



# Workforce & Economic Briefing

February 2008

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February 21, 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 February 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

- Preliminary estimates of 2007 Nevada labor market and economic activity are in, and, taken as a whole, they point to an economy that continues to grow, but at a pace much slower than in previous years.
- On a positive note, there is reason for optimism. An unfolding megaresort boom will result in approximately 40,000 new hotel rooms coming on-line in the next half-decade. That, coupled with a likely rebound in the housing sector within the next two years, is expected to add about 145,000 jobs in the Nevada economy through 2010.
- 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. For all of 2007, preliminary estimates suggest that the jobless rate averaged 4.8%. That does not compare well with the 4.2% unemployment rate in 2006. The jobless rate rose over the course of the year, rising from 4.5% in January to 5.8% in December.
- For the year, Nevada's jobless rate came in higher than the national average (4.6%), according to early estimates. This is the first time this has happened since 2001. For December, only seven states, including California, had a higher unemployment rate than Nevada's monthly tally.
- Clark County's unemployment rate in 2007 was identical to the State's. In Washoe County, preliminary estimates show a 4.6% reading. Throughout the balance of the State, the joblessness averaged 5.3%. Unemployment rates in the State's rural counties varied considerably, from 3.7% in Elko and Esmeralda to 7.7% in Mineral County.
- Nevada's economy generated nearly 25,000 jobs in 2007, based upon preliminary estimates. This comes on the heels of gains in the 60,000-70,000 range in each of the previous three years. Job growth continues to ease, and remains the lowest it has been since mid-2002. All told, Nevada's employment increase in 2007 totaled 1.9%. This compares favorably with the 1.3% estimate for the U.S. as a whole. Again, however, evidence of a slowdown is evident. During the previous three years, job gains in

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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 averaged 5.6% per year. That was nearly four times the average rate of growth in the U.S.

- We expect the final figures, when released this spring, to show that total job levels had actually slipped below year-ago readings in the final months of 2007.
- The weakness in the housing segment continues to impact the State's labor markets. Preliminary estimates of construction jobs in 2007, at 139,700, are off by 4,000 from a year ago. Construction job readings deteriorated as the year wore on. During the first three months of 2007, they were off by just 900 from a year ago, based upon preliminary estimates. During the final quarter of the year, they fell 7,000 below year-ago tallies.
- Other signs of the economic slowdown, especially on the consumer spending front, are evident in holiday hiring patterns. In 2007, Nevada retail employment grew 3.8% between October and December. During the previous ten years, job gains during the same two-month period averaged 4.9%.
- On a more positive note, an employment upturn in the leisure and hospitality sector at the end of the year probably reflects the impacts of the then-pending opening of the Palazzo. Over the May-October period in 2007, leisure and hospitality employment grew by less than 1% every month, according to preliminary estimates. In November and December, job growth

ticked up to 1.4%. December job readings totaled 344,000 in this all-important industry.

- Las Vegas metropolitan statistical area (MSA) job growth averaged 2.1% over the course of 2007, slightly higher than Reno-Sparks' 1.7% gain. Jobs in the Carson City MSA actually declined slightly.
- Nevada average weekly wages came in at \$789 in the first half of 2007. This is up 4.3% from a year ago, and compares favorably to the 3.4% advance for all of 2006. However, growth eased in the second quarter of the year, to 3.7%, from 4.9% in the first quarter.
- Initial claims for unemployment insurance in Nevada grew at a double-digit rate in 11 of 12 months during 2007. For the entire year, claims averaged 13,700 per month, an increase of 20.6% over a year ago.
- Continued unemployment insurance claims remained well above year-ago readings. For the year, they were up approximately one-third. The average duration of UI claims continued to creep up, albeit unevenly. By year-end, it stood at 13.48 weeks, the highest reading since mid-2005. The number of individuals exhausting their unemployment insurance benefits also trended up, a pattern consistent with the moderating pace of economic growth. For the year, the number of recipients receiving final benefit payments averaged 2,200 per month, up nearly 40% from 2006.

- Through the first three quarters of 2007, there were 59,100 Nevada employers. This translates into a gain of 4.9% from the same nine-month period a year ago. In recent years, the growth in the number of Nevada employers peaked in 2005, at more than 6%. It has eased in both 2006 and so far in 2007.
- Nevada's taxable sales, which comprise the tax base for the State's largest General Fund revenue source (the sales tax), have declined in seven of the past eight months, through November 2007. Sales through the first 11 months of the year totaled \$44.3 billion, a 0.3% decline from the same period in 2006. Over the course of the past ten years, the slowest growth in taxable sales, 2.7%, occurred in 2002. Hence, when final 2007 tallies are in, taxable sales will turn in their weakest showing in more than a decade.
- There were 36.12 million Las Vegas visitors through the first 11 months of 2007, up 0.7% from a year ago.
- Over the same period, gaming win is up just 1.7%. Win is very volatile, and can differ considerably from month-to-month. For instance, during the first 11 months of 2007, growth ranged from a negative 14% in November to a positive 10.3% in July. Gaming win has significant impacts on gaming tax collections, the second-largest General Fund revenue source.
- For all of 2006, Nevada personal income grew at a 7.9% pace. Income gains were the lowest since 2003. Still, Nevada continued to outpace the nation, where personal income grew just 6.6% in 2006. Through the first three quarters of 2007, income was up 7% in the State. Although growth continued to ease, trends in Nevada remain impressive relative to the nation's 6.3% advance.
- Activity on the residential real estate and construction front remains very worrisome. Statewide housing permit activity in 2007, at 27,200 permits, was down by one-third from a year ago.
- In southern Nevada, new home closings were down by 45% in 2007. Median prices for new homes fell from year-ago readings by nearly 20% in both November and December. During the final month of the year, the median price was \$280,100. Recorded resales were down 40% in 2007.

**2006 and 2007 Summary**

**Labor Markets Summary**

	January	February	March	April	May	June	July	August	September	October	November	December
<b>Unemployment Rate</b>												
2006 YTD Average	4.5%	4.4%	4.3%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%
2007 YTD Average	4.9%	4.7%	4.6%	4.5%	4.5%	4.5%	4.6%	4.6%	4.7%	4.7%	4.8%	4.8%
2006-2007 Change (pct. points)	0.4	0.4	0.3	0.3	0.3	0.3	0.4	0.4	0.5	0.5	0.6	0.7
<b>Jobs</b>												
2006 YTD Average	1,239,700	1,247,300	1,254,200	1,259,500	1,264,700	1,269,000	1,270,400	1,271,900	1,274,200	1,276,700	1,279,100	1,281,500
2007 YTD Average	1,285,500	1,292,100	1,296,700	1,300,000	1,302,700	1,304,300	1,303,900	1,303,500	1,304,100	1,304,800	1,305,500	1,306,400
2006-2007 Change	3.7%	3.6%	3.4%	3.2%	3.0%	2.8%	2.6%	2.5%	2.3%	2.2%	2.1%	1.9%
	<b>IQ</b>	<b>IIQ</b>	<b>IIIQ</b>	<b>IVQ</b>								
<b>Average Weekly Wages</b>												
2006 YTD Average	\$764	\$756	\$755	\$770								
2007 YTD Average	\$802	\$789										
2005-2006 Change	4.9%	4.3%										
	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>
<b>Initial Claims</b>												
2006 YTD Average	12,508	10,947	11,411	11,205	11,028	11,036	10,942	10,909	10,781	10,826	11,003	11,335
2007 YTD Average	14,452	12,782	12,541	12,705	12,557	12,675	12,851	12,999	12,885	13,037	13,366	13,674
2006-2007 Change	15.5%	16.8%	9.9%	13.4%	13.9%	14.9%	17.4%	19.2%	19.5%	20.4%	21.5%	20.6%
<b>Continued Claims (weeks claimed)</b>												
2006 YTD Average	91,935	83,177	82,021	80,317	81,936	80,494	81,879	81,113	79,859	80,463	80,113	81,059
2007 YTD Average	119,558	107,833	103,962	106,151	103,281	101,197	103,733	103,115	101,302	103,292	103,653	107,487
2006-2007 Change	30.0%	29.6%	26.8%	32.2%	26.1%	25.7%	26.7%	27.1%	26.9%	28.4%	29.4%	32.6%
<b>Average Duration of Claims (weeks)</b>												
2006 Monthly	13.23	13.12	12.97	12.97	12.96	12.90	12.96	12.85	12.81	12.70	12.64	12.63
2007 Monthly	12.72	12.84	12.97	13.18	13.18	13.24	13.18	13.15	13.20	13.33	13.40	13.48
2006-2007 Change (weeks)	-0.51	-0.28	0.00	0.21	0.22	0.34	0.22	0.30	0.39	0.63	0.76	0.85
<b>Exhaustions (no. of final payments)</b>												
2006 YTD Average	1,750	1,513	1,462	1,447	1,514	1,494	1,559	1,557	1,552	1,576	1,562	1,561
2007 YTD Average	1,983	1,815	1,792	1,935	1,985	2,004	2,091	2,095	2,077	2,123	2,120	2,181
2006-2007 Change	13.3%	20.0%	22.5%	33.7%	31.1%	34.2%	34.2%	34.5%	33.9%	34.7%	35.8%	39.7%
	<b>IQ</b>	<b>IIQ</b>	<b>IIIQ</b>	<b>IVQ</b>								
<b>Number of Employers</b>												
2006 YTD Average	55,564	56,004	56,315	56,615								
2007 YTD Average	58,459	58,784	59,050									
2005-2006 Change	5.2%	5.0%	4.9%									



**2006 and 2007 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>												
2006 YTD Total	\$3,641	\$7,299	\$11,602	\$15,537	\$19,802	\$24,288	\$28,391	\$32,564	\$36,821	\$40,638	\$44,490	\$49,187
2007 YTD Total	\$3,674	\$7,468	\$11,948	\$15,855	\$19,968	\$24,441	\$28,436	\$32,369	\$36,560	\$40,541	\$44,340	
2006-2007 Change	0.9%	2.3%	3.0%	2.0%	0.8%	0.6%	0.2%	-0.6%	-0.7%	-0.2%	-0.3%	
<b>Las Vegas Visitor Volume</b>												
2006 YTD Total	3,175,528	6,152,946	9,561,367	12,863,101	16,204,257	19,361,485	22,731,362	26,072,367	29,351,251	32,736,229	35,860,598	38,914,889
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	
2006-2007 Change	-0.6%	0.3%	0.7%	0.6%	0.7%	1.3%	1.1%	1.0%	0.9%	0.8%	0.7%	
<b>Gaming Win (millions of \$)</b>												
2006 YTD Total	\$1,141	\$2,167	\$3,230	\$4,220	\$5,347	\$6,268	\$7,307	\$8,370	\$9,355	\$10,418	\$11,559	\$12,621
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	
2006-2007 Change	-2.1%	0.2%	-0.1%	1.4%	1.5%	1.9%	3.1%	2.1%	2.7%	3.4%	1.7%	

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

	IQ	IIQ	IIIQ	IVQ
2006 YTD Average	\$94.6	\$95.8	\$96.5	\$97.4
2007 YTD Average	\$102.0	\$102.5	\$103.2	
2006-2007 Change	7.8%	7.1%	7.0%	

**Nevada Residential Housing Permit Activity Summary**

	January	February	March	April	May	June	July	August	September	October	November	December
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
2006-2007 Change	-48.7%	-58.2%	-59.5%	-53.2%	-52.6%	-52.4%	-53.6%	-49.6%	-43.1%	-32.0%	-32.9%	-31.1%

**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>												
2006 YTD Total	2,862	5,734	9,366	12,012	15,058	18,676	21,498	24,776	27,623	30,208	33,017	36,051
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
2006-2007 Change	-28.3%	-39.6%	-43.8%	-43.1%	-43.0%	-44.0%	-43.4%	-42.9%	-43.7%	-44.2%	-44.3%	-45.3%
<b>New Home Permits</b>												
2006 YTD Total	2,173	4,751	7,773	10,063	12,088	14,279	15,847	17,611	18,978	19,838	21,130	23,219
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
2006-2007 Change	-46.7%	-48.7%	-43.3%	-38.3%	-34.4%	-35.0%	-36.0%	-38.1%	-39.3%	-29.6%	-32.4%	-37.5%
<b>New Home Median Price</b>												
2006	\$303,751	\$308,753	\$316,147	\$328,702	\$323,030	\$334,647	\$324,517	\$325,544	\$321,160	\$326,160	\$335,850	\$337,781
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
2006-2007 Change	10.3%	2.3%	-3.2%	-3.2%	-4.4%	-3.2%	0.7%	4.0%	-2.4%	-7.8%	-19.5%	-17.1%
<b>Recorded Resales</b>												
2006 YTD Total	3,257	6,460	10,914	14,628	19,034	23,305	26,817	30,458	33,527	36,461	39,214	41,892
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
2006-2007 Change	-25.6%	-26.4%	-31.3%	-32.7%	-34.7%	-36.3%	-36.8%	-37.6%	-38.7%	-39.4%	-40.1%	-40.7%

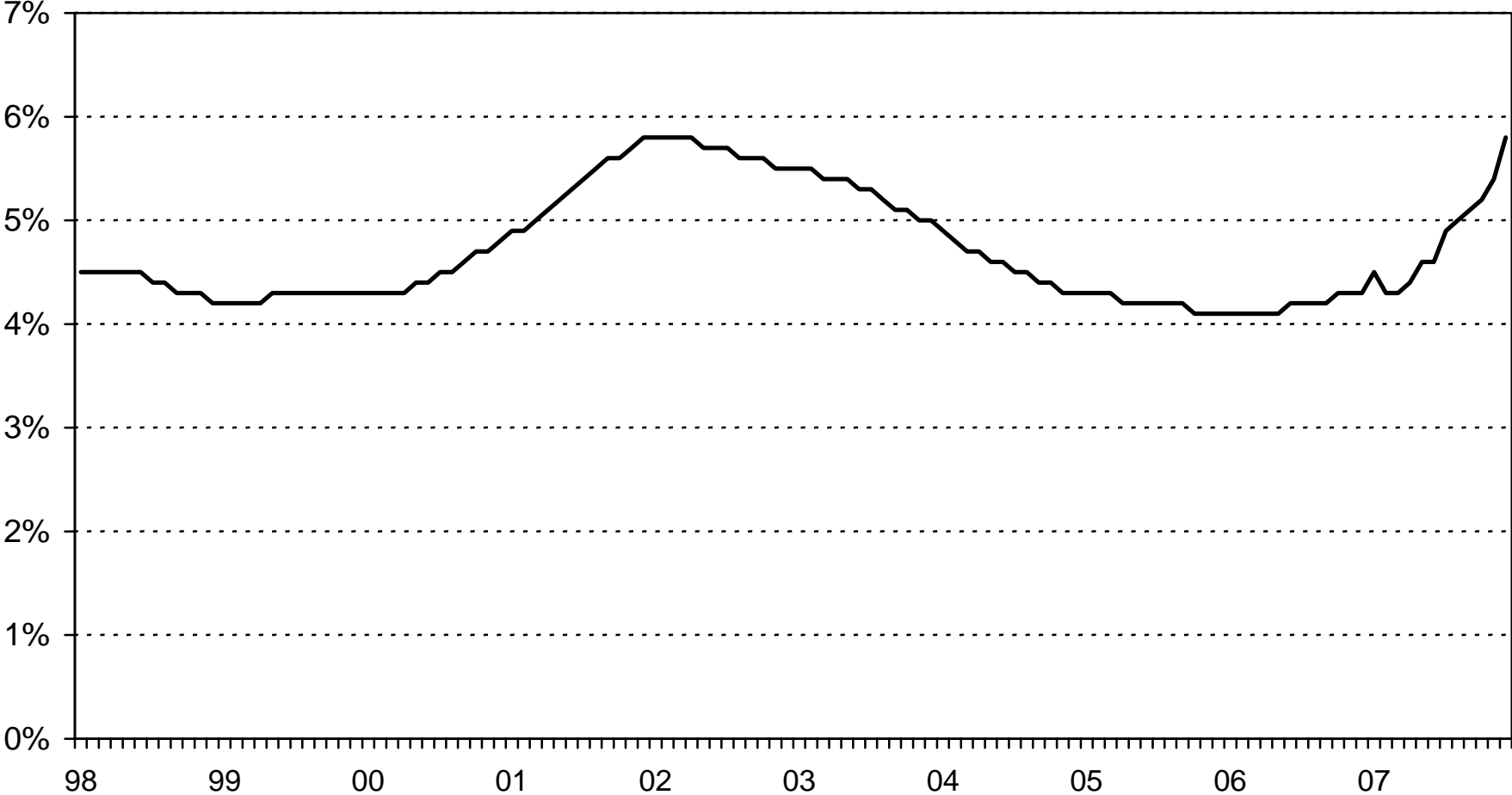
# UNEMPLOYMENT RATE

**Nevada Unemployment Rate**  
(seasonally adjusted)

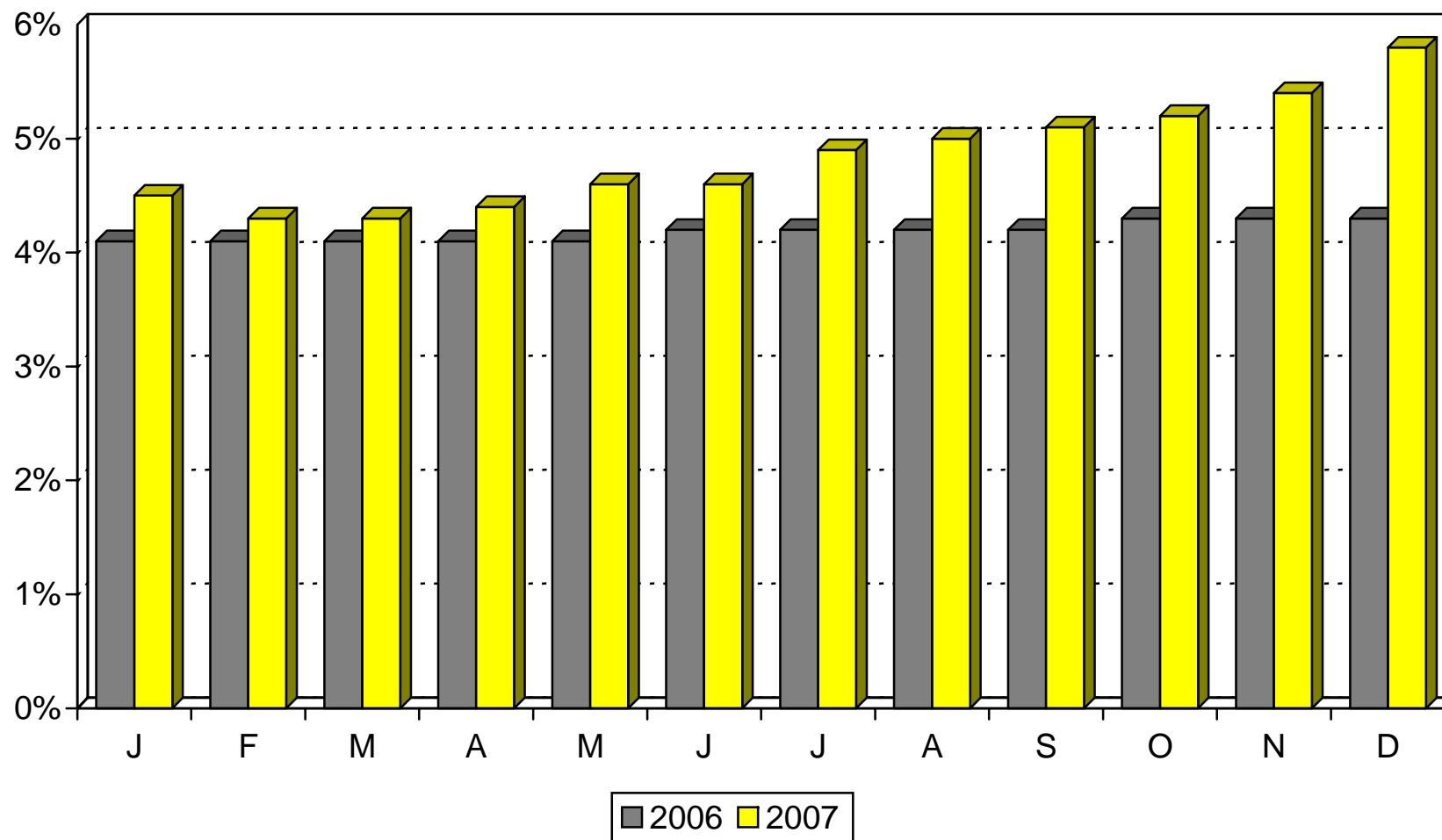
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
1998	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.4%	4.4%	4.3%	4.3%	4.3%	4.2%	4.4%
1999	4.2%	4.2%	4.2%	4.2%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
2000	4.3%	4.3%	4.3%	4.3%	4.4%	4.4%	4.5%	4.5%	4.6%	4.7%	4.7%	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%	5.5%	5.4%	5.4%	5.4%	5.3%	5.3%	5.2%	5.1%	5.1%	5.0%	5.0%	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%	4.1%	4.1%	4.1%	4.2%
2006	4.1%	4.1%	4.1%	4.1%	4.1%	4.2%	4.2%	4.2%	4.2%	4.3%	4.3%	4.3%	4.2%
2007	4.5%	4.3%	4.3%	4.4%	4.6%	4.6%	4.9%	5.0%	5.1%	5.2%	5.4%	5.8%	4.8%
2006-2007 Change (pct. points)	0.4	0.2	0.2	0.3	0.5	0.4	0.7	0.8	0.9	0.9	1.1	1.5	0.6

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.

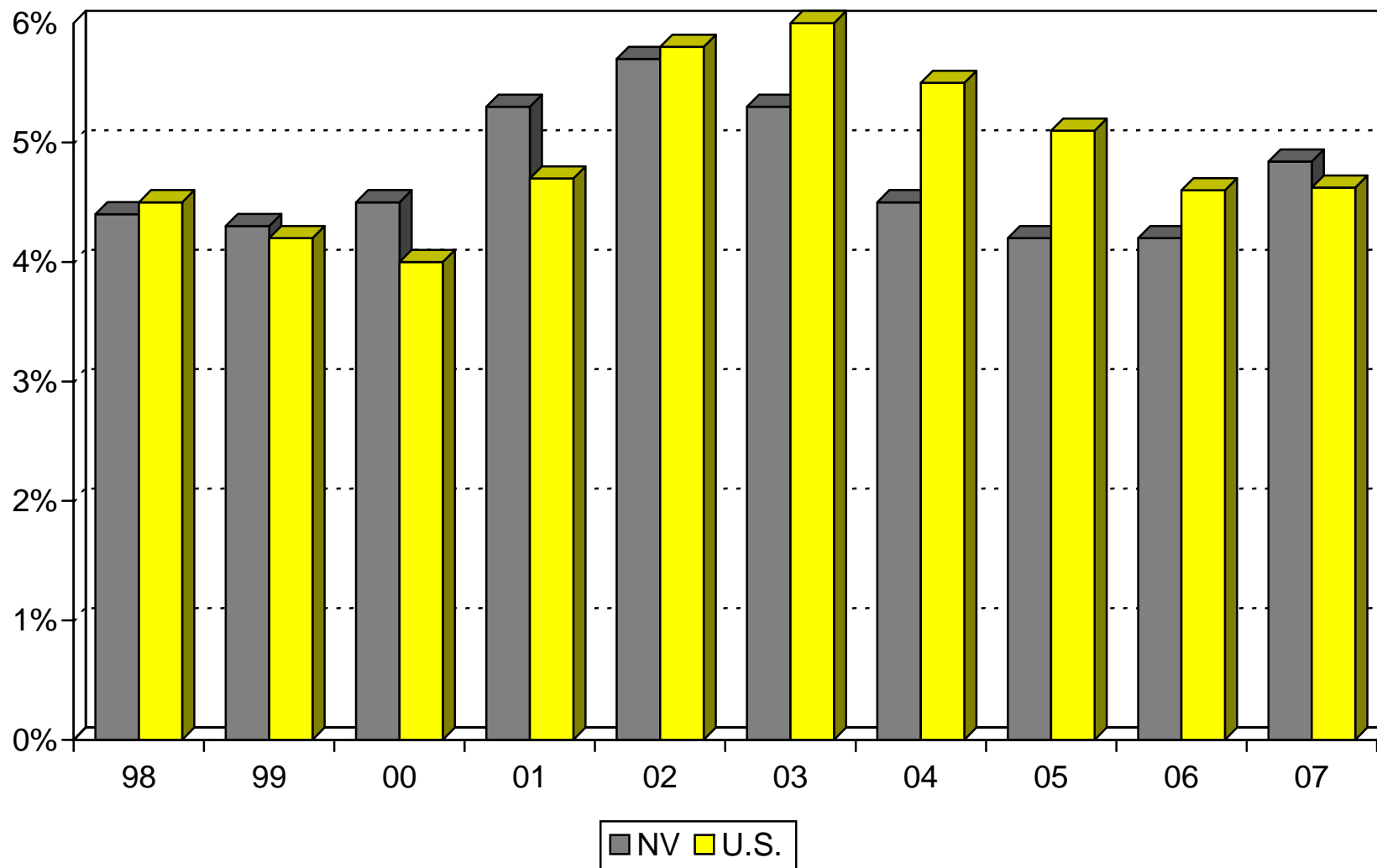
# Nevada Unemployment Rate (seasonally adjusted)



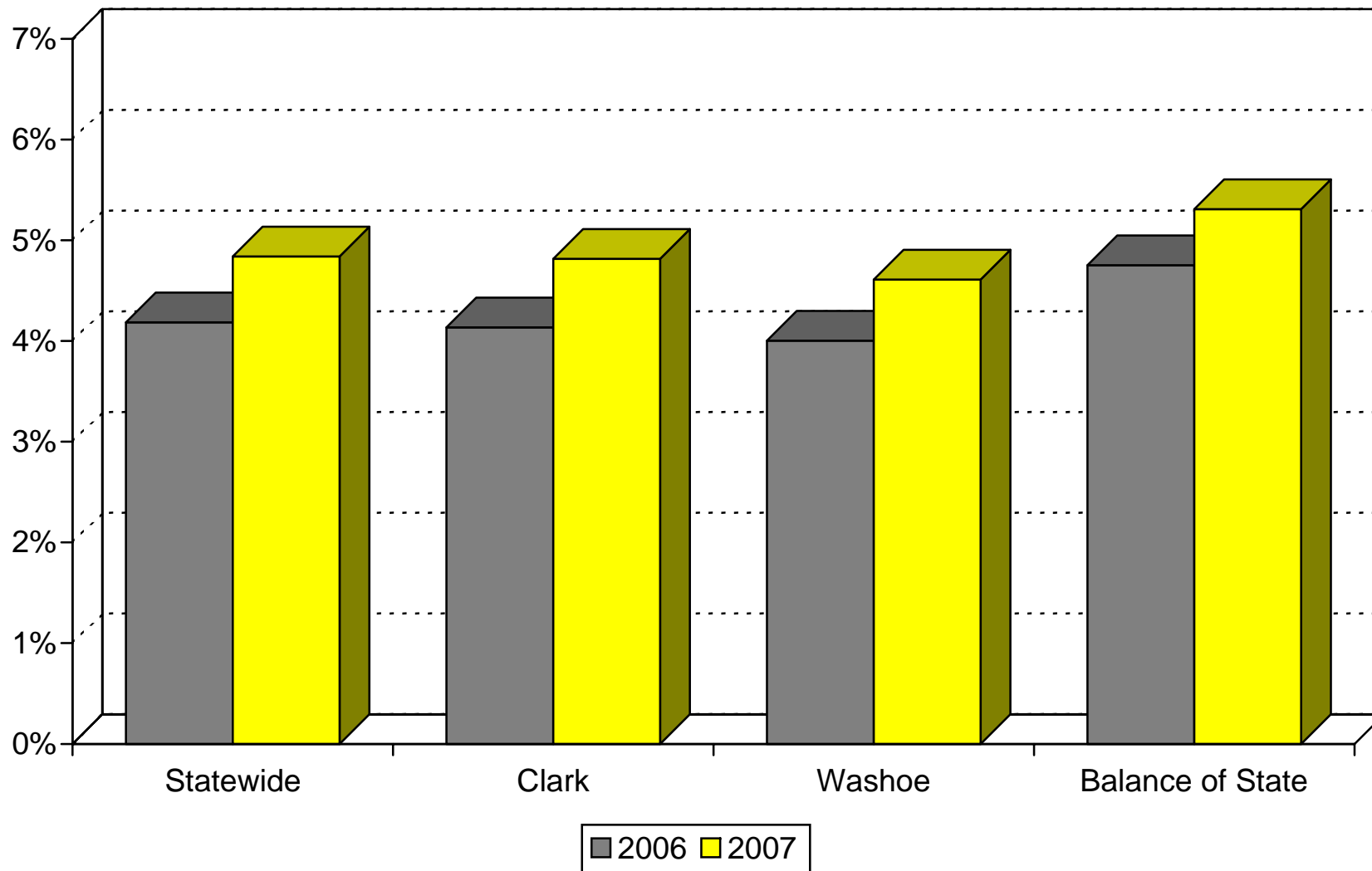
## Nevada Unemployment Rate: 2007 vs. 2006 (seasonally adjusted)



# Nevada Unemployment Rate vs. the U.S.



# Regional Unemployment Rates



**JOBS**

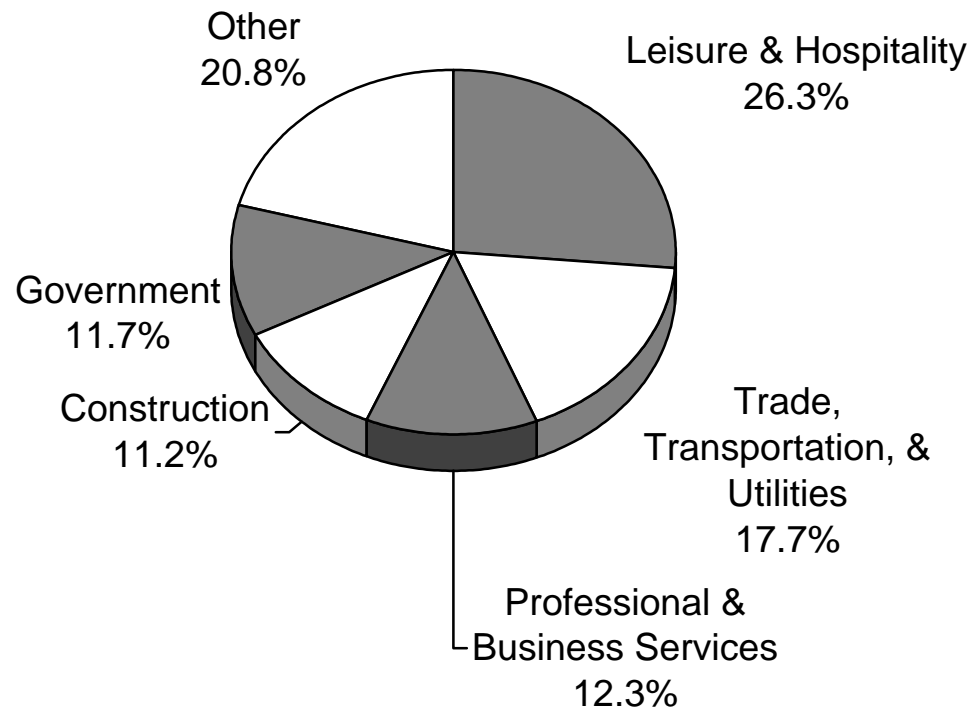


### Nevada Jobs

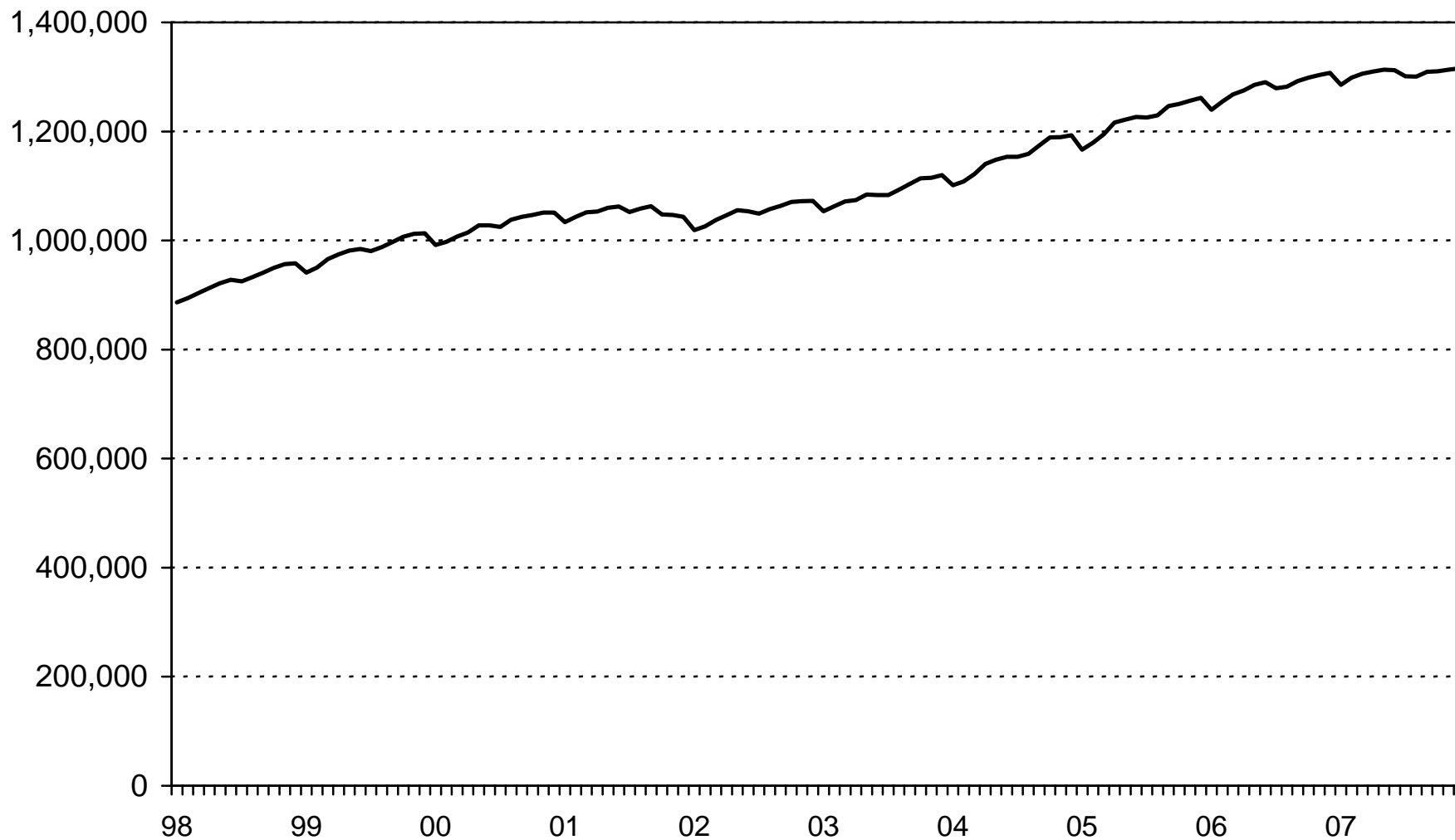
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
1998	886,500	894,300	903,600	912,700	921,700	928,100	925,100	932,700	941,100	950,000	956,800	958,000	925,900
1999	941,000	950,400	966,000	974,900	981,500	984,500	980,700	987,800	997,000	1,007,000	1,012,400	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	1,239,700	1,254,800	1,268,000	1,275,400	1,285,600	1,290,500	1,279,100	1,282,200	1,292,500	1,298,800	1,303,600	1,307,400	1,281,500
2007	1,285,500	1,298,600	1,306,000	1,310,000	1,313,400	1,312,400	1,301,100	1,300,800	1,309,500	1,310,200	1,313,500	1,315,800	1,306,400
2006-2007 Change	45,800 3.7%	43,800 3.5%	38,000 3.0%	34,600 2.7%	27,800 2.2%	21,900 1.7%	22,000 1.7%	18,600 1.5%	17,000 1.3%	11,400 0.9%	9,900 0.8%	8,400 0.6%	24,900 1.9%

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.

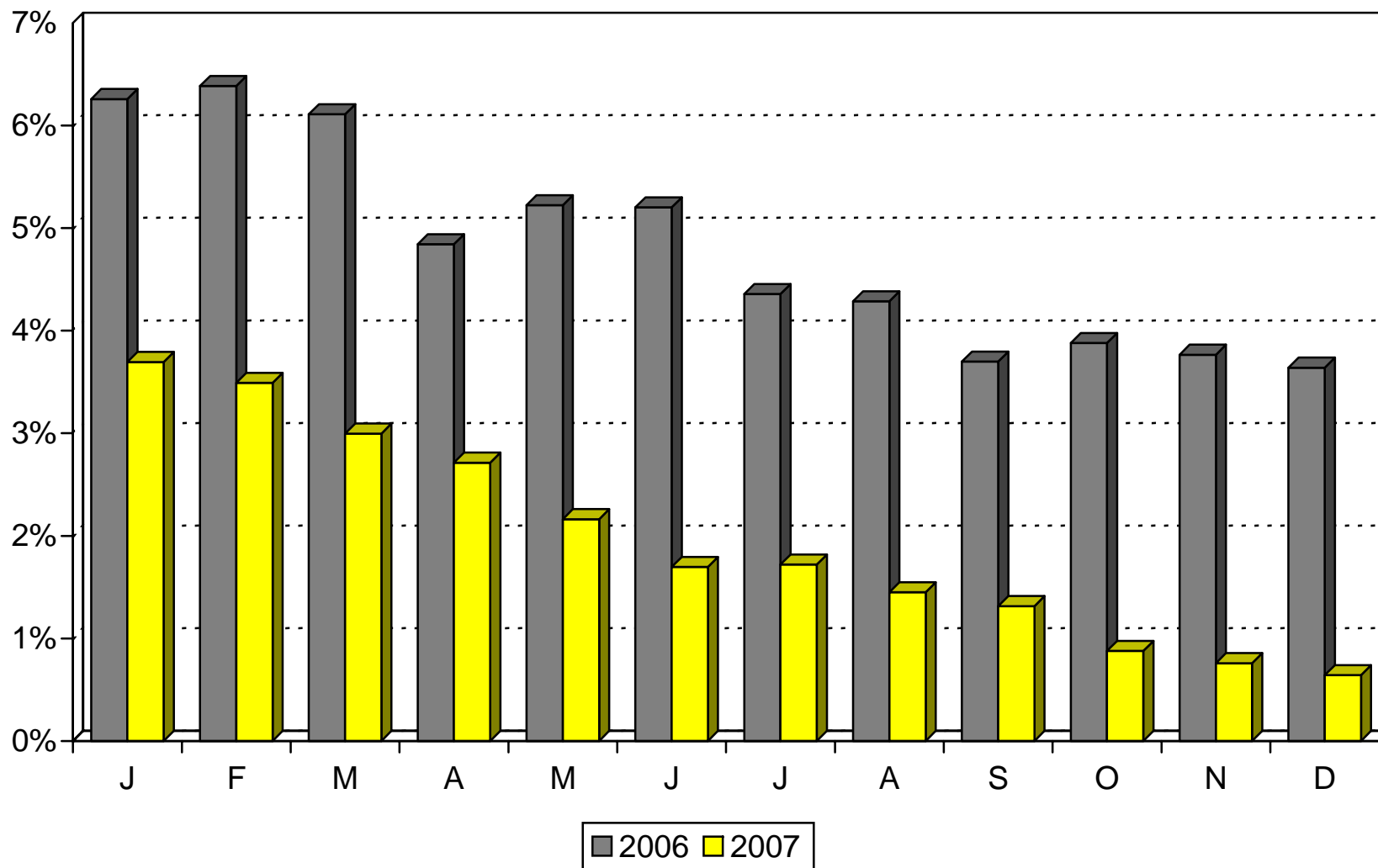
# Nevada Jobs by Industry: 2006



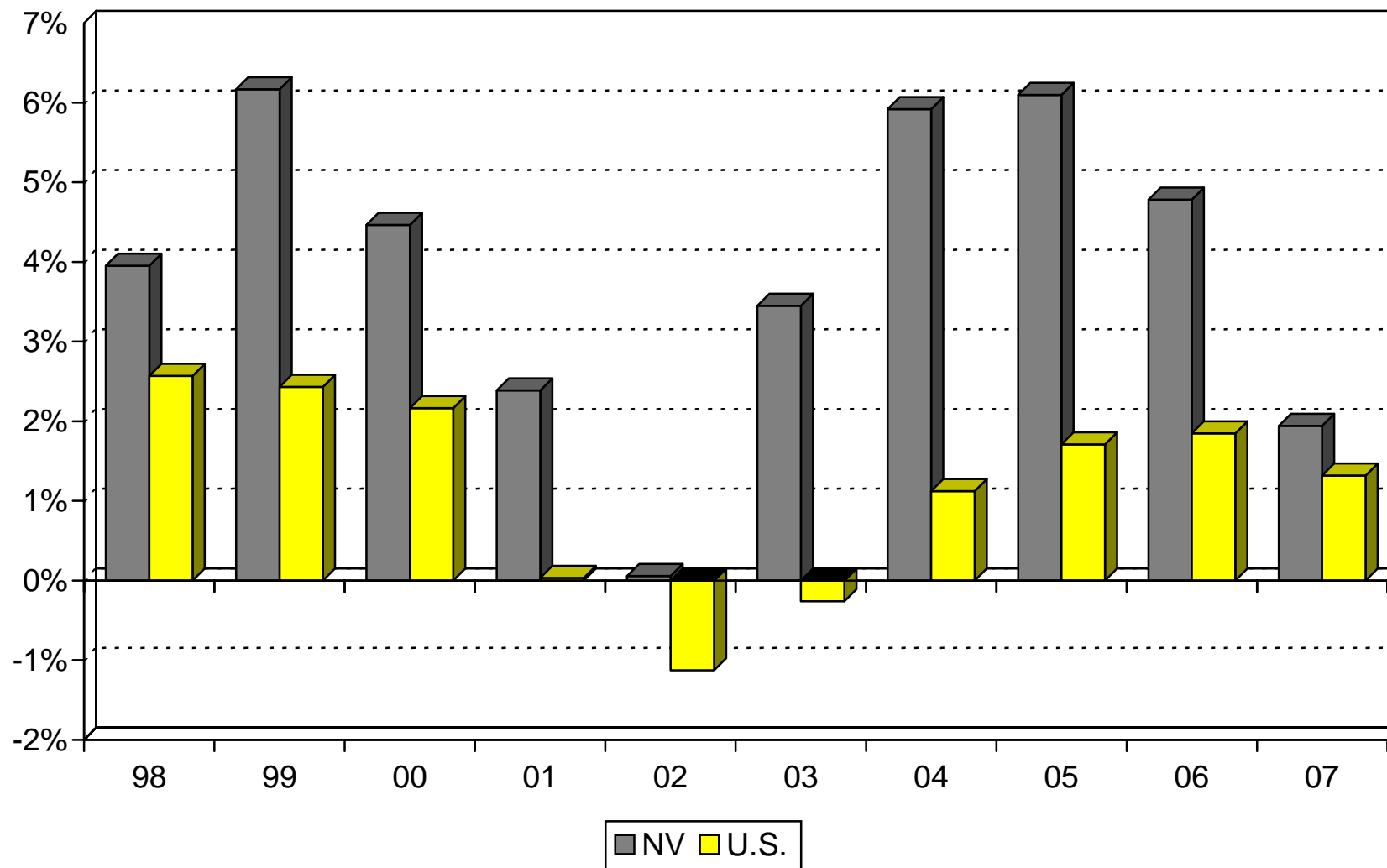
# Nevada Jobs



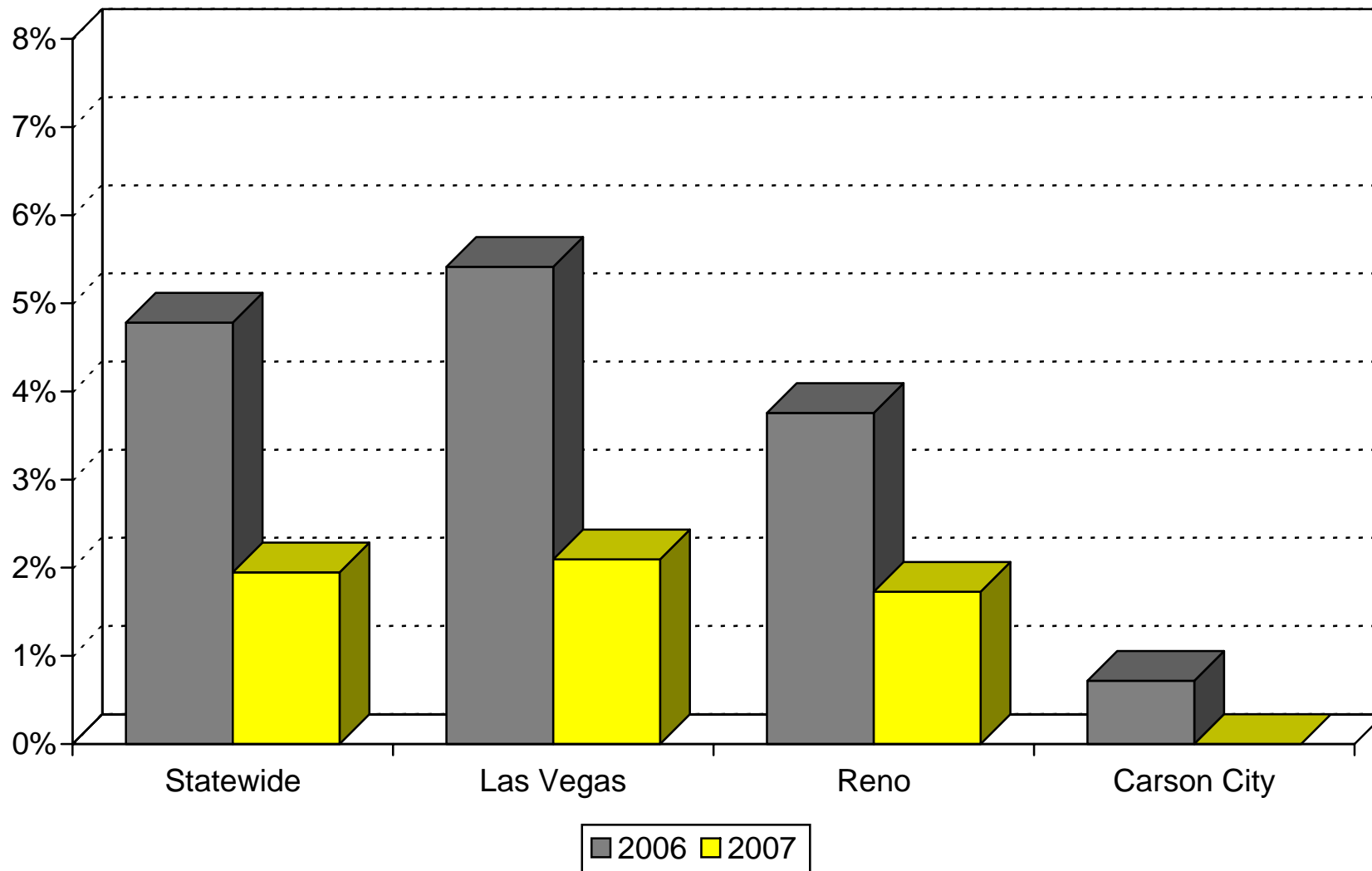
# Nevada Job Growth: 2007 vs. 2006



## Nevada Job Growth vs. the U.S.



# Regional Job Growth



**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			
<hr style="border: 2px solid black;"/>					
2006-2007					
Change	4.9%	3.7%			

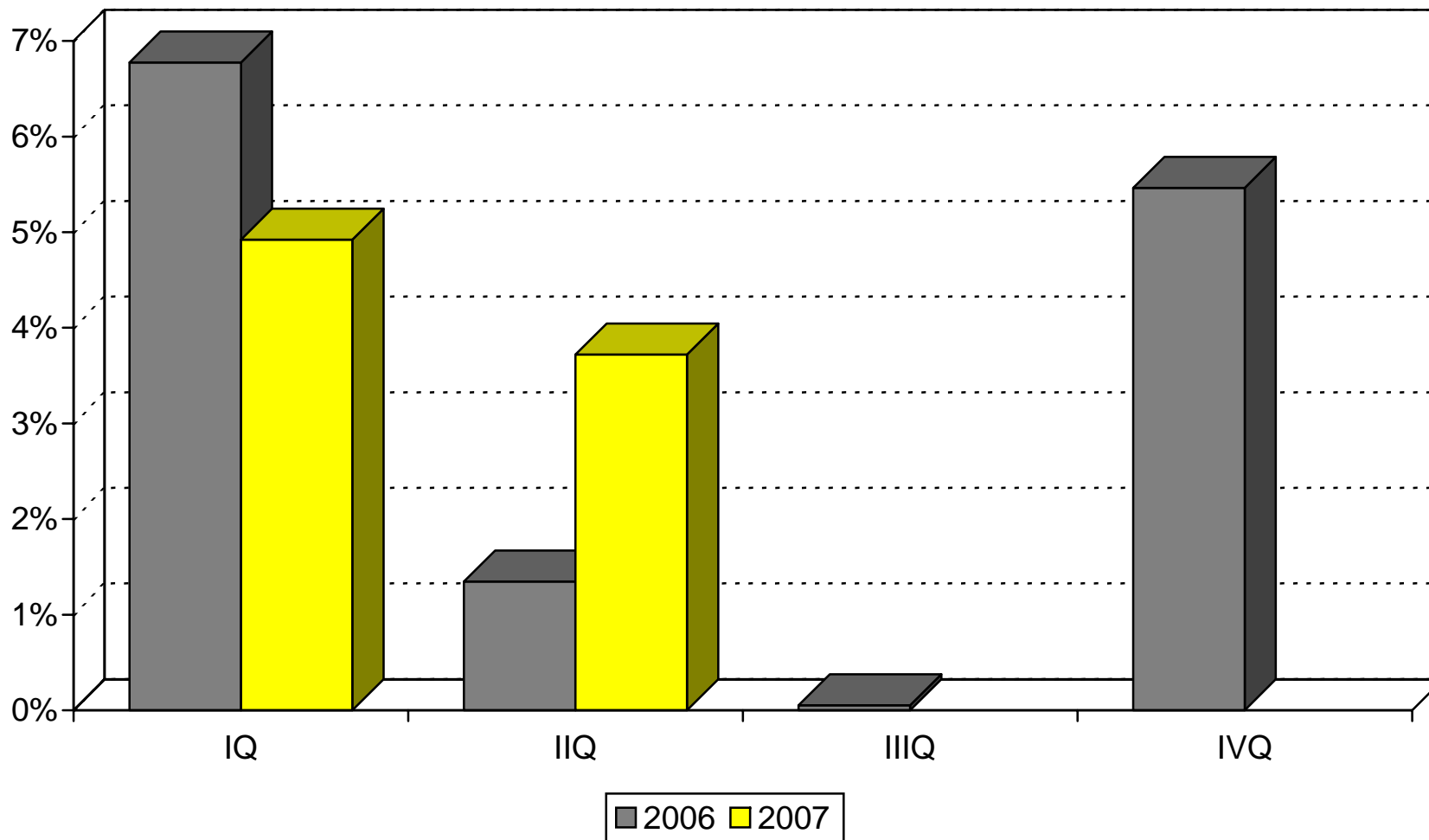
Average weekly wage data is obtained via the Quarterly Census of Employment and Wages (QCEW) Program. The QCEW is a federal/state cooperative program that collects and compiles employment and wage data, by industry, for workers covered by state unemployment insurance (UI) laws.



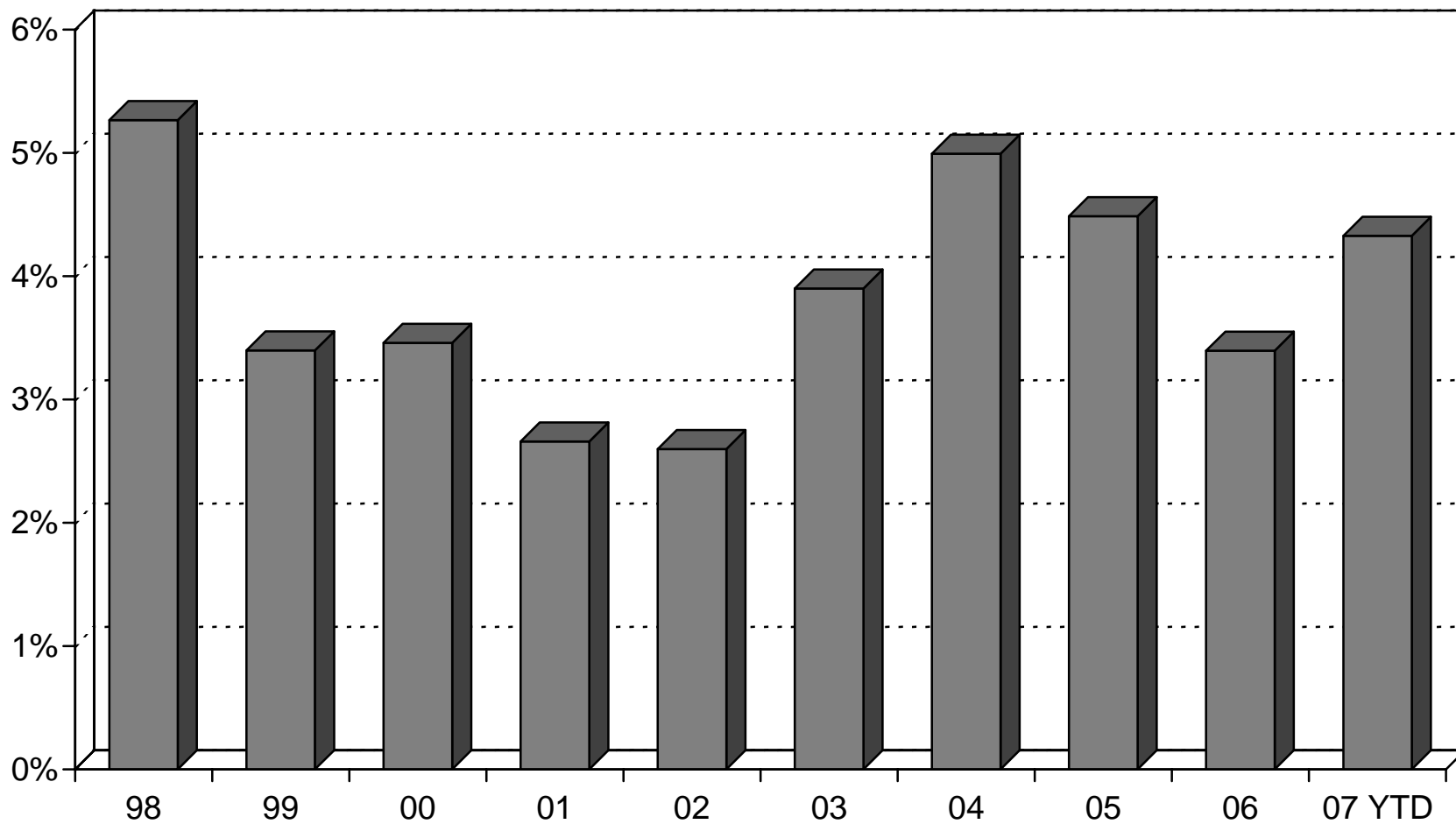
# Nevada Average Weekly Wages



# Nevada Average Weekly Wages Growth: 2007 vs. 2006



## Nevada Average Weekly Wages Growth (2007 YTD through 2007:IIQ)



# UNEMPLOYMENT INSURANCE

## Nevada Unemployment Insurance Indicators

### Initial Claims

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
2006	12,508	9,385	12,339	10,587	10,321	11,074	10,379	10,679	9,754	11,236	12,766	14,991	11,335
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
2006-2007													
Change	1,944	1,727	-281	2,611	1,644	2,189	3,528	3,357	2,222	3,167	3,893	2,065	2,339
	15.5%	18.4%	-2.3%	24.7%	15.9%	19.8%	34.0%	31.4%	22.8%	28.2%	30.5%	13.8%	20.6%

### Continued Claims (weeks claimed)

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
2006	91,935	74,419	79,709	75,205	88,410	73,288	90,189	75,751	69,821	85,907	76,609	91,469	81,059
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
2006-2007													
Change	27,623	21,688	16,511	37,514	3,393	17,488	28,760	23,034	16,984	35,287	30,653	58,202	26,428
	30.0%	29.1%	20.7%	49.9%	3.8%	23.9%	31.9%	30.4%	24.3%	41.1%	40.0%	63.6%	32.6%

### Average Duration (weeks)

	January	February	March	April	May	June	July	August	September	October	November	December
2006	13.23	13.12	12.97	12.97	12.96	12.90	12.96	12.85	12.81	12.70	12.64	12.63
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
2006-2007												
Change	-0.51	-0.28	0.00	0.21	0.22	0.34	0.22	0.30	0.39	0.63	0.76	0.85
	-3.9%	-2.1%	0.0%	1.6%	1.7%	2.6%	1.7%	2.3%	3.0%	5.0%	6.0%	6.7%

### Exhaustions (number of final payments)

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
2006	1,750	1,276	1,360	1,402	1,783	1,390	1,949	1,548	1,506	1,797	1,419	1,547	1,561
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
2006-2007													
Change	233	371	385	961	405	707	668	568	435	740	672	1,298	620
	13.3%	29.1%	28.3%	68.5%	22.7%	50.9%	34.3%	36.7%	28.9%	41.2%	47.4%	83.9%	39.7%

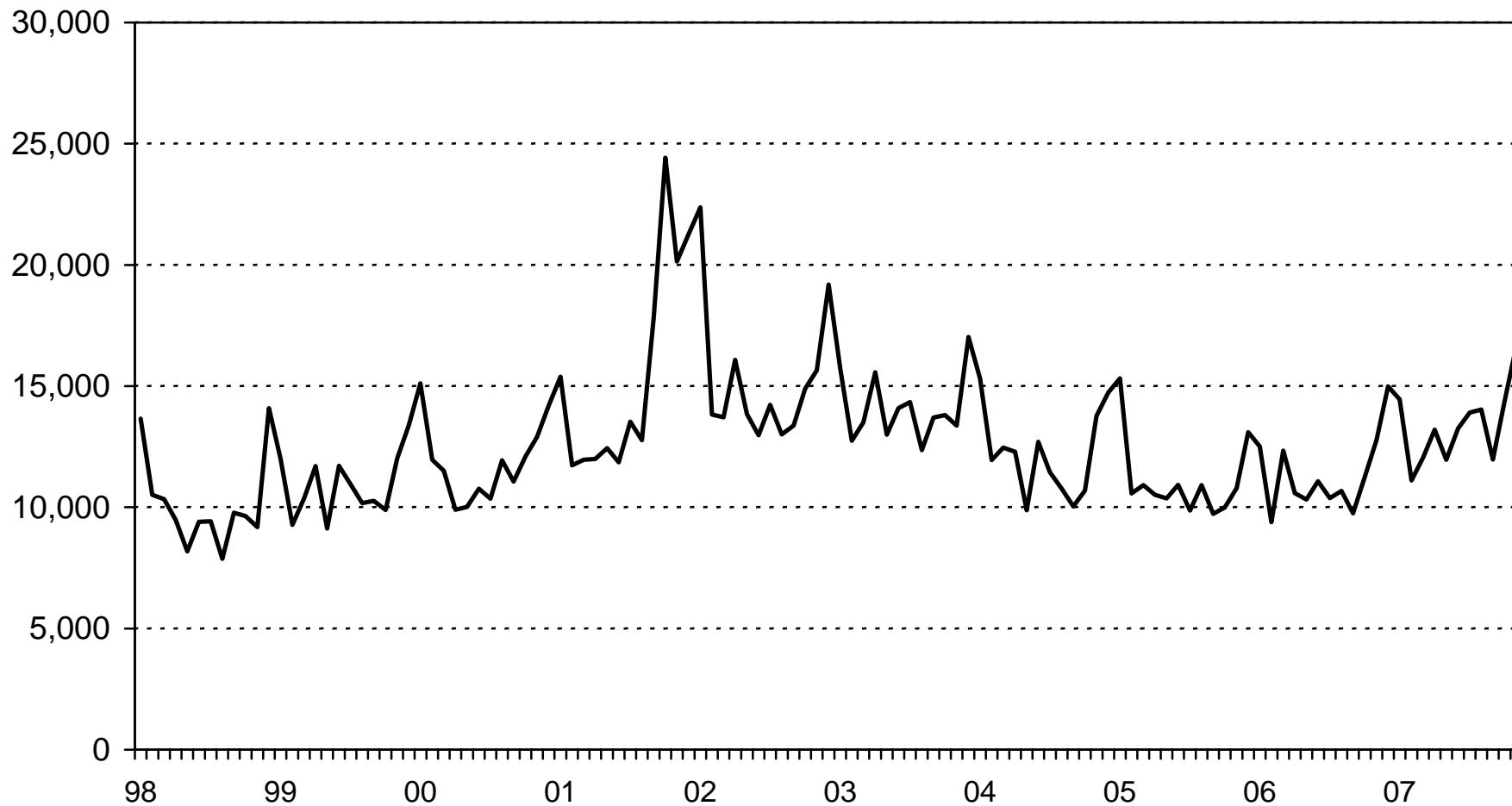
**Initial Claim** – An initial claim is any notice of unemployment filed by an individual to initiate 1) a determination of entitlement to and eligibility for compensation (a new claim); 2) a subsequent period of unemployment within a benefit year or period of eligibility (an additional claim); or 3)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

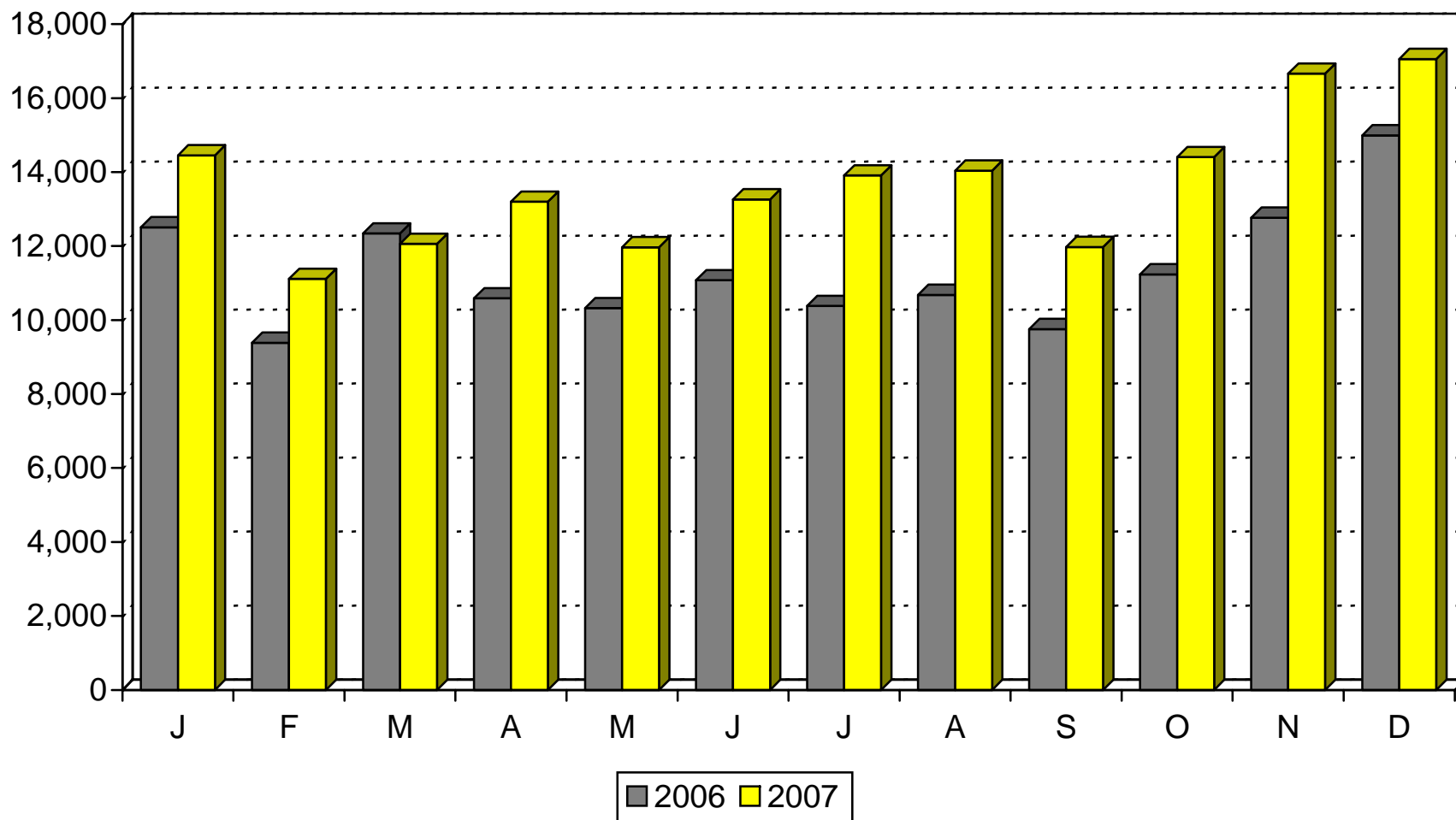
**Average Duration** -The average number of consecutive weeks a claim is paid, expressed on a 12-month moving average basis.

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

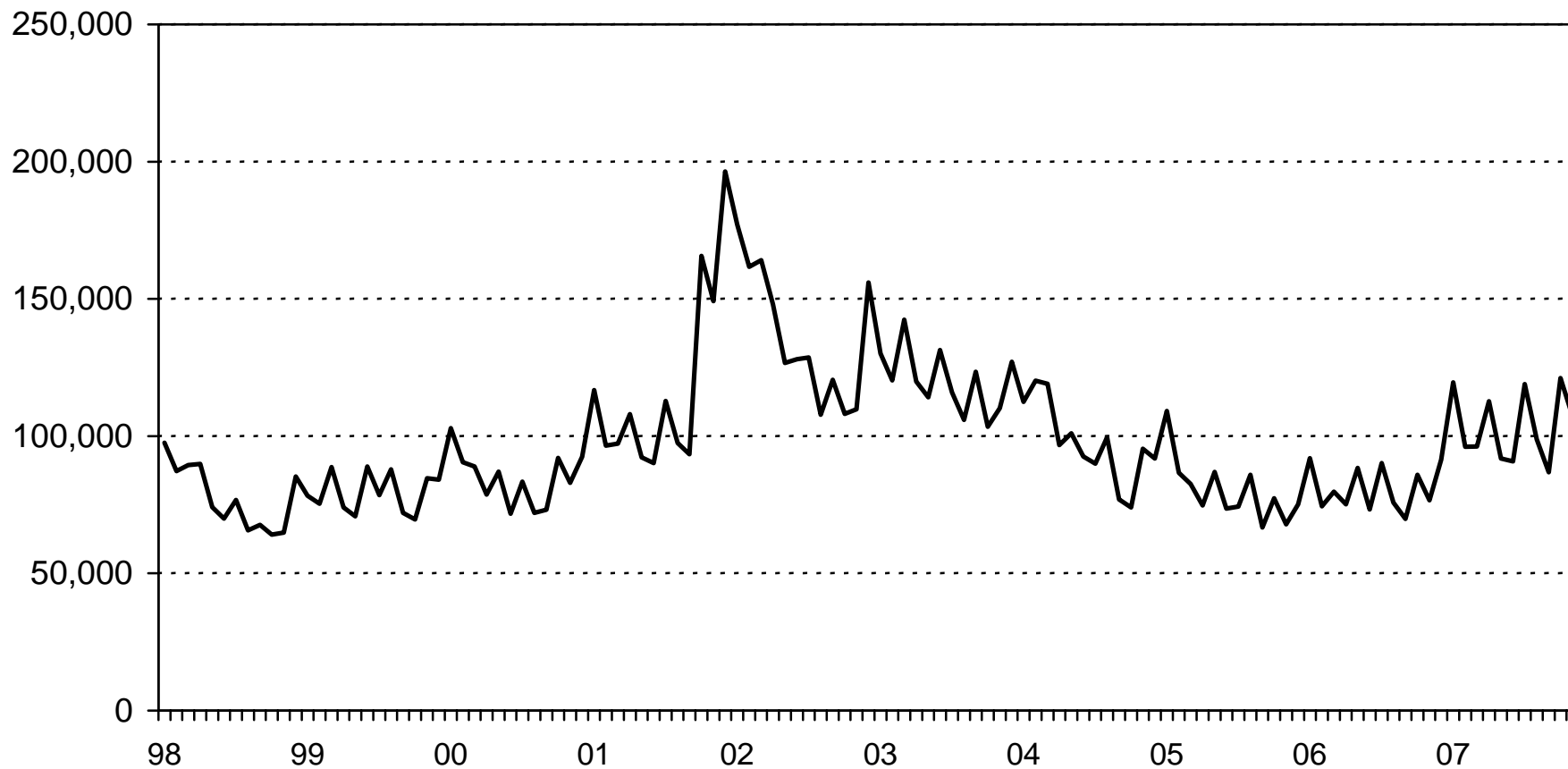
# Nevada Initial Claims for Unemployment Insurance



# Nevada Initial Claims for Unemployment Insurance: 2007 vs. 2006

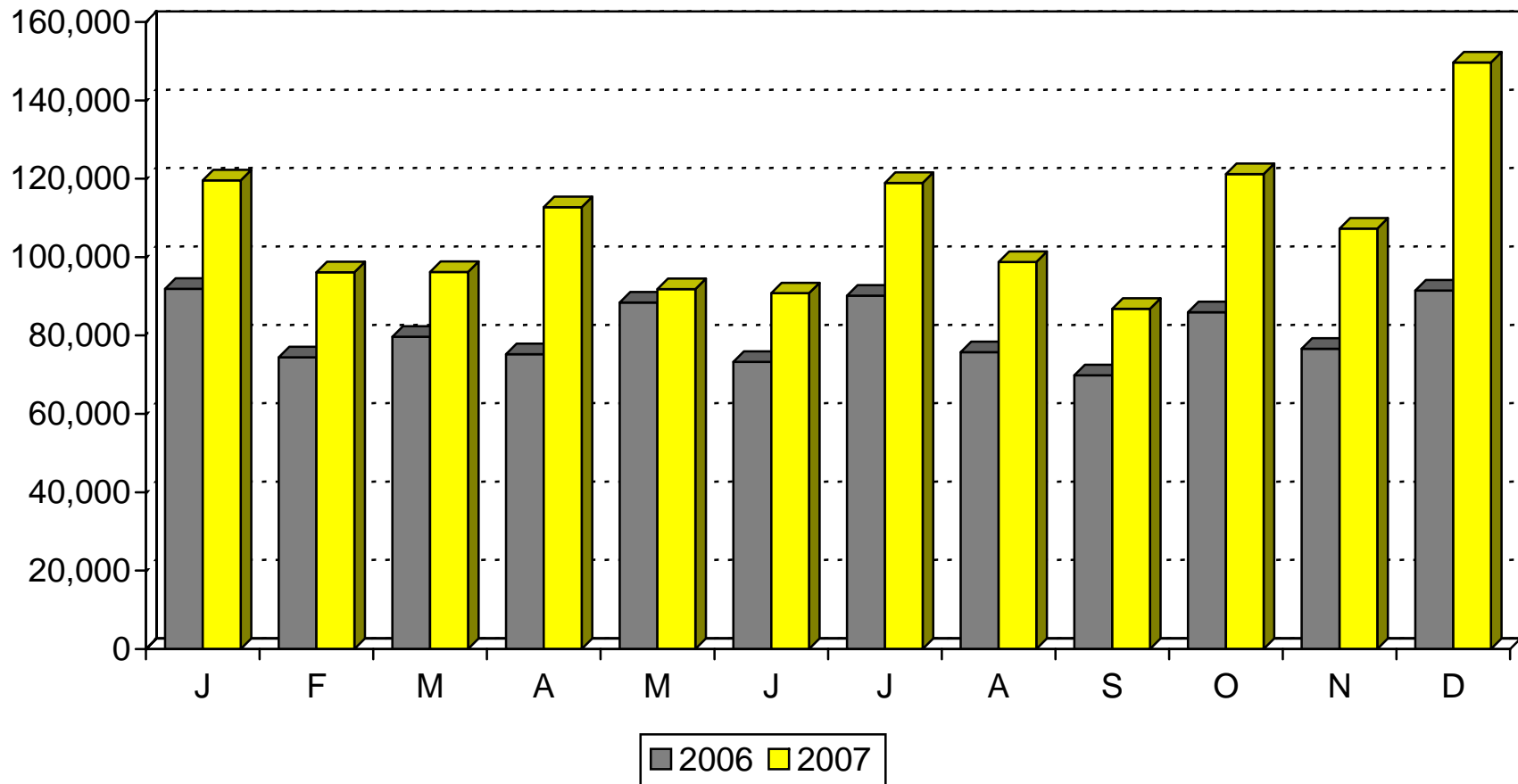


# Nevada Continued Claims for Unemployment Insurance (weeks claimed)

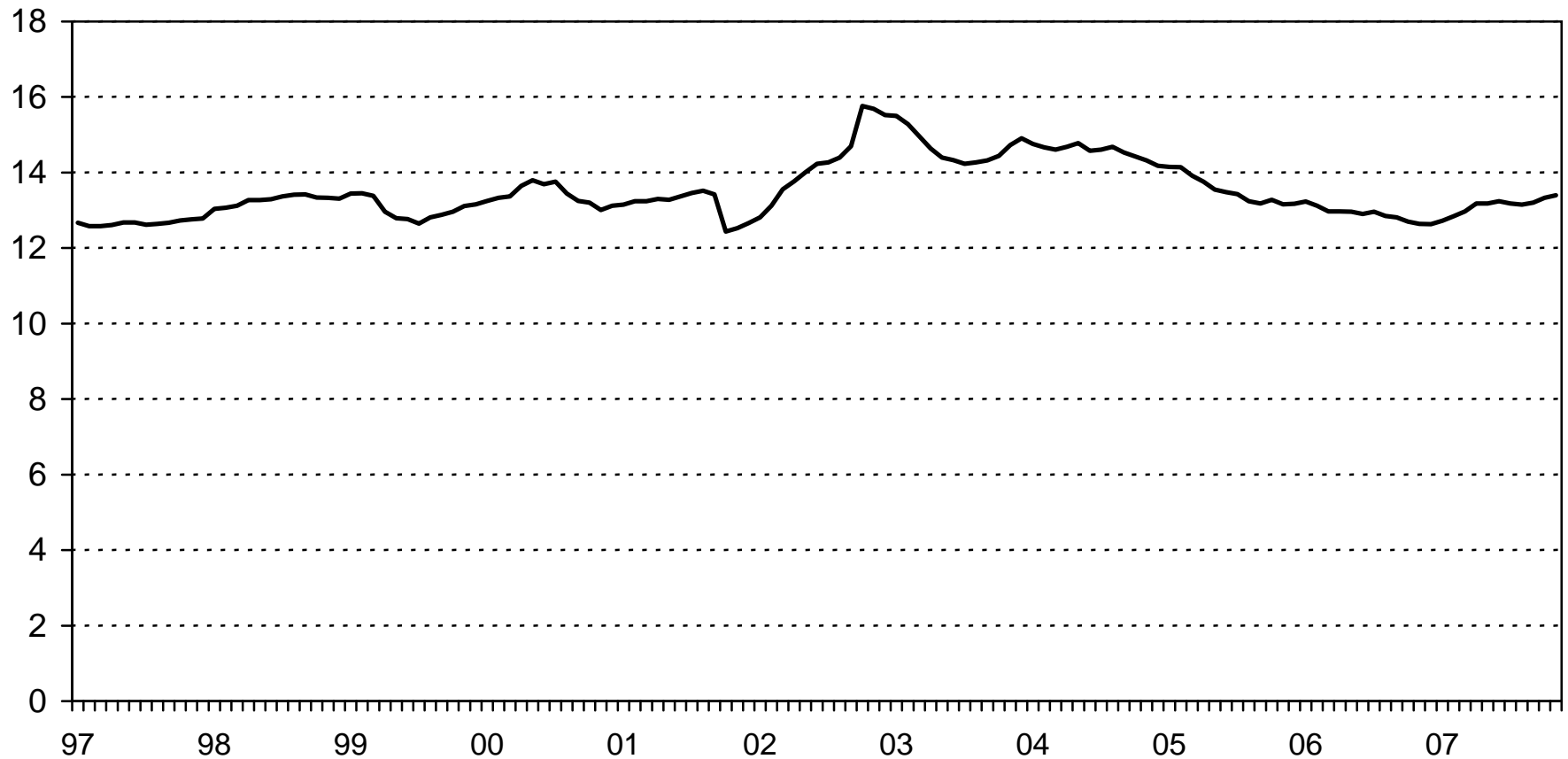




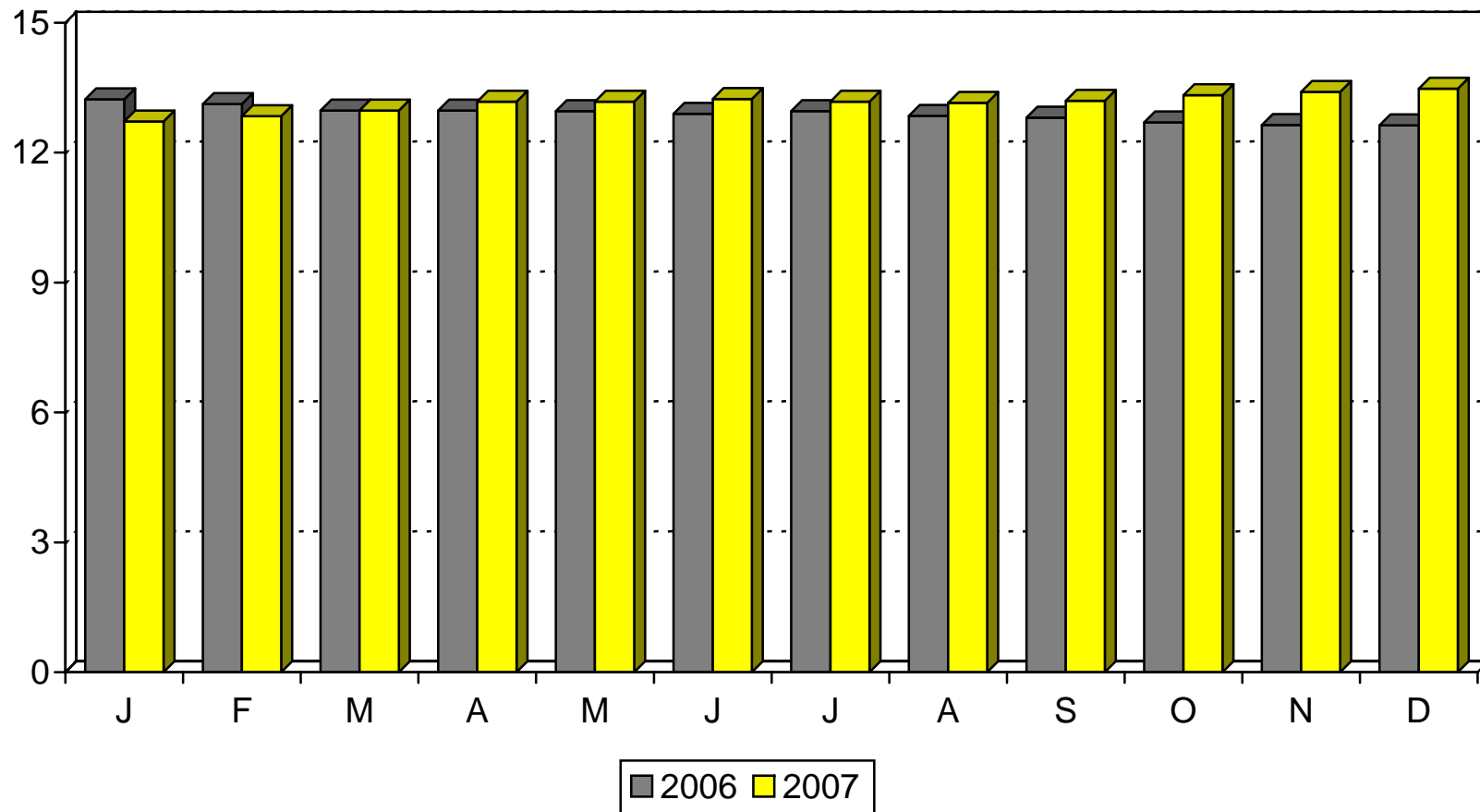
# Nevada Continued Claims for Unemployment Insurance: 2007 vs. 2006 (weeks claimed)



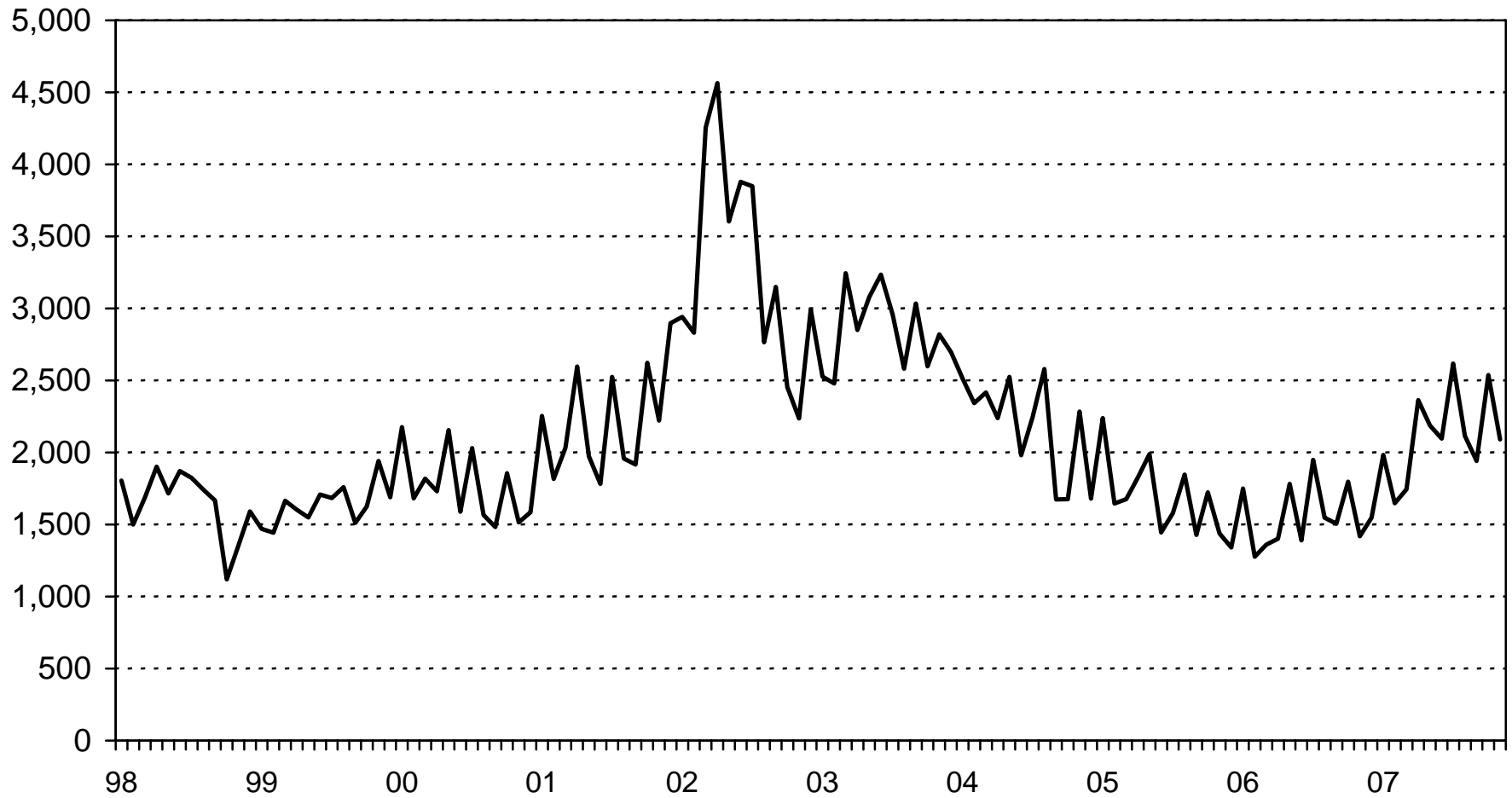
# Average Duration of Nevada Unemployment Insurance Claims (weeks; 12-month moving average)



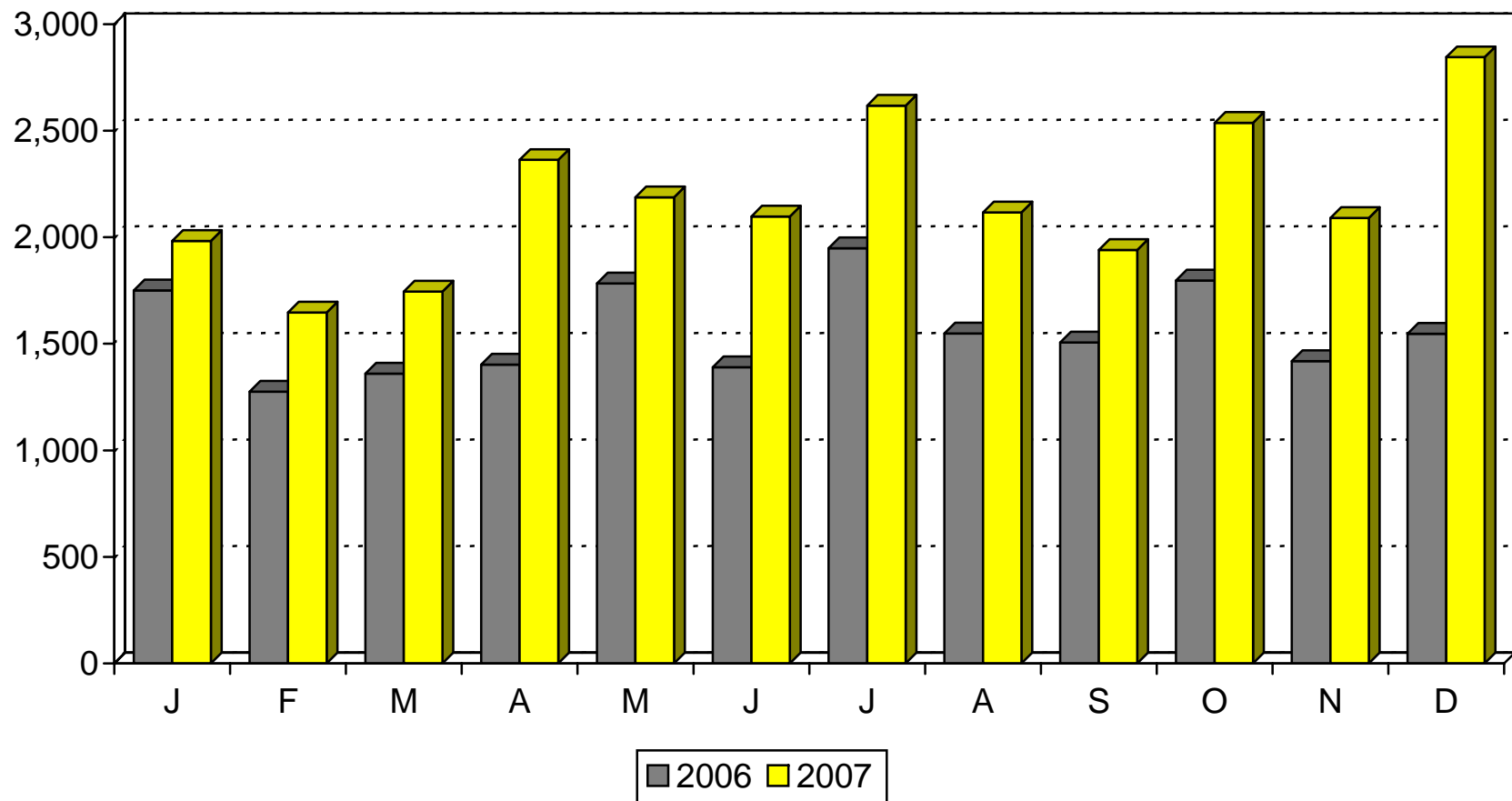
# Average Duration of Nevada Unemployment Insurance Claims: 2007 vs. 2006 (weeks; 12-month moving average)



# Nevada Unemployment Insurance Exhaustions (number of final payments)



# Nevada Unemployment Insurance Exhaustions: 2007 vs. 2006 (number of final payments)



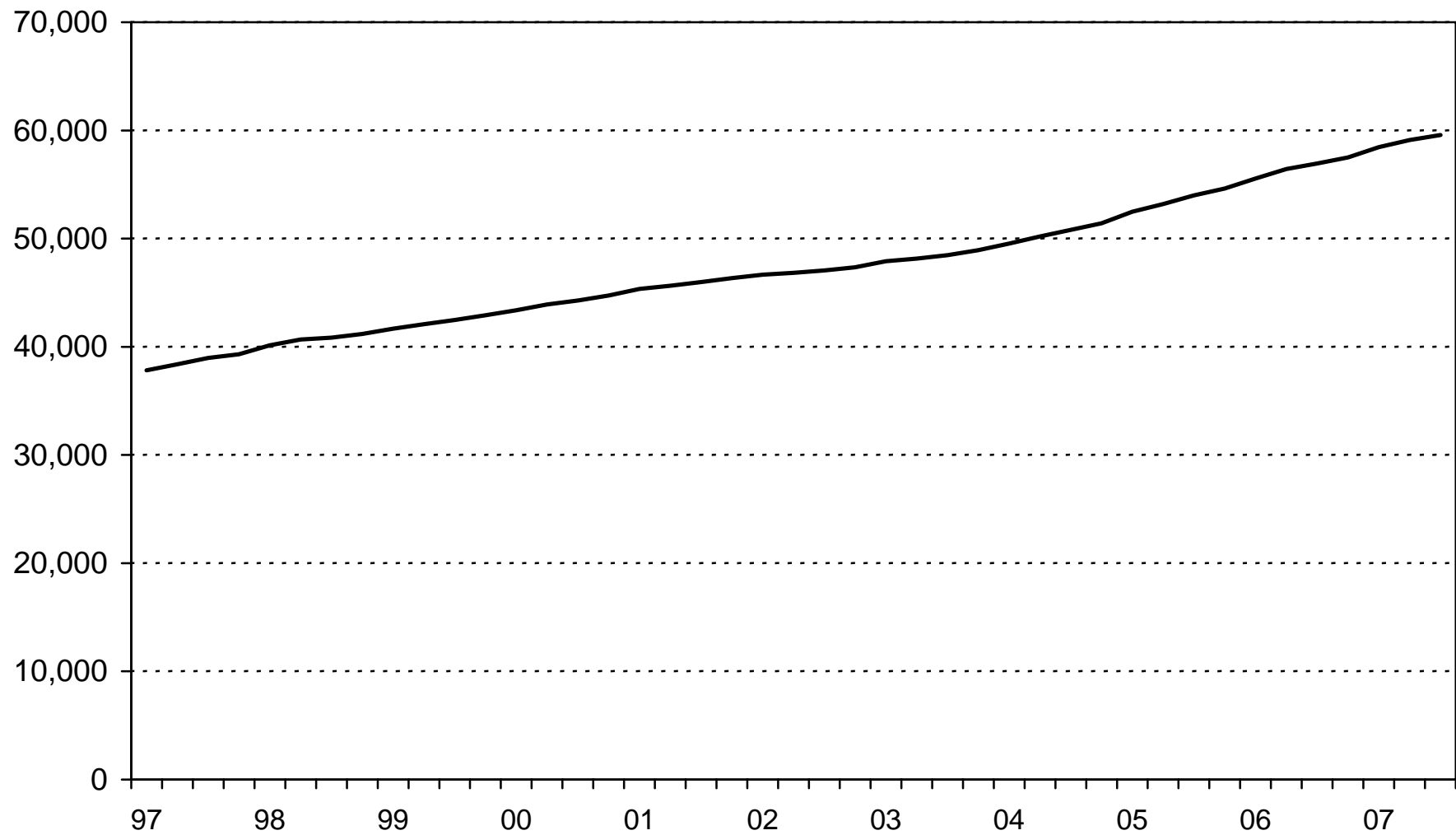
NUMBER  
OF  
EMPLOYERS

## Nevada Employers

	IQ	IIQ	IIIQ	IVQ	Annual Average
1998	40,128	40,668	40,835	41,196	40,707
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		
<hr style="border: 2px solid black;"/>					
2006-2007 Change	5.2%	4.7%	4.6%		

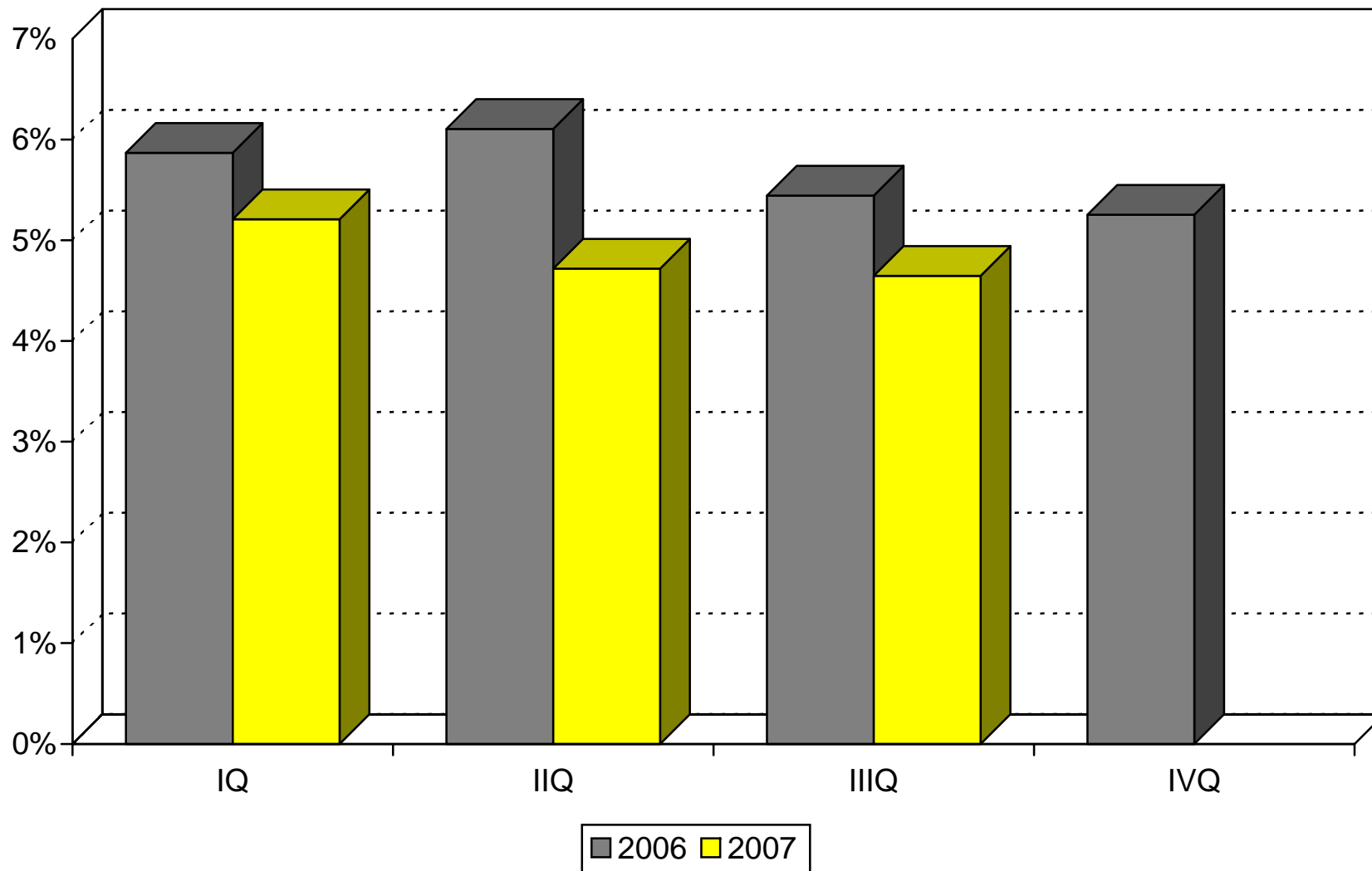
The end-of-quarter count of employers with recorded unemployment insurance contributions.

# Nevada Employers

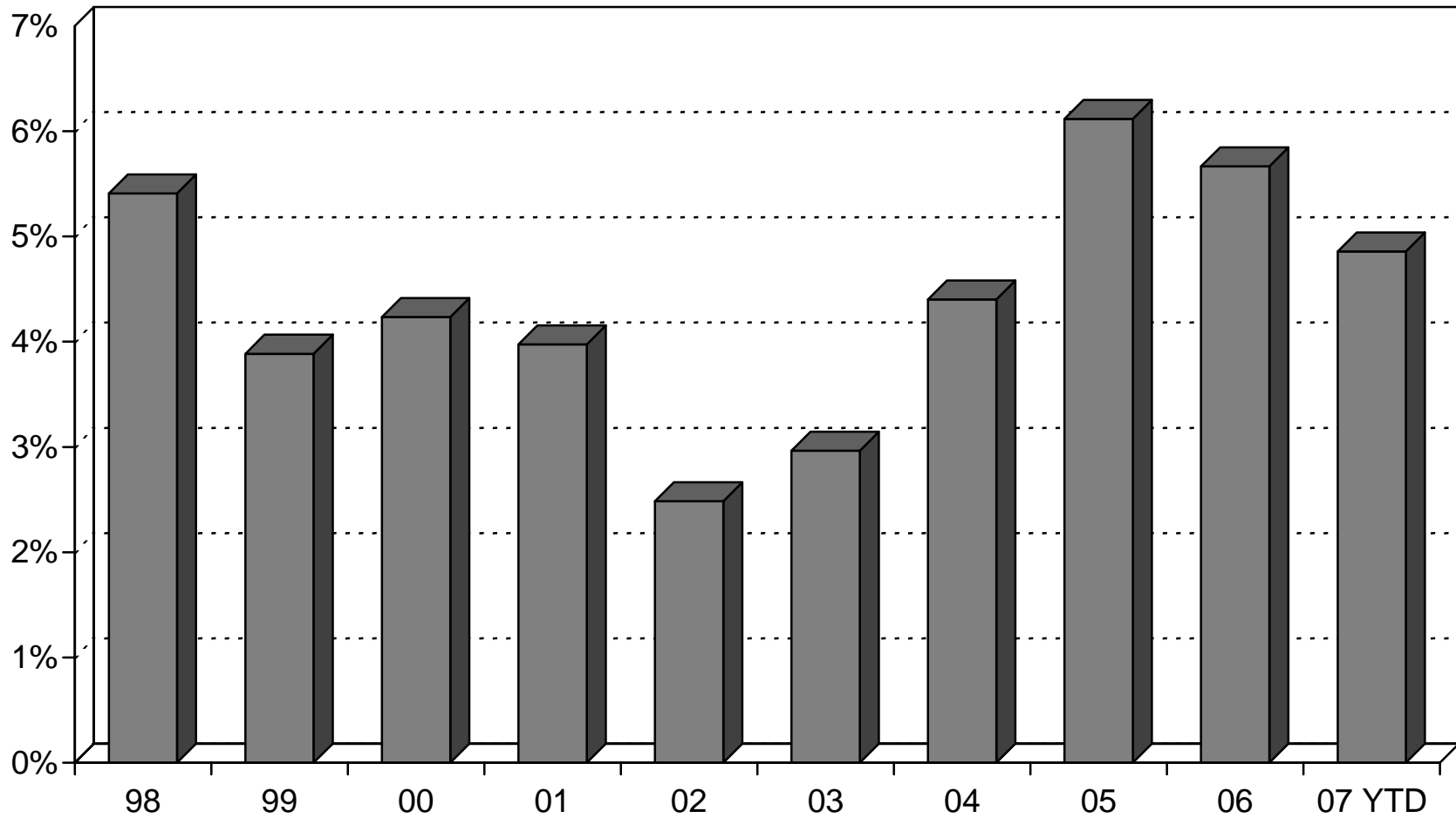




## Nevada Employers Growth: 2007 vs. 2006



## Nevada Employers Growth (2007 YTD through 2007:IIIQ)



# 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
2006	\$3,640,624,000	\$3,658,433,000	\$4,302,808,000	\$3,935,520,000	\$4,264,505,000	\$4,486,362,000	\$4,103,048,000	\$4,172,807,000	\$4,257,191,000	\$3,817,065,000	\$3,851,380,000	\$4,697,659,000	49,187,402,000
2007	\$3,674,338,000	\$3,793,876,000	\$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		
2006-2007 Change	0.9%	3.7%	4.1%	-0.7%	-3.6%	-0.3%	-2.6%	-5.7%	-1.5%	4.3%	-1.3%		

### Las Vegas Visitor Volume

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2006	3,175,528	2,977,418	3,408,421	3,301,734	3,341,156	3,157,228	3,369,877	3,341,005	3,278,884	3,384,978	3,124,369	3,054,291	38,914,889
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		
2006-2007 Change	-0.6%	1.3%	1.4%	0.4%	1.2%	4.0%	0.2%	0.4%	-0.3%	0.0%	0.2%		

### Nevada Gaming Win

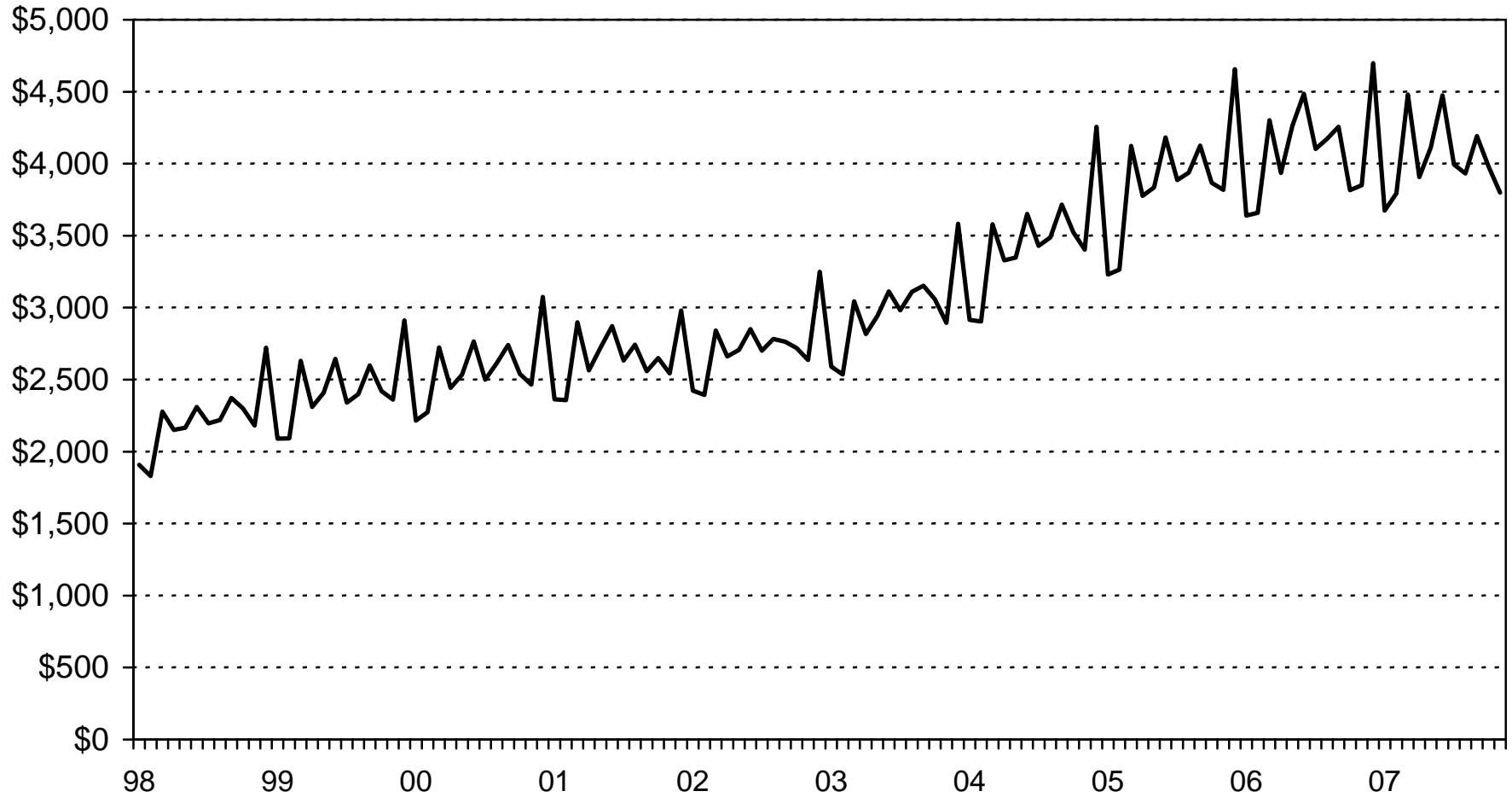
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2006	\$1,141,176,000	\$1,026,293,000	\$1,062,940,000	\$989,793,000	\$1,126,598,000	\$921,077,000	\$1,038,761,000	\$1,063,326,000	\$984,970,000	\$1,062,981,000	\$1,140,738,000	\$1,062,753,000	\$12,621,406,000
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		
2006-2007 Change	-2.1%	2.9%	-0.8%	6.4%	1.5%	4.2%	10.3%	-4.4%	7.4%	9.6%	-14.0%		

**Taxable Sales** – Sales of tangible personal property subject to the Nevada sales tax.

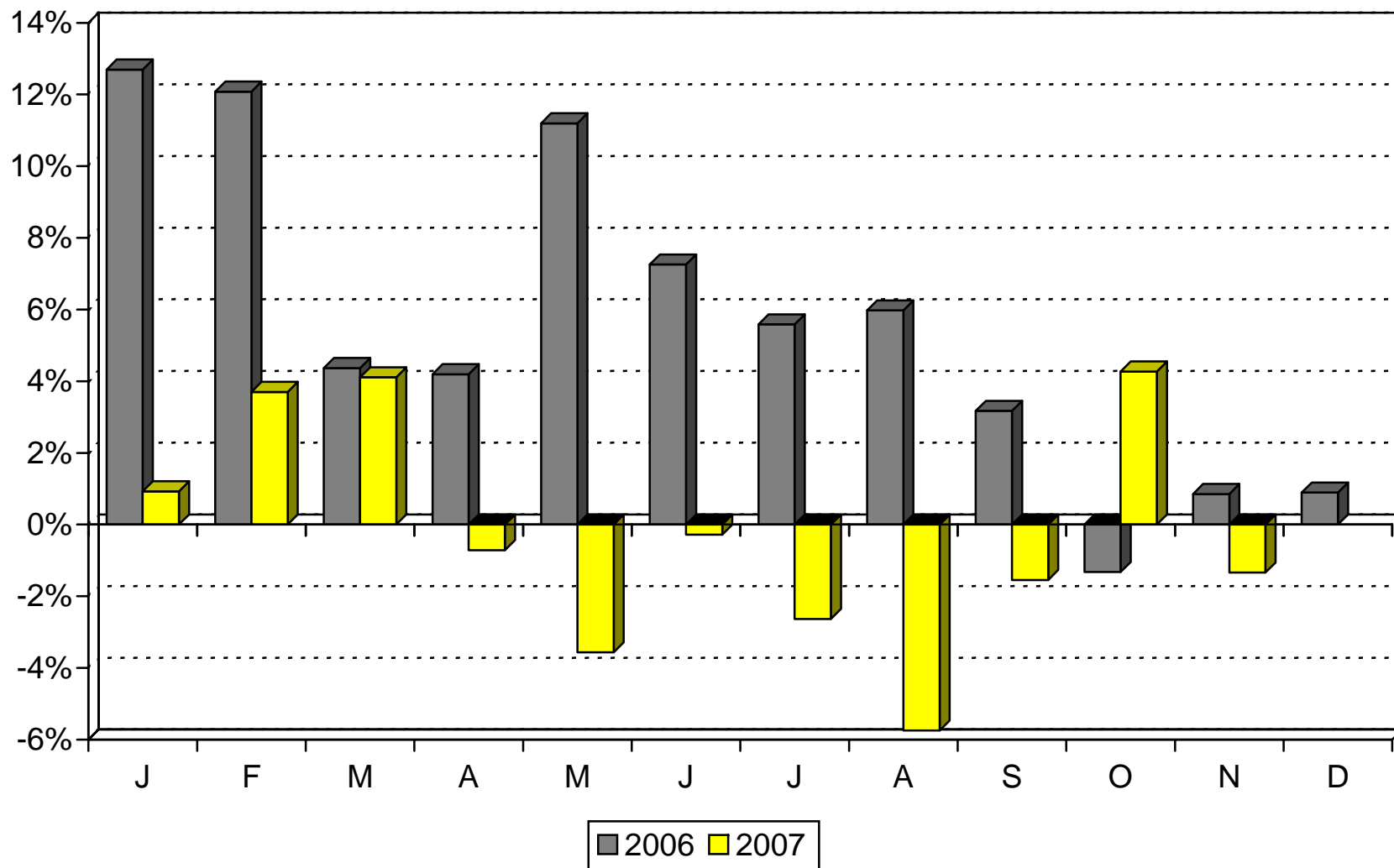
**Visitor Volume** – The number of visitors to Las Vegas based upon responses to a survey administered by the Las Vegas Convention and Visitors Authority.

**Gaming Win** – Casino winnings from gaming operations reported to the Nevada Gaming Control Board.

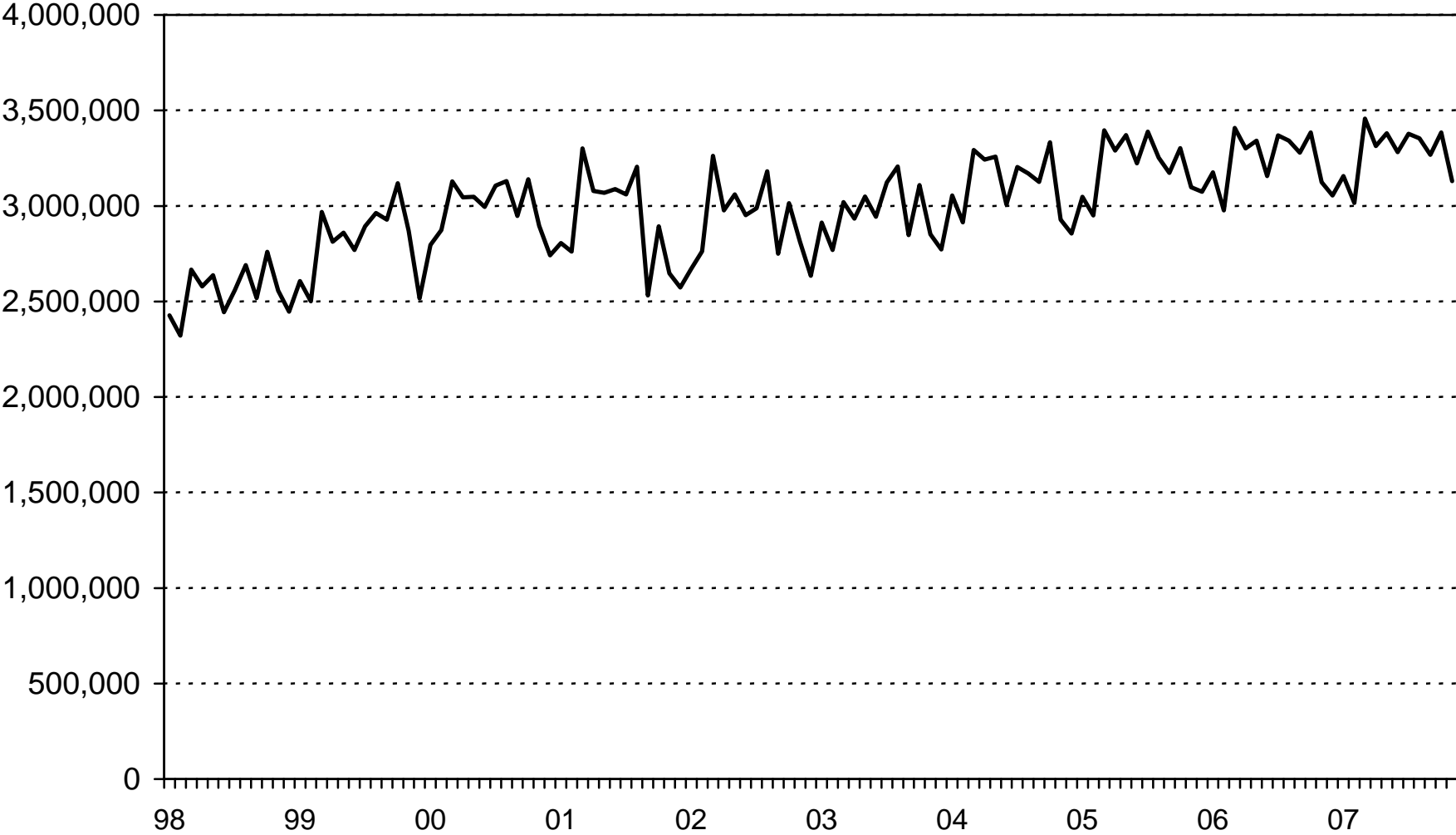
# Nevada Taxable Sales (millions of \$)



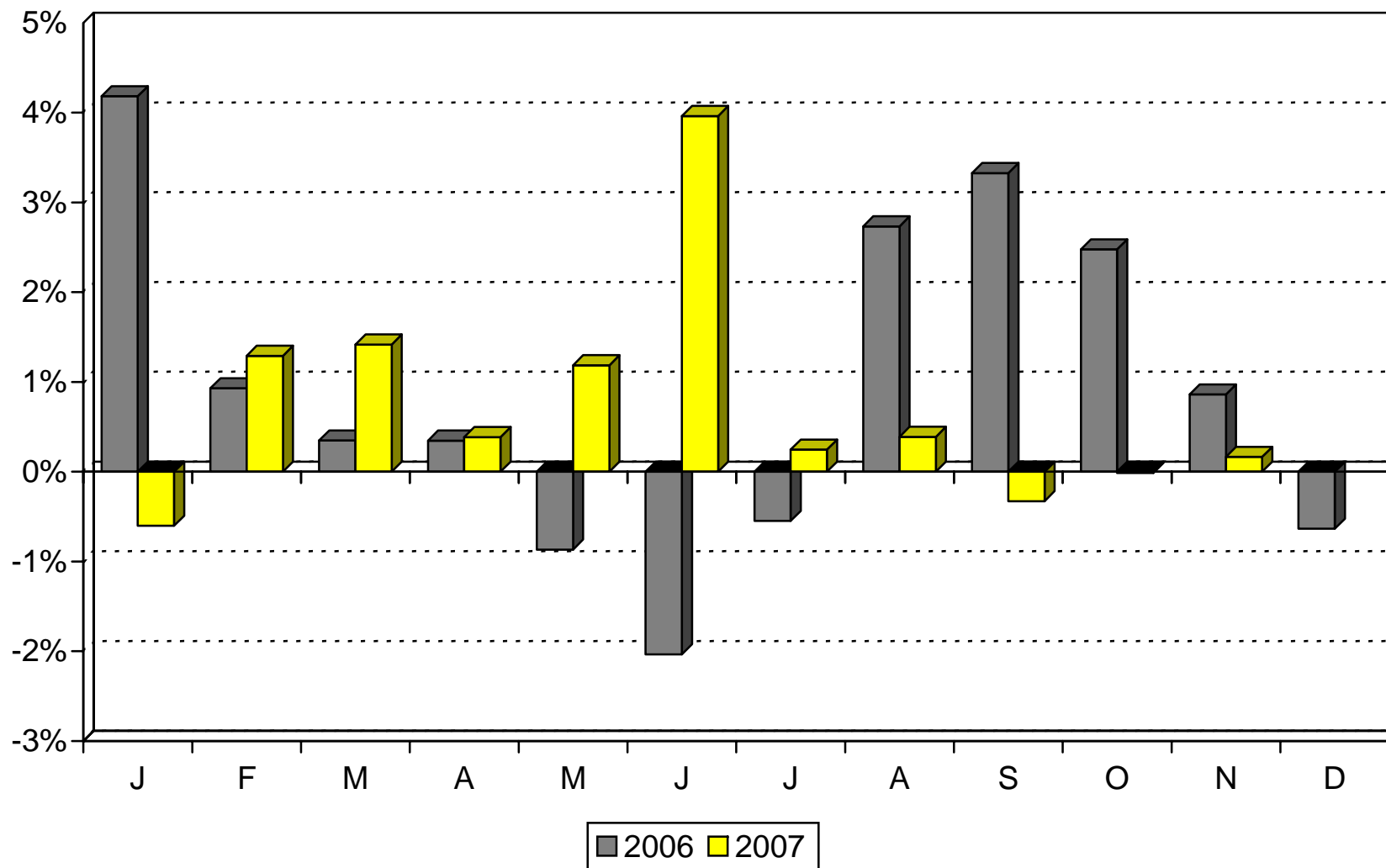
# Nevada Taxable Sales Growth: 2007 vs. 2006



# Las Vegas Visitor Volume

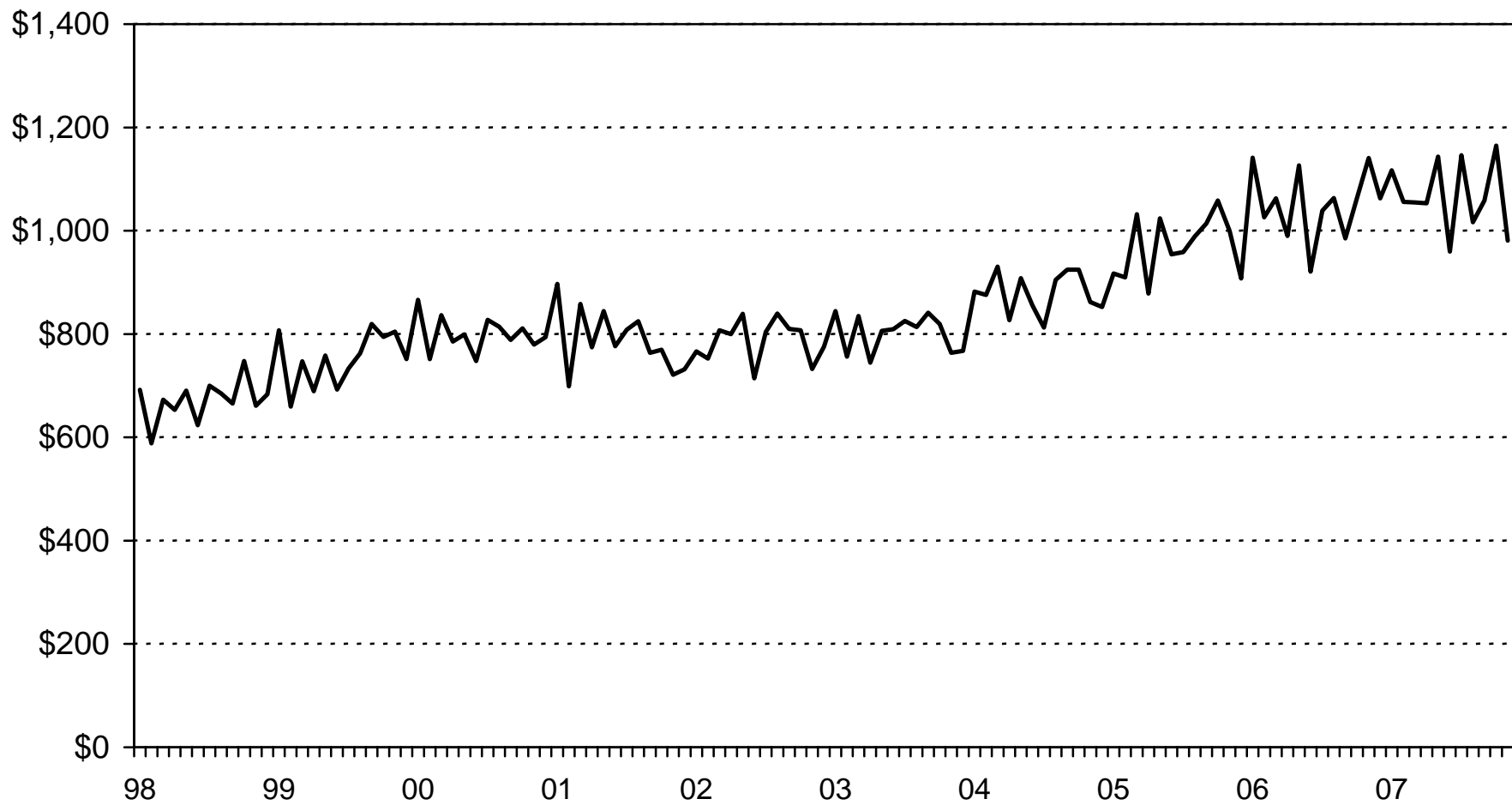


# Las Vegas Visitor Volume Growth: 2007 vs. 2006

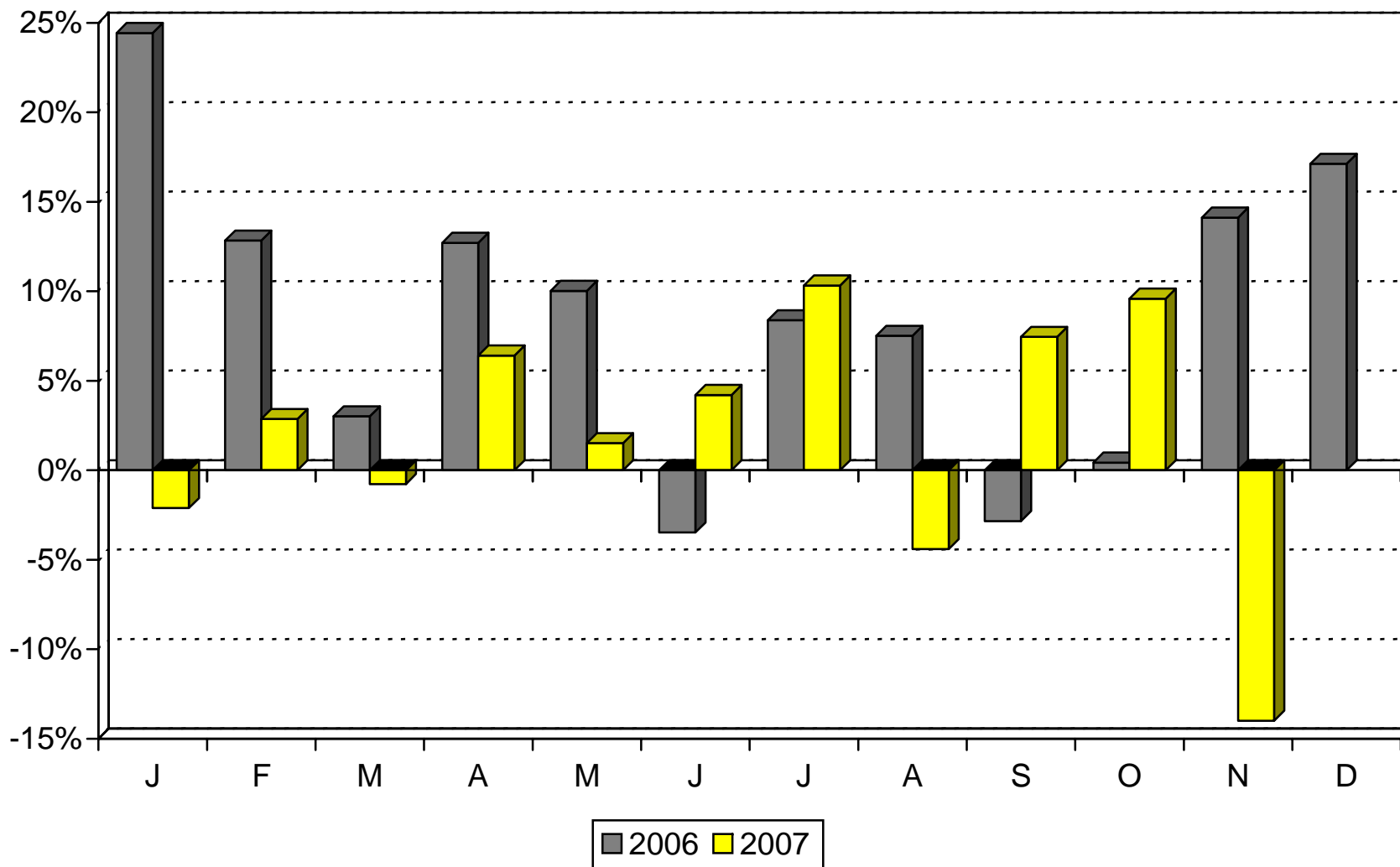




# Nevada Gaming Win (millions of \$)



# Nevada Gaming Win Growth: 2007 vs. 2006



# PERSONAL INCOME

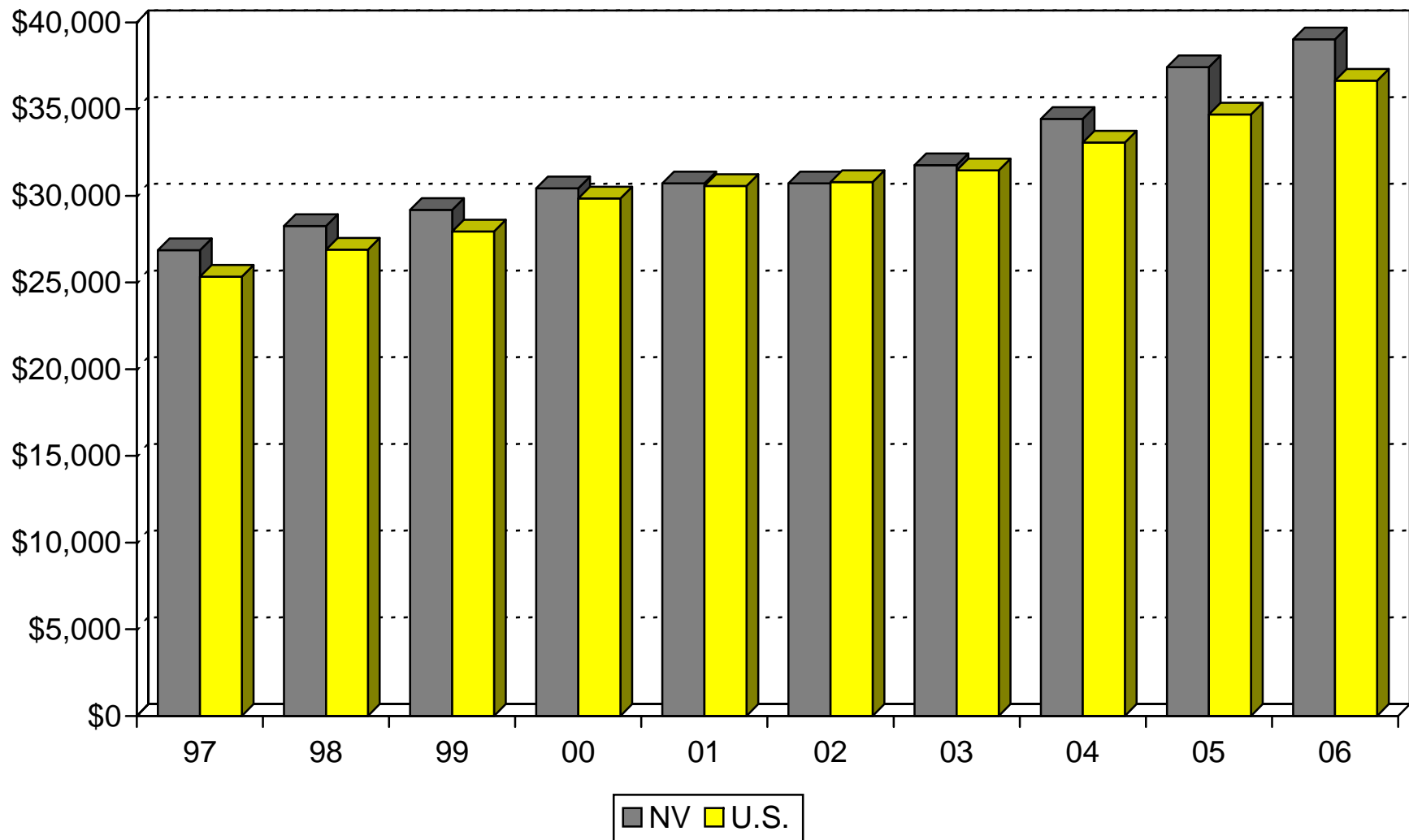
## Nevada Personal Income

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

	IQ	IIQ	IIIQ	IVQ	Annual Average
1998	\$50.5	\$51.7	\$53.0	\$54.3	\$52.4
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	\$77.0	\$78.9	\$81.0	\$84.4	\$80.3
2005	\$86.9	\$90.1	\$91.2	\$92.9	\$90.3
2006	\$94.6	\$96.9	\$97.9	\$100.1	\$97.4
2007	\$102.0	\$103.0	\$104.6		
<hr style="border: 2px solid black;"/>					
2006-2007					
Change	7.8%	6.3%	6.8%		

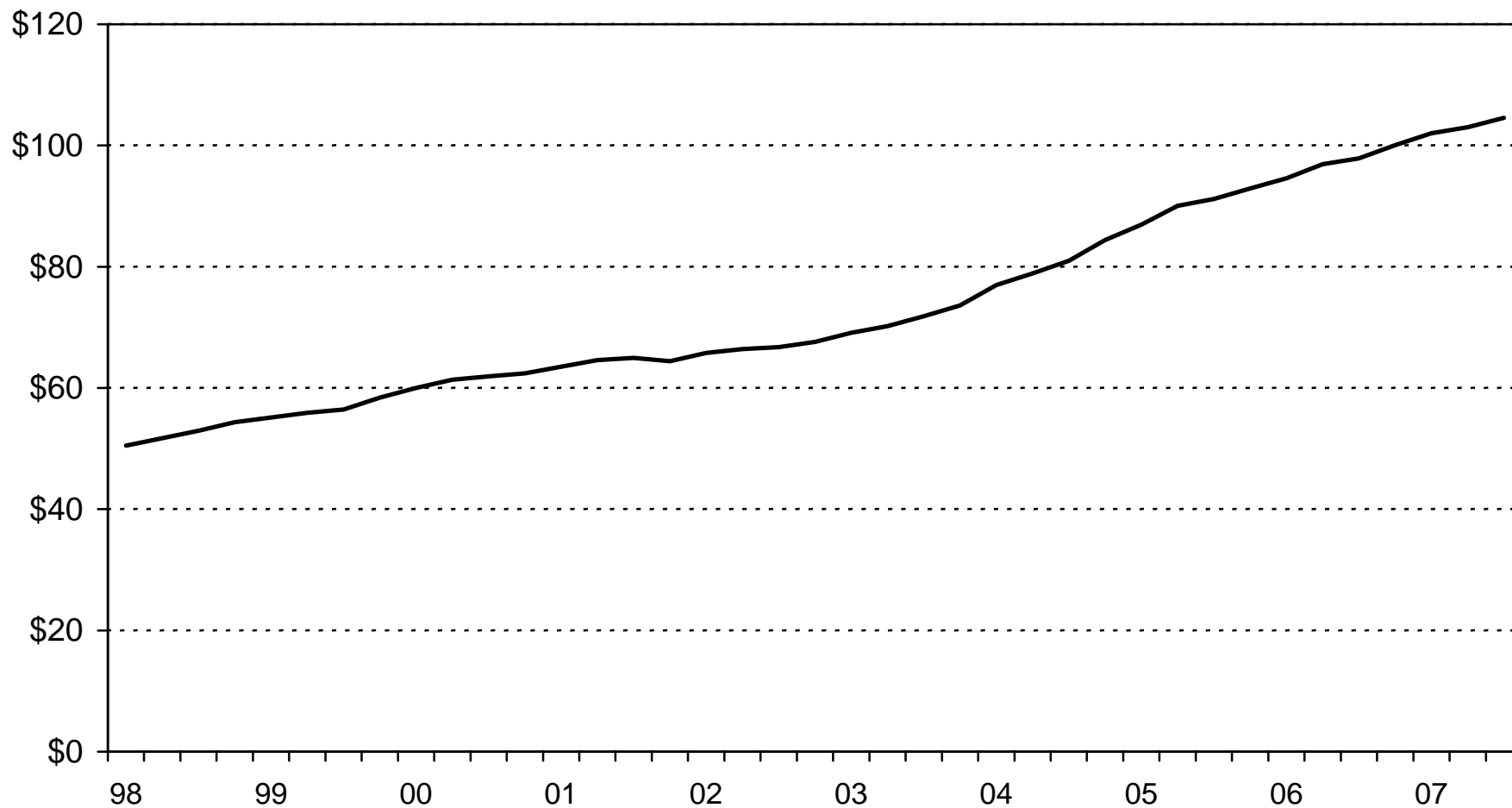
Personal income is defined as the income that is received by persons from participation in production, from both government and business transfer payments, and from government interest (which is treated like a transfer payment). It is calculated as the sum of wage and salary disbursements, other labor 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.

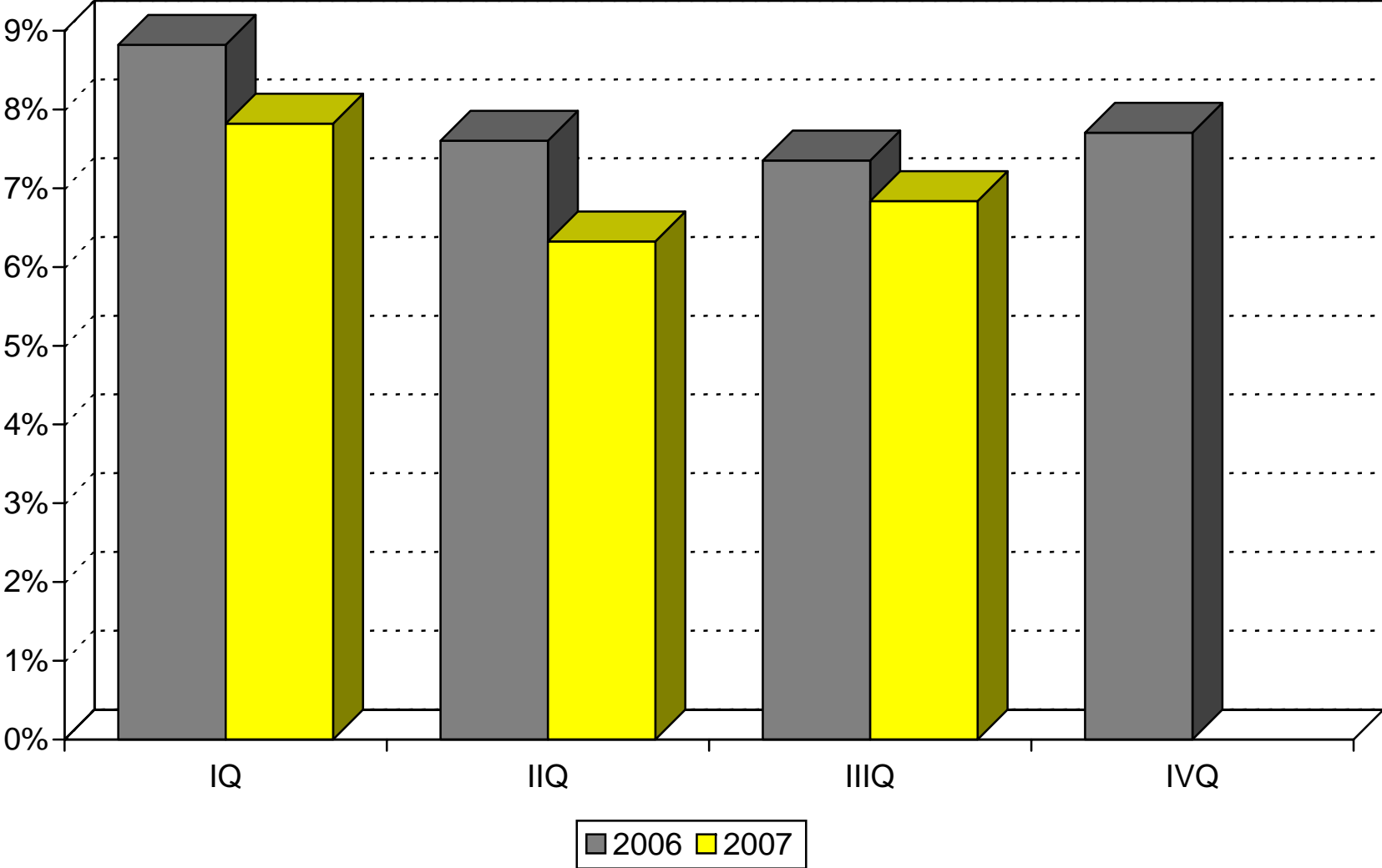


# Nevada Personal Income

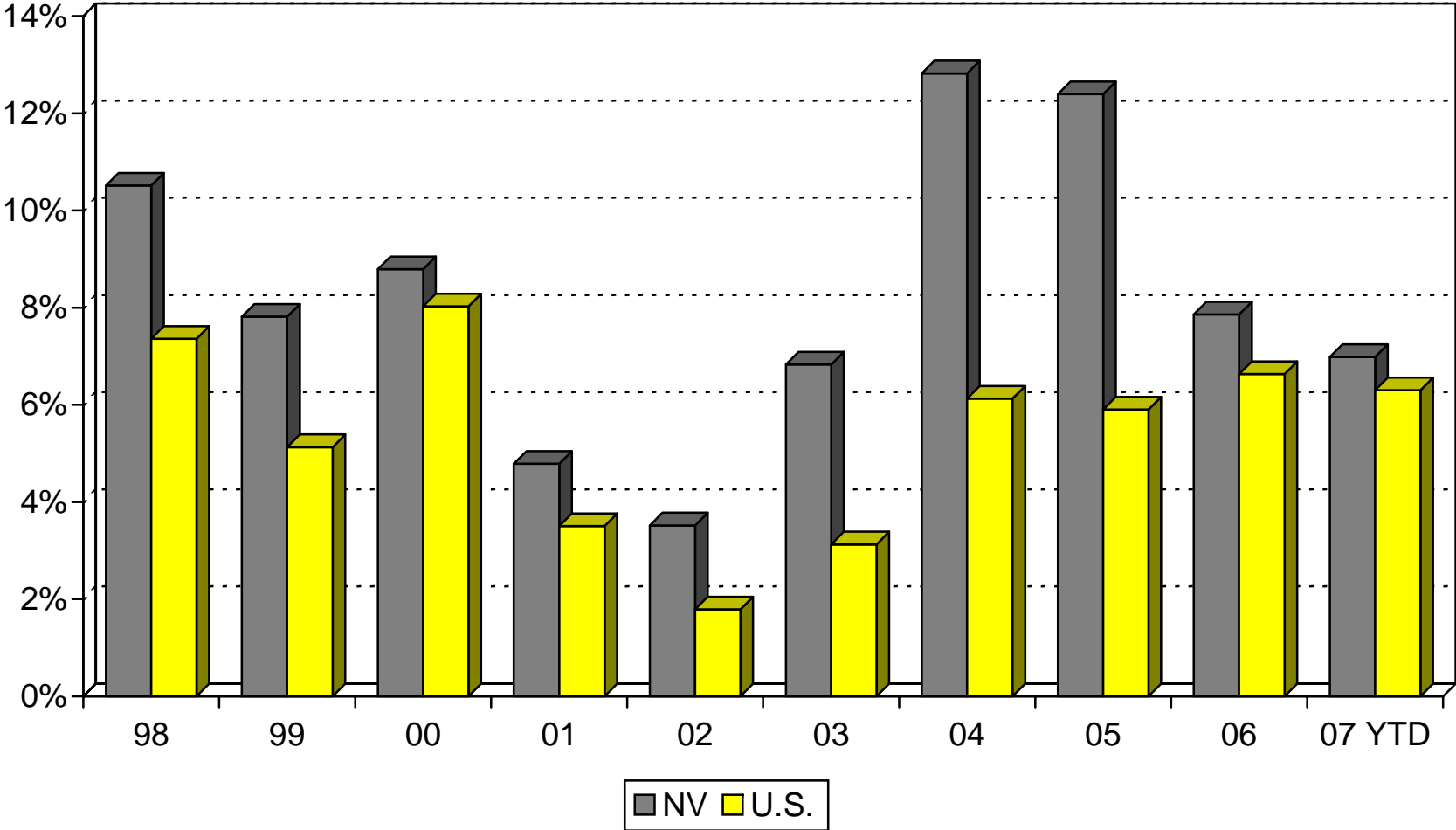
(billions of \$; seasonally adjusted at annual rates)



# Nevada Personal Income Growth: 2007 vs. 2006



# Nevada Personal Income Growth vs. the U.S. (2007 YTD through IIIQ)





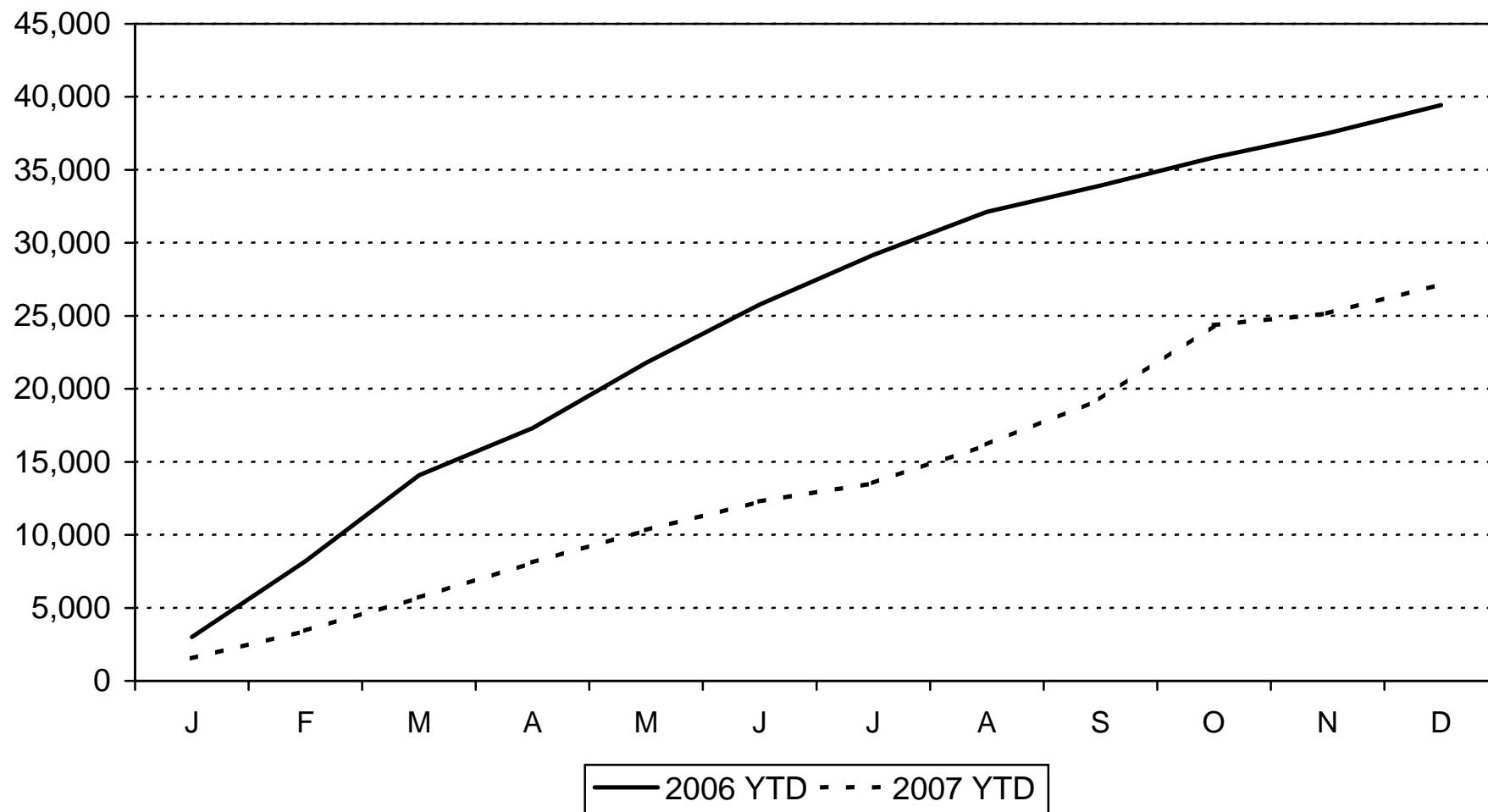
# RESIDENTIAL HOUSING PERMITS

### Nevada Residential Housing Permits

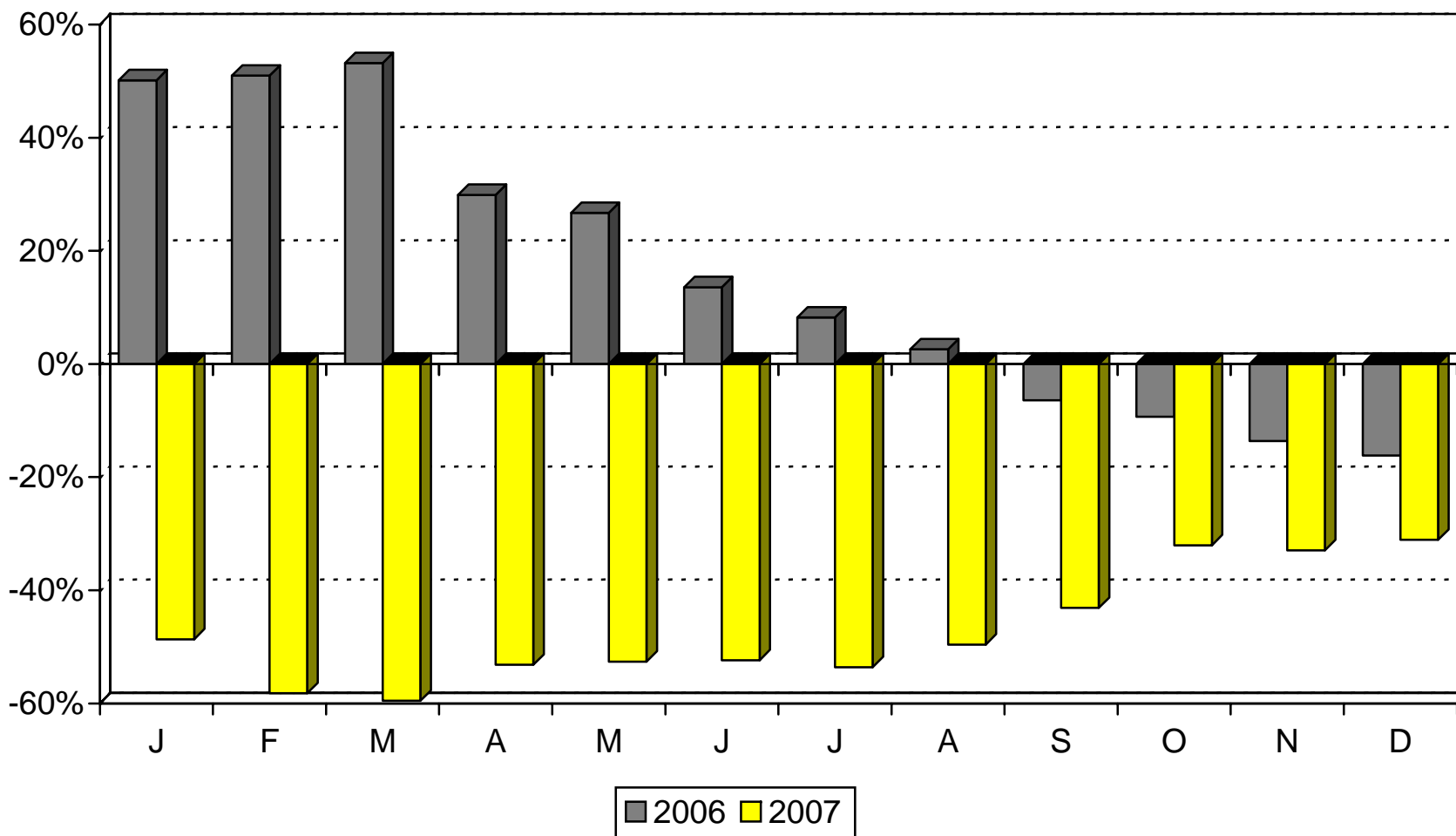
	January	February	March	April	May	June	July	August	September	October	November	December
2004 YTD Total	3,512	7,158	11,098	16,157	21,643	26,152	29,955	32,972	36,844	39,318	41,983	44,663
2005 YTD Total	1,996	5,430	9,196	13,329	17,195	22,699	26,955	31,302	36,260	39,526	43,426	47,038
2006 YTD Total	2,997	8,198	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
<hr/>												
2006-2007												
Change	-1,459	-4,772	-8,388	-9,206	-11,466	-13,497	-15,632	-15,929	-14,630	-11,488	-12,353	-12,261
	-48.7%	-58.2%	-59.5%	-53.2%	-52.6%	-52.4%	-53.6%	-49.6%	-43.1%	-32.0%	-32.9%	-31.1%

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.

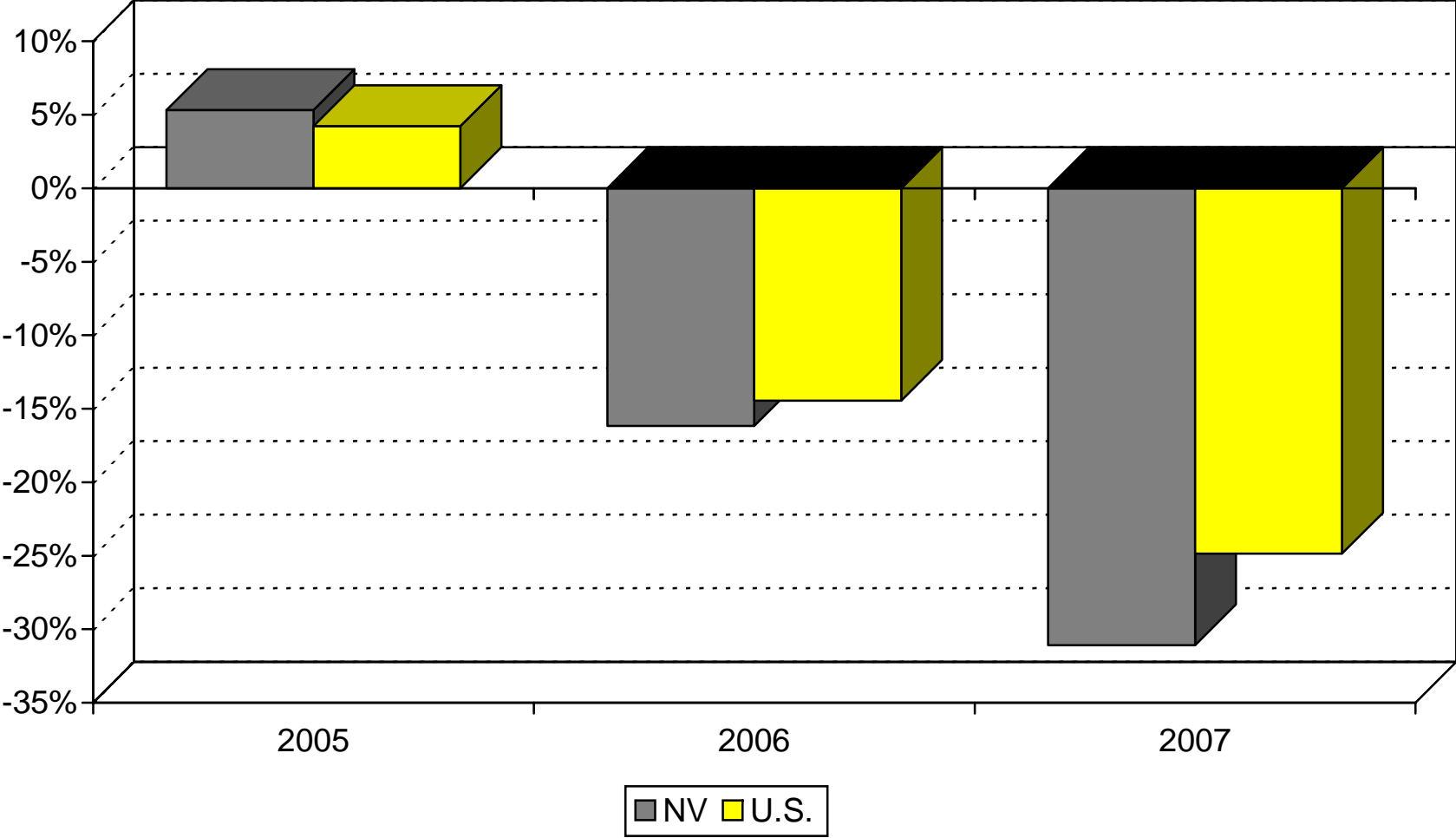
# Nevada Residential Housing Permits (number of units; 2007 YTD through August)



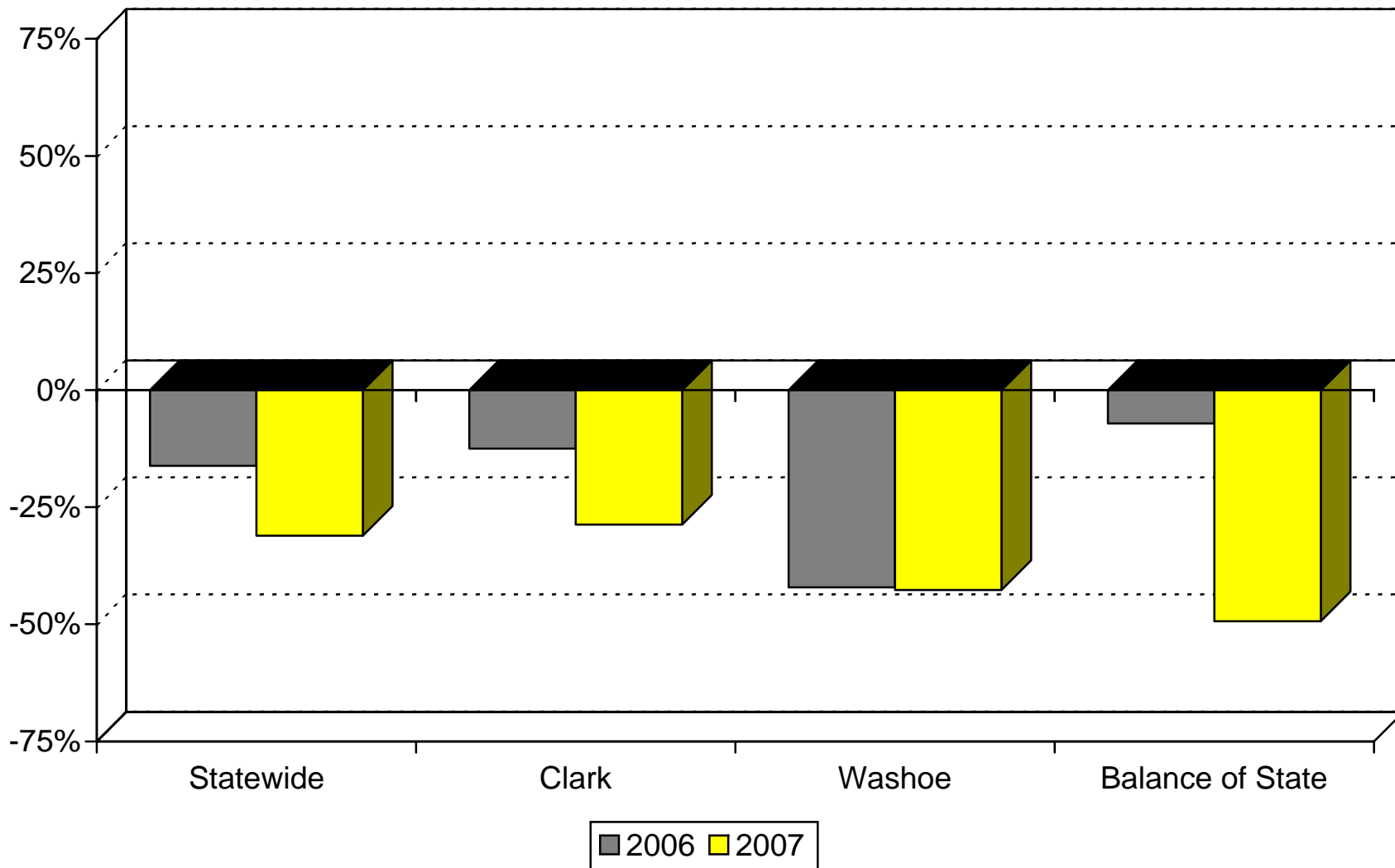
# Nevada Residential Housing Permits: 2007 YTD vs. 2006 YTD



# Nevada Residential Housing Permit Growth vs. the U.S.



# Regional Residential Housing Permit Growth



**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
2006	2,862	2,872	3,632	2,646	3,046	3,618	2,822	3,278	2,847	2,585	2,809	3,034	36,051
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
2006-2007													
Change	-810	-1,461	-1,833	-1,078	-1,295	-1,746	-1,098	-1,308	-1,448	-1,261	-1,288	-1,694	-16,320
	-28.3%	-50.9%	-50.5%	-40.7%	-42.5%	-48.3%	-38.9%	-39.9%	-50.9%	-48.8%	-45.9%	-55.8%	-45.3%

### New Home Permits

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2006	2,173	2,578	3,022	2,290	2,025	2,191	1,568	1,764	1,367	860	1,292	2,089	23,219
2007	1,158	1,279	1,969	1,804	1,724	1,347	859	766	620	2,438	326	220	14,510
2006-2007													
Change	-1,015	-1,299	-1,053	-486	-301	-844	-709	-998	-747	1,578	-966	-1,869	-8,709
	-46.7%	-50.4%	-34.8%	-21.2%	-14.9%	-38.5%	-45.2%	-56.6%	-54.6%	183.5%	-74.8%	-89.5%	-37.5%

### New Home Median Price

	January	February	March	April	May	June	July	August	September	October	November	December
2006	\$303,751	\$308,753	\$316,147	\$328,702	\$323,030	\$334,647	\$324,517	\$325,544	\$321,160	\$326,160	\$335,850	\$337,781
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
2006-2007												
Change	\$31,194	\$7,212	-\$10,157	-\$10,356	-\$14,156	-\$10,657	\$2,233	\$13,016	-\$7,680	-\$25,348	-\$65,572	-\$57,696
	10.3%	2.3%	-3.2%	-3.2%	-4.4%	-3.2%	0.7%	4.0%	-2.4%	-7.8%	-19.5%	-17.1%

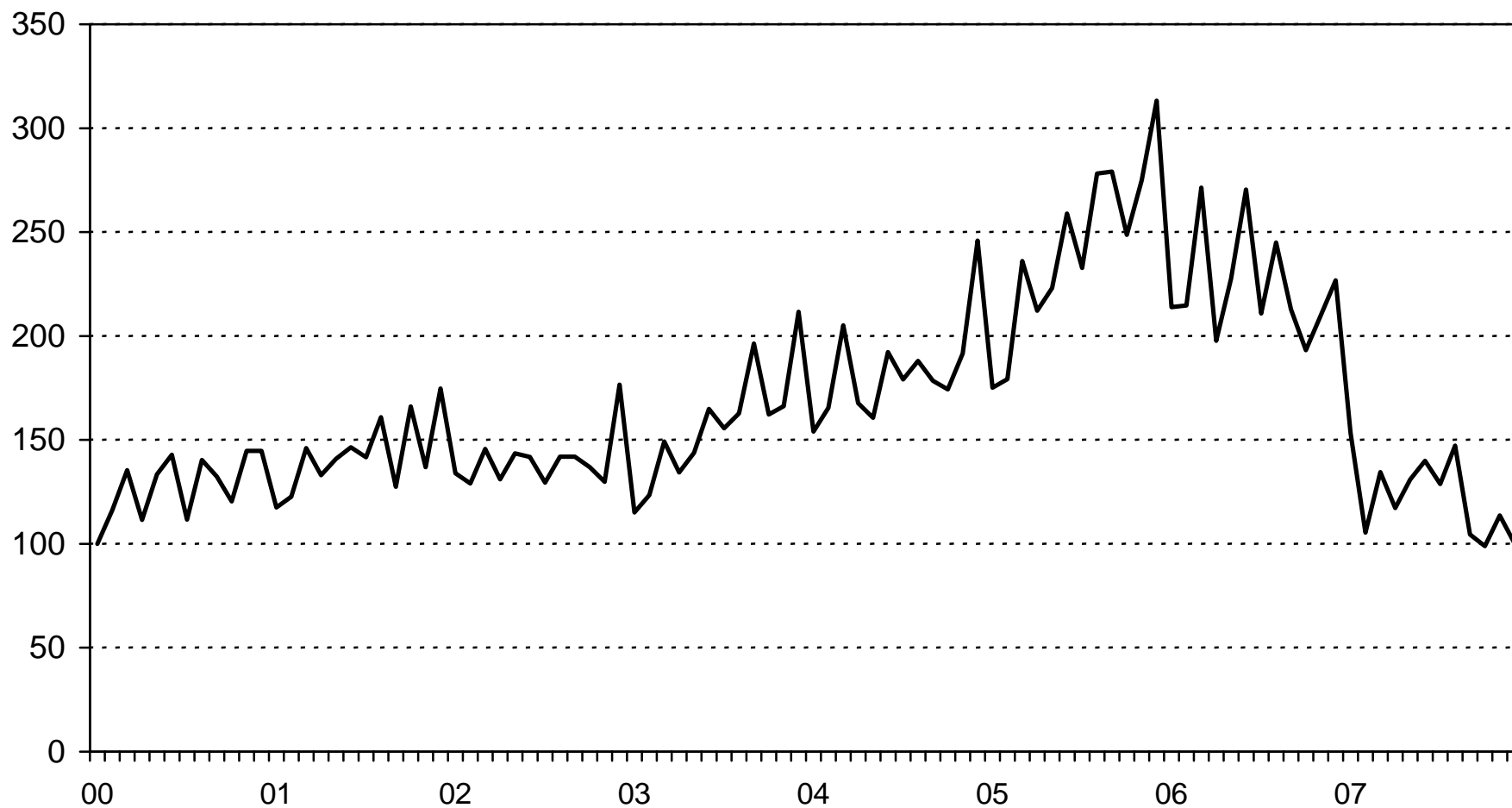
### Recorded Resales

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2006	3,257	3,203	4,454	3,714	4,406	4,271	3,512	3,641	3,069	2,934	2,753	2,678	41,892
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
2006-2007													
Change	-834	-871	-1,715	-1,361	-1,819	-1,849	-1,411	-1,579	-1,525	-1,405	-1,346	-1,339	-17,054
	-25.6%	-27.2%	-38.5%	-36.6%	-41.3%	-43.3%	-40.2%	-43.4%	-49.7%	-47.9%	-48.9%	-50.0%	-40.7%

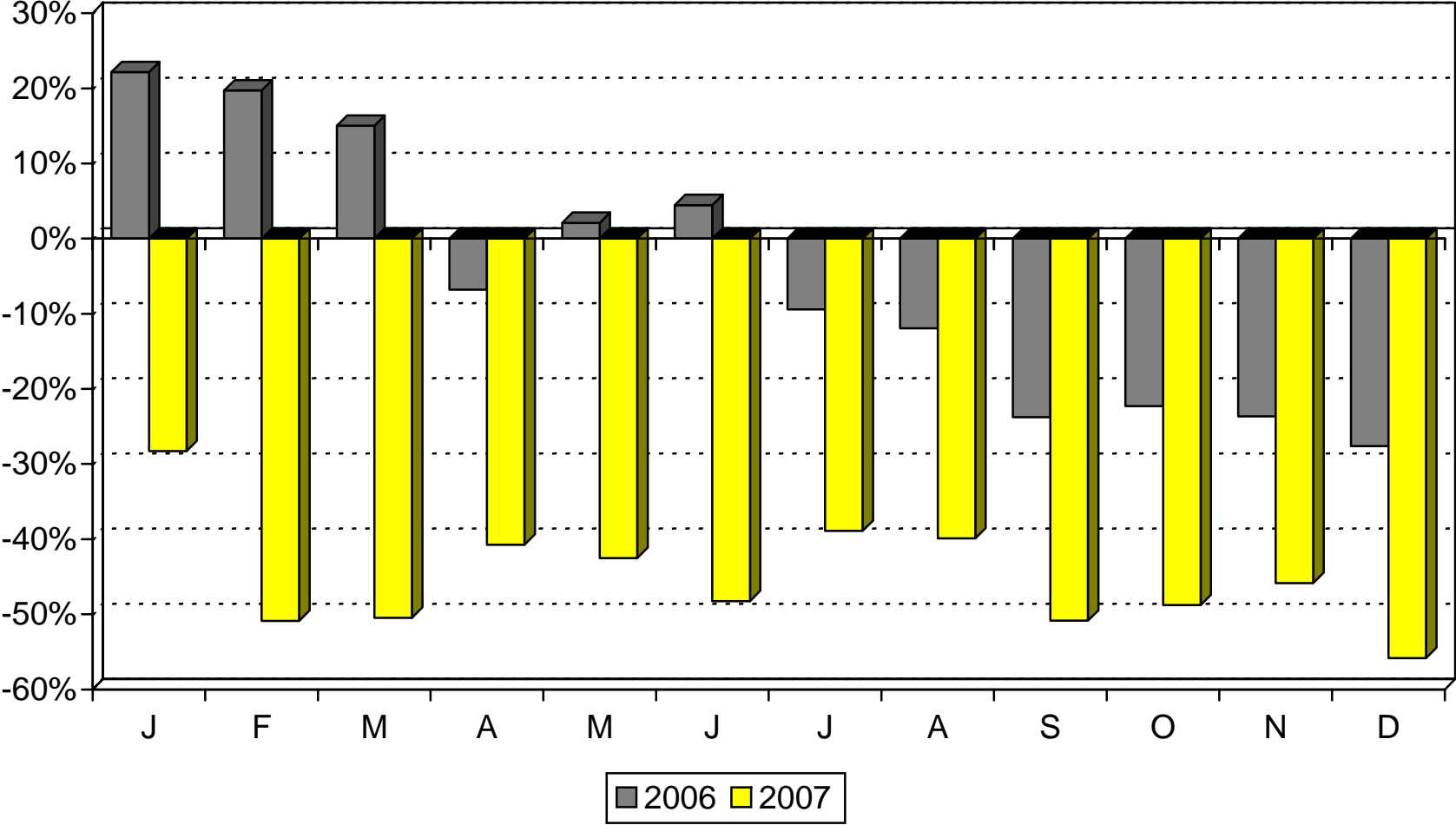
Information on Southern Nevada real estate and construction markets are provided to the Research and Analysis Bureau on a complementary basis by Home Builders Research, Inc., based in Las Vegas. These data are proprietary and are to be treated as confidential.



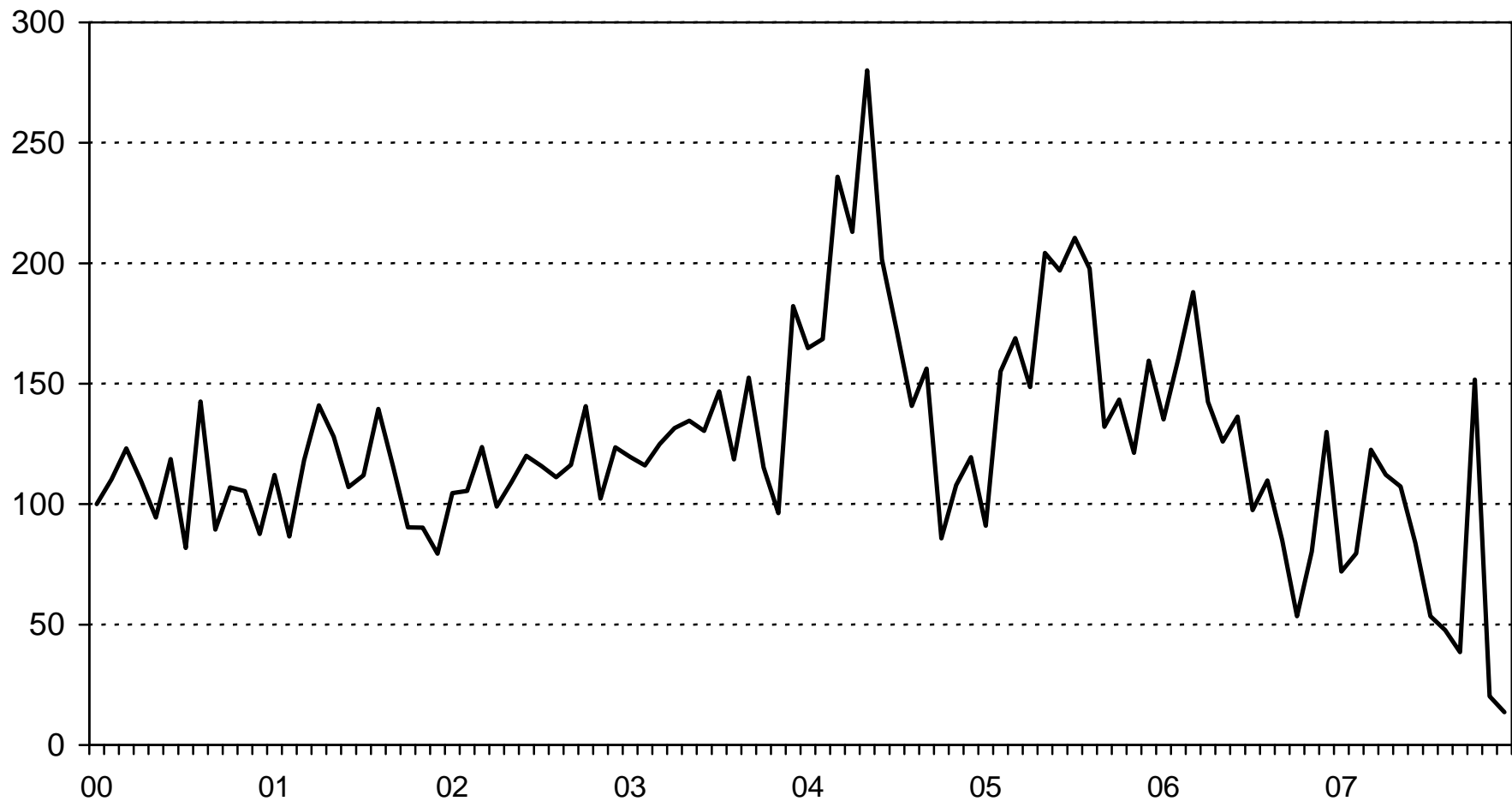
# Southern Nevada New Home Closings (January 2000 = 100)



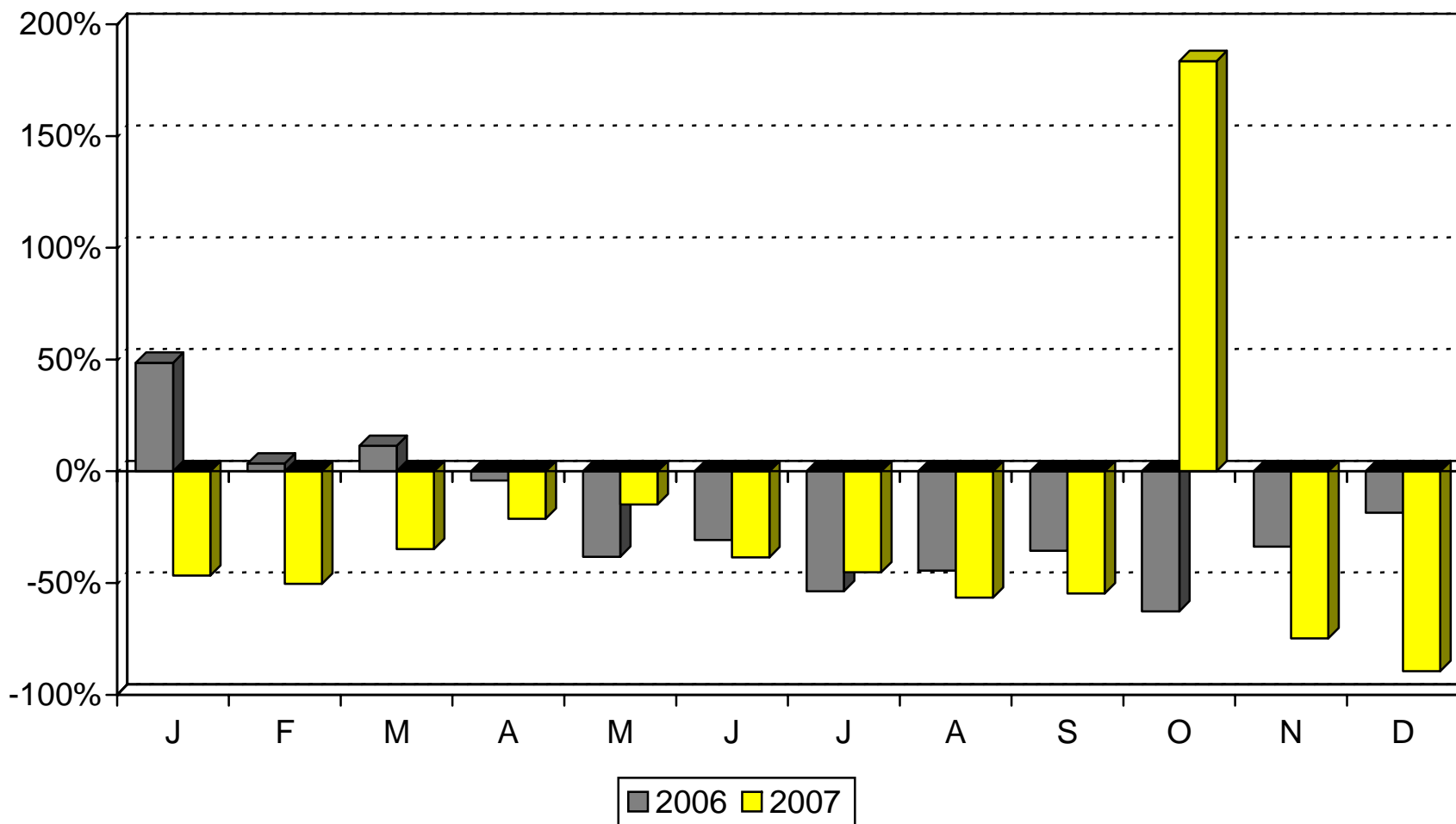
# Southern Nevada New Home Closings Growth: 2007 vs. 2006



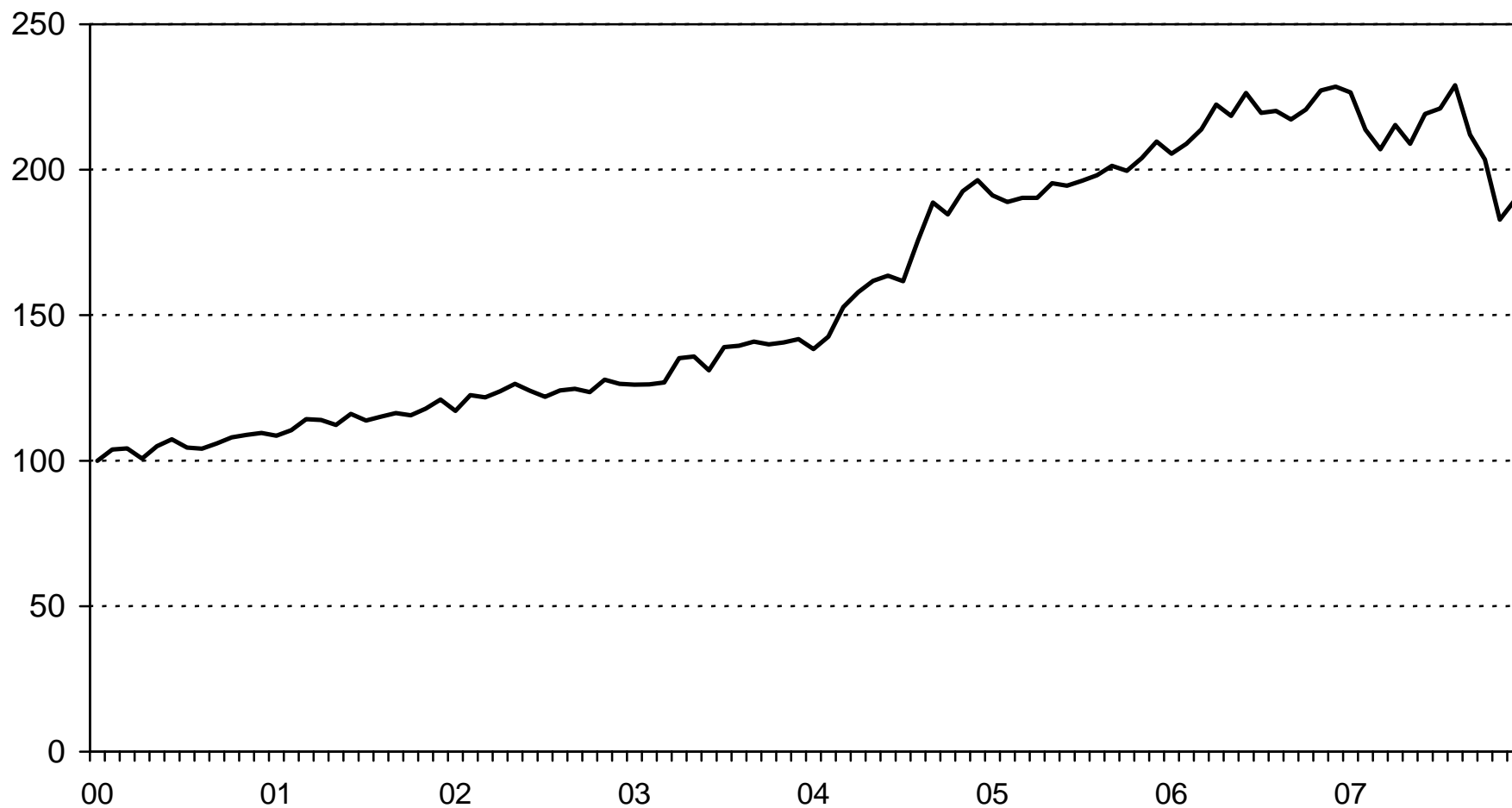
# Southern Nevada New Home Permits (January 2000 = 100)



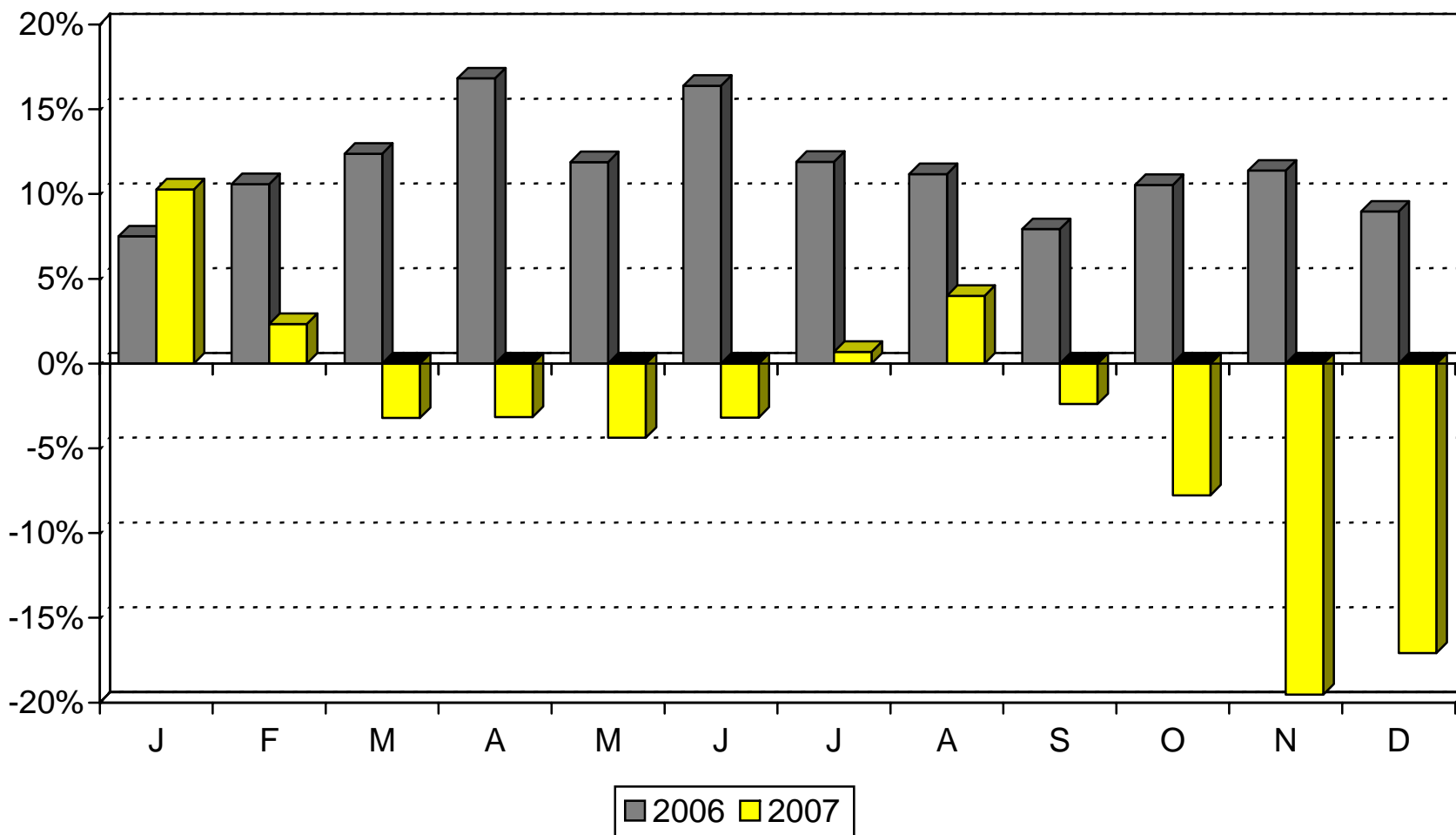
# Southern Nevada New Home Permits Growth: 2007 vs. 2006



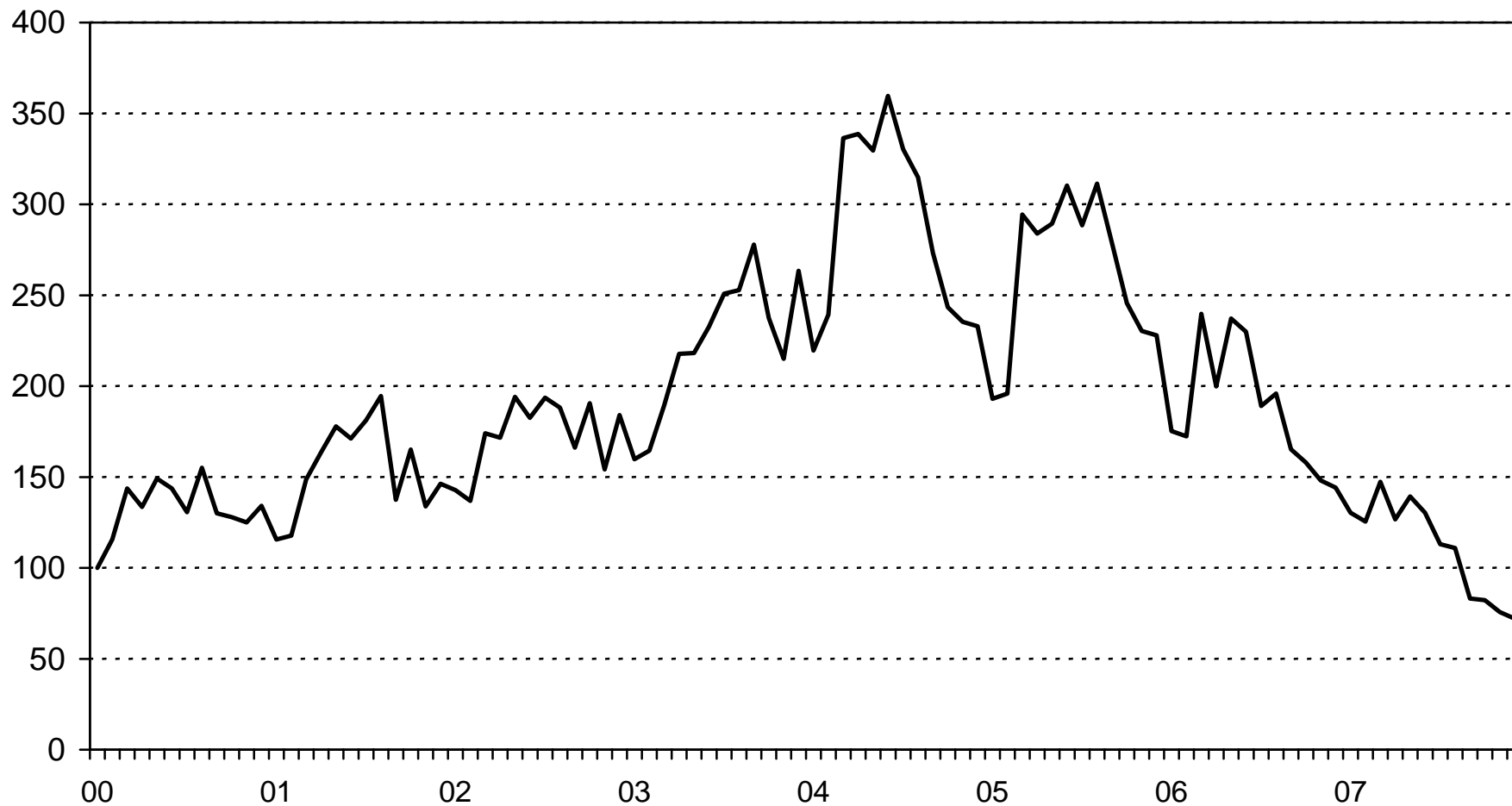
# Southern Nevada New Home Median Price (January 2000 = 100)



# Southern Nevada New Home Median Price Growth: 2007 vs. 2006



# Southern Nevada Recorded Resales (January 2000 = 100)



# Southern Nevada Recorded Resales Growth: 2007 vs. 2006

