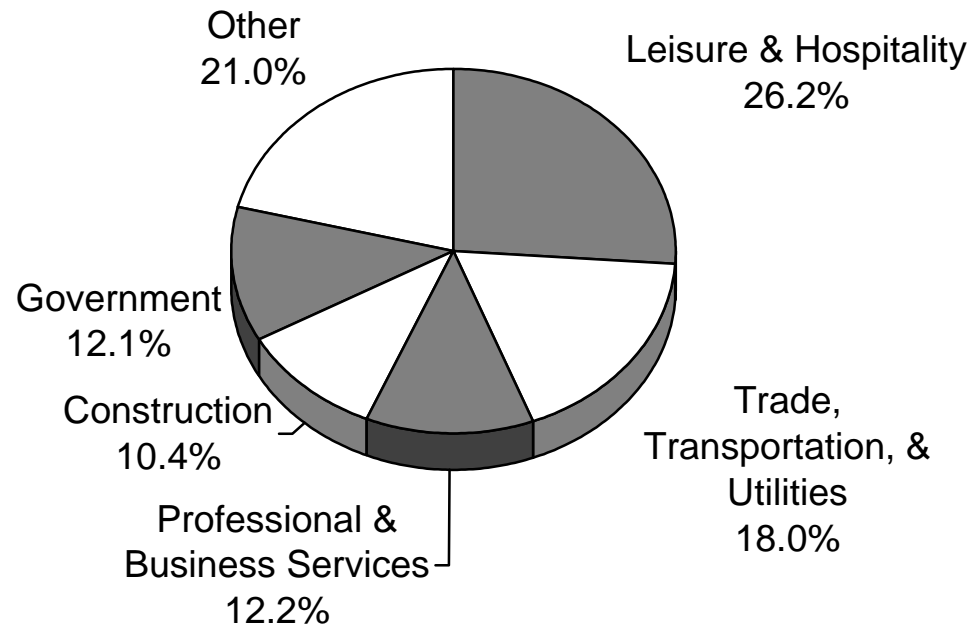


### Nevada Jobs

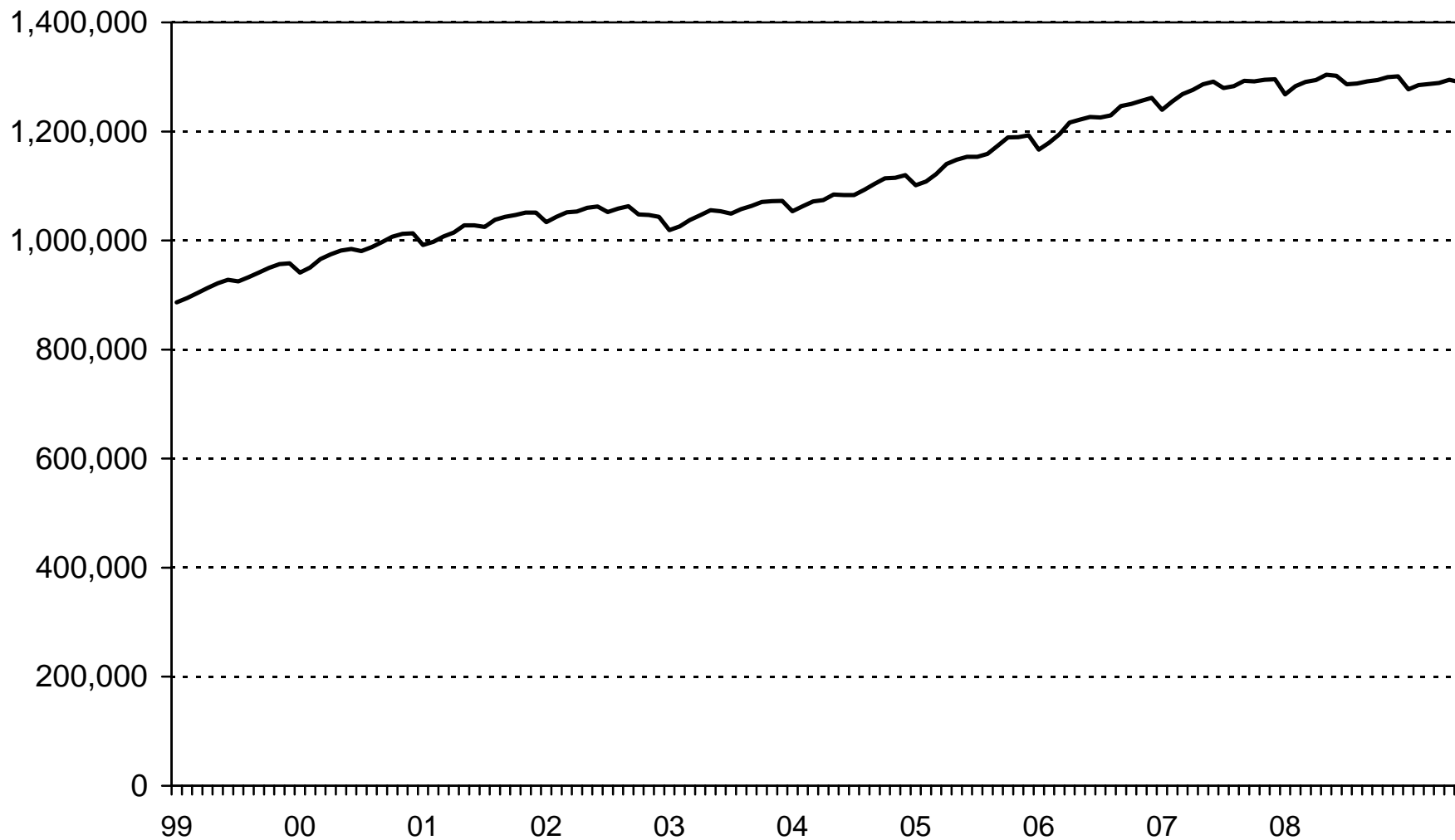
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
1999	941,000	950,400	966,000	974,900	981,500	984,500	980,700	987,800	997,000	1,007,000	1,012,400	1,013,300	983,000
2000	991,600	997,500	1,007,400	1,014,800	1,028,000	1,027,700	1,024,800	1,038,300	1,043,600	1,046,700	1,051,100	1,051,300	1,026,900
2001	1,033,800	1,043,200	1,051,700	1,053,100	1,060,200	1,062,400	1,052,300	1,058,600	1,063,100	1,048,000	1,047,000	1,043,400	1,051,400
2002	1,019,100	1,025,900	1,037,400	1,046,200	1,055,600	1,053,600	1,049,200	1,057,500	1,063,600	1,070,500	1,072,200	1,072,700	1,052,000
2003	1,053,500	1,062,900	1,071,800	1,074,100	1,084,100	1,083,600	1,083,200	1,093,200	1,103,900	1,114,300	1,115,200	1,119,900	1,088,300
2004	1,101,500	1,108,300	1,122,000	1,140,200	1,148,300	1,153,700	1,153,600	1,158,800	1,174,000	1,189,200	1,189,400	1,193,000	1,152,700
2005	1,166,700	1,179,500	1,195,000	1,216,500	1,221,800	1,226,700	1,225,700	1,229,500	1,246,400	1,250,300	1,256,300	1,261,500	1,223,000
2006	1,239,800	1,255,000	1,268,300	1,276,300	1,286,300	1,291,200	1,279,800	1,282,900	1,292,600	1,292,000	1,294,800	1,295,600	1,279,600
2007	1,268,200	1,283,100	1,290,700	1,294,100	1,303,900	1,302,300	1,286,700	1,287,900	1,291,700	1,294,100	1,299,500	1,301,000	1,291,900
2008	1,277,400	1,284,800	1,286,900	1,289,100	1,294,800	1,290,200							
<hr/>													
2007-2008													
Change	9,200	1,700	-3,800	-5,000	-9,100	-12,100							
	0.7%	0.1%	-0.3%	-0.4%	-0.7%	-0.9%							

The federal/state cooperative program under which job estimates for states and local areas are developed is the Current Employment Statistics Program (CES). The Program revolves around a monthly survey of non-farm business establishments used to collect wage and salary employment, hours worked, and payroll, by industry and area.

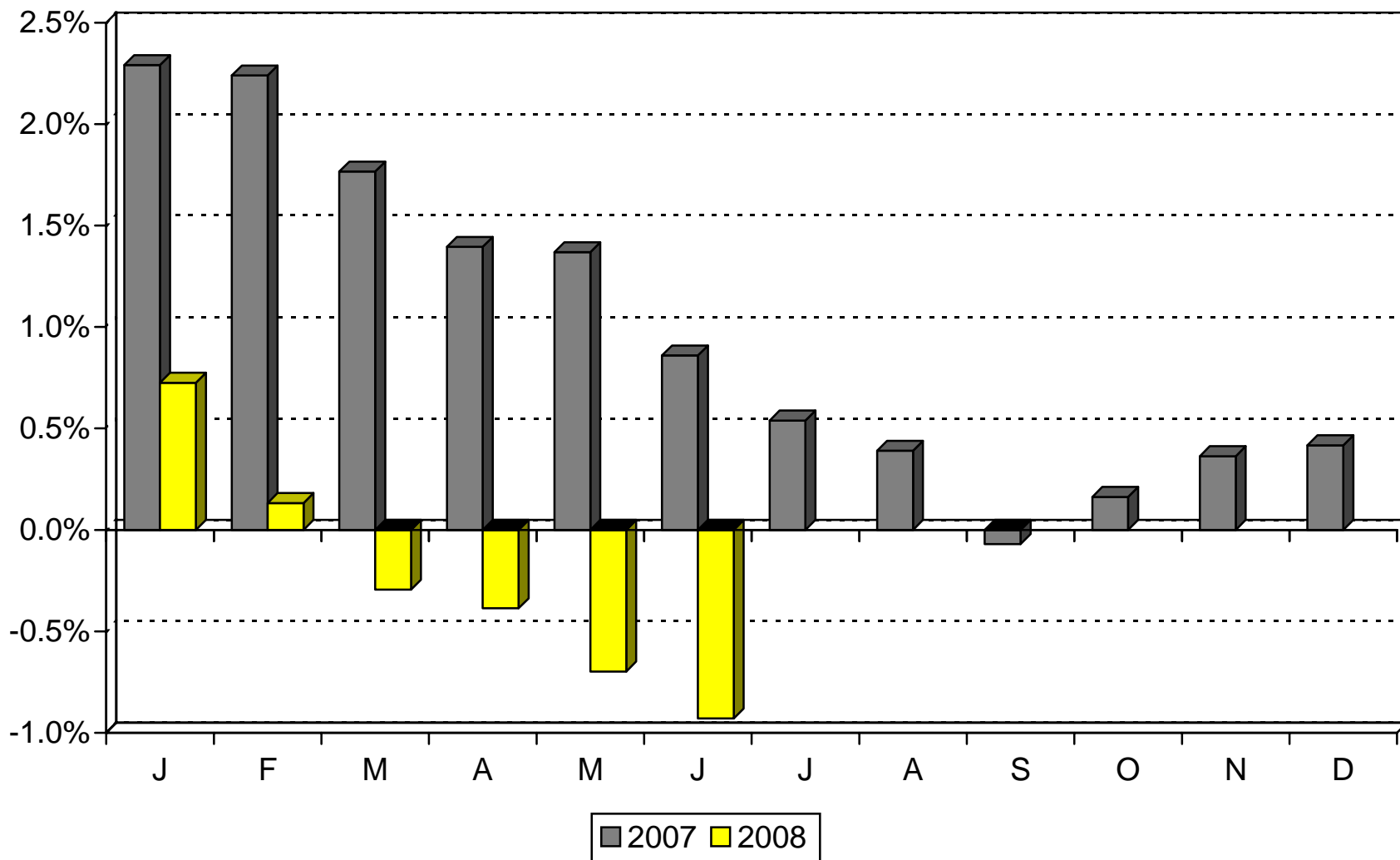
# Nevada Jobs by Industry: 2007



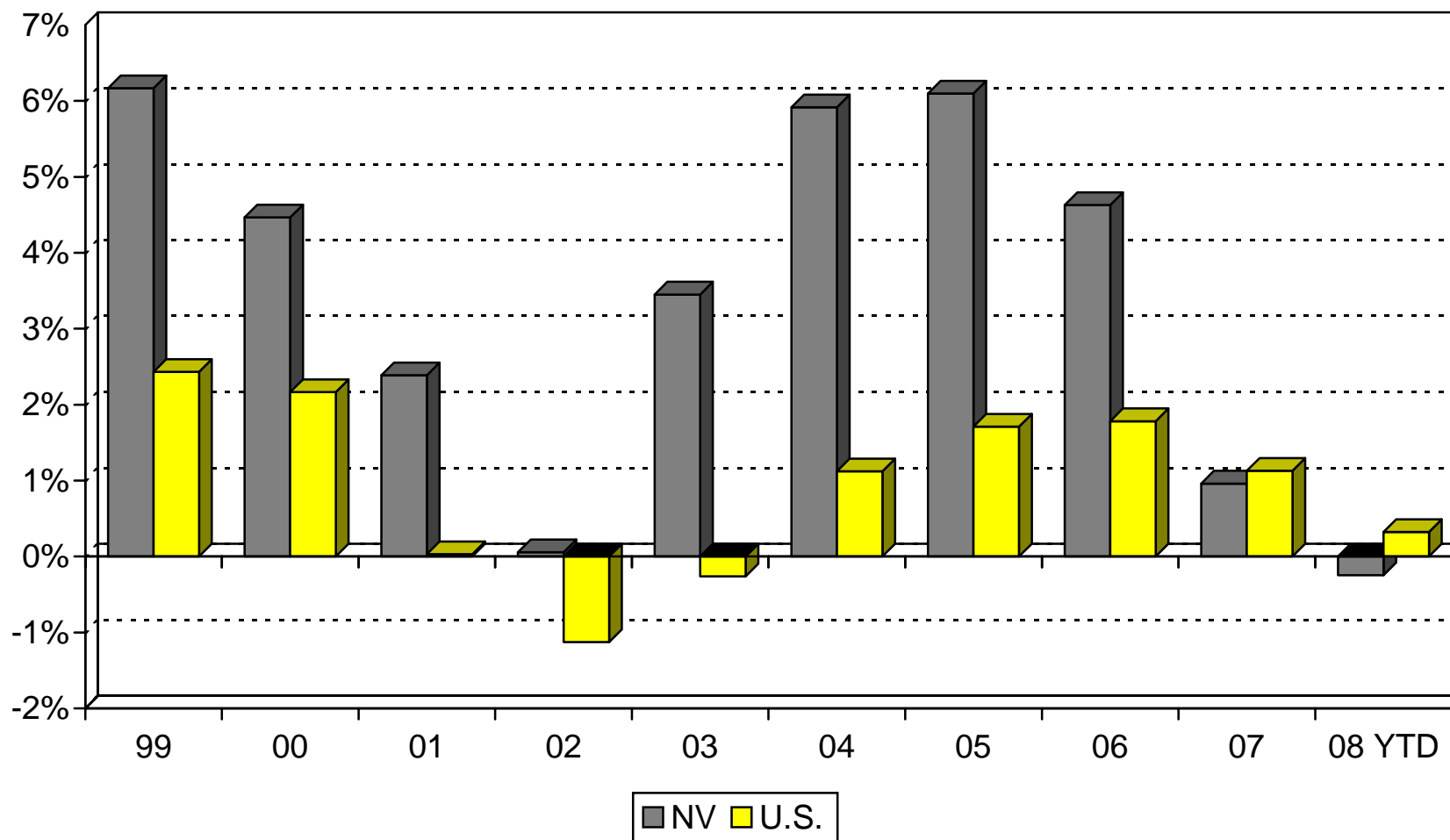
# Nevada Jobs



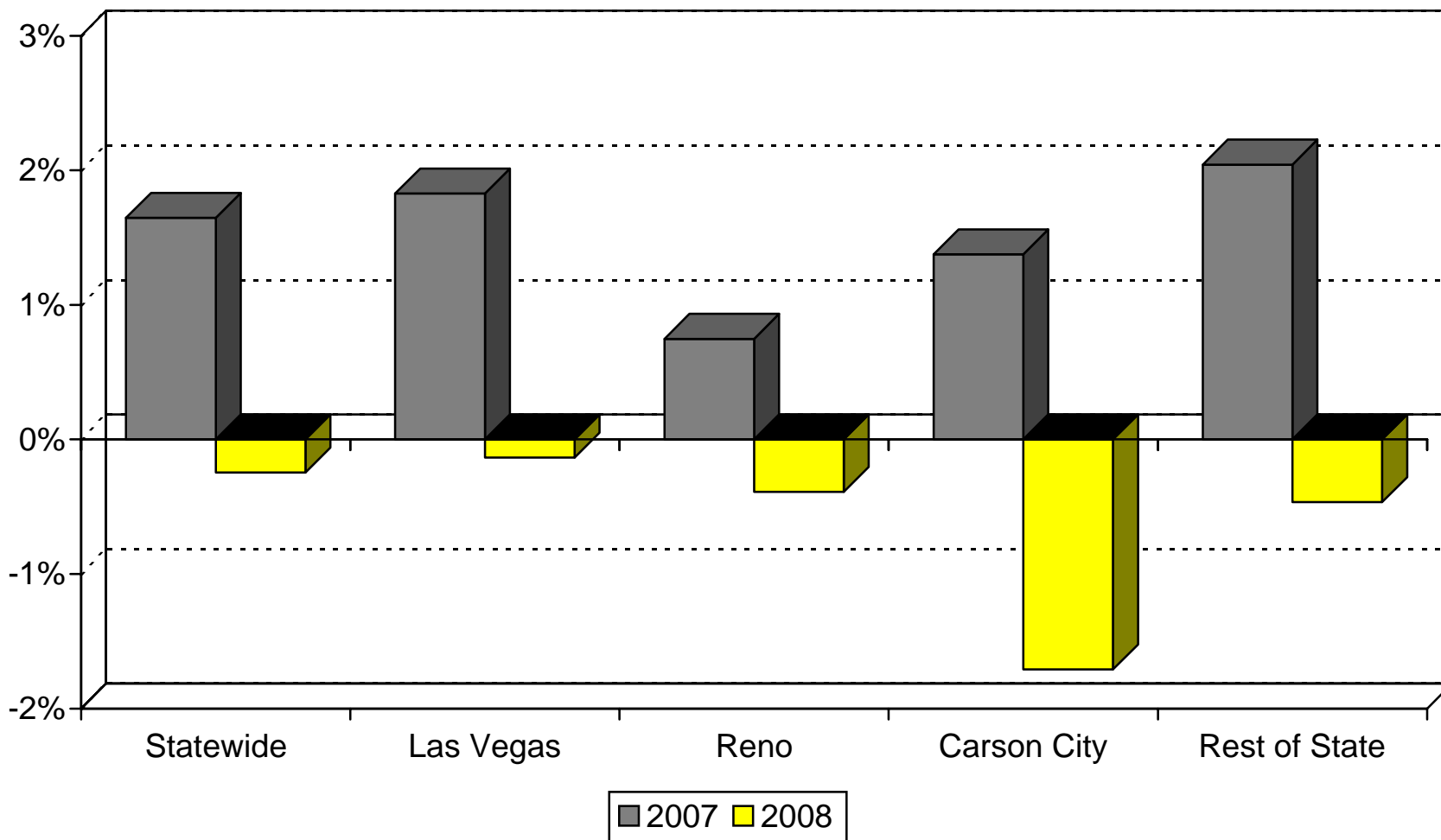
# Nevada Job Growth: 2008 vs. 2007



## Nevada Job Growth vs. the U.S. (2008 YTD through June)



# Regional Job Growth (YTD through June)



**WAGES**

## Nevada Average Weekly Wages

	IQ	IIQ	IIIQ	IVQ	Annual Average
1998	\$554	\$562	\$573	\$631	\$581
1999	\$578	\$584	\$593	\$644	\$600
2000	\$613	\$610	\$613	\$646	\$621
2001	\$627	\$628	\$633	\$660	\$637
2002	\$647	\$635	\$646	\$686	\$654
2003	\$662	\$658	\$675	\$721	\$679
2004	\$696	\$685	\$703	\$768	\$714
2005	\$716	\$738	\$751	\$775	\$745
2006	\$764	\$748	\$751	\$817	\$770
2007	\$802	\$776	\$792	\$872	\$811
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2006-2007 Change	4.9%	3.7%	5.4%	6.7%	5.2%

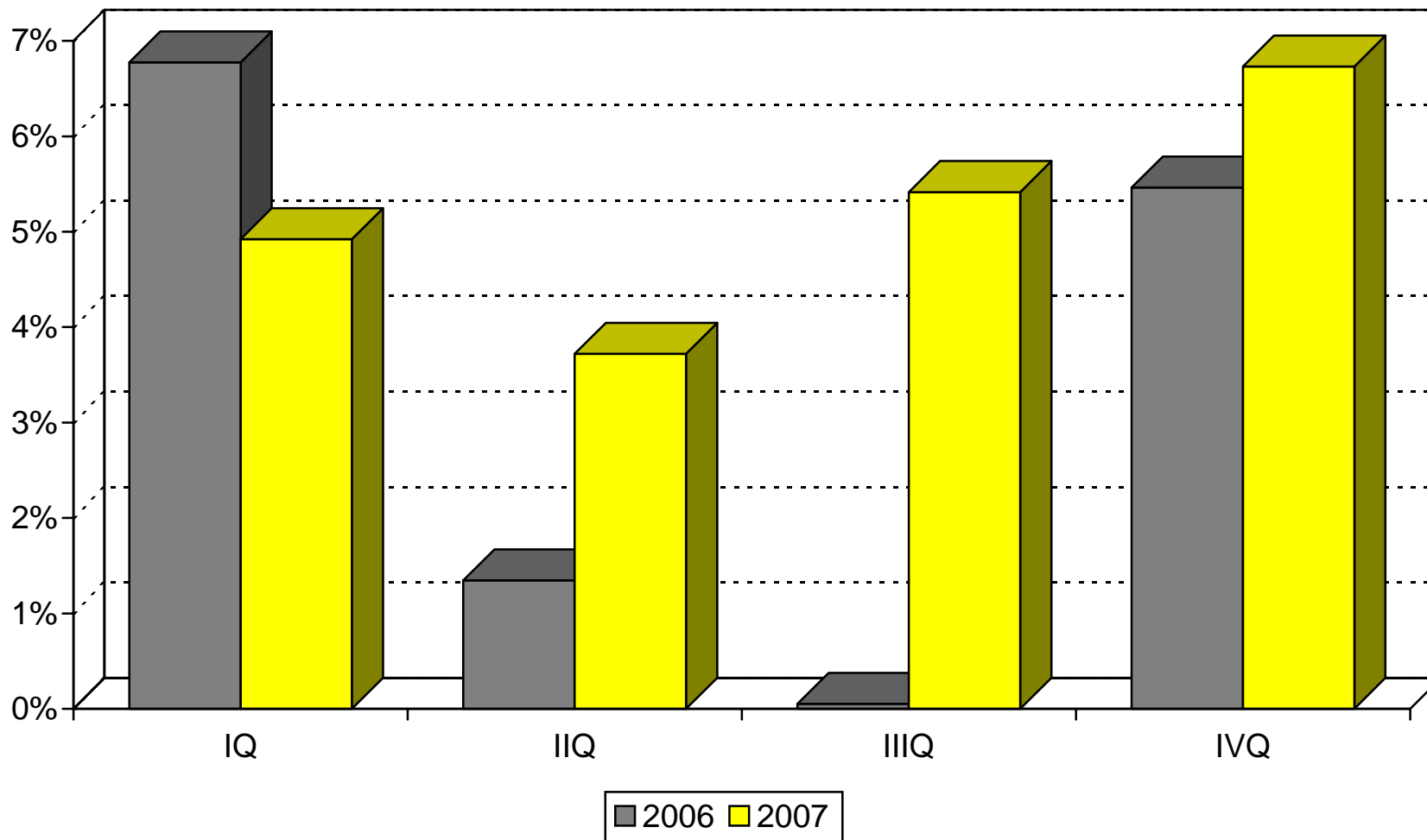
Average weekly wage data is obtained via the Quarterly Census of Employment and Wages (QCEW) Program. The QCEW is a federal/state cooperative program that collects and compiles employment and wage data, by industry, for workers covered by state unemployment insurance (UI) laws.



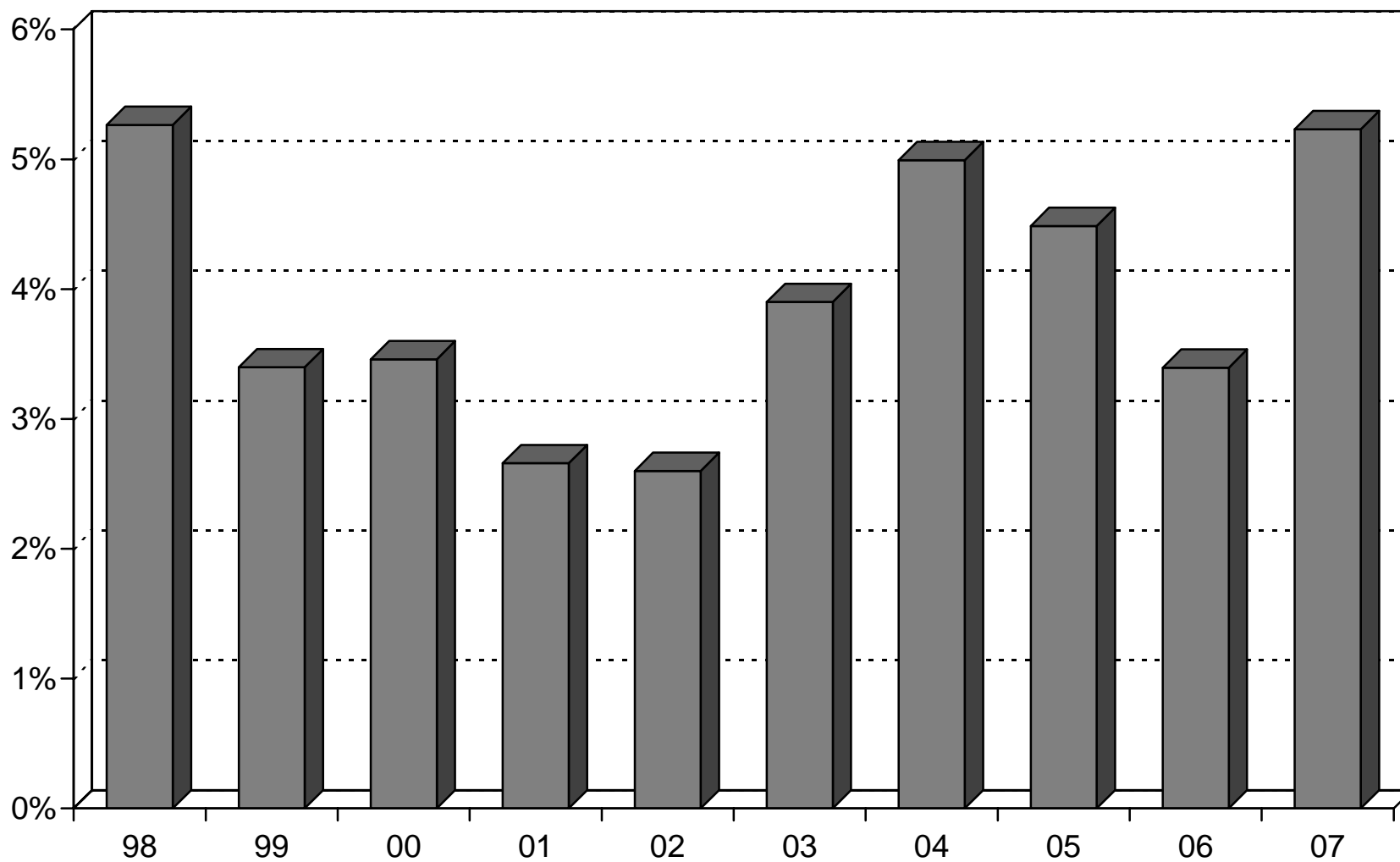
# Nevada Average Weekly Wages



# Nevada Average Weekly Wages Growth: 2007 vs. 2006



# Nevada Average Weekly Wages Growth



# UNEMPLOYMENT INSURANCE

## Nevada Unemployment Insurance Indicators

### Initial Claims

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
2007	14,452	11,112	12,058	13,198	11,965	13,263	13,907	14,036	11,976	14,403	16,659	17,056	13,674
2008	20,429	16,228	16,342	17,754	15,500	17,667							
2007-2008													
Change	5,977	5,116	4,284	4,556	3,535	4,404							
	41.4%	46.0%	35.5%	34.5%	29.5%	33.2%							

### Continued Claims (weeks claimed)

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
2007	119,558	96,107	96,220	112,719	91,803	90,776	118,949	98,785	86,805	121,194	107,262	149,671	107,487
2008	136,070	138,545	168,969	141,577	137,924	168,723							
2007-2008													
Change	16,512	42,438	72,749	28,858	46,121	77,947							
	13.8%	44.2%	75.6%	25.6%	50.2%	85.9%							

### Average Duration (weeks)

	January	February	March	April	May	June	July	August	September	October	November	December
2007	12.72	12.84	12.97	13.18	13.18	13.24	13.18	13.15	13.20	13.33	13.40	13.48
2008	13.30	13.23	13.49	13.42	13.55	13.84						
2007-2008												
Change	0.58	0.39	0.52	0.24	0.37	0.60						
	4.6%	3.0%	4.0%	1.8%	2.8%	4.5%						

### Exhaustions (number of final payments)

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
2007	1,983	1,647	1,745	2,363	2,188	2,097	2,617	2,116	1,941	2,537	2,091	2,845	2,181
2008	2,683	2,690	3,481	3,121	3,147	3,769							
2007-2008													
Change	700	1,043	1,736	758	959	1,672							
	35.3%	63.3%	99.5%	32.1%	43.8%	79.7%							

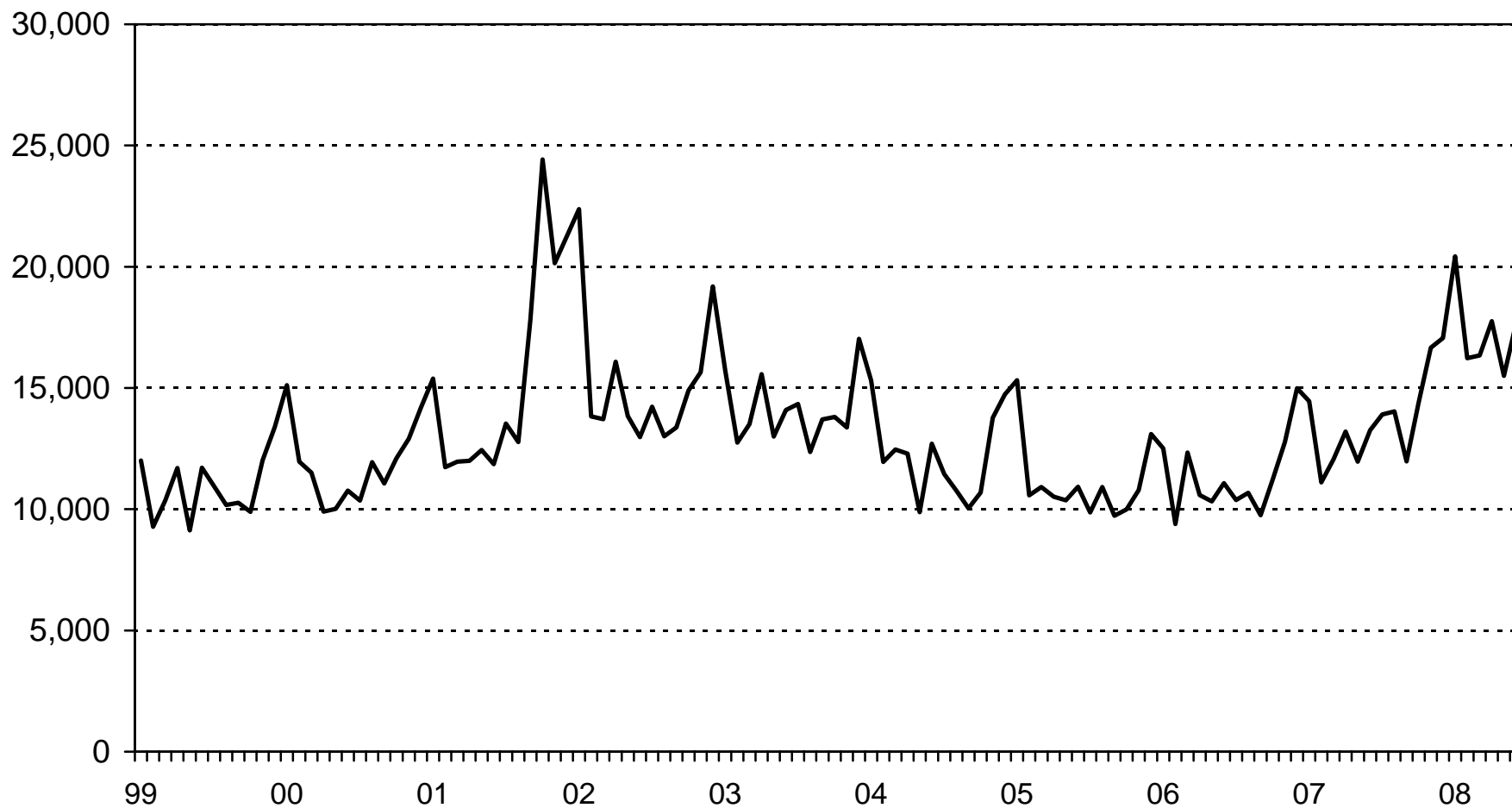
**Initial Claim** – An initial claim is any notice of unemployment filed by an individual to initiate 1) a determination of entitlement to and eligibility for compensation (a new claim); 2) a subsequent period of unemployment within a benefit year or period of eligibility (an additional claim); or 3) a new claim filed to request a determination of eligibility and establishment of a new benefit year within an existing spell of unemployment (transitional claim).

**Continued Claim** – A claim filed after the initial claim, by mail, telephone, electronically, or in person, for waiting-period credit or payment for a certified week of unemployment.

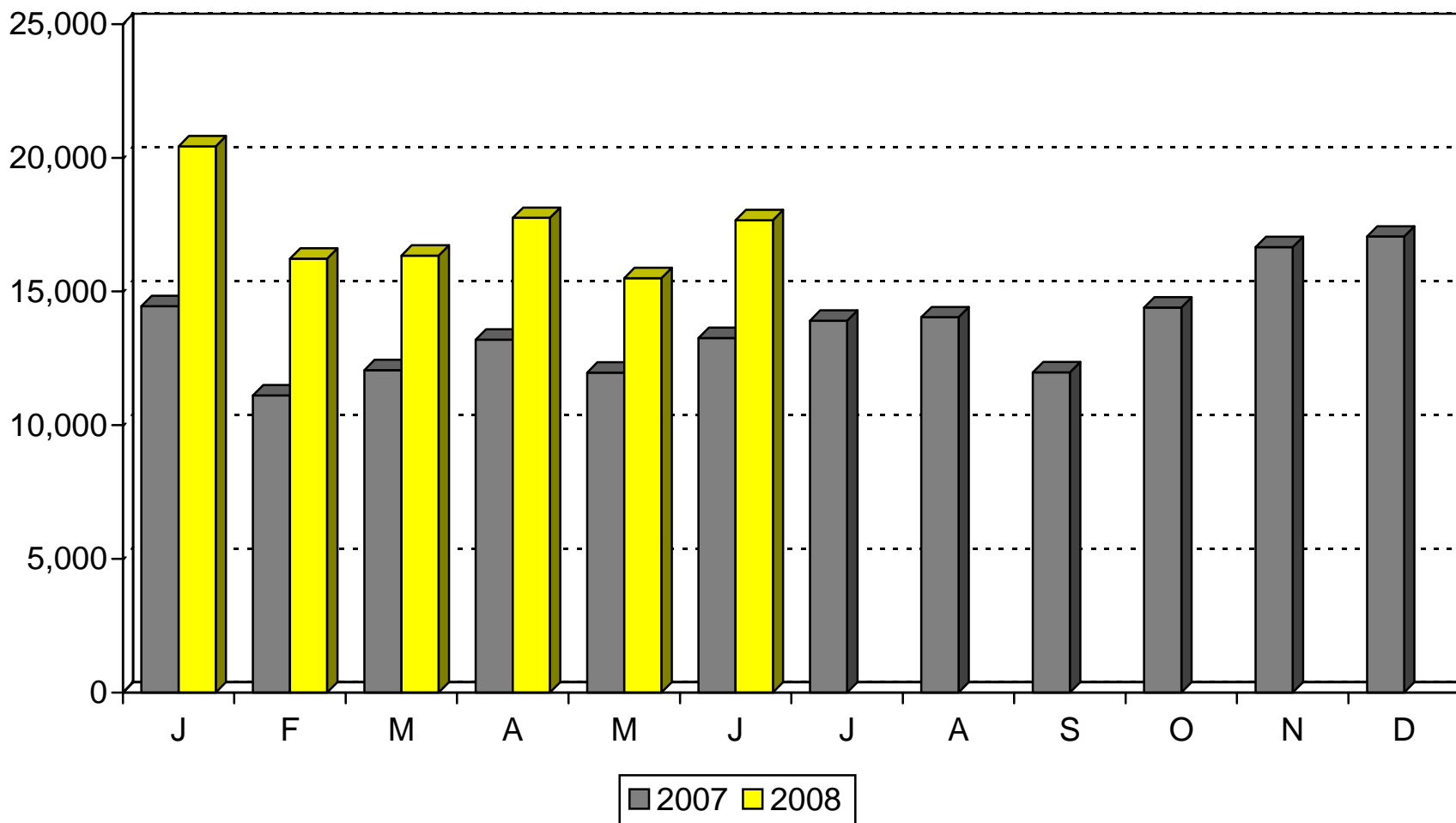
**Average Duration** -The average number of consecutive weeks a claim is paid, expressed on a 12-month moving average basis.

**Exhaustions** - Benefit payments in a claimant's final week of eligibility.

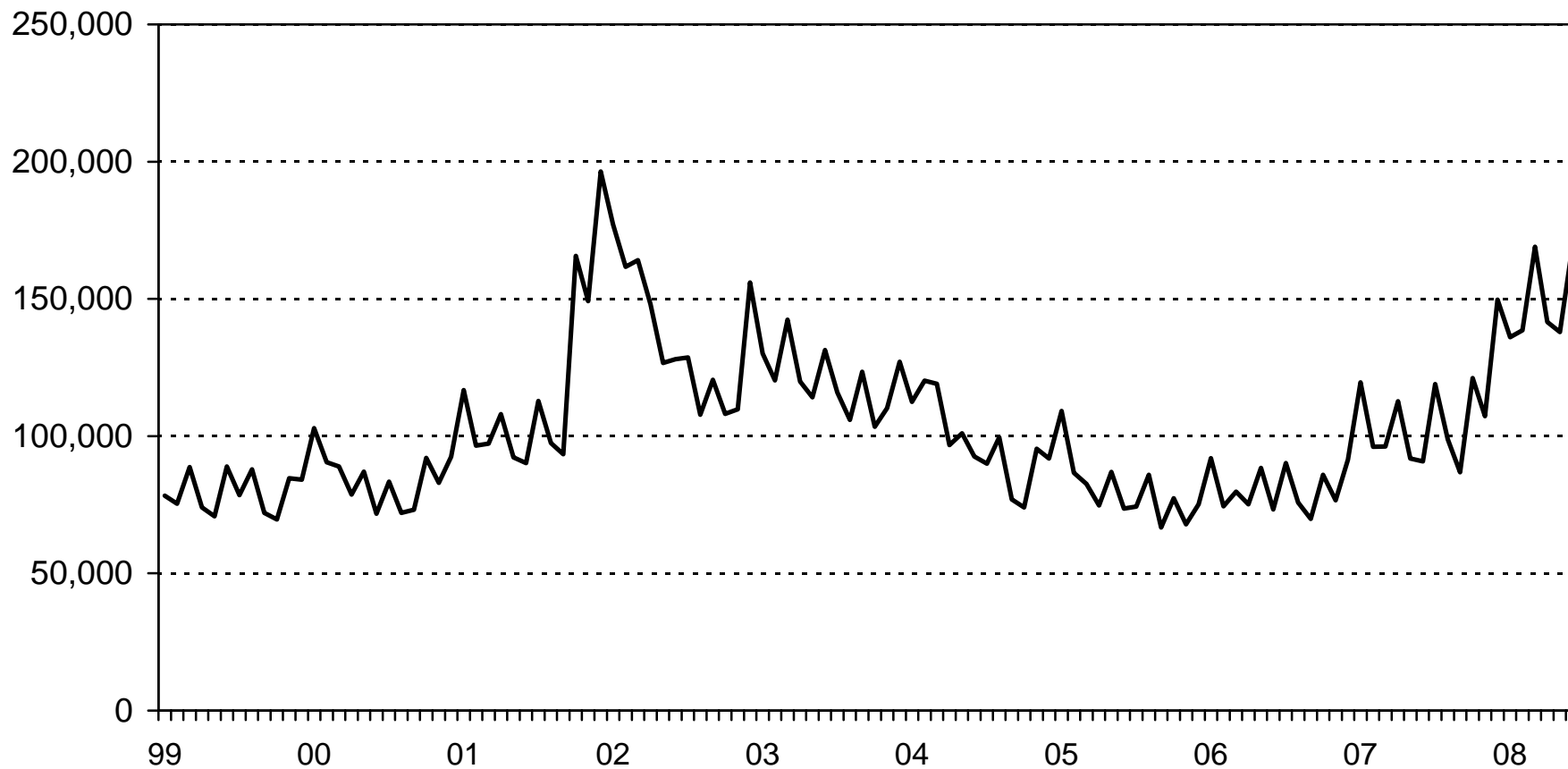
# Nevada Initial Claims for Unemployment Insurance



# Nevada Initial Claims for Unemployment Insurance: 2008 vs. 2007

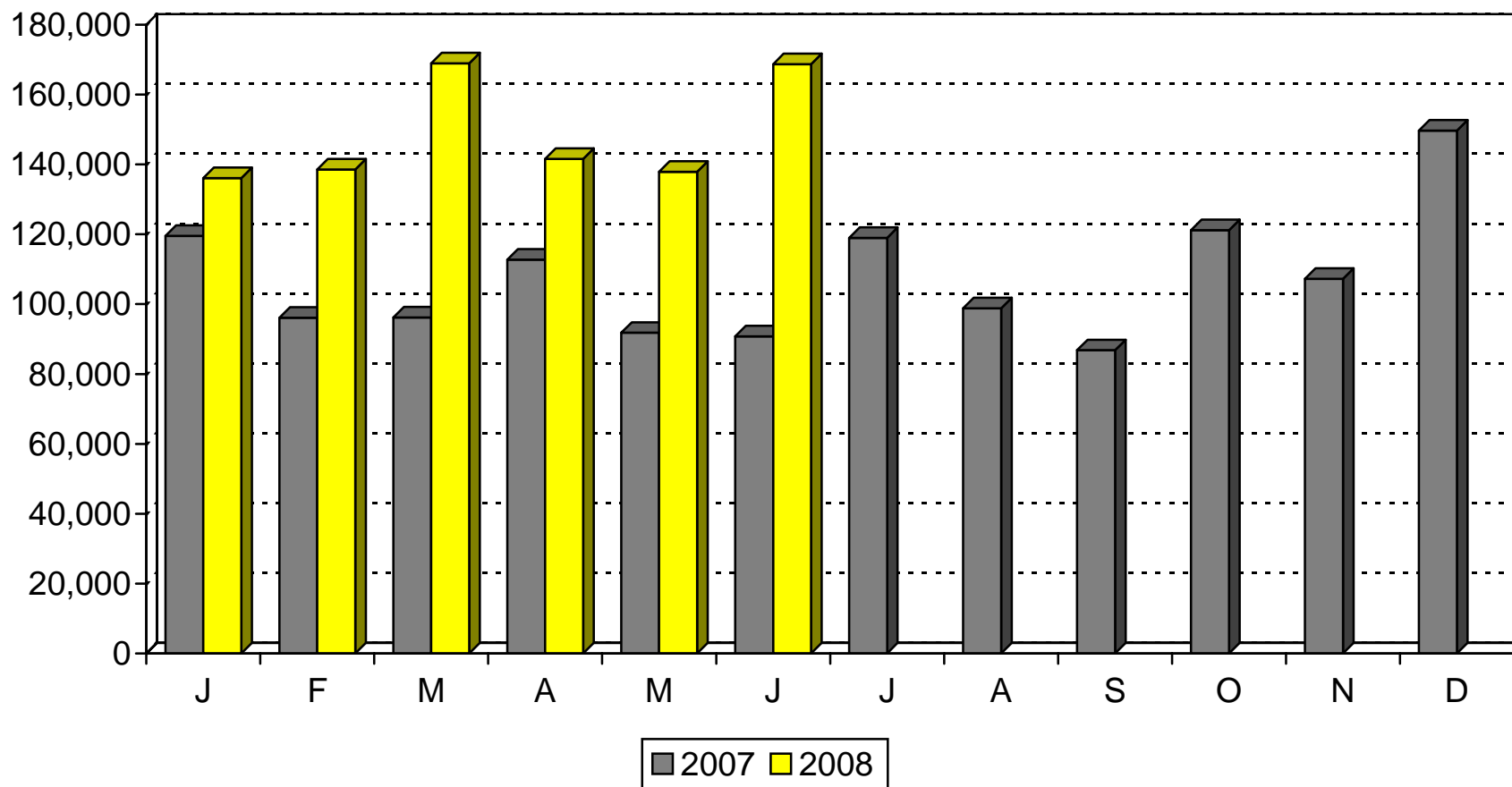


# Nevada Continued Claims for Unemployment Insurance (weeks claimed)

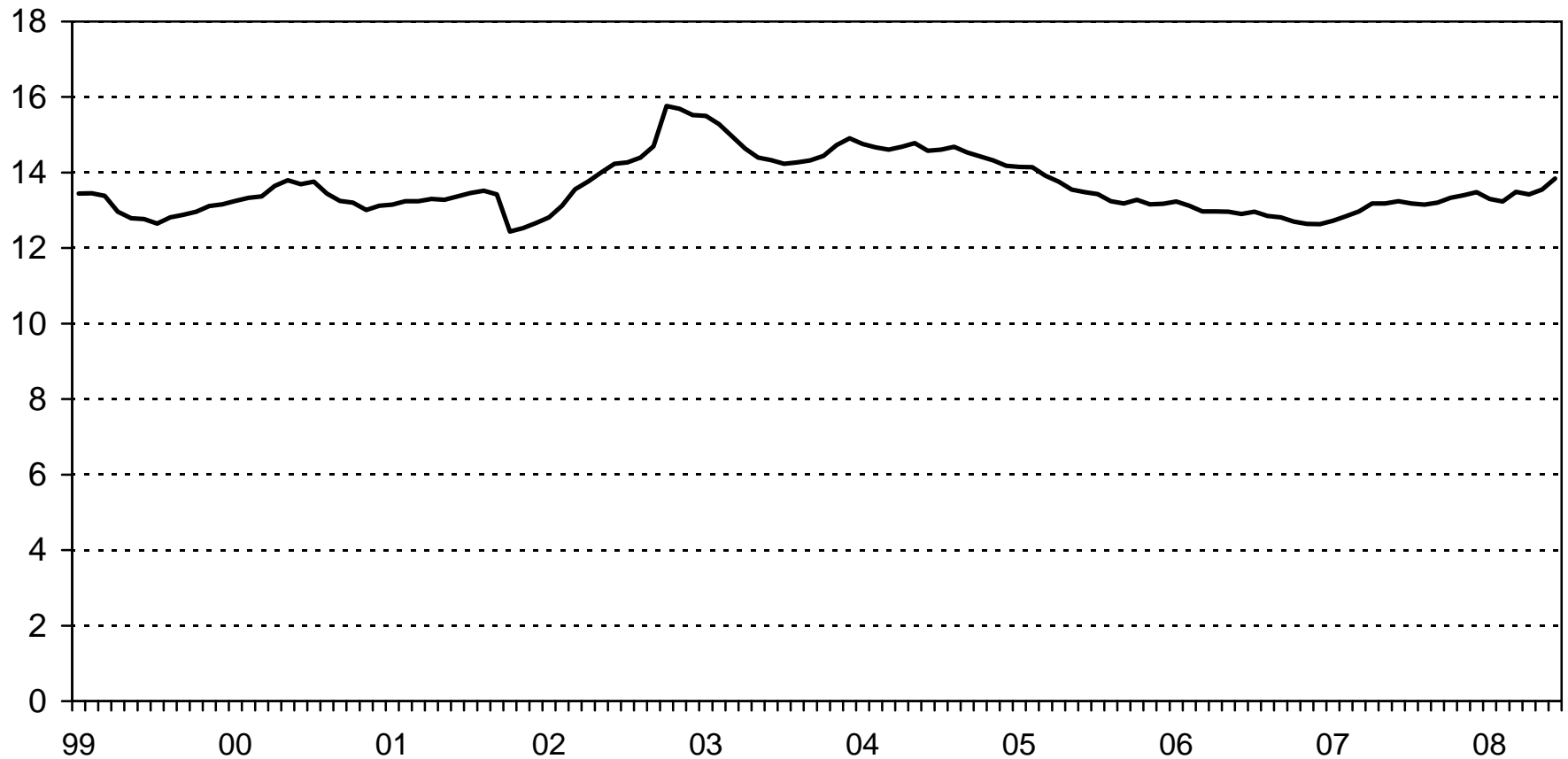




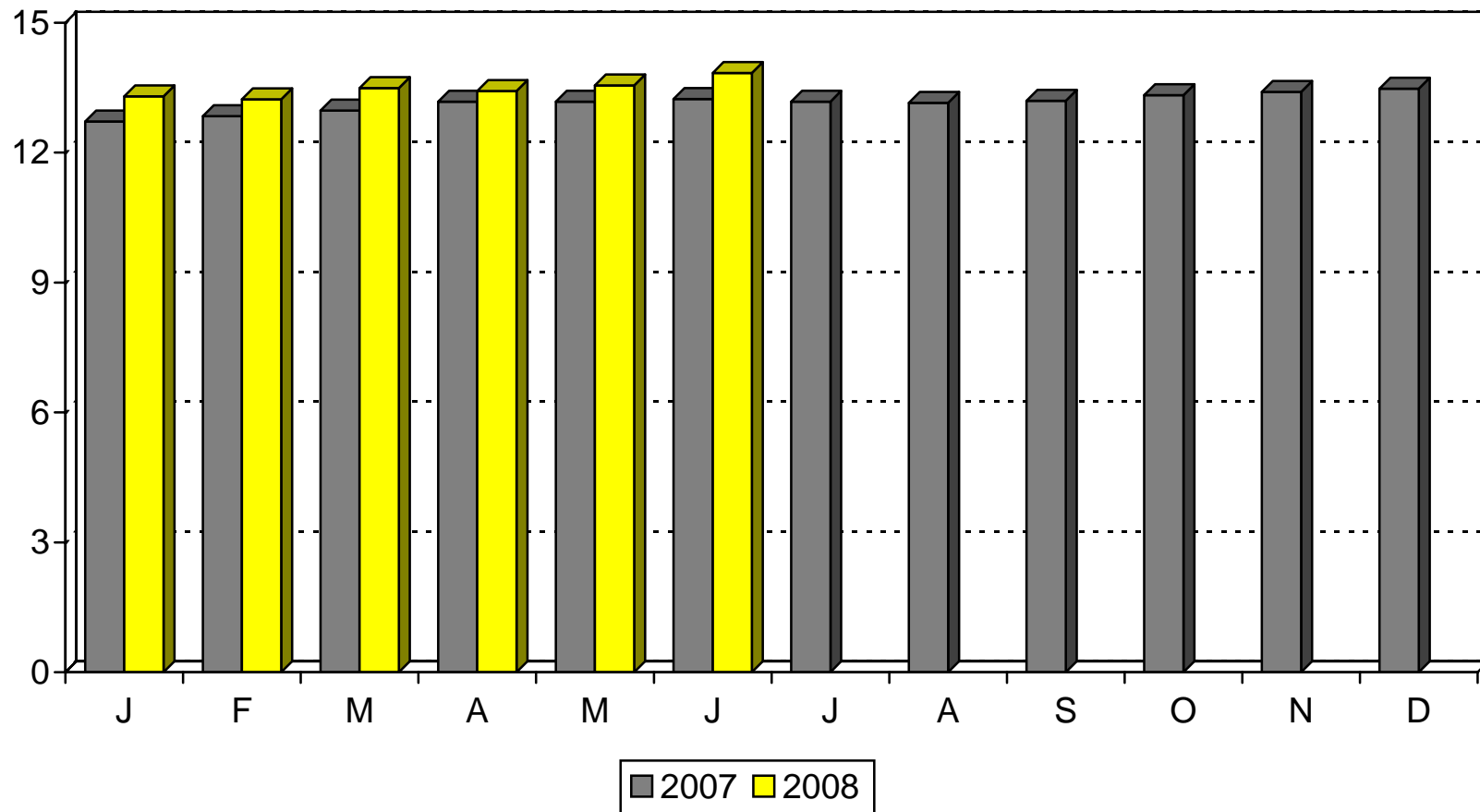
# Nevada Continued Claims for Unemployment Insurance: 2008 vs. 2007 (weeks claimed)



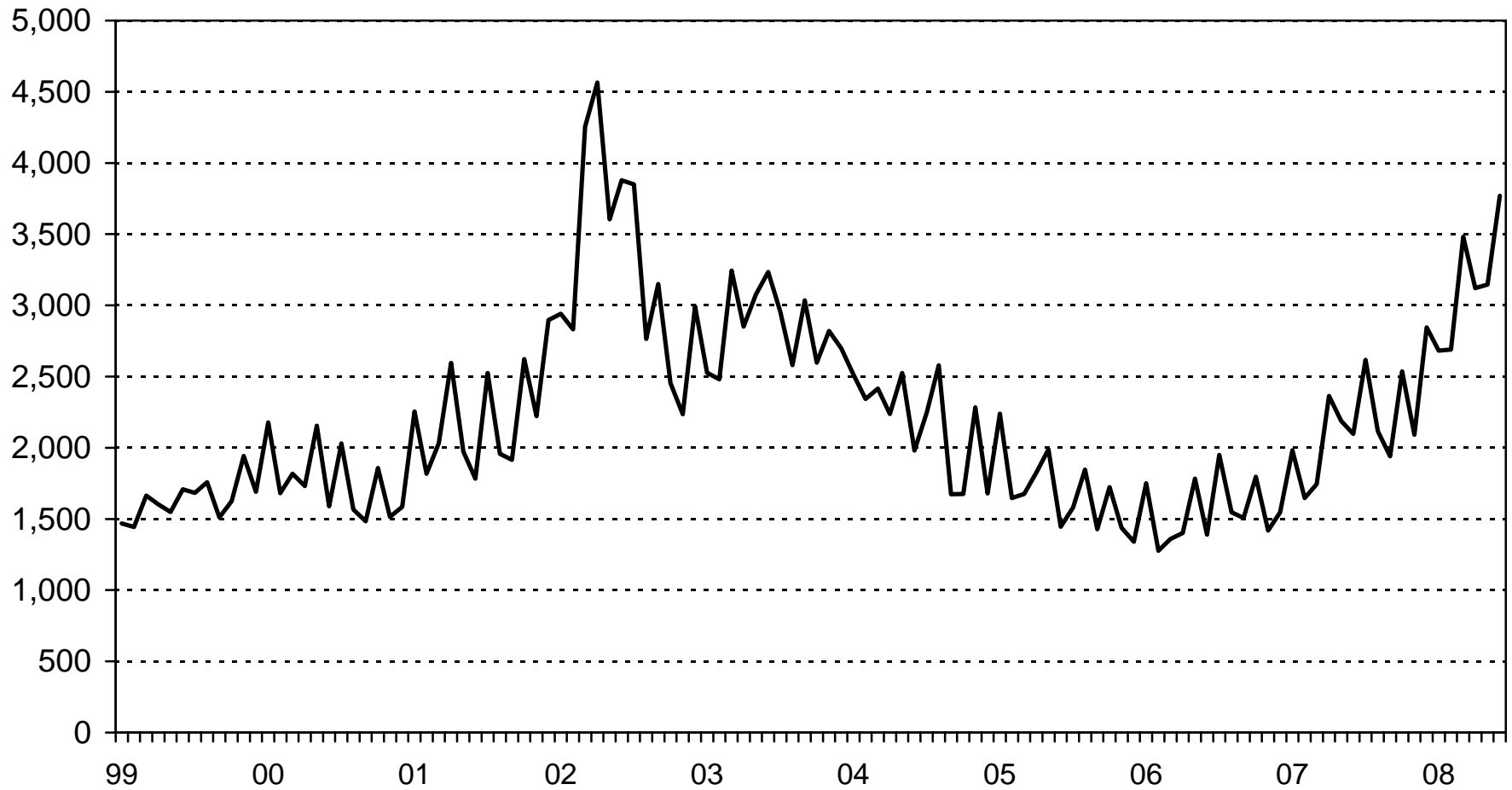
# Average Duration of Nevada Unemployment Insurance Claims (weeks; 12-month moving average)



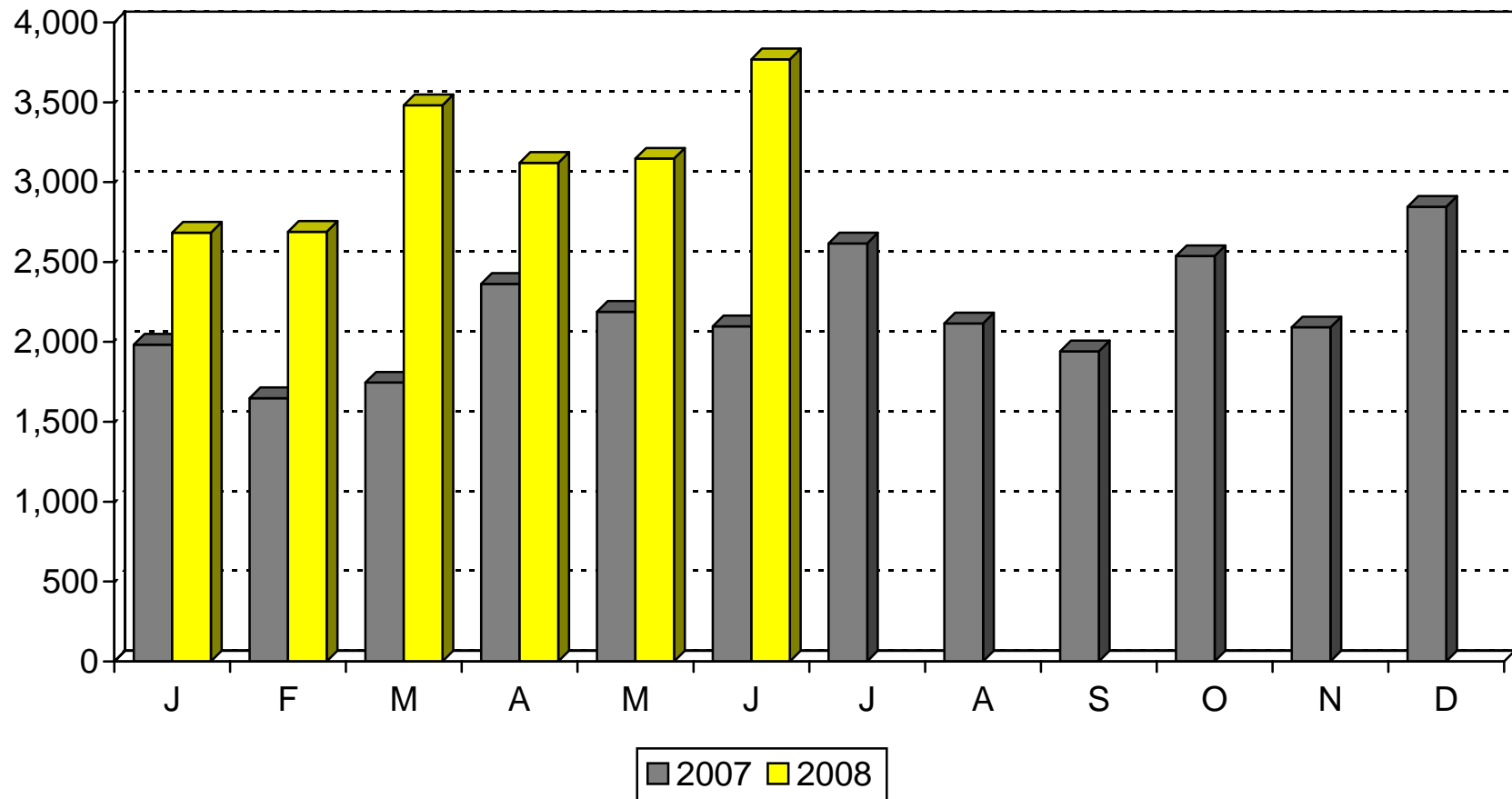
# Average Duration of Nevada Unemployment Insurance Claims: 2008 vs. 2007 (weeks; 12-month moving average)



# Nevada Unemployment Insurance Exhaustions (number of final payments)



# Nevada Unemployment Insurance Exhaustions: 2008 vs. 2007 (number of final payments)



NUMBER  
OF  
EMPLOYERS

## Nevada Employers

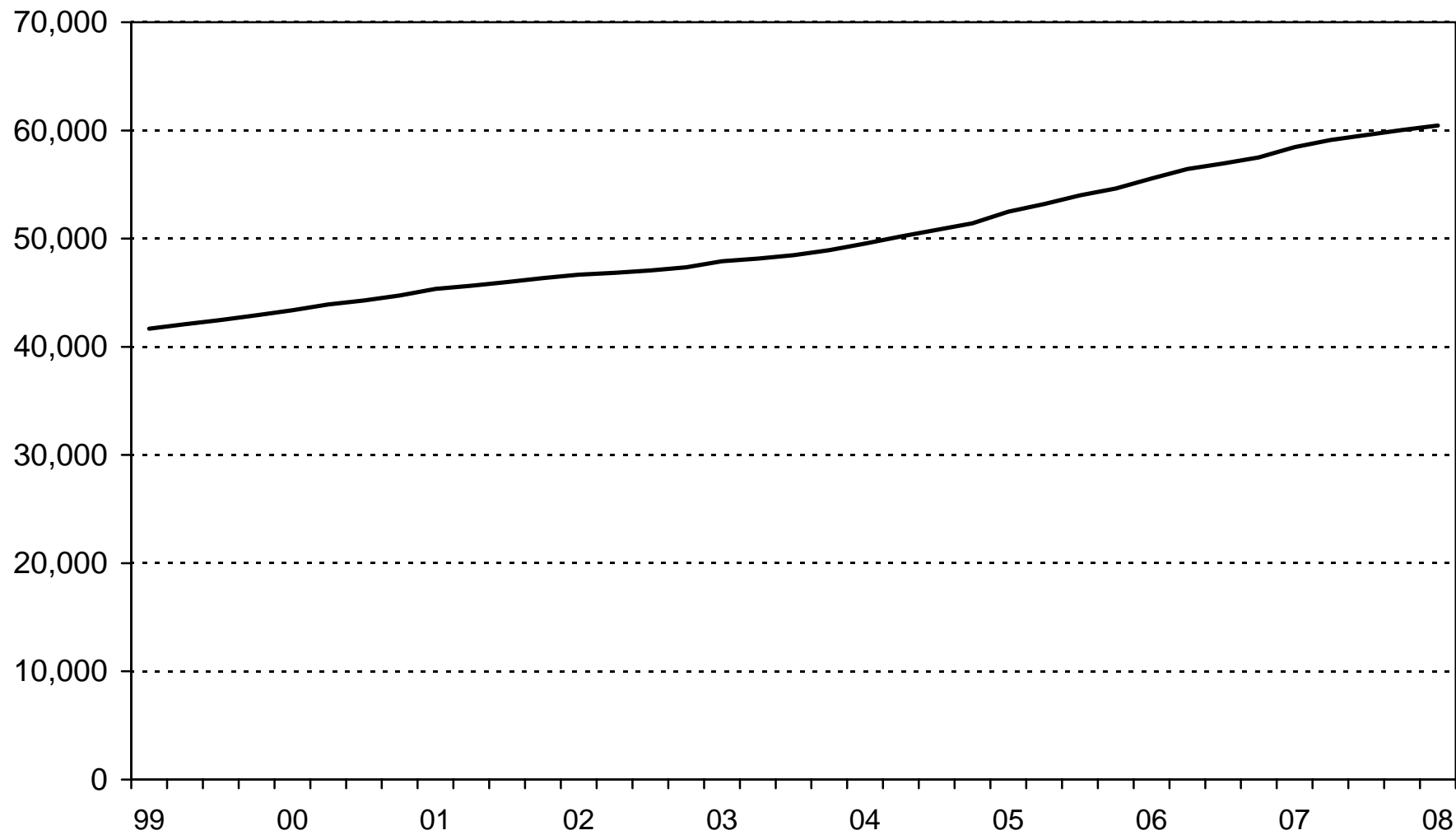
	IQ	IIQ	IIIQ	IVQ	Annual Average
1999	41,676	42,083	42,473	42,922	42,077
2000	43,388	43,908	44,280	44,741	43,859
2001	45,348	45,643	45,995	46,339	45,662
2002	46,655	46,842	47,045	47,340	46,847
2003	47,900	48,156	48,465	48,929	48,174
2004	49,547	50,188	50,806	51,424	50,180
2005	52,483	53,195	53,998	54,641	53,225
2006	55,564	56,444	56,938	57,512	56,615
2007	58,459	59,108	59,584	60,041	59,298
2008	60,443				

2007-2008

Change            3.4%

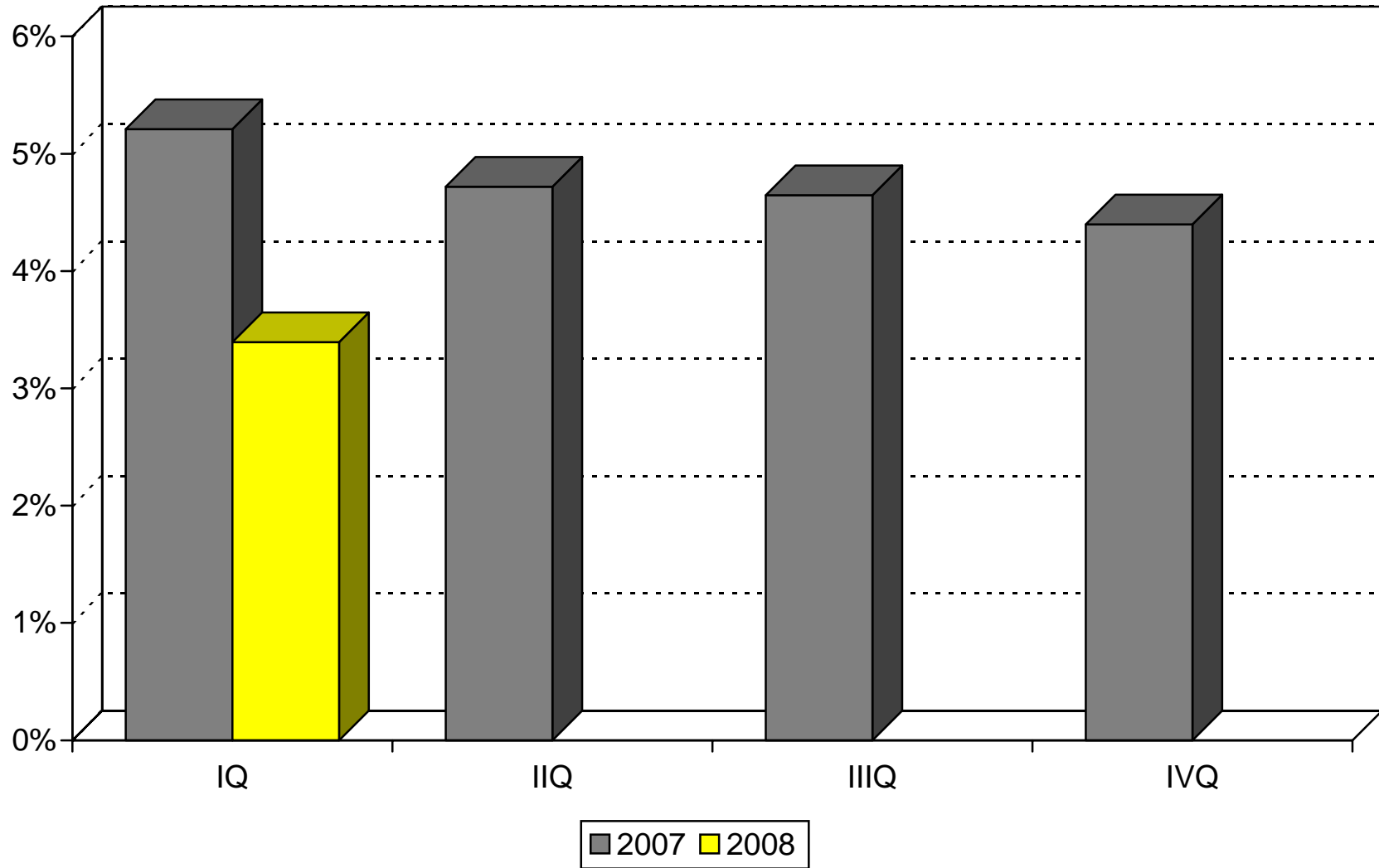
The end-of-quarter count of employers with recorded unemployment insurance contributions.

# Nevada Employers

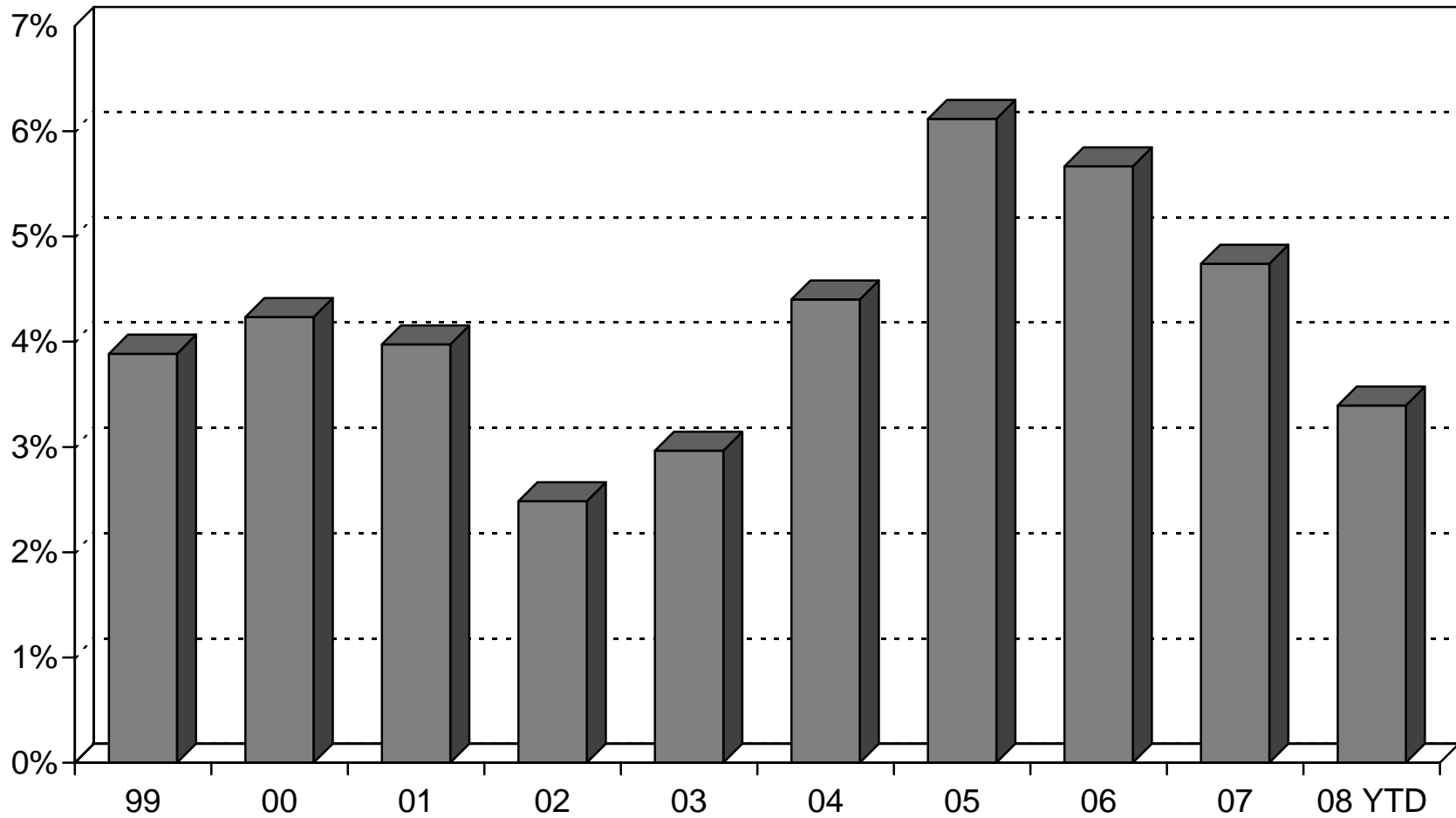




# Nevada Employers Growth: 2008 vs. 2007



# Nevada Employers Growth (2008 YTD through IQ)



# SALES & GAMING ACTIVITY

**Nevada Retail and Gaming Indicators**

**Nevada Taxable Sales**

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2007	\$3,704,905,000	\$3,826,162,000	\$4,479,529,000	\$3,907,396,000	\$4,112,413,000	\$4,473,694,000	\$3,994,947,000	\$3,932,923,000	\$4,191,323,000	\$3,980,091,000	\$3,799,809,000	\$4,675,433,000	49,078,625,000
2008	\$3,524,373,000	\$3,620,620,000	\$4,305,068,000	\$3,919,568,000	\$4,049,076,000								
2007-2008 Change	-4.9%	-5.4%	-3.9%	0.3%	-1.5%								

**Las Vegas Visitor Volume**

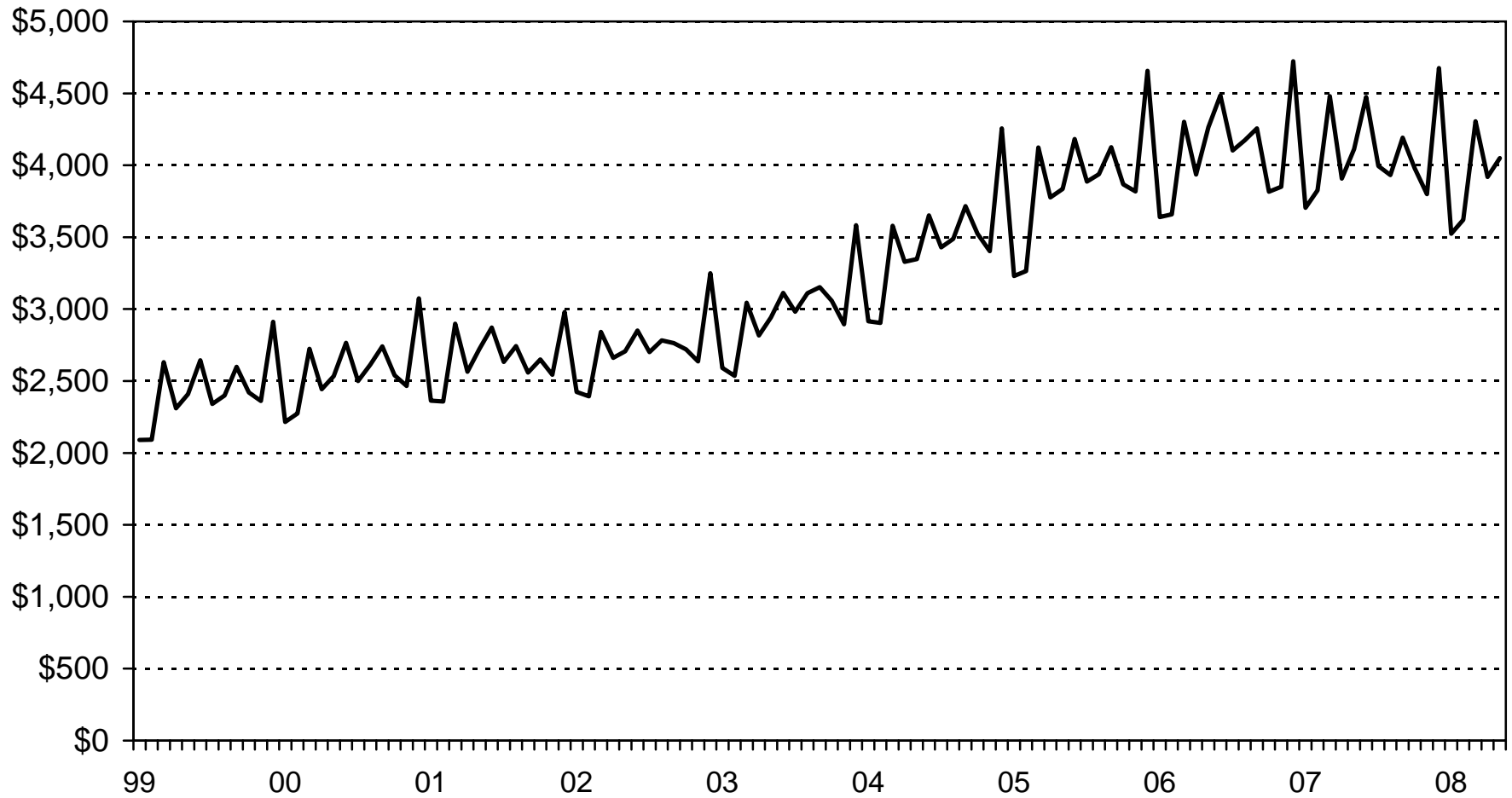
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2007	3,156,419	3,015,850	3,456,738	3,314,448	3,380,791	3,282,315	3,378,193	3,353,997	3,268,125	3,384,546	3,129,508	3,075,831	39,196,761
2008	3,138,312	3,107,997	3,423,765	3,265,251	3,395,991								
2007-2008 Change	-0.6%	3.1%	-1.0%	-1.5%	0.4%								

**Nevada Gaming Win**

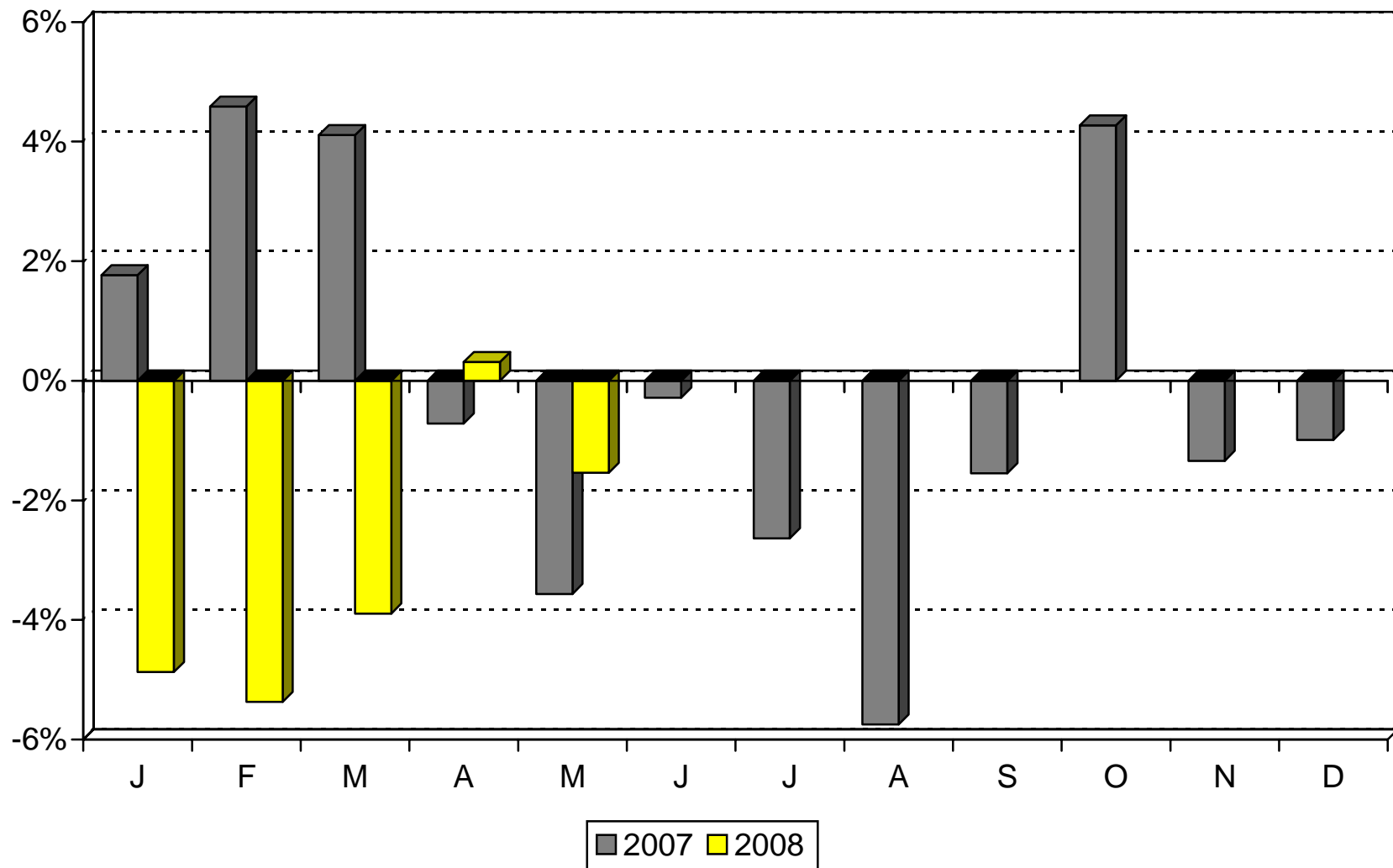
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2007	\$1,117,053,000	\$1,055,715,000	\$1,054,767,000	\$1,053,251,000	\$1,143,679,000	\$959,816,000	\$1,146,006,000	\$1,016,466,000	\$1,058,349,000	\$1,164,875,000	\$981,124,000	\$1,095,422,000	\$12,846,523,000
2008	\$1,064,090,000	\$1,014,824,000	\$1,038,751,000	\$1,000,112,697	\$969,943,776								
2007-2008 Change	-4.7%	-3.9%	-1.5%	-5.0%	-15.2%								

<p><b>Taxable Sales</b> – Sales of tangible personal property subject to the Nevada sales tax.</p> <p><b>Visitor Volume</b> – The number of visitors to Las Vegas based upon responses to a survey administered by the Las Vegas Convention and Visitors Authority.</p> <p><b>Gaming Win</b> – Casino winnings from gaming operations reported to the Nevada Gaming Control Board.</p>
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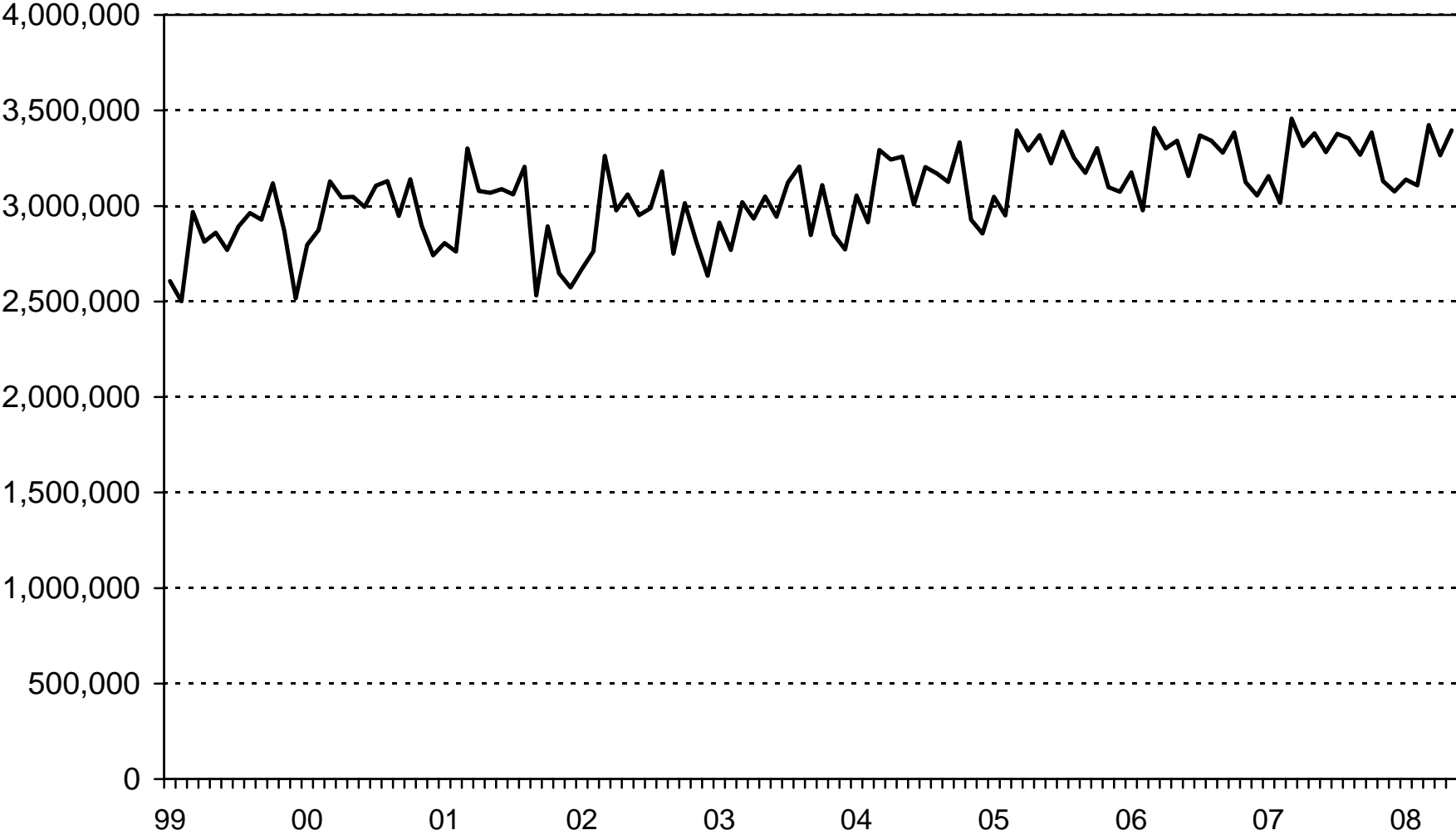
# Nevada Taxable Sales (millions of \$)



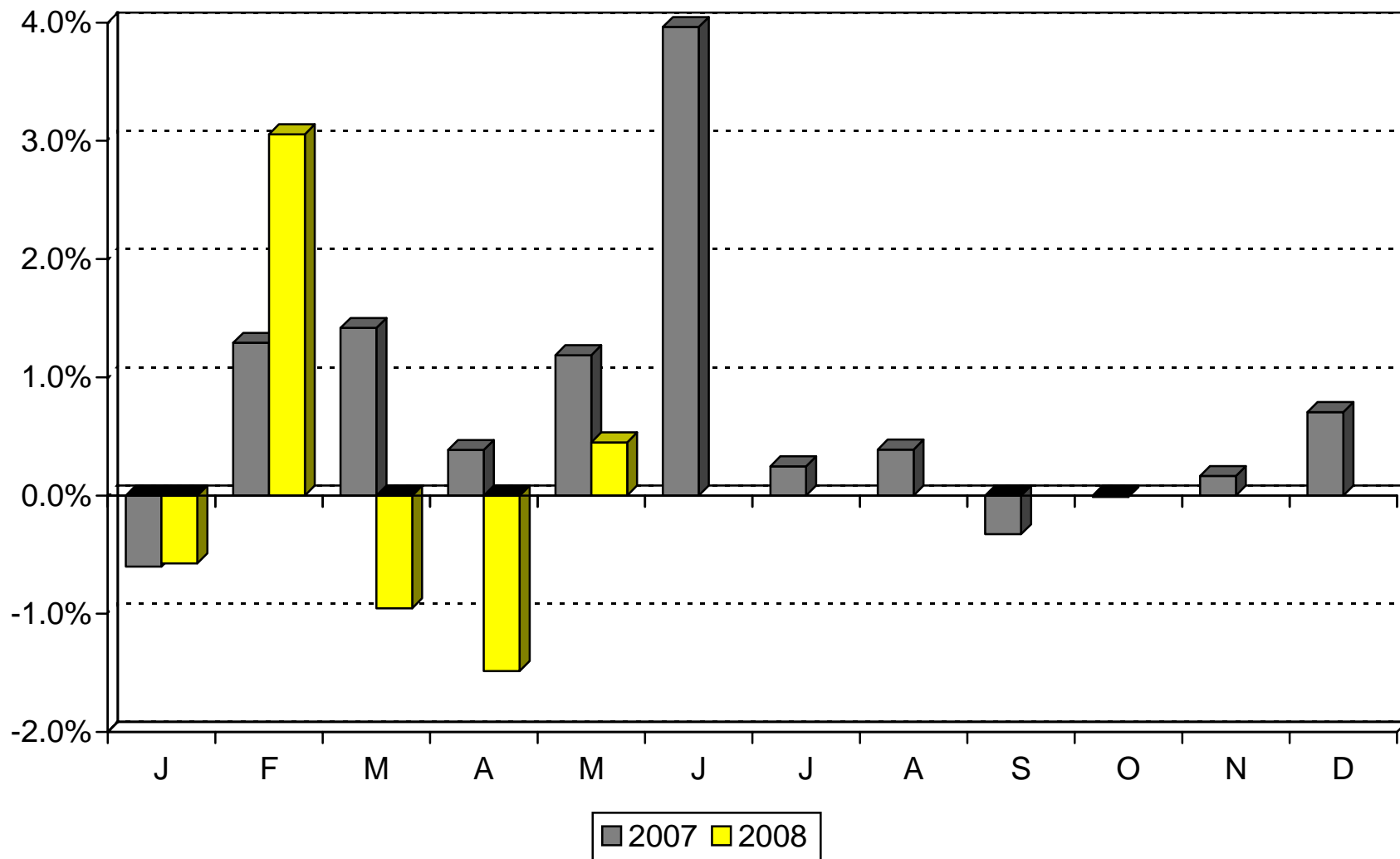
# Nevada Taxable Sales Growth: 2008 vs. 2007



# Las Vegas Visitor Volume

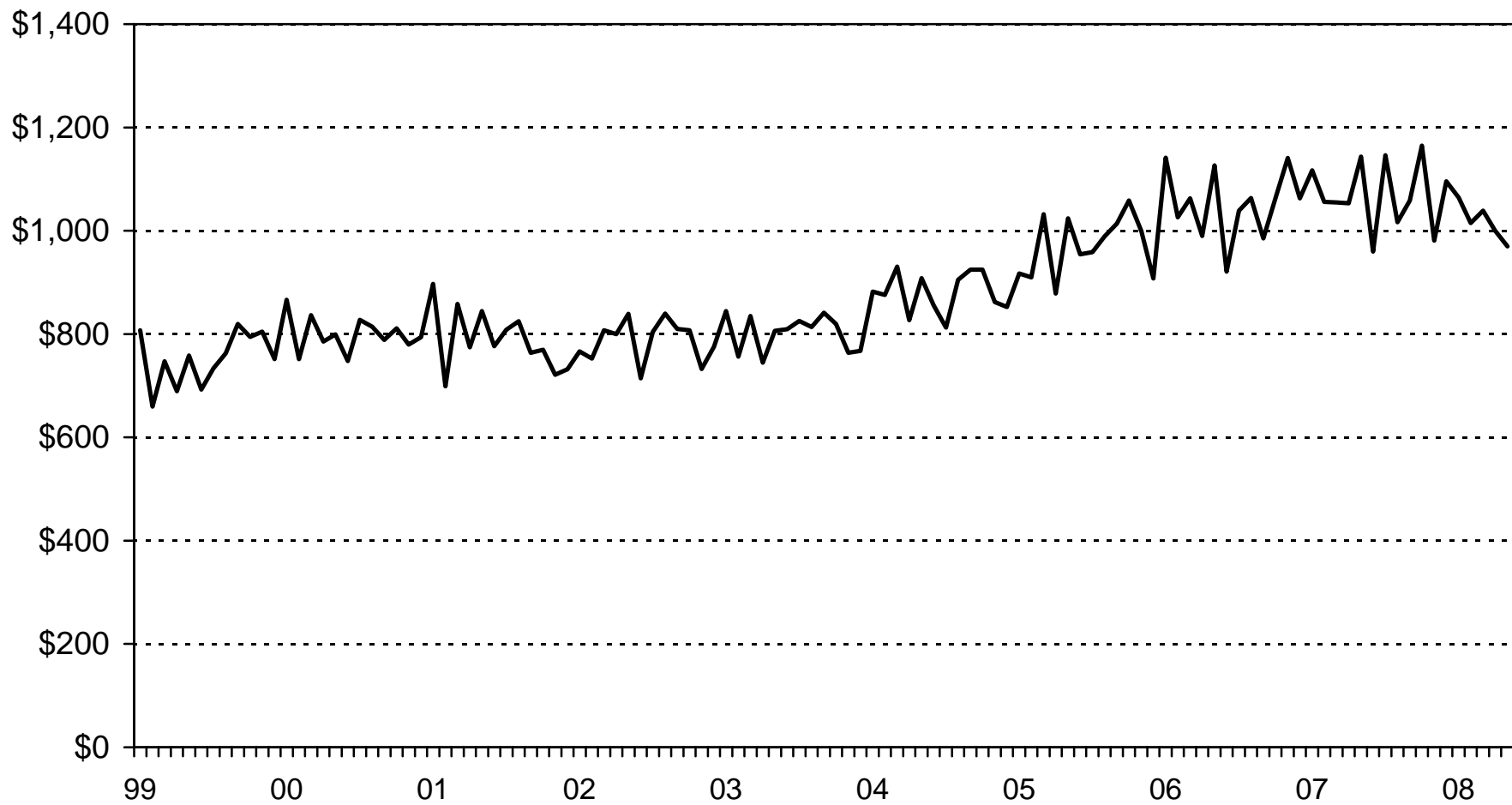


# Las Vegas Visitor Volume Growth: 2008 vs. 2007

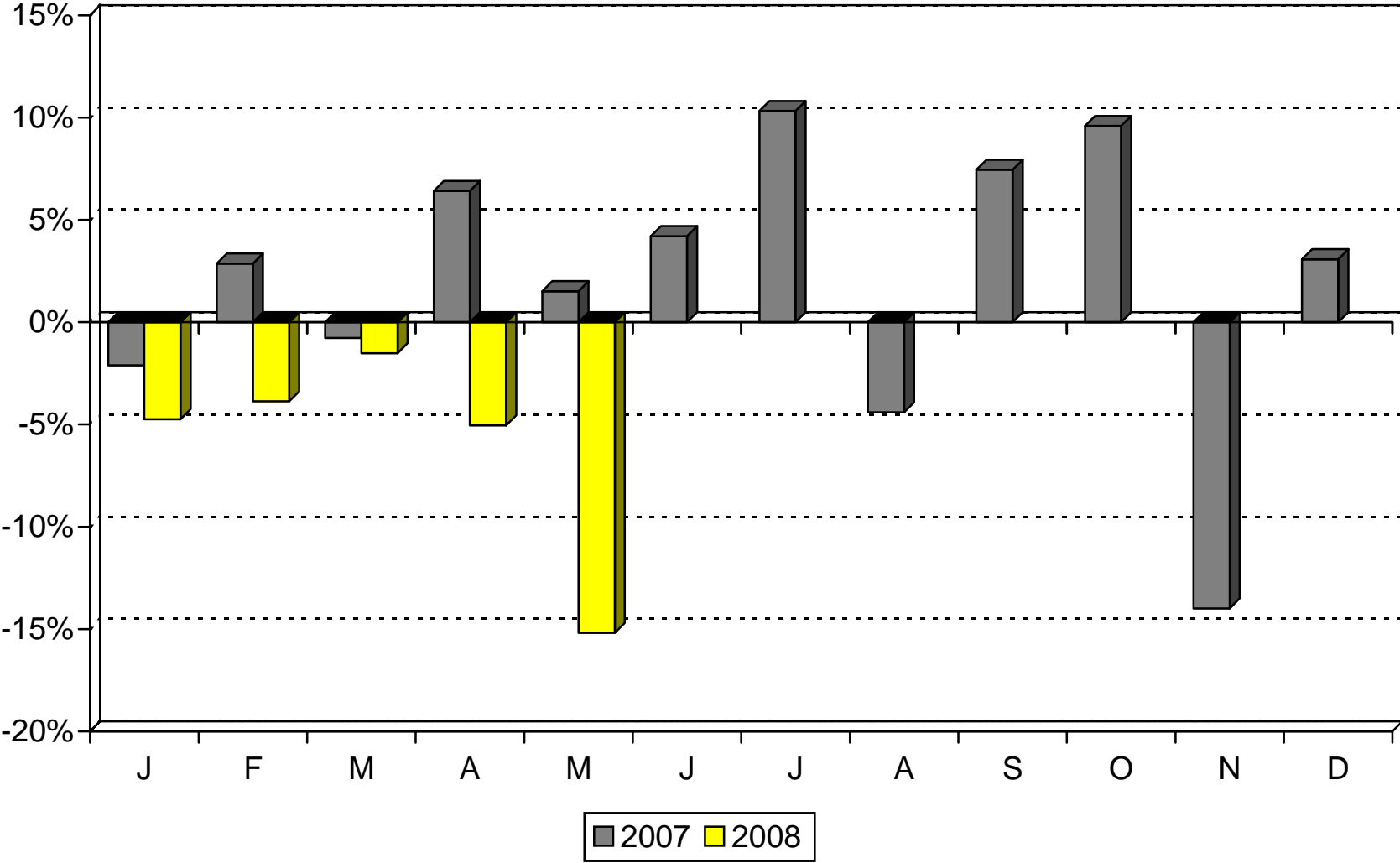




# Nevada Gaming Win (millions of \$)



# Nevada Gaming Win Growth: 2008 vs. 2007



# PERSONAL INCOME

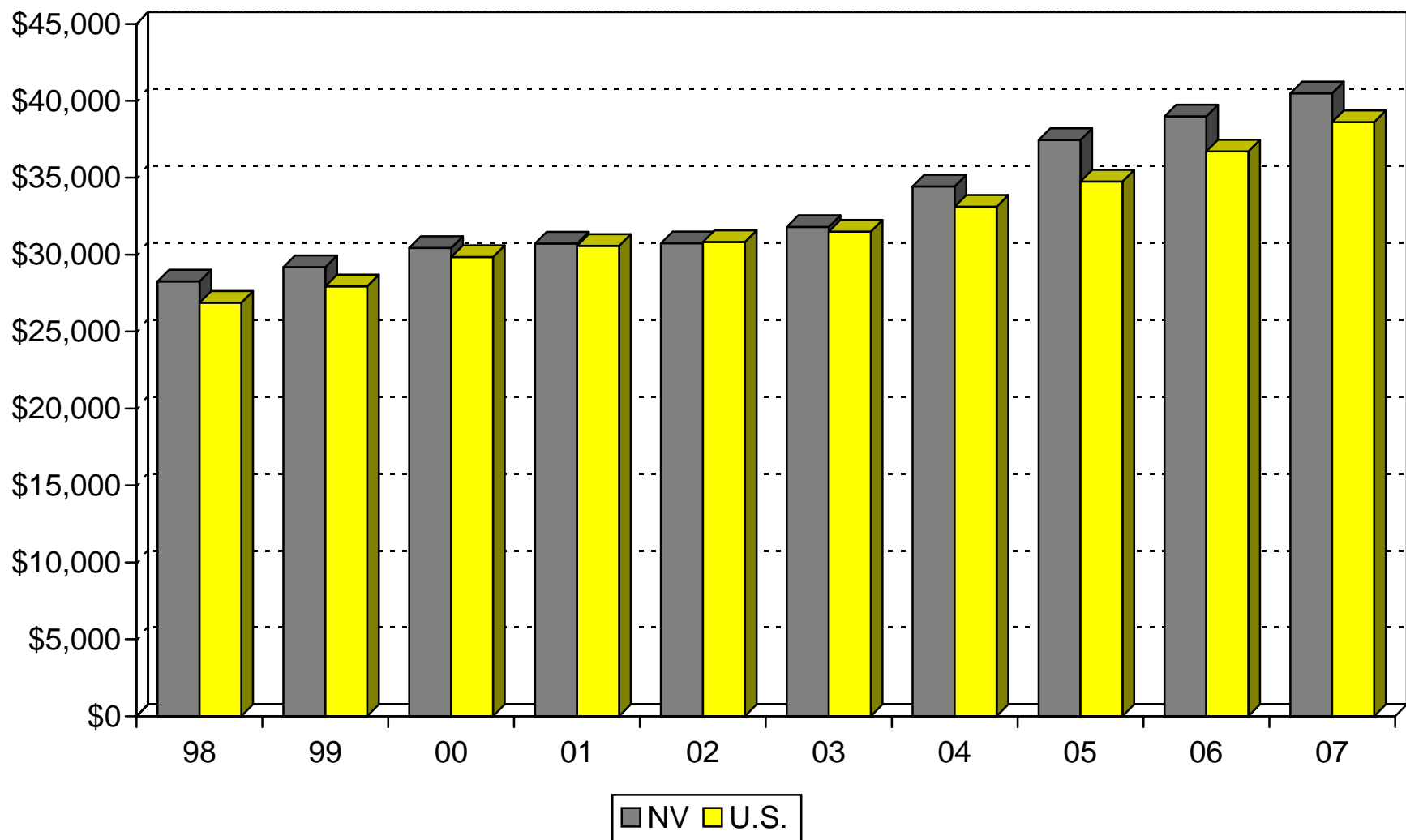
## Nevada Personal Income

(billions of \$; seasonally adjusted at annual rates)

	IQ	IIQ	IIIQ	IVQ	Annual Average
1999	\$55.1	\$55.9	\$56.4	\$58.4	\$56.5
2000	\$60.0	\$61.4	\$61.9	\$62.4	\$61.4
2001	\$63.5	\$64.6	\$64.9	\$64.4	\$64.4
2002	\$65.8	\$66.4	\$66.7	\$67.6	\$66.6
2003	\$69.1	\$70.2	\$71.8	\$73.6	\$71.2
2004	\$76.9	\$78.8	\$81.0	\$84.3	\$80.2
2005	\$86.9	\$90.0	\$91.2	\$92.8	\$90.2
2006	\$94.4	\$96.8	\$97.8	\$99.9	\$97.2
2007	\$101.9	\$102.8	\$105.1	\$107.8	\$104.4
2008	\$108.3				
<hr style="border: 1px solid black;"/>					
2007-2008					
Change	6.3%				

Personal income is defined as the income that is received by persons from participation in production, from both government and business transfer payments, and from government interest (which is treated like a transfer payment). It is calculated as the sum of wage and salary disbursements, other labor income, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and transfer payments to persons, less personal contributions for social insurance.

# Nevada Per Capita Personal Income vs. the U.S.

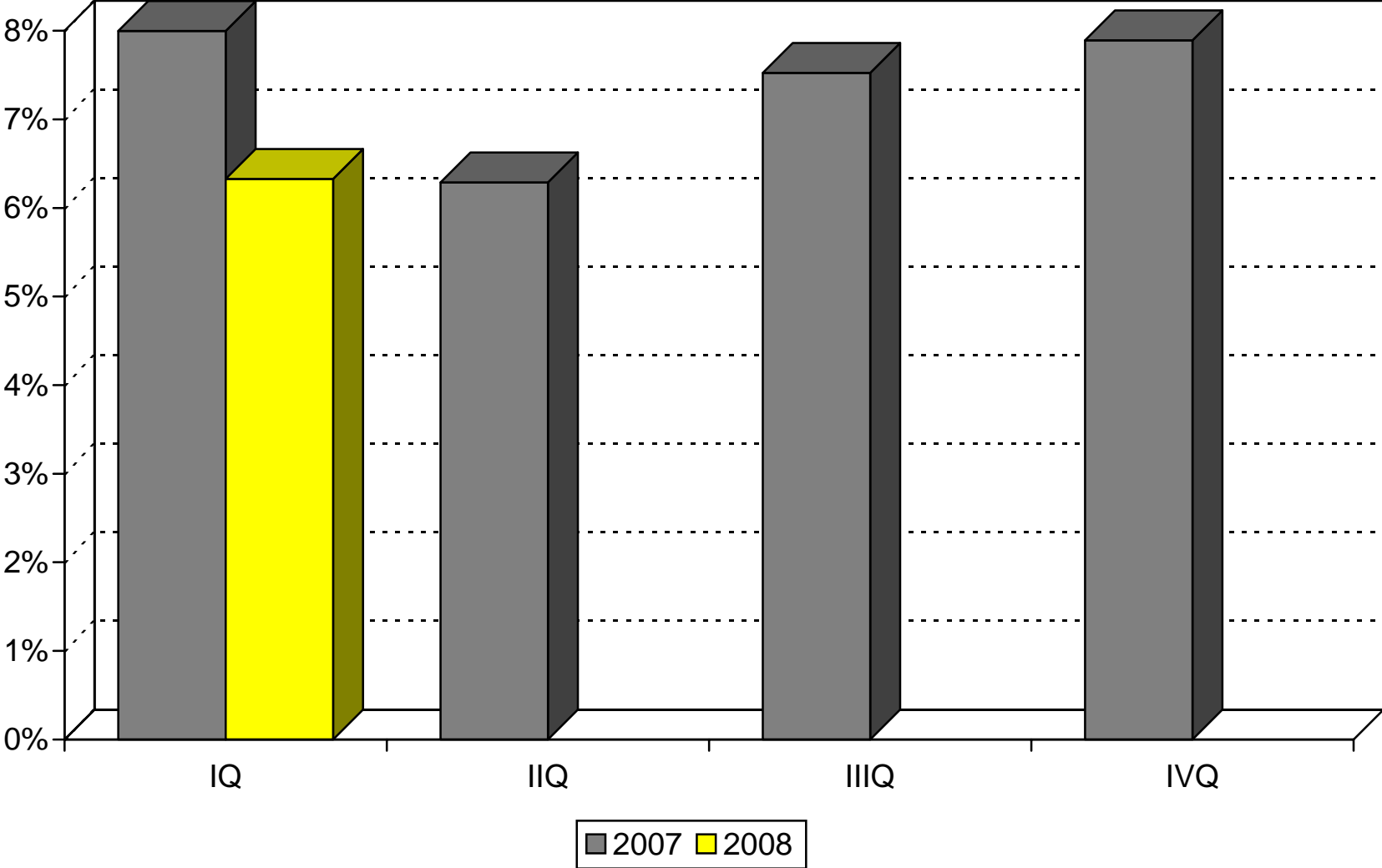


# Nevada Personal Income

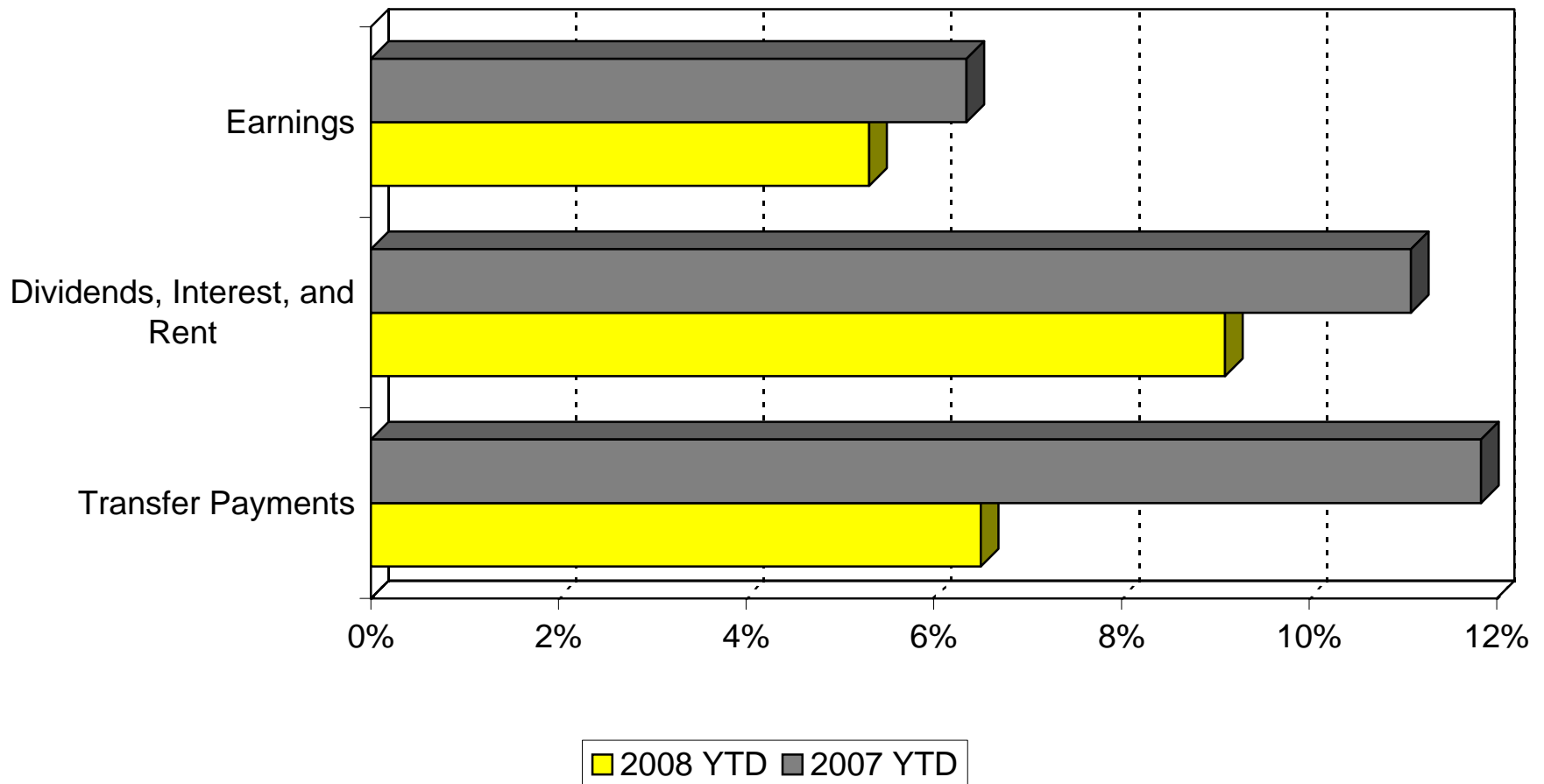
(billions of \$; seasonally adjusted at annual rates)



# Nevada Personal Income Growth: 2008 vs. 2007

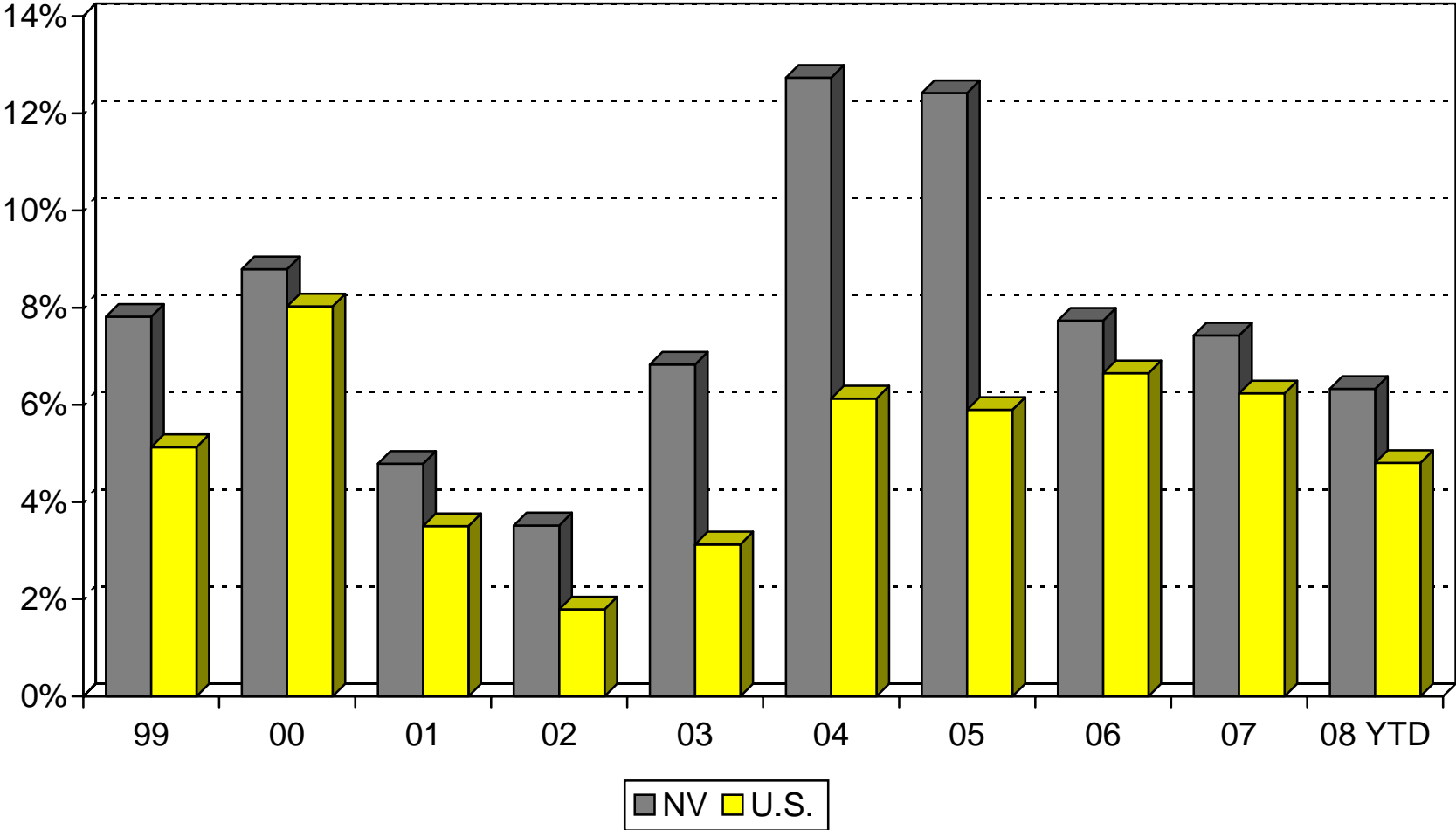


# Components of Nevada Personal Income Growth (YTD through IQ)





# Nevada Personal Income Growth vs. the U.S. (2008 YTD through the first quarter)



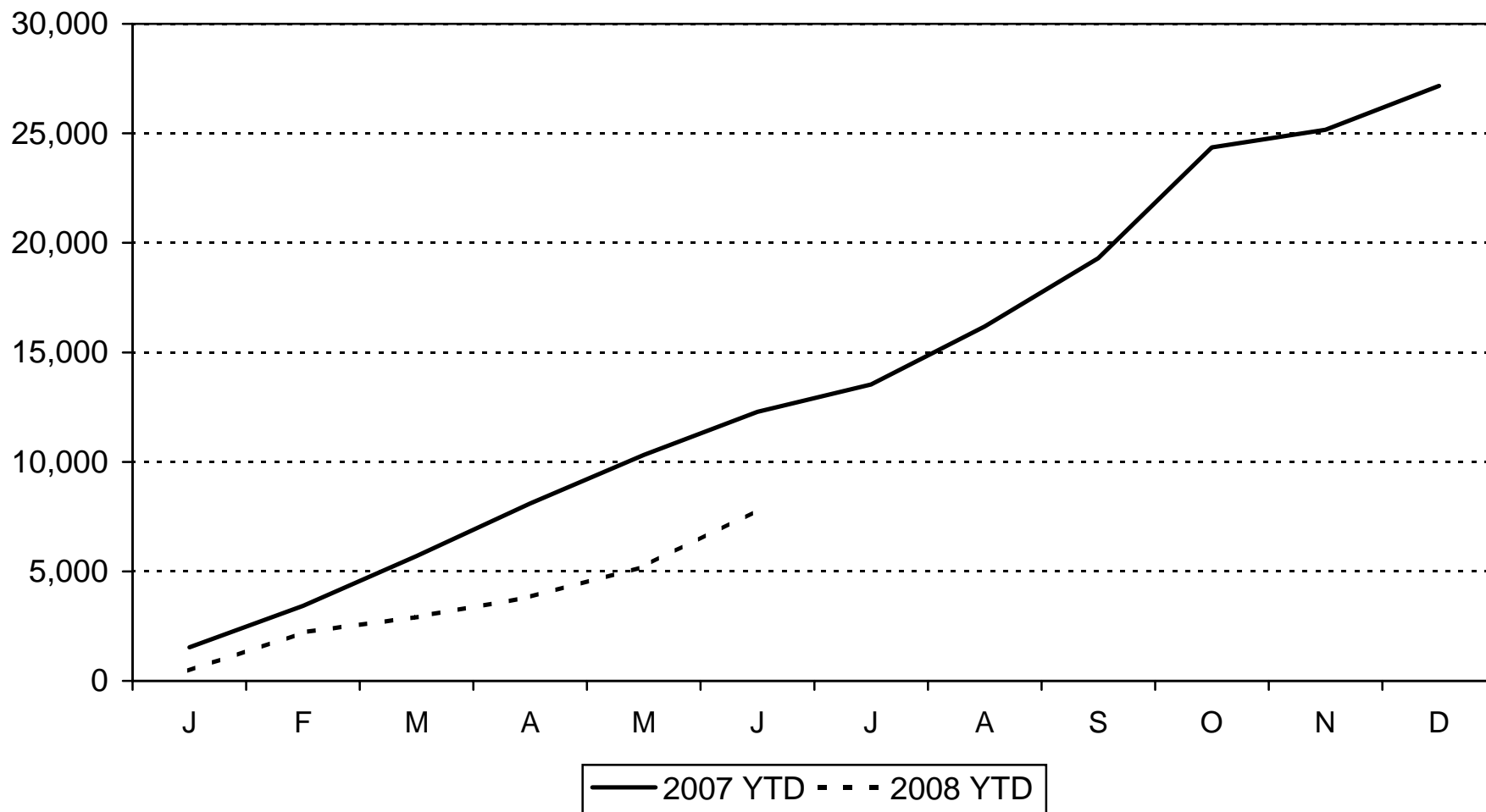
# RESIDENTIAL HOUSING PERMITS

### Nevada Residential Housing Permits

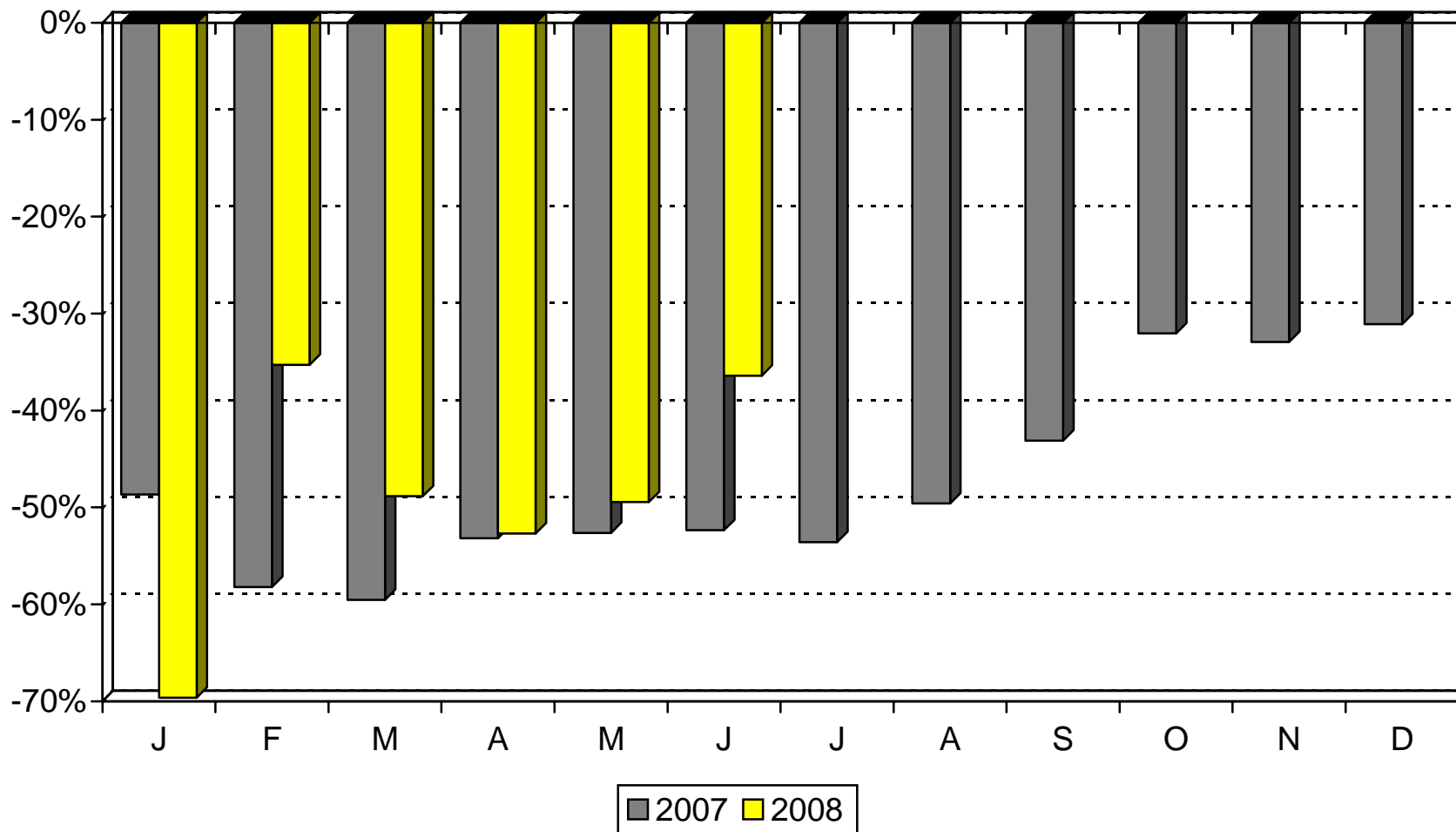
	January	February	March	April	May	June	July	August	September	October	November	December
2004 YTD Total	3,512	7,158	11,098	16,157	21,643	26,152	29,955	32,972	36,844	39,318	41,983	44,663
2005 YTD Total	1,996	5,430	9,196	13,329	17,195	22,699	26,955	31,302	36,260	39,526	43,426	47,038
2006 YTD Total	2,997	8,198	14,087	17,311	21,788	25,779	29,171	32,115	33,930	35,846	37,511	39,429
2007 YTD Total	1,538	3,426	5,699	8,105	10,322	12,282	13,539	16,186	19,300	24,358	25,158	27,168
2008 YTD Total	467	2,217	2,915	3,834	5,217	7,811						
<hr/>												
2007-2008												
Change	-1,071	-1,209	-2,784	-4,271	-5,105	-4,471						
	-69.6%	-35.3%	-48.9%	-52.7%	-49.5%	-36.4%						

Statistics are based upon reports submitted by local building permit officials in response to a national mail survey administered by the Bureau of the Census.

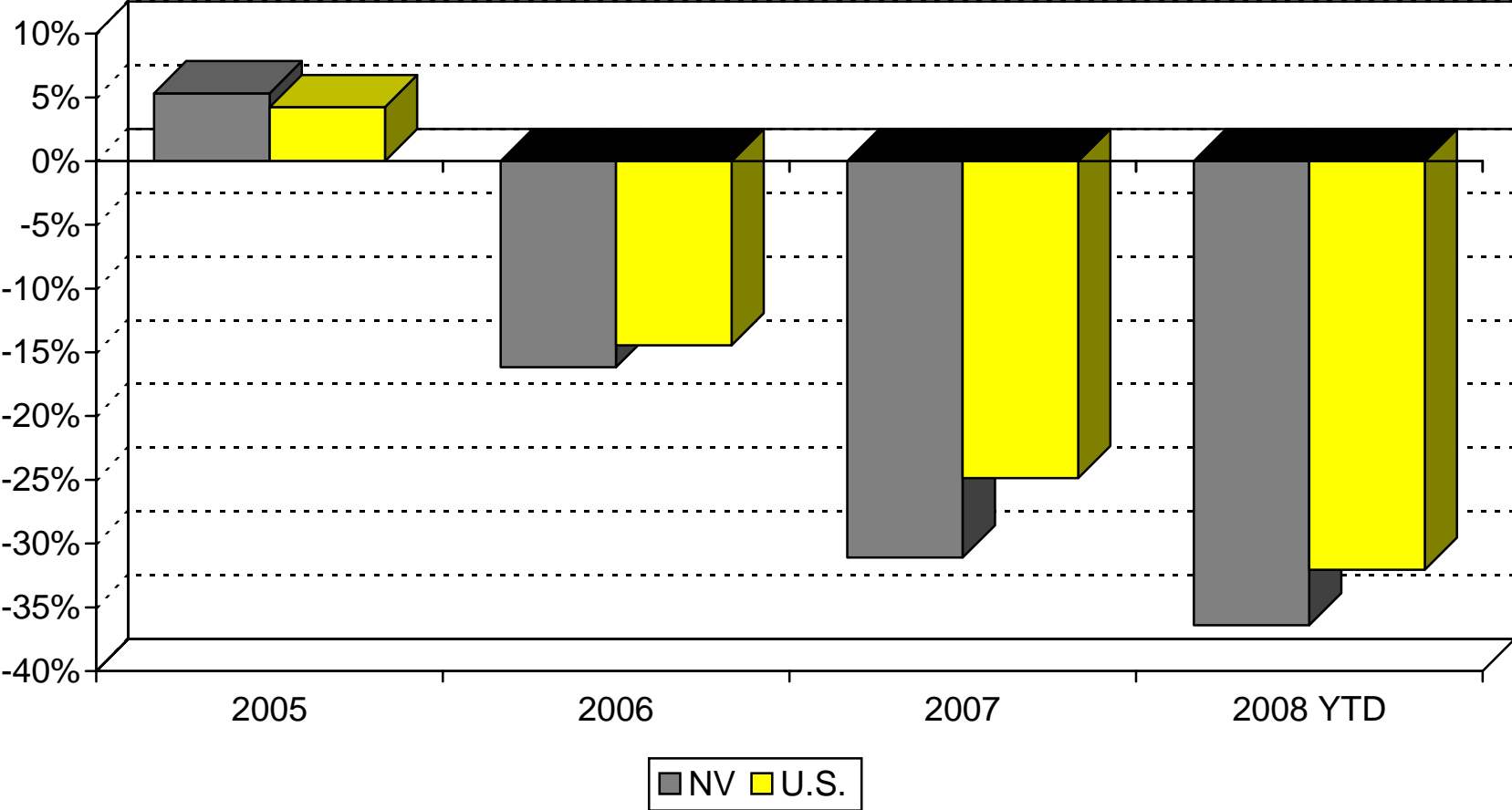
# Nevada Residential Housing Permits (number of units; 2008 YTD through June)



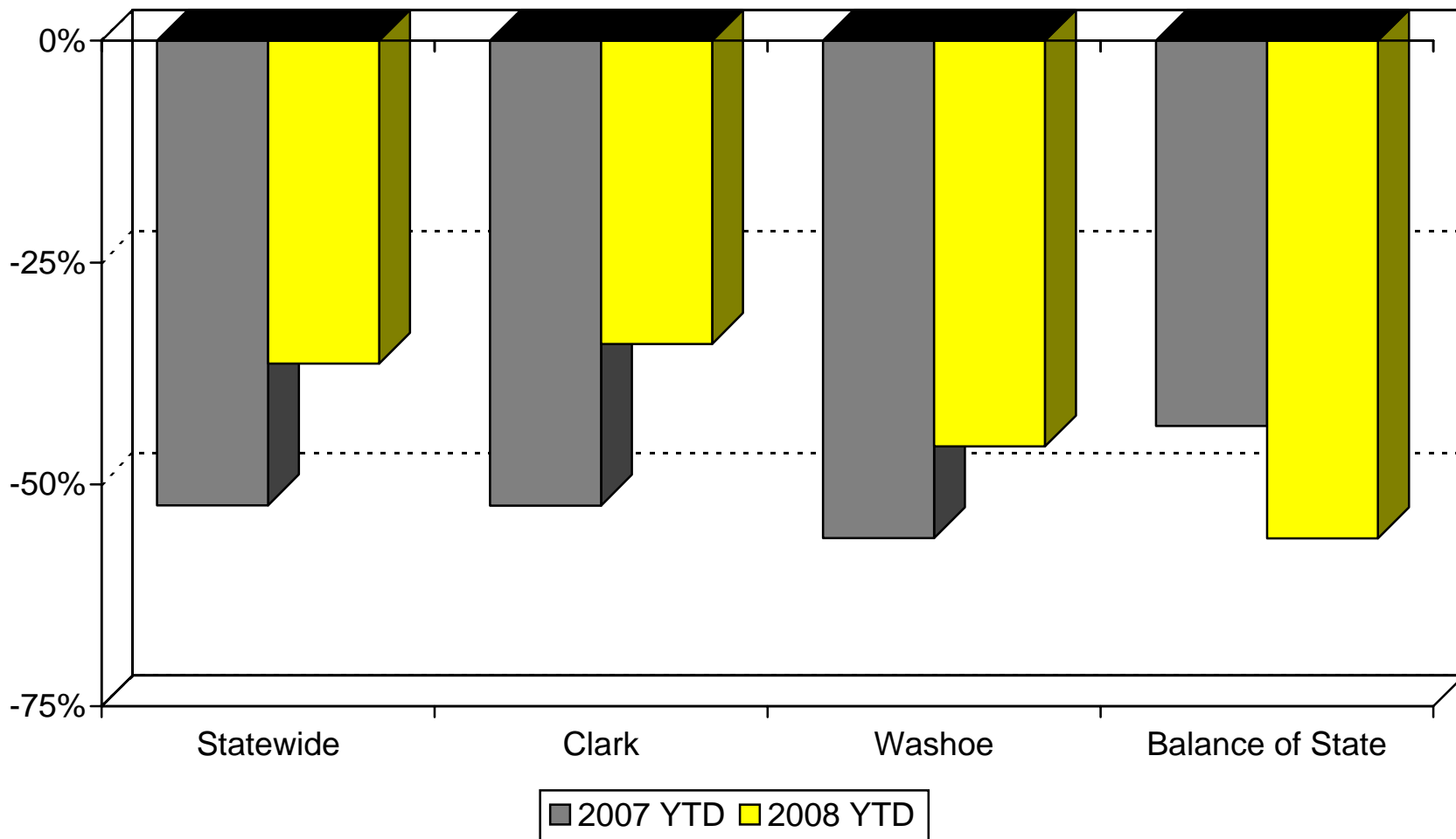
# Nevada Residential Housing Permits: 2008 YTD vs. 2007 YTD



# Nevada Residential Housing Permit Growth vs. the U.S. (2008 YTD through June)



# Regional Residential Housing Permit Growth (YTD through June)



**SOUTHERN NEVADA  
RESIDENTIAL  
MARKETS**



## Southern Nevada Real Estate and Construction Indicators

### New Home Closings

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2007	2,052	1,411	1,799	1,568	1,751	1,872	1,724	1,970	1,399	1,324	1,521	1,340	19,731
2008	881	891	1,146	994	921	922							
2007-2008 Change	-1,171	-520	-653	-574	-830	-950							
	-57.1%	-36.9%	-36.3%	-36.6%	-47.4%	-50.7%							

### New Home Permits

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2007	1,158	1,279	1,969	1,804	1,724	1,347	859	766	620	2,438	326	220	14,510
2008	347	391	395	711	734	884							
2007-2008 Change	-811	-888	-1,574	-1,093	-990	-463							
	-70.0%	-69.4%	-79.9%	-60.6%	-57.4%	-34.4%							

### New Home Median Price

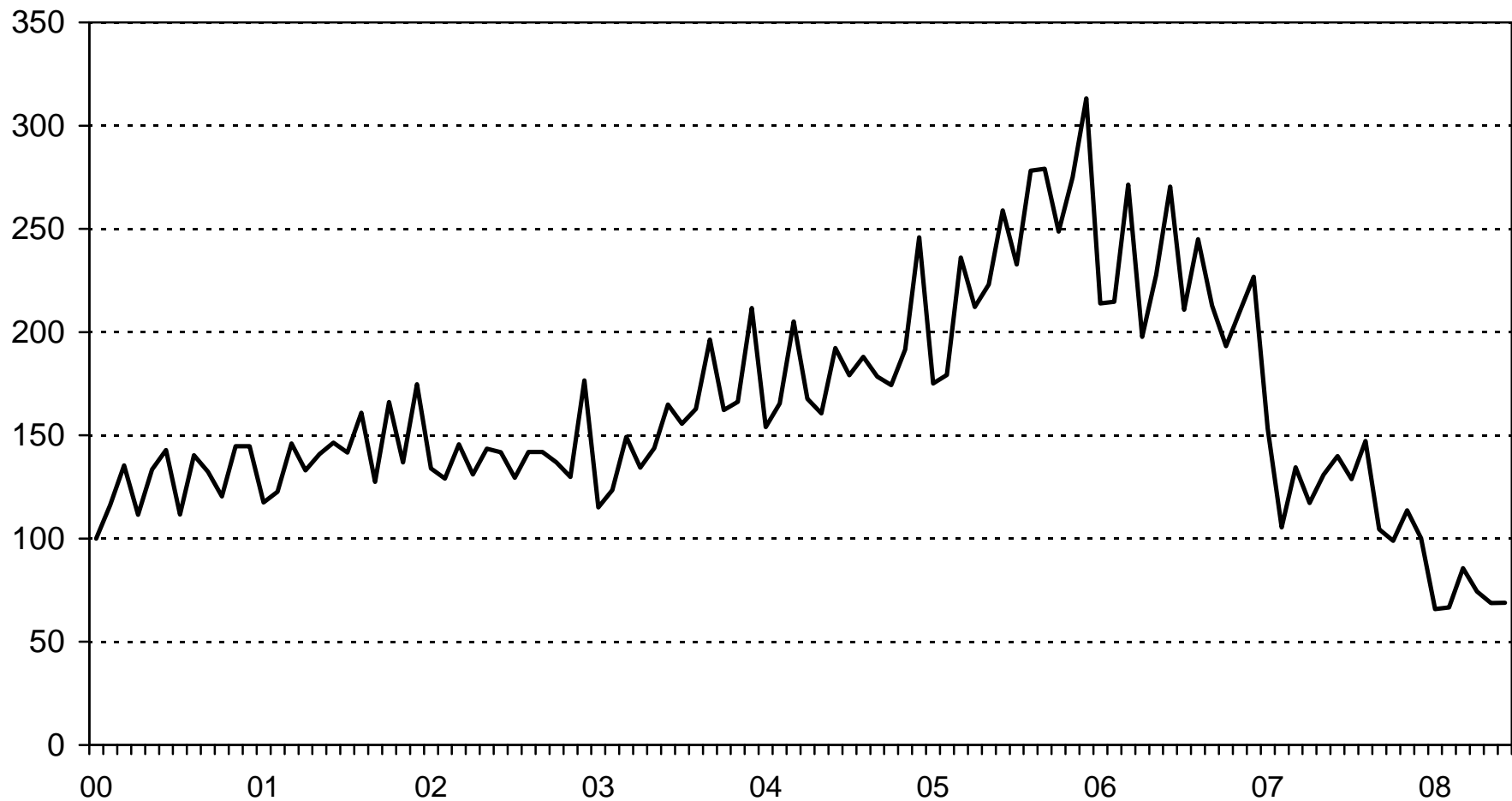
	January	February	March	April	May	June	July	August	September	October	November	December
2007	\$334,945	\$315,965	\$305,990	\$318,346	\$308,874	\$323,990	\$326,750	\$338,560	\$313,480	\$300,812	\$270,278	\$280,085
2008	\$274,000	\$283,000	\$278,630	\$285,990	\$278,245	\$269,900						
2007-2008 Change	-\$60,945	-\$32,965	-\$27,360	-\$32,356	-\$30,629	-\$54,090						
	-18.2%	-10.4%	-8.9%	-10.2%	-9.9%	-16.7%						

### Recorded Resales

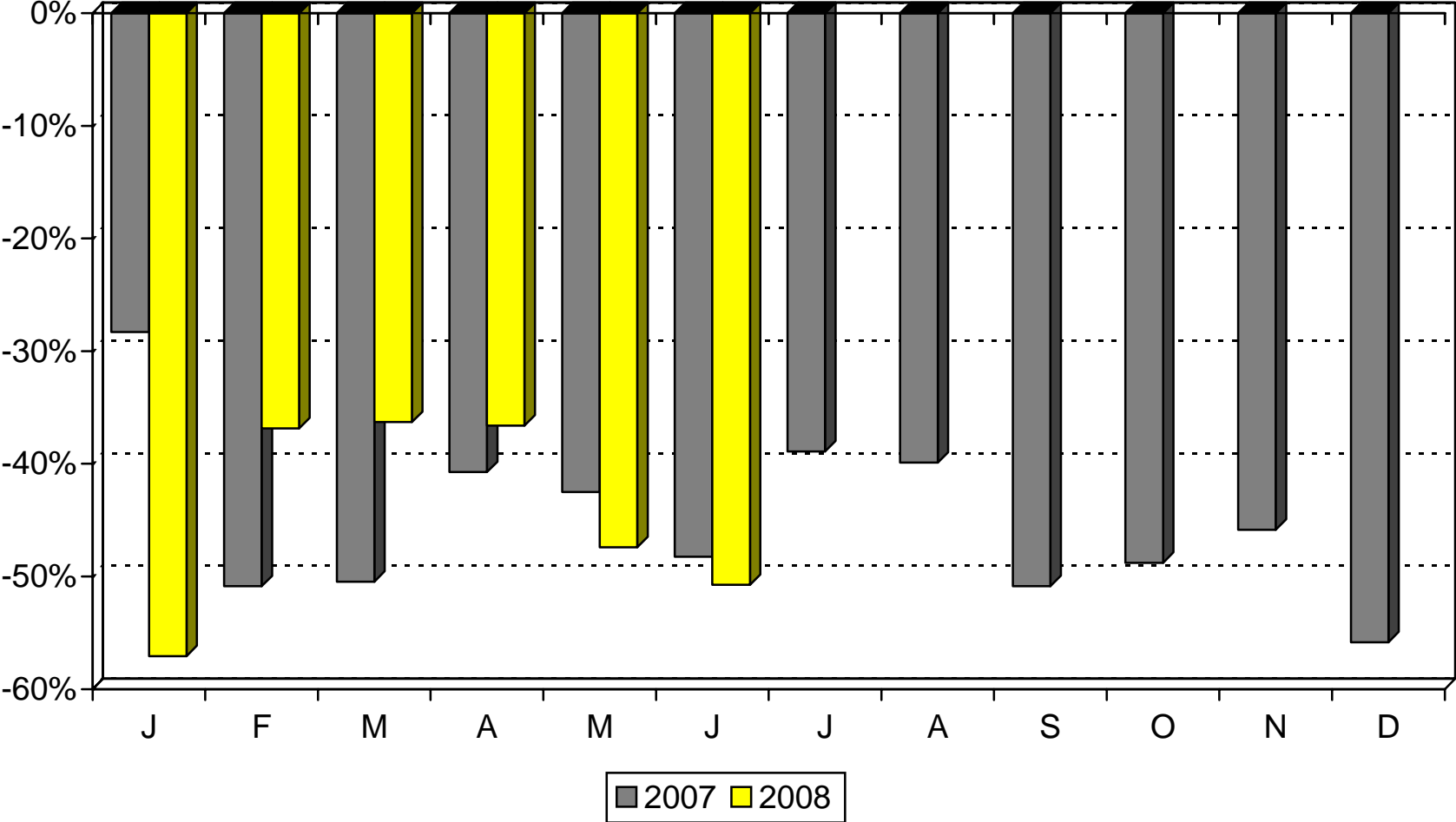
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2007	2,423	2,332	2,739	2,353	2,587	2,422	2,101	2,062	1,544	1,529	1,407	1,339	24,838
2008	1,488	1,529	1,899	2,247	2,606	2,731							
2007-2008 Change	-935	-803	-840	-106	19	309							
	-38.6%	-34.4%	-30.7%	-4.5%	0.7%	12.8%							

Information on Southern Nevada real estate and construction markets are provided to the Research and Analysis Bureau on a complementary basis by Home Builders Research, Inc., based in Las Vegas. These data are proprietary and are to be treated as confidential.

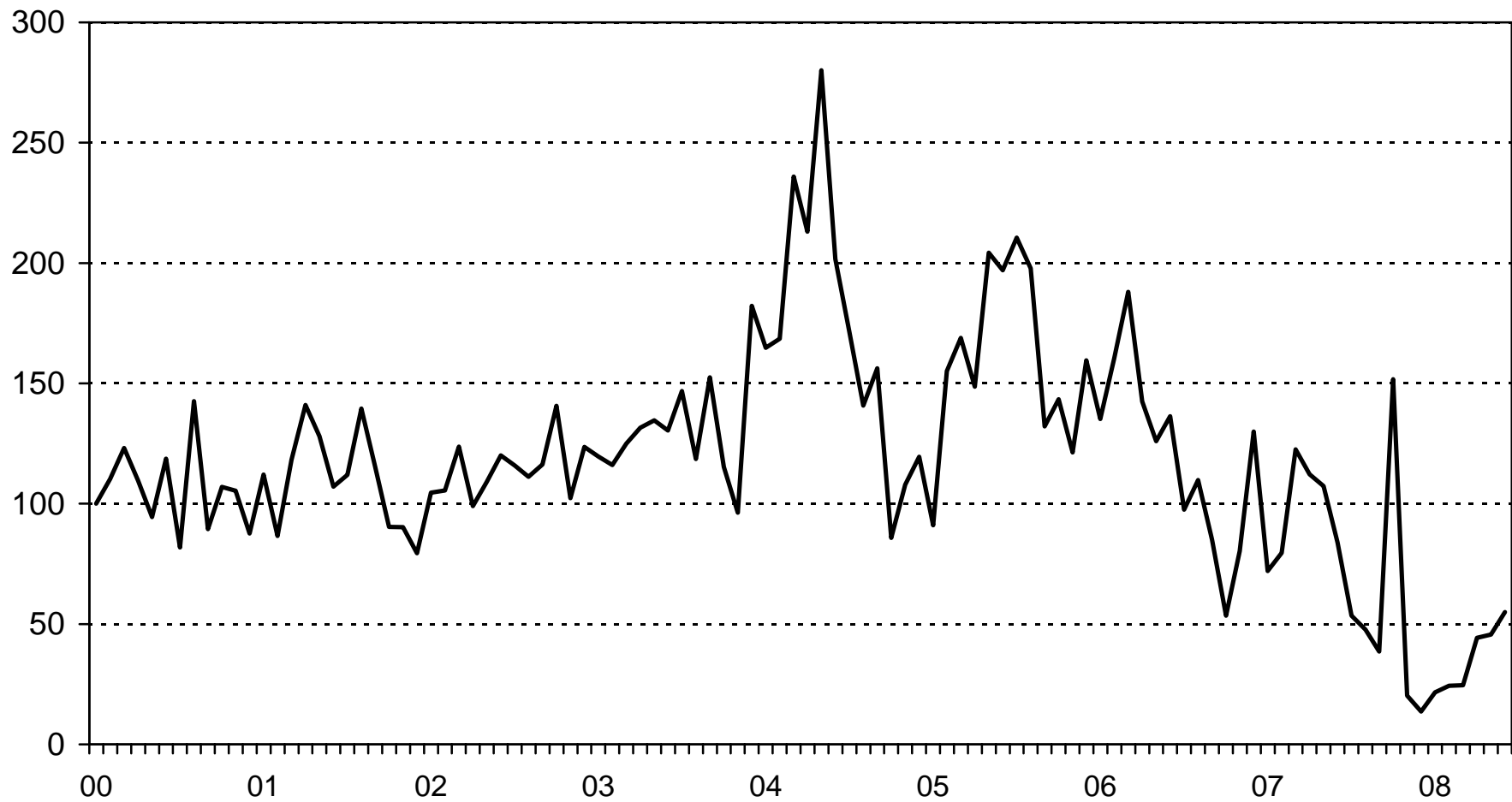
# Southern Nevada New Home Closings (January 2000 = 100)



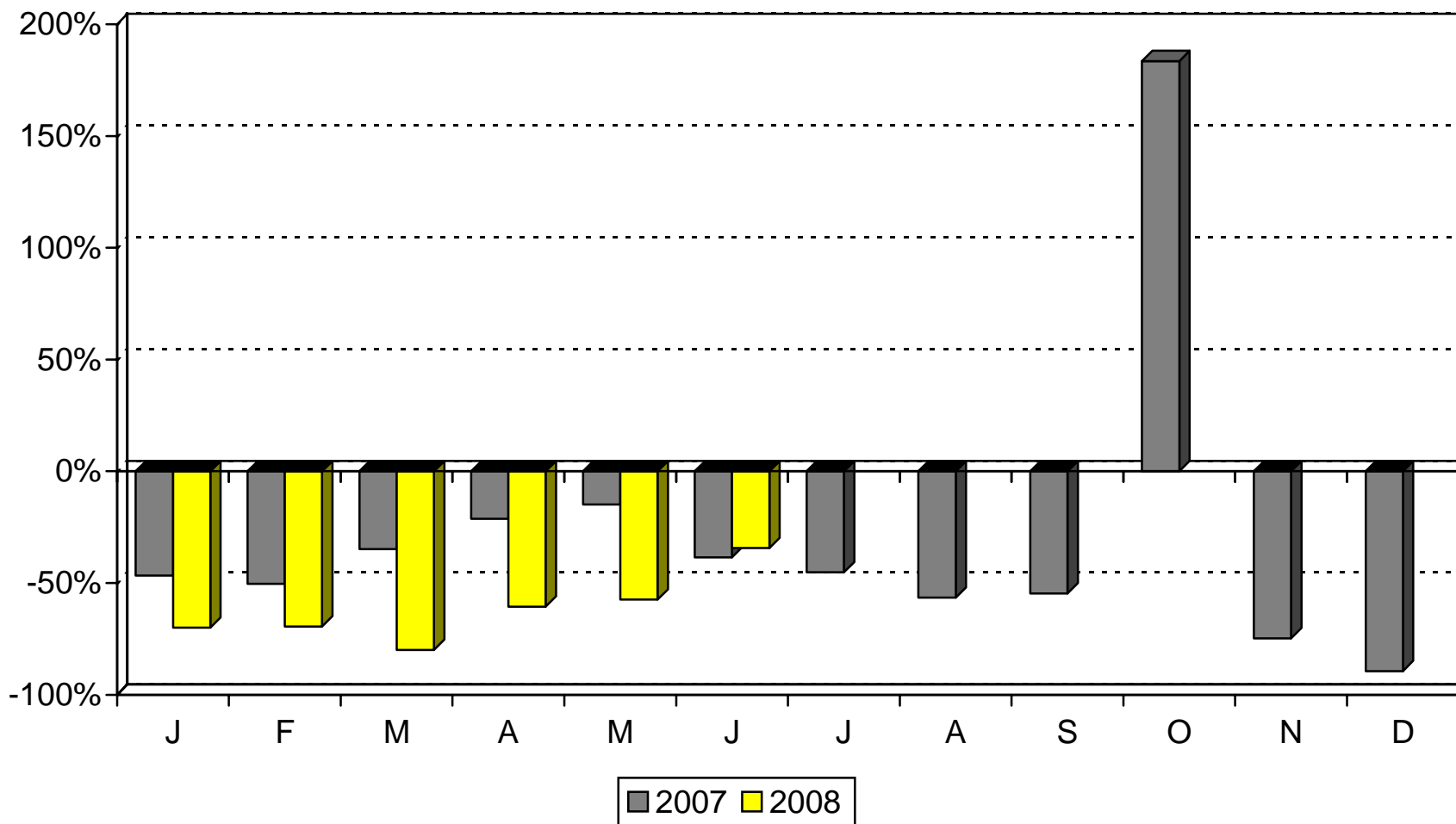
# Southern Nevada New Home Closings Growth: 2008 vs. 2007



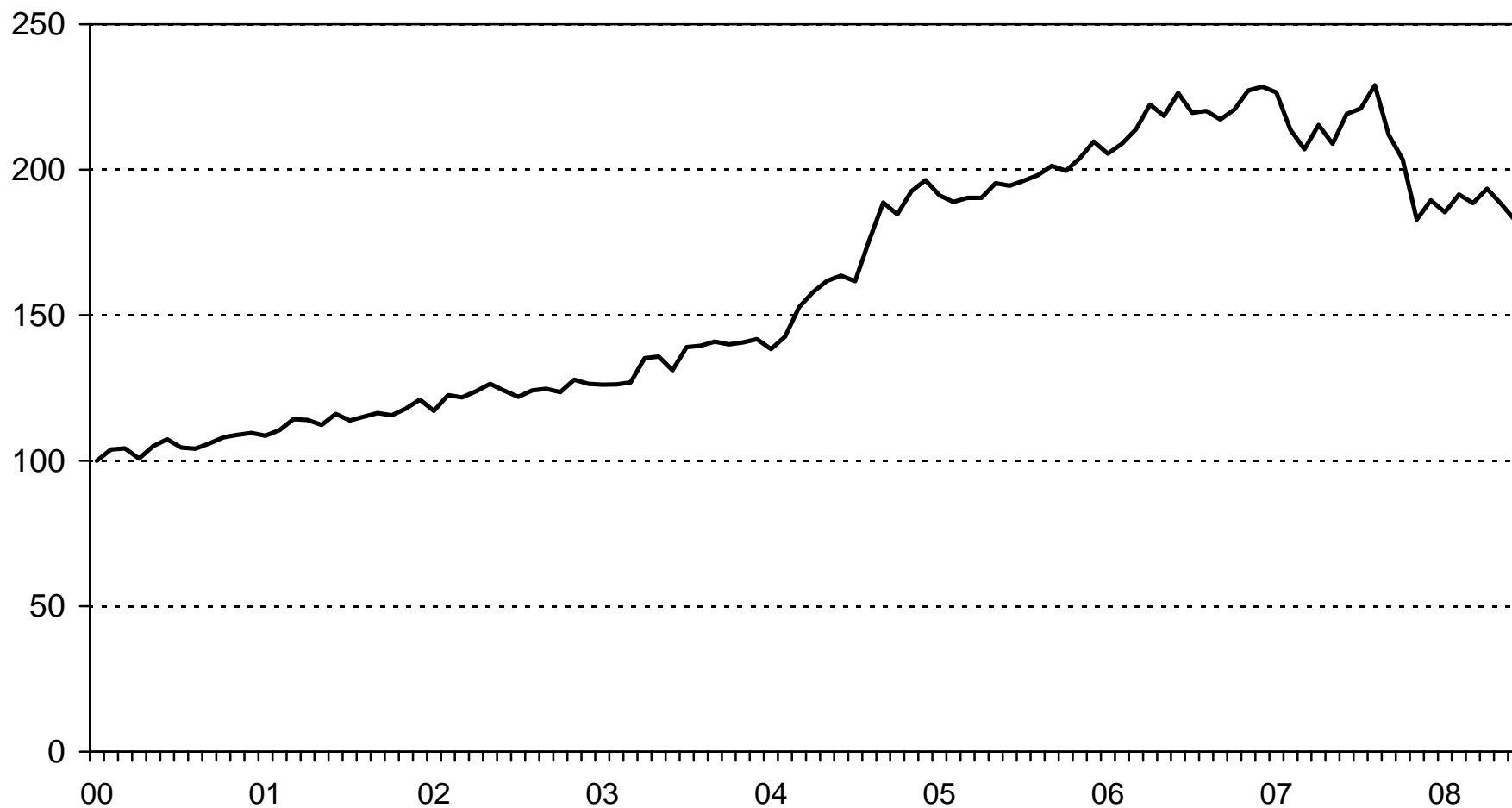
# Southern Nevada New Home Permits (January 2000 = 100)



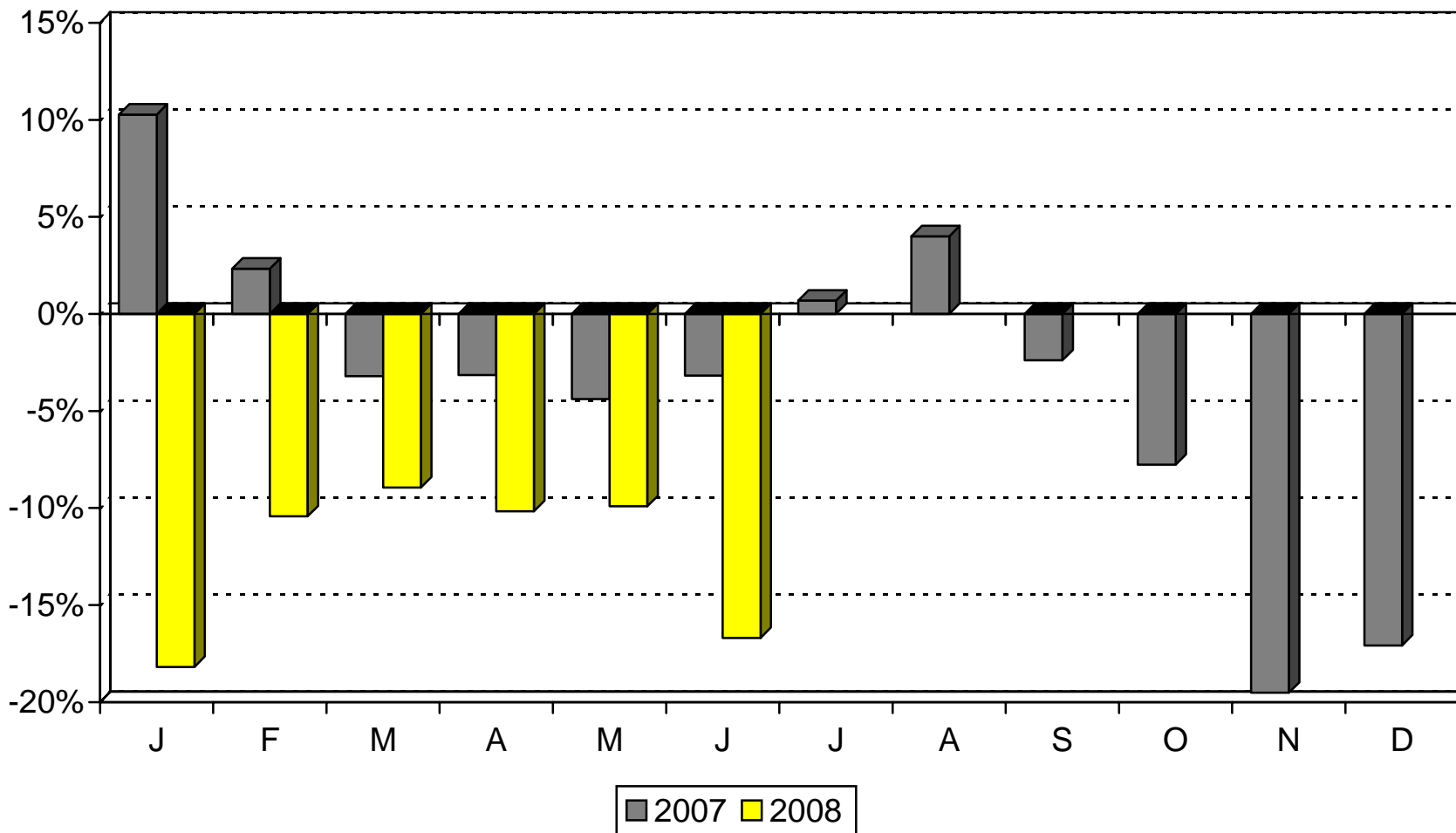
# Southern Nevada New Home Permits Growth: 2008 vs. 2007



# Southern Nevada New Home Median Price (January 2000 = 100)



# Southern Nevada New Home Median Price Growth: 2008 vs. 2007



# Southern Nevada Recorded Resales (January 2000 = 100)





# Southern Nevada Recorded Resales Growth: 2008 vs. 2007

