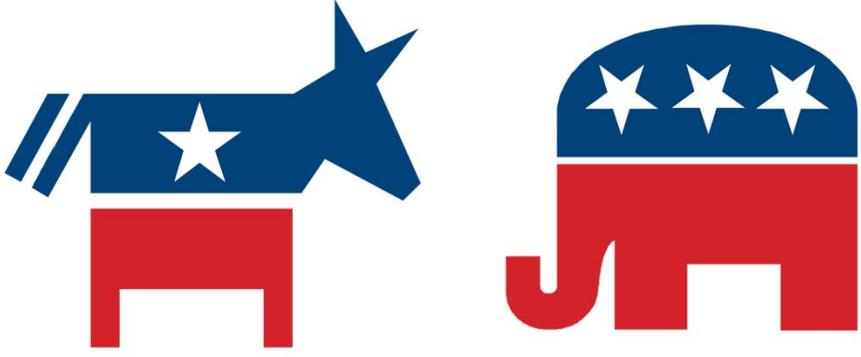


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★★★ **POST ELECTION**

AND WHAT IT MEANS FOR YOU AND YOUR BUSINESS

APPLIED ANALYSIS 



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U.S. NATIONAL DEBT

\$16,236,253,840,737.75

U.S. NATIONAL DEBT PER PERSON

\$51,738.26

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Budget Control Act of 2011

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SEQUESTRATION

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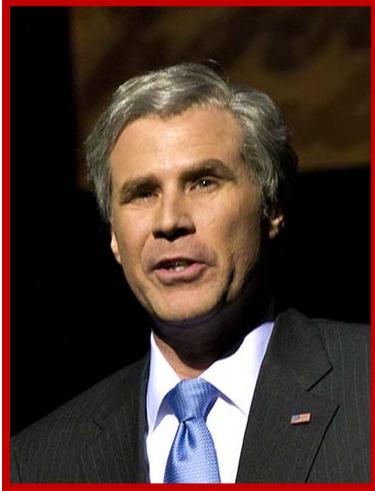


“Strategery”

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“Stratergy”



The Fiscal Cliff

	(in billions)	% of GDP
Bush-era Tax Cut Expiration	\$221 B	-1.4%
Other Revenue/Spending Changes	\$105 B	-0.7%
Payroll Tax Relief Expiration	\$95 B	-0.6%
Tax Extender Exp./Health Care Reform	\$83 B	-0.5%
Budget Sequester	\$65 B	-0.4%
Emergency UI Benefits	\$26 B	-0.2%
Medicare Doctor Payment Cut	\$11 B	-0.1%
Total	\$606 B	-3.9%



Indicators	Peak		Present		%Δ
Real GDP (in billions)	Q3 2012	\$13,528	Q3 2012	\$13,528	0.0%
Employment (in millions)	Apr-08	137.8	Oct-12	132.9	-3.5%
Unemployment	Aug-07	4.5%	Oct-12	8.2%	+3.7%
Real Disposable Income (in trillions)	Sep-12	\$11.8	Sep-12	\$11.8	0.0%
Consumer Debt (in trillions)	Jan-05	\$2.1	Aug-12	\$2.6	+22.6%
Consumer Price Index	Jan-05	189.3	Sep-12	228.5	+20.7%
Retail Sales (in trillions)	Sep-12	\$4.8	Sep-12	\$4.8	0.0%
Construction Activity (in billions)	Sep-06	\$1,174	Sep-12	\$828.1	-29.5%
New Home Sales	Dec-05	1,283,000	Sep-12	358,000	-72.1%
Housing Price Appreciation %	Q4 2005	11.3%	Q2 2012	-2.2%	-13.5%
Value of the US Dollar (index)	Jan-05	85.2	Oct-12	73.4	-13.9%
Consumer Expectations	Mar-05	97.0	Oct-12	78.0	-19.6%

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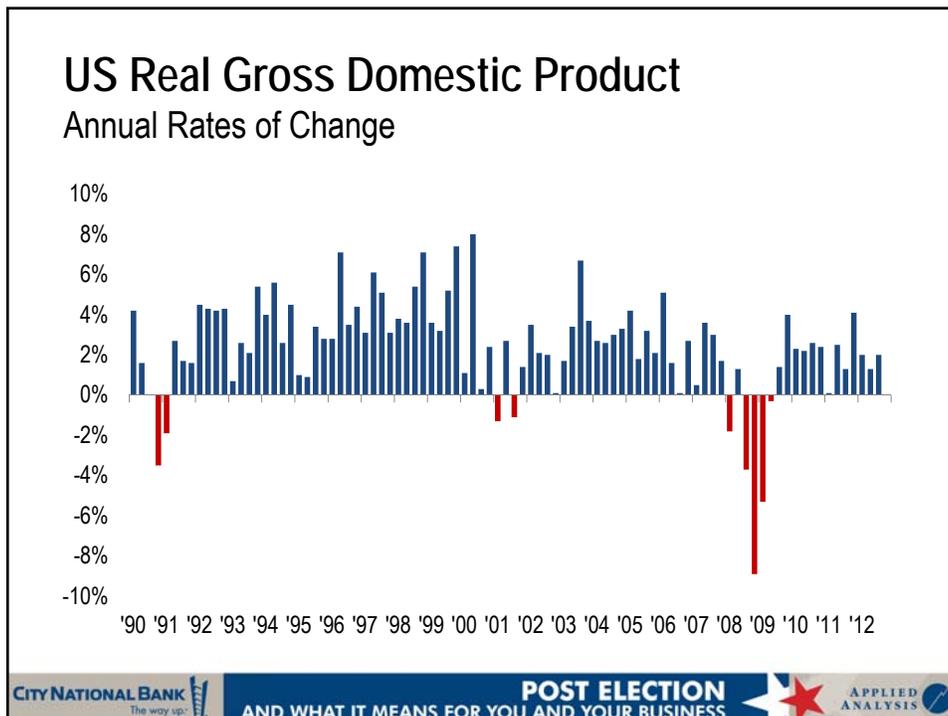
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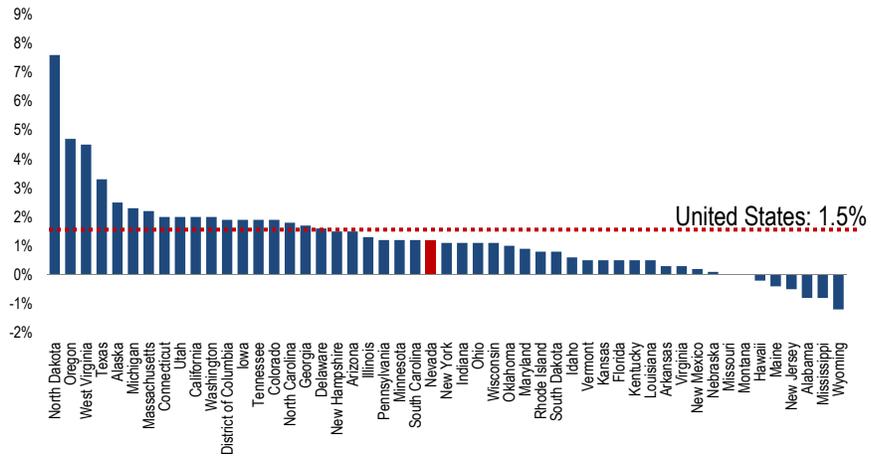
Indicators	Prior Year		Present		%Δ
Real GDP (in billions)	Q3 2011	\$13,234	Q3 2012	\$13,528	+2.2% ▲
Employment (in millions)	Oct-11	131.1	Oct-12	132.9	+1.4% ▲
Unemployment	Oct-11	9.1%	Oct-12	8.2%	-0.9% ▼
Real Disposable Income (in trillions)	Sep-11	\$11.5	Sep-12	\$11.8	+2.9% ▲
Consumer Debt (in trillions)	Aug-11	\$2.5	Aug-12	\$2.6	+5.4% ▲
Consumer Price Index	Sep-11	223.1	Sep-12	228.5	+2.4% ▲
Retail Sales (in trillions)	Sep-11	\$4.6	Sep-12	\$4.8	+5.9% ▲
Construction Activity (in billions)	Sep-11	\$774.1	Sep-12	\$828.1	+7.0% ▲
New Home Sales	Sep-11	299,000	Sep-12	358,000	+19.7% ▲
Housing Price Appreciation %	Q2 2011	-2.5%	Q2 2012	-2.2%	+0.3% ▲
Value of the US Dollar (index)	Sep-11	71.0	Oct-12	73.4	+3.3% ▲
Consumer Expectations	Sep-11	74.7	Oct-12	78.0	+4.4% ▲







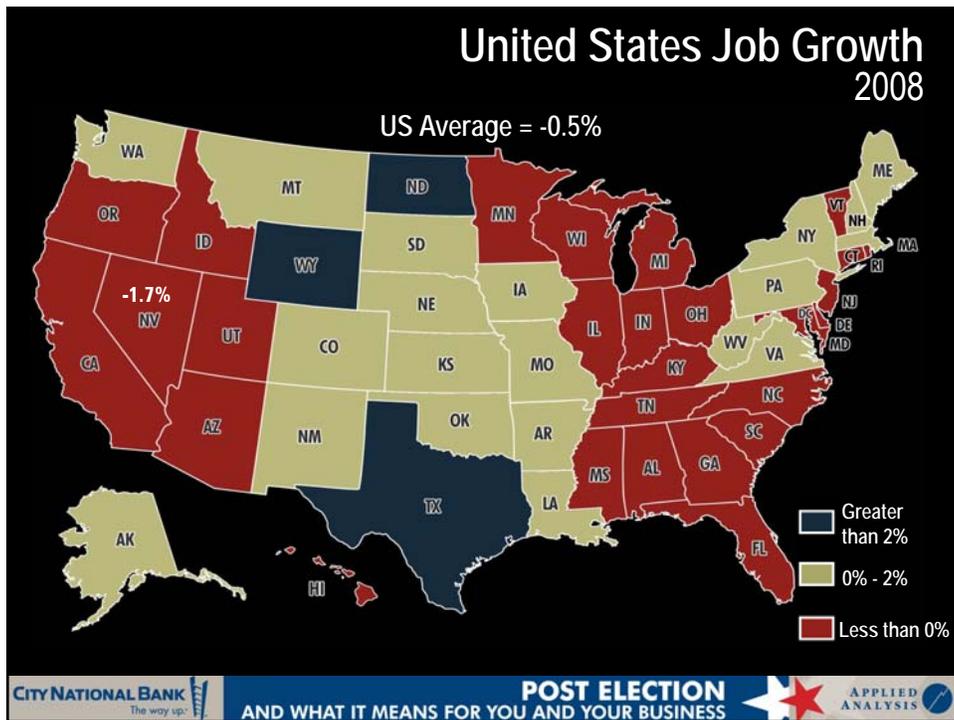
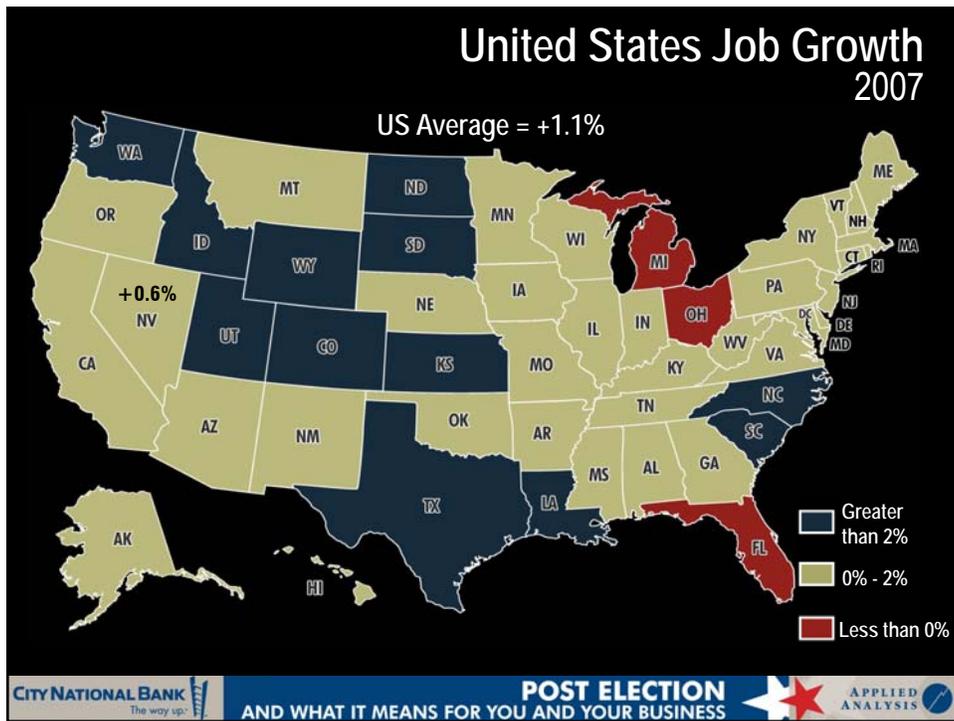
Growth in Real Gross Domestic Product By State (2011)

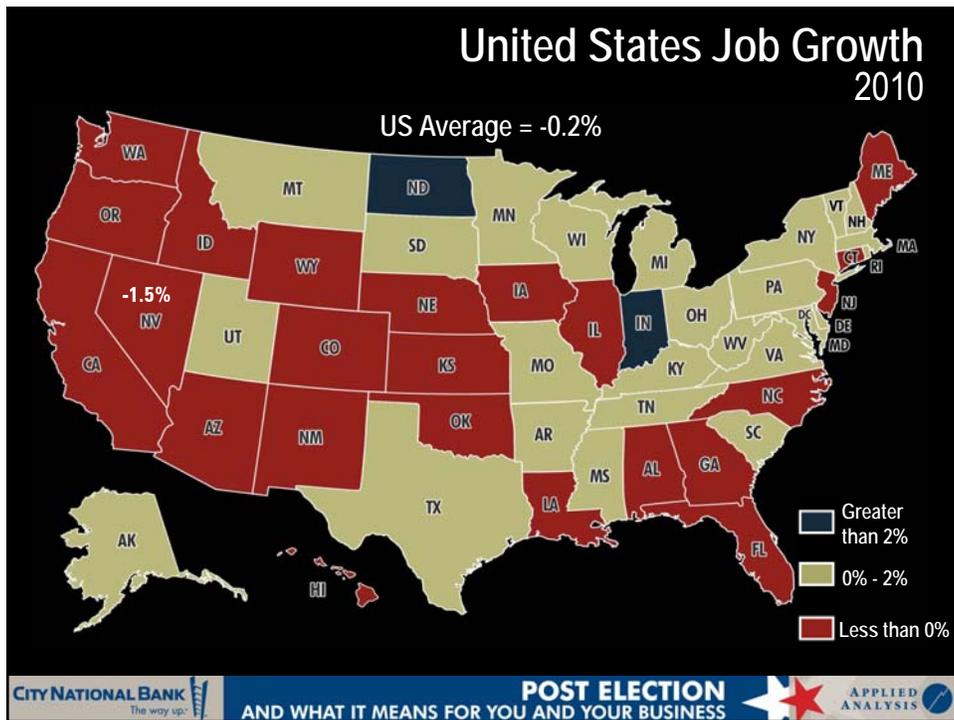
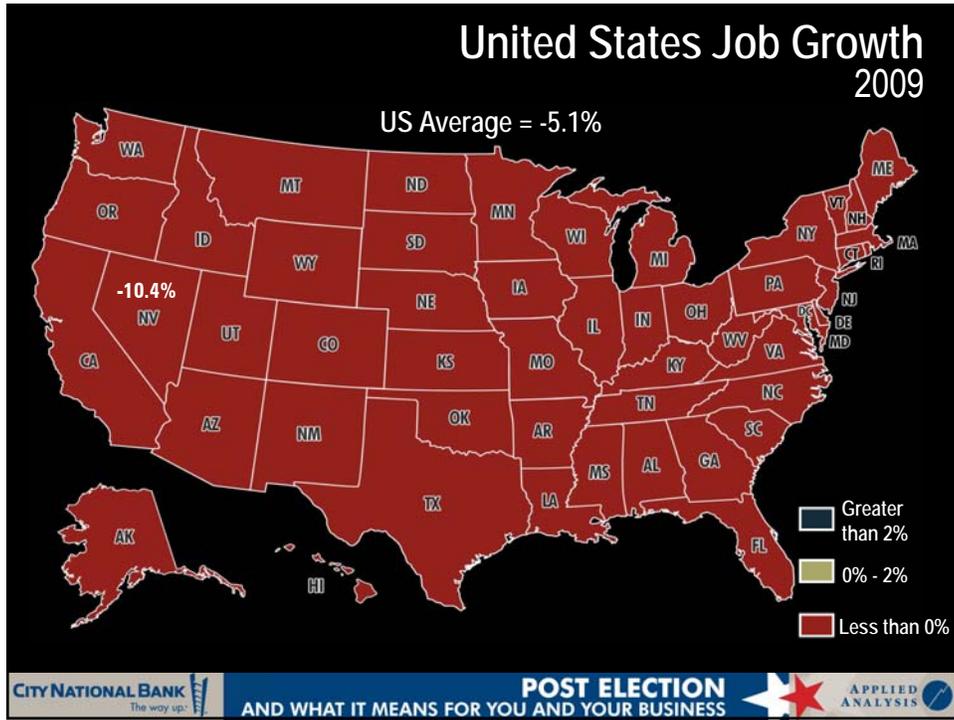


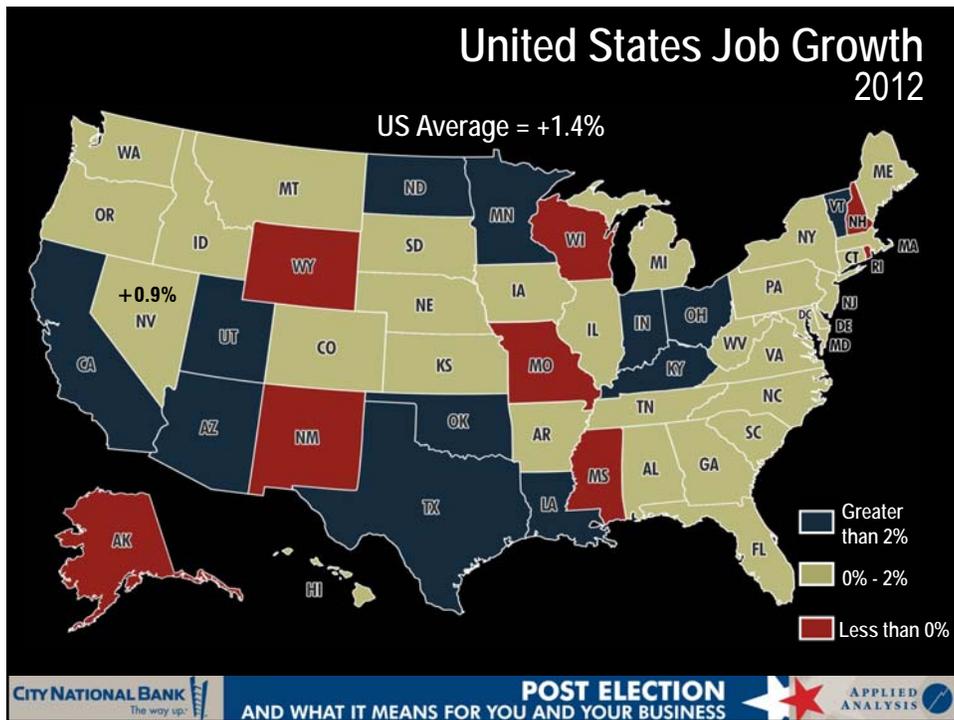
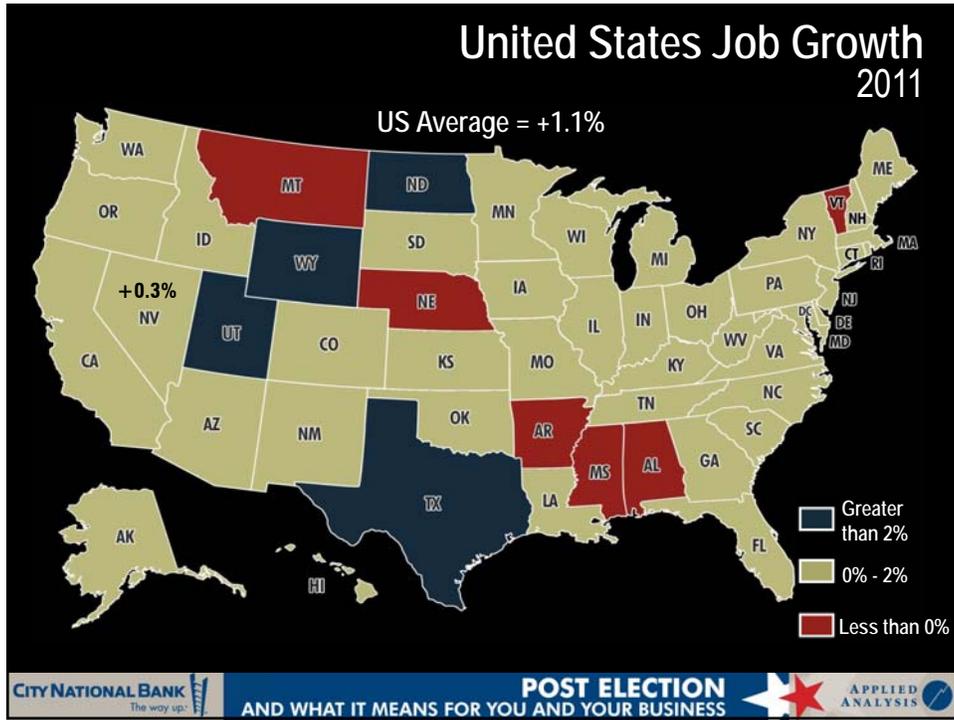
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JOBFLEETUS

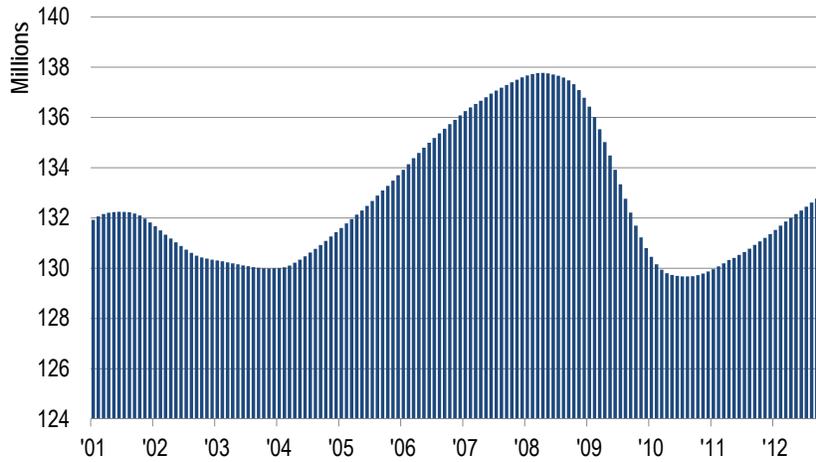
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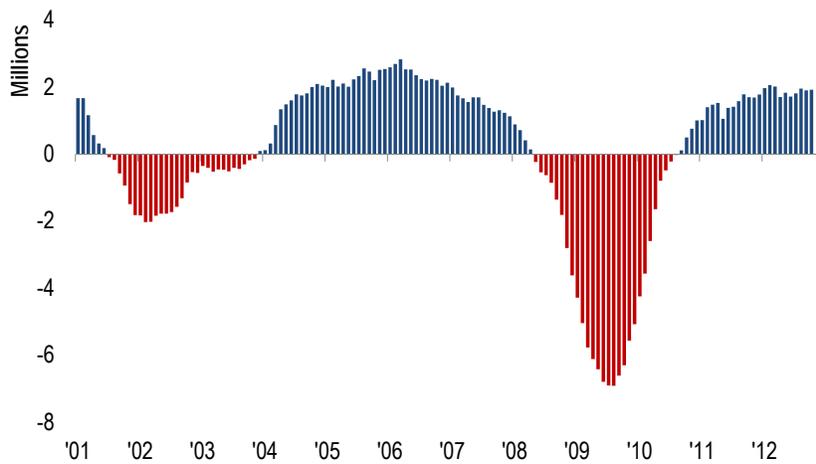


United States Employment (Trailing 12 Months)



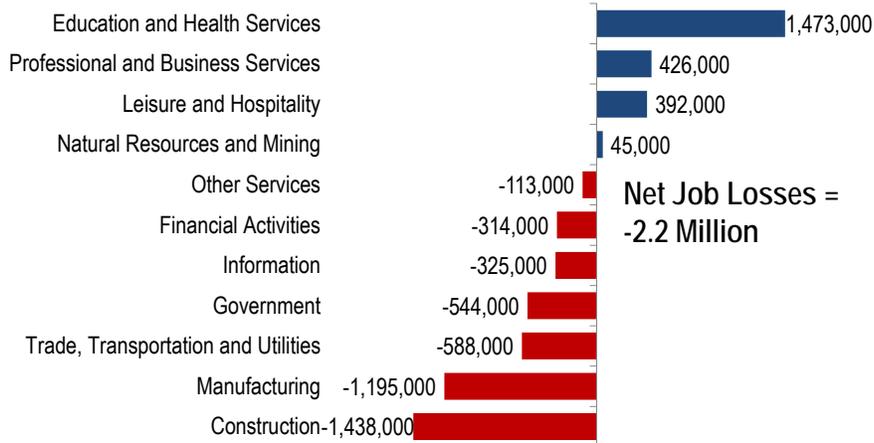
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United States Job Creation



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United States Job Creation by Sector (Past 4 Years)



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United States Job Creation by Sector (Past 12 Months)

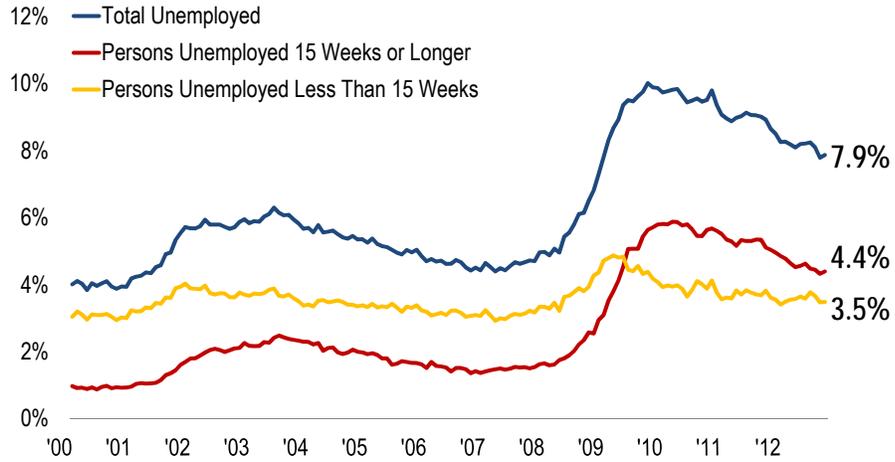


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United States Unemployment Rates

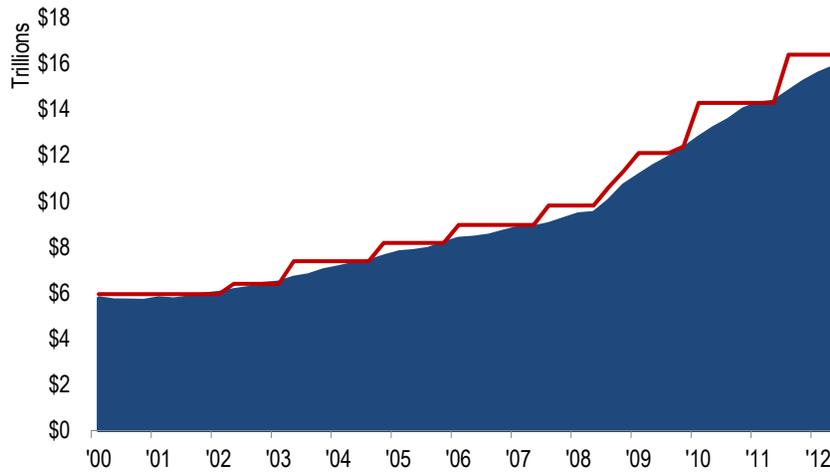


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LEVERAGANATION

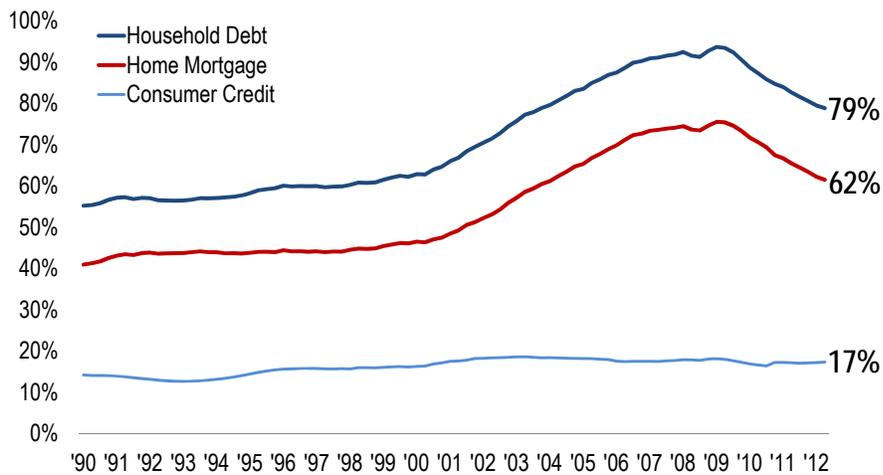
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Debt Limit vs. Actual Debt Outstanding



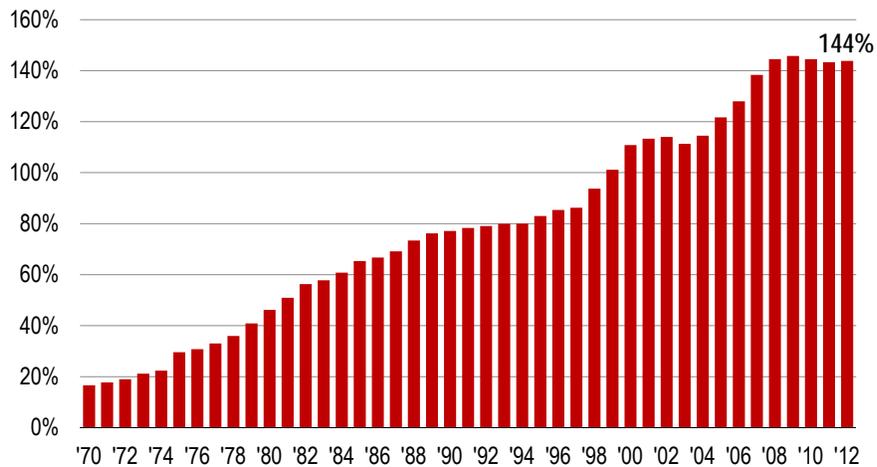
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US Household Debt as a Percentage of GDP



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US Non-financial Debt as a Percentage of GDP



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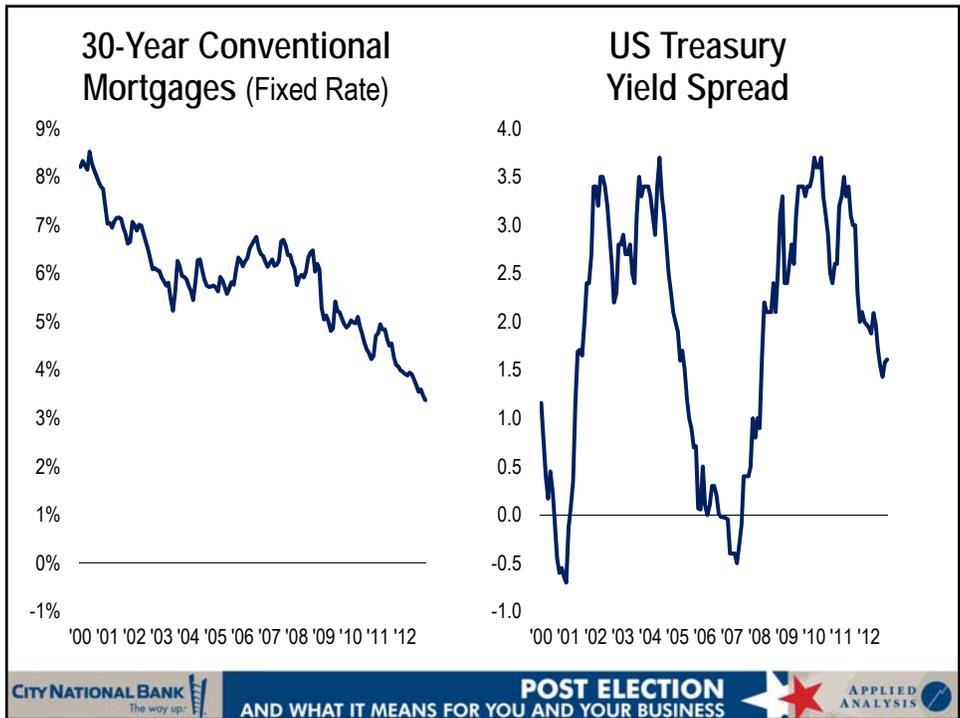
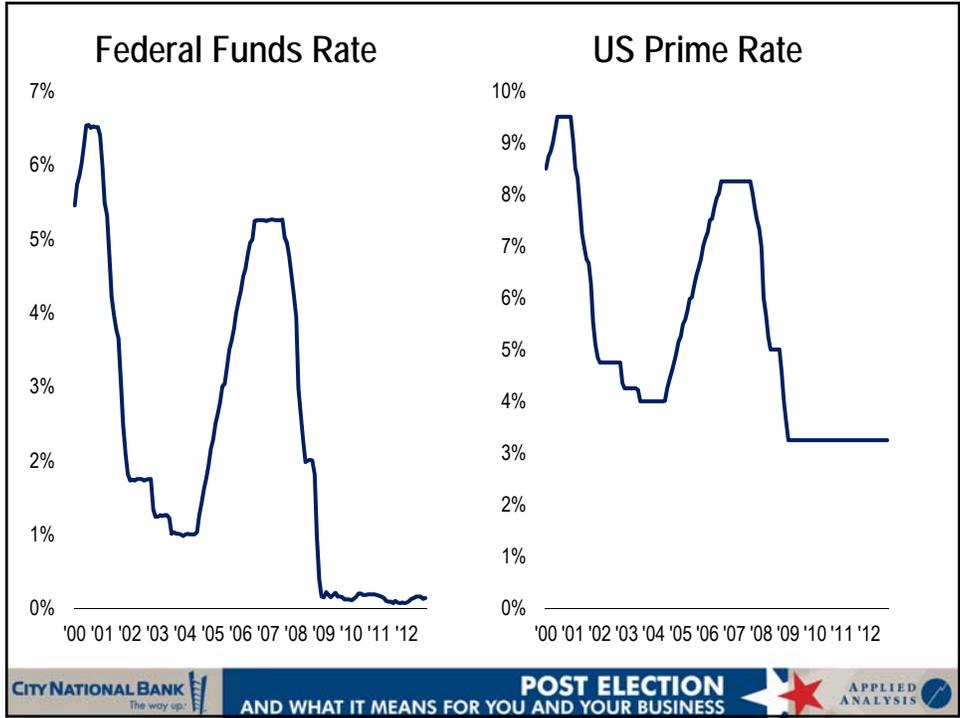
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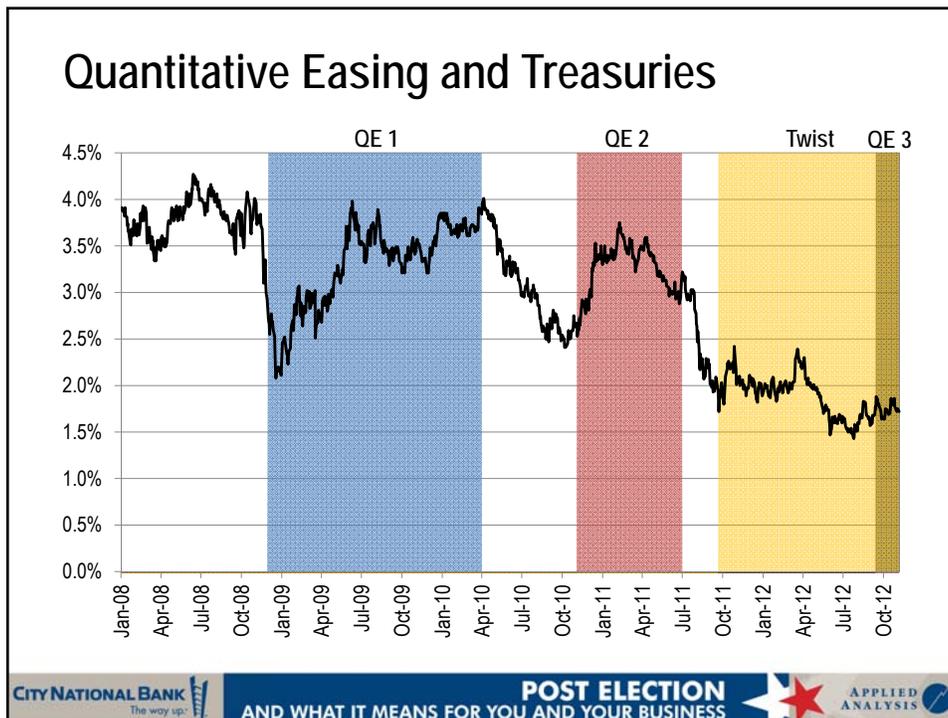
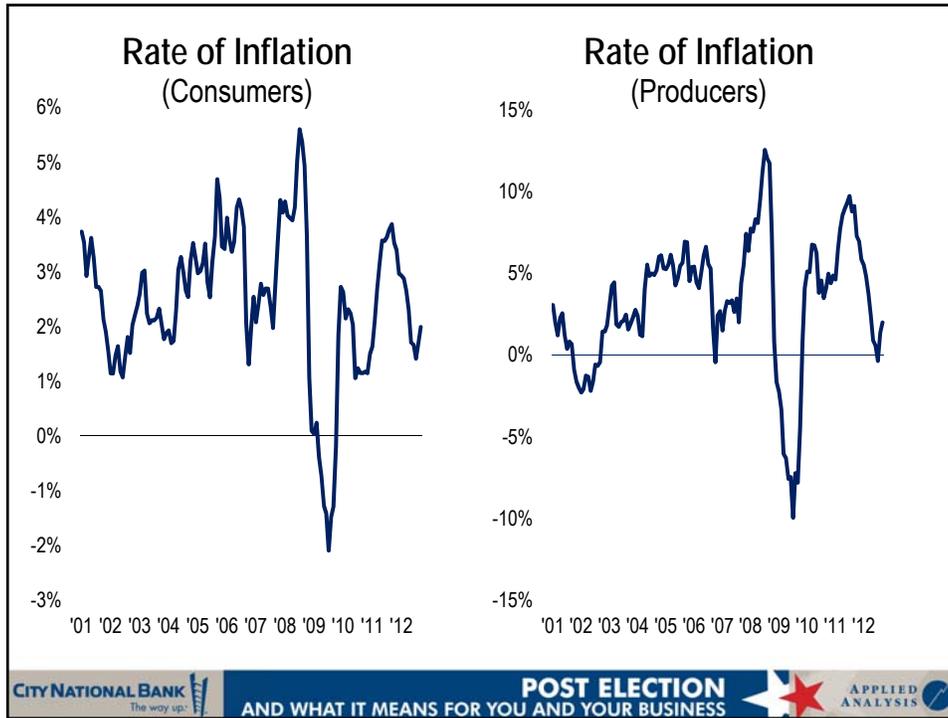
RATEROSION

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**PRESIDENTIAL
ELECTION
2012**



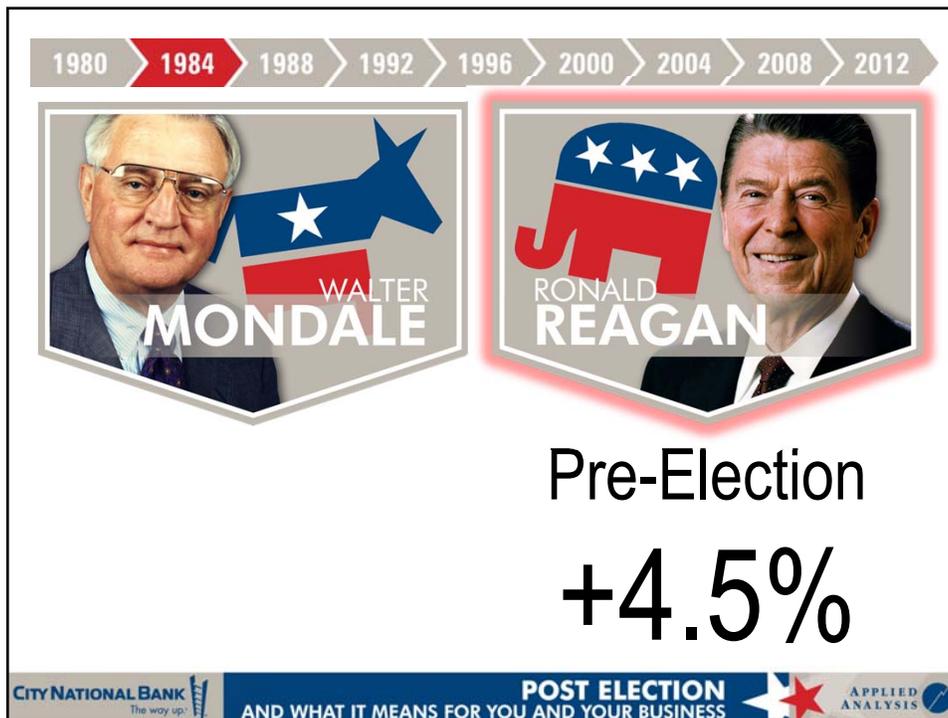
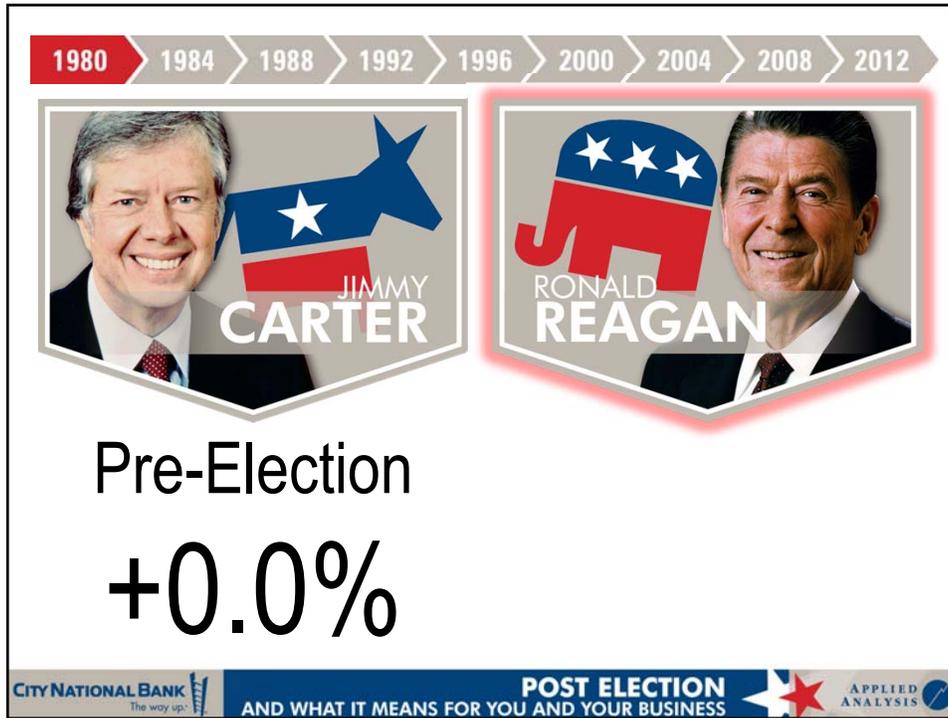
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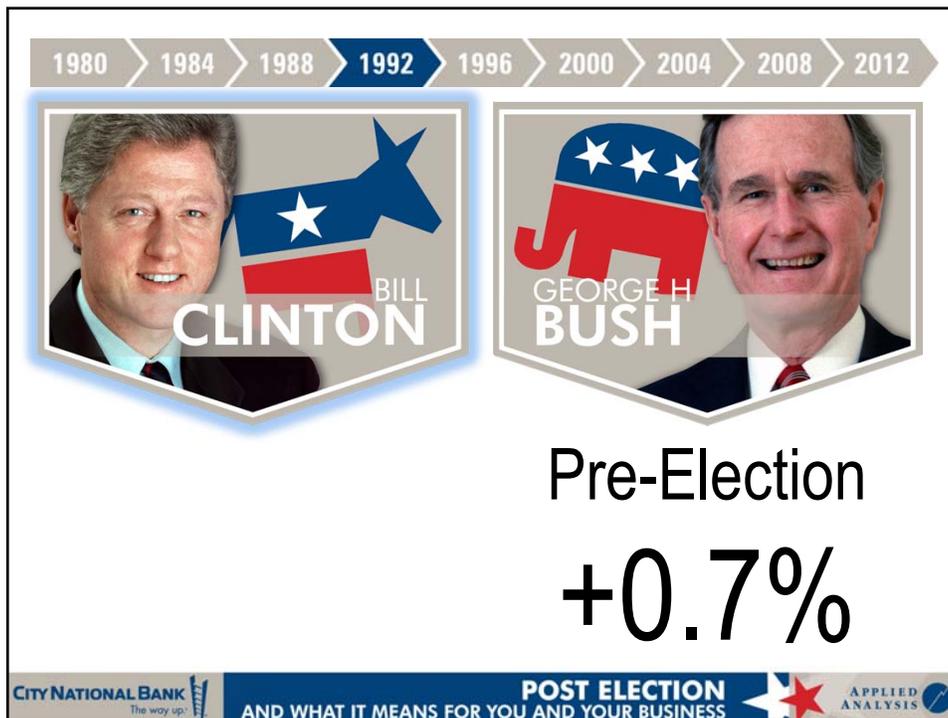
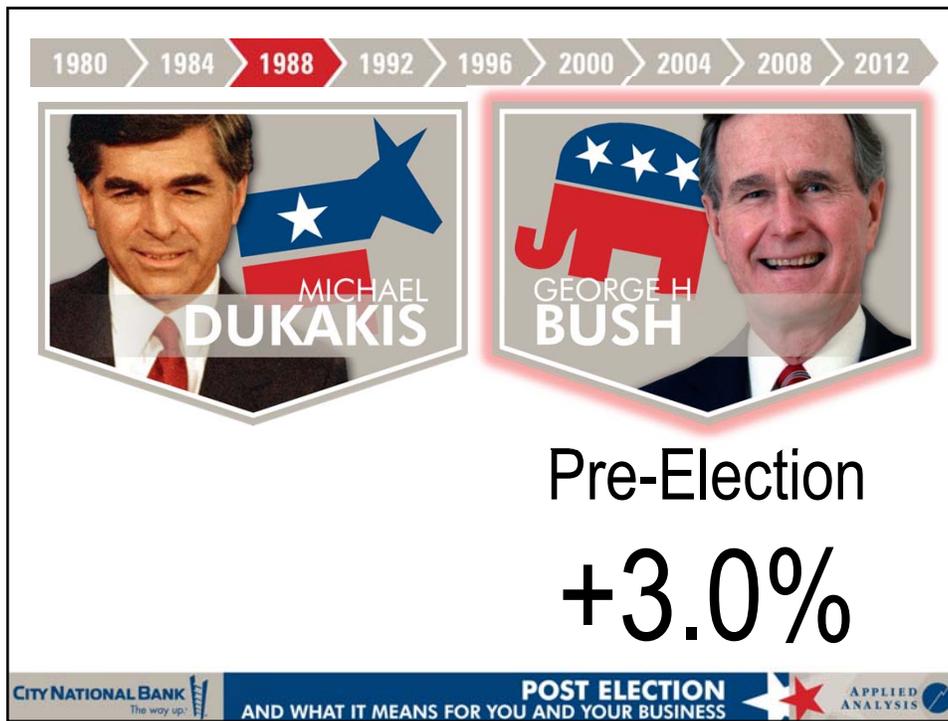


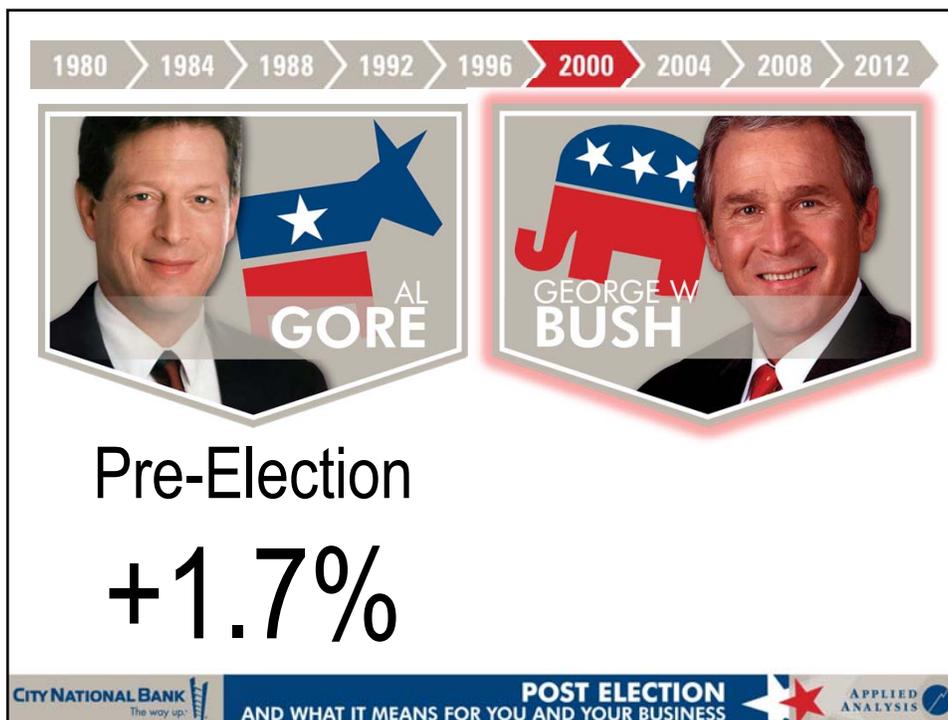
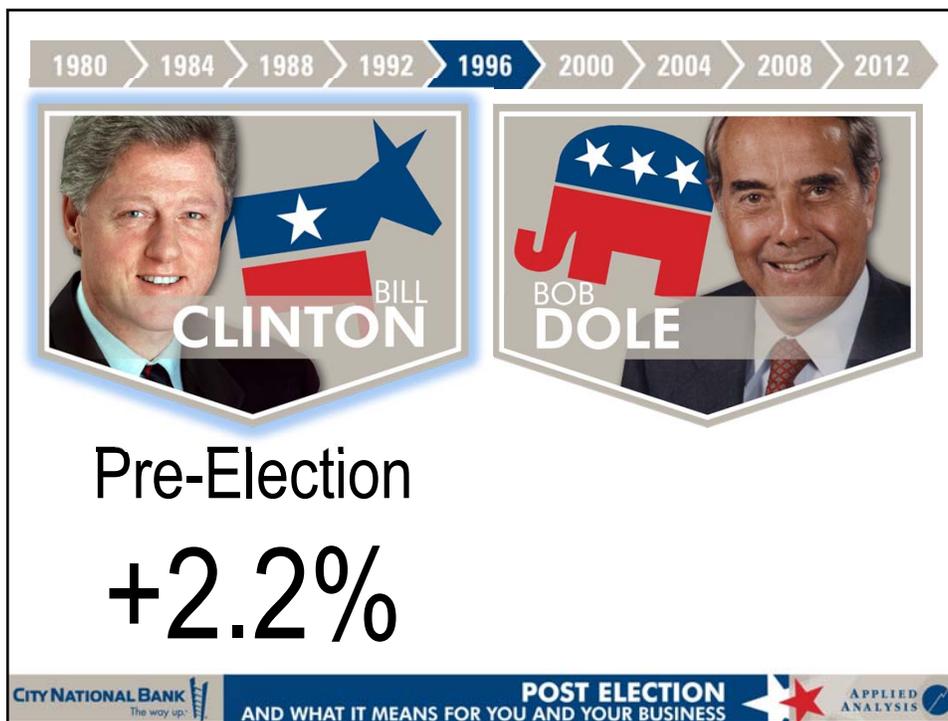
**JOBS-TO-VICTORY
INDEX**

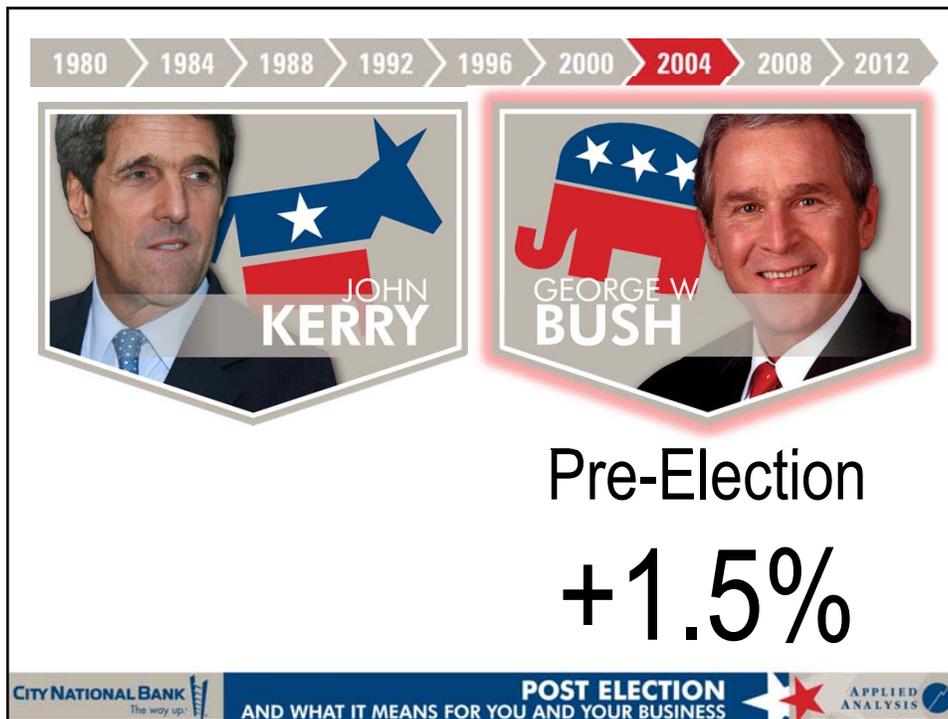


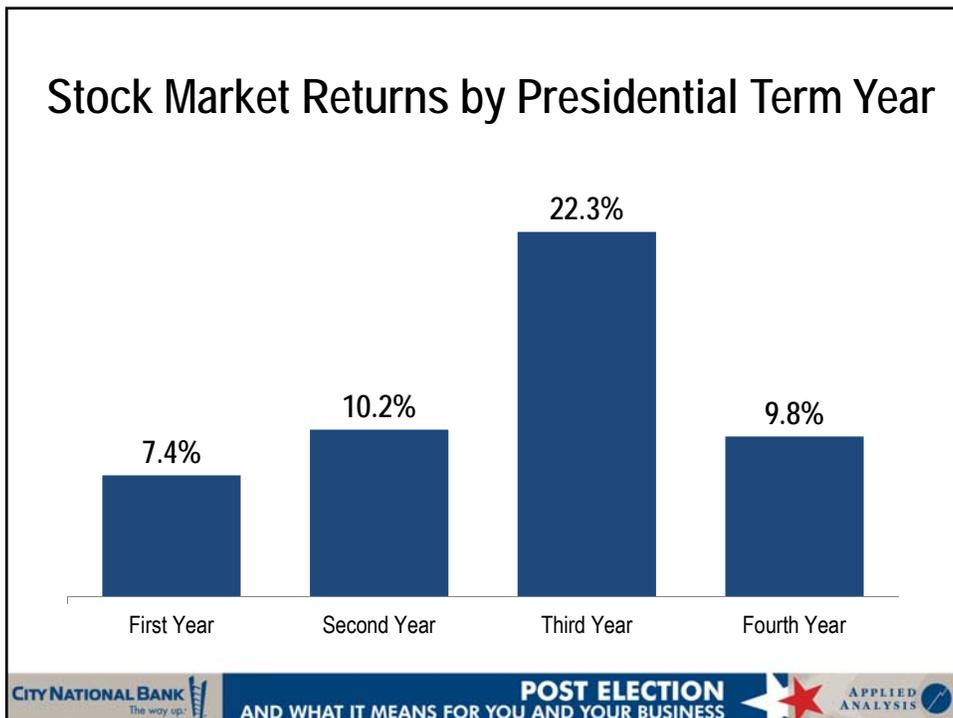
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Bringing It Home: Local Considerations

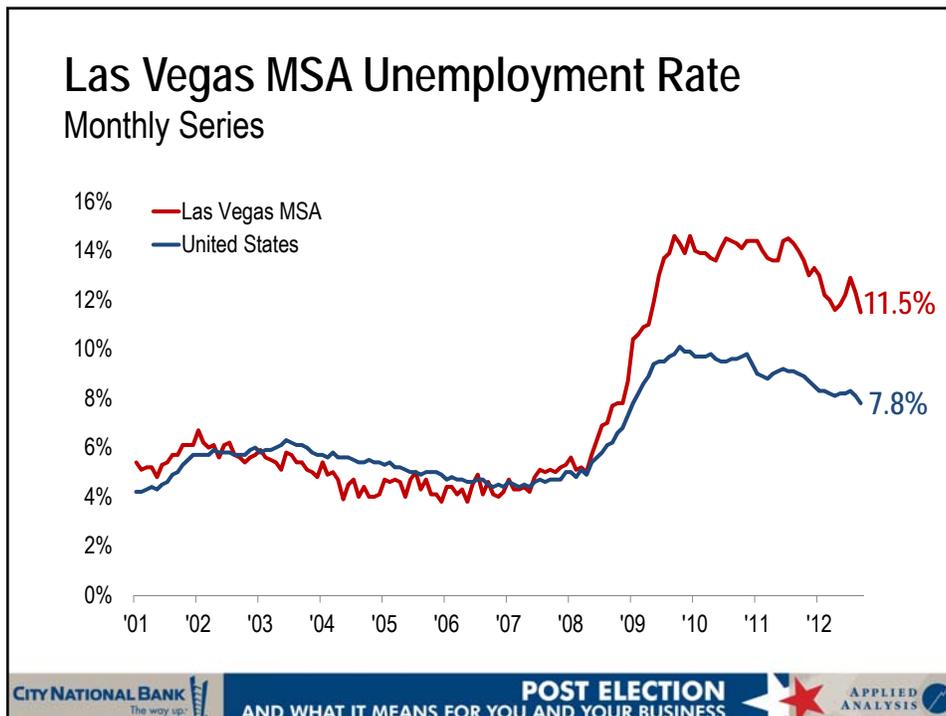


Indicators	Peak		Present		%Δ
Employment	Jan-08	928,533	Sep-12	812,408	-12.5% ▼
Unemployment Rate	Apr-07	4.3%	Sep-12	12.5%	+8.2% ▲
Residential Units Permitted	Jan-05	31,473	Sep-12	5,260	-83.3% ▼
Housing Price Index	Q1 2007	254.7	Q2 2012	102.3	-59.8% ▼
Taxable Retail Sales (in billions)	Mar-07	\$36.4	Aug-12	\$31.4	-13.8% ▼
Gross Gaming Revenue (in billions)	Oct-07	\$11.0	Sep-12	\$9.4	-14.5% ▼
Slot Coin-In (in billions)	Oct-07	\$109.8	Sep-12	\$85.3	-22.3% ▼
Win Per Slot Per Day	Mar-08	\$147	Sep-12	\$126	-13.9% ▼
Game and Table Drop (in billions)	Jan-12	\$30.6	Sep-12	\$30.5	-0.3% ▼
Win Per Table Game Per Day	Oct-07	\$2,122	Sep-12	\$2,021	-4.7% ▼
Visitor Volume (in millions)	Sep-12	39.5	Sep-12	39.5	0.0% ◻
McCarran Airport Pax (in millions)	Oct-07	47.9	Sep-12	41.8	-12.9% ▼

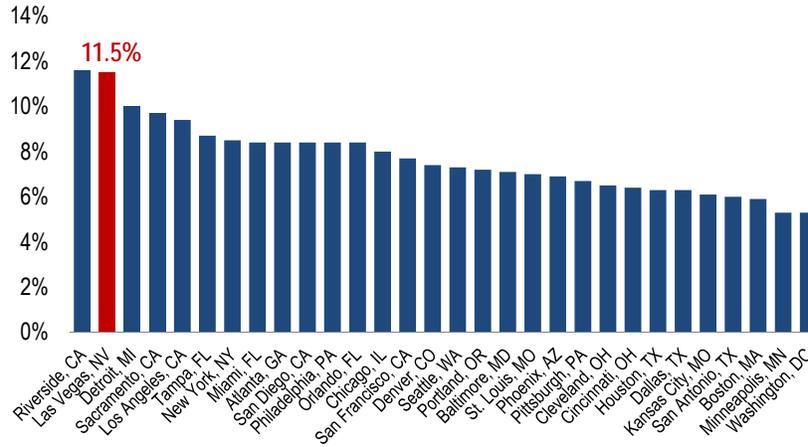
Indicators	Prior Year		Present		%Δ
Employment	Sep-11	805,308	Sep-12	812,408	+0.9% ▲
Unemployment Rate	Sep-11	14.1%	Sep-12	12.5%	-1.7% ▼
Residential Units Permitted	Sep-11	3,633	Sep-12	5,260	+44.8% ▲
Housing Price Index	Q2 2011	113.3	Q2 2012	102.3	-9.7% ▼
Taxable Retail Sales (in billions)	Aug-11	\$29.2	Aug-12	\$31.4	+7.6% ▲
Gross Gaming Revenue (in billions)	Sep-11	\$9.1	Sep-12	\$9.4	+3.5% ▲
Slot Coin-In (in billions)	Sep-11	\$85.2	Sep-12	\$85.3	+0.1% ▲
Win Per Slot Per Day	Sep-11	\$120	Sep-12	\$126	+5.0% ▲
Game and Table Drop (in billions)	Sep-11	\$29.0	Sep-12	\$30.5	+4.9% ▲
Win Per Table Game Per Day	Sep-11	\$1,877	Sep-12	\$2,021	+7.7% ▲
Visitor Volume (in millions)	Sep-11	38.7	Sep-12	39.5	+2.1% ▲
McCarran Airport Pax (in millions)	Sep-11	41.1	Sep-12	41.8	+1.7% ▲





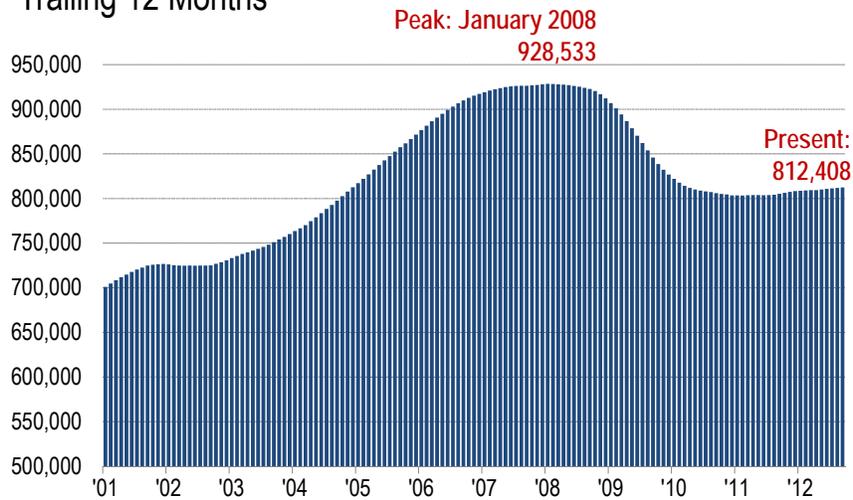


Unemployment Rates: 30 Largest MSAs



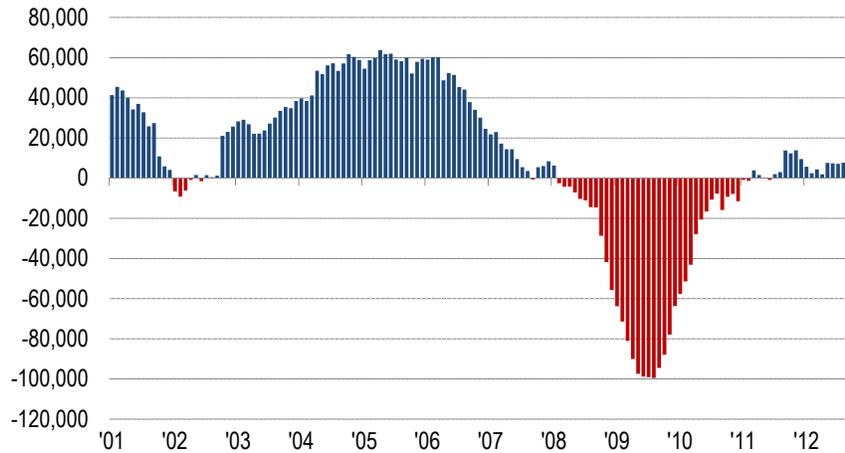
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Las Vegas MSA Employment Trailing 12 Months



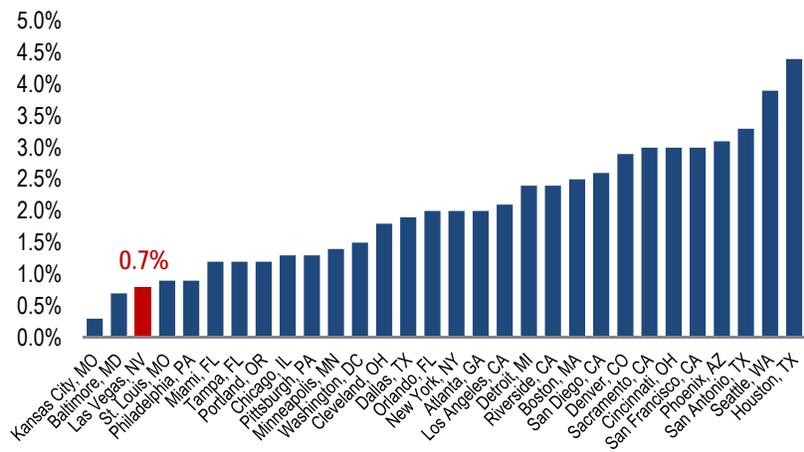
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Las Vegas MSA Employment Growth Year-Over-Year



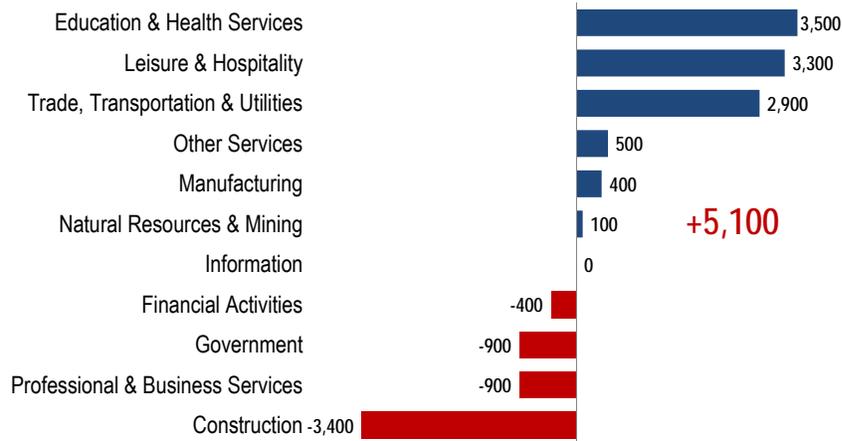
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Year-Over-Year Employment Growth 30 Largest MSAs



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Las Vegas MSA Employment Growth Past 12 Months By Industry

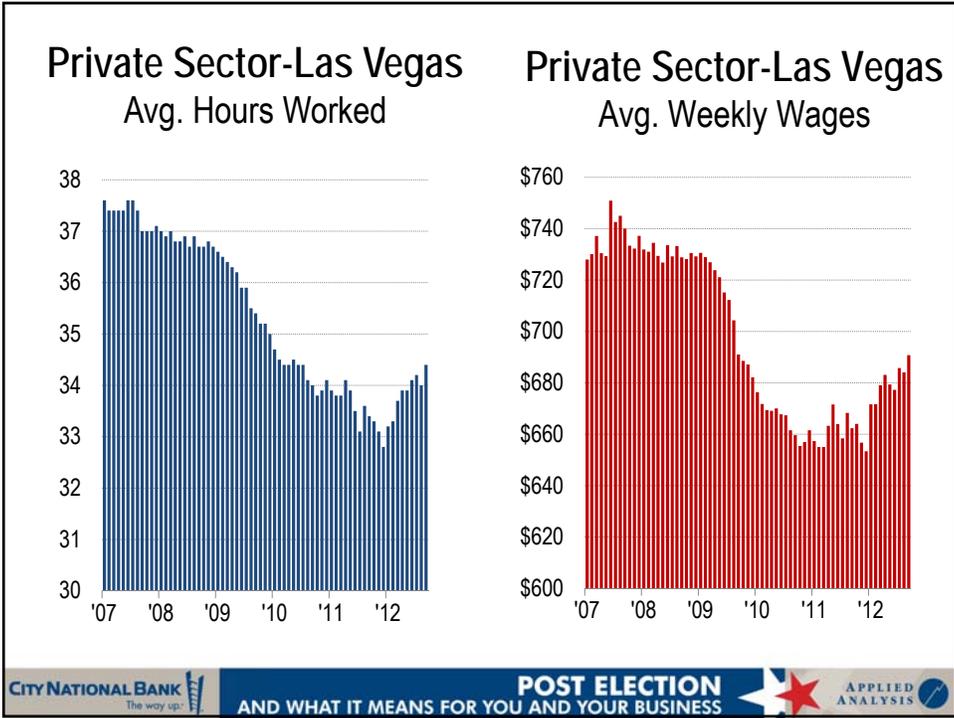


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Las Vegas MSA Employment By Industry As a Percent of Employment Totals

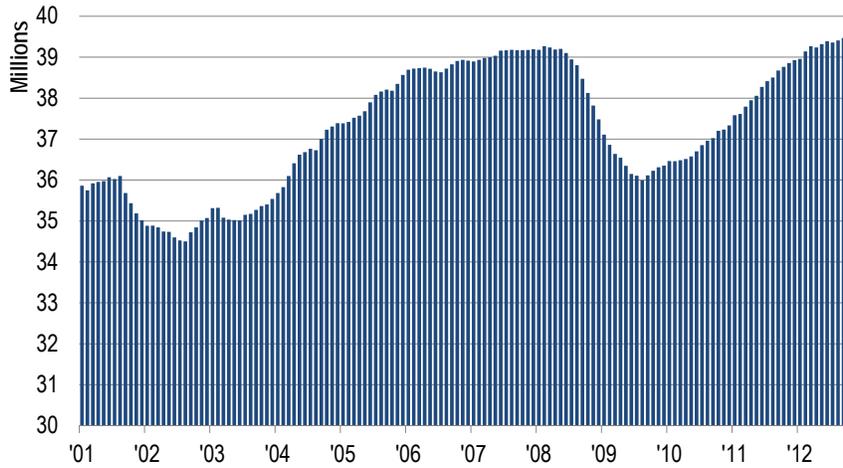


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Las Vegas Visitor Volume

Trailing 12-Month Series



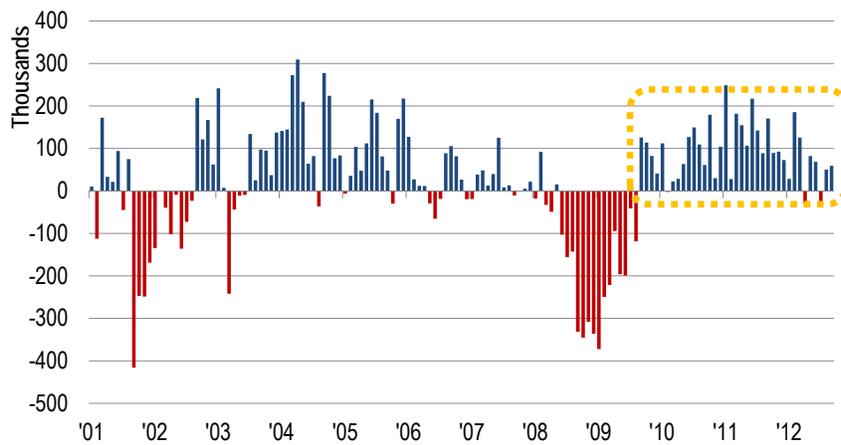
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Las Vegas Visitor Volume

Growth Year-Over-Year

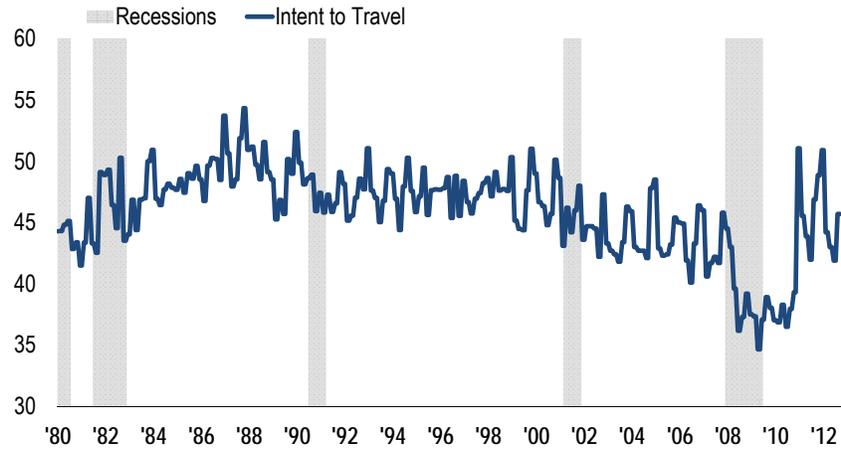


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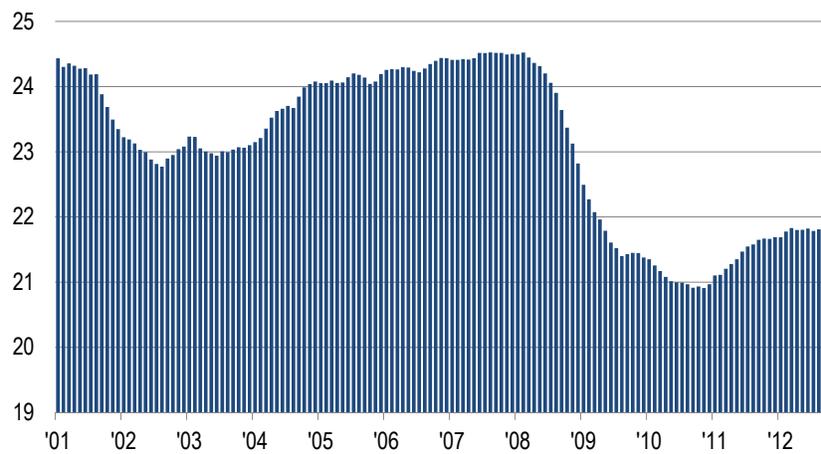
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Consumers' Intent to Travel

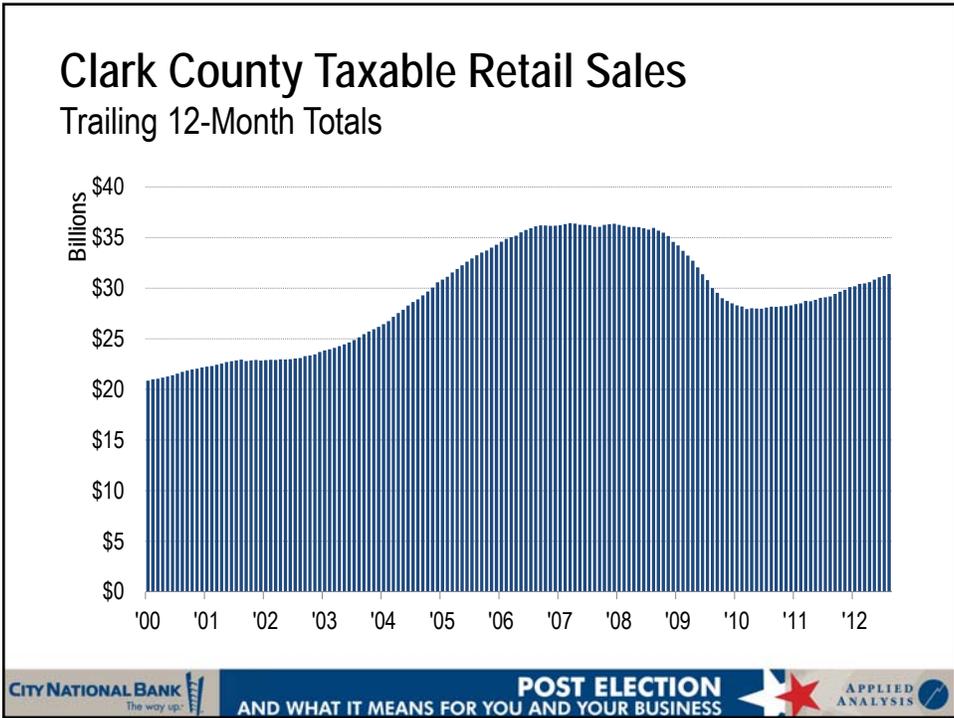
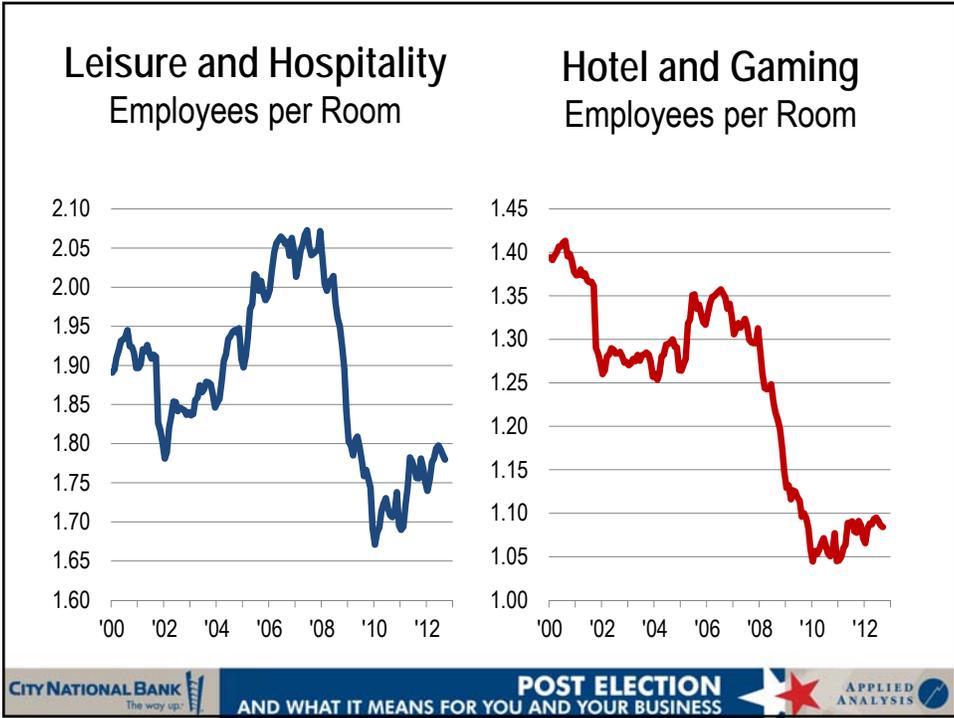


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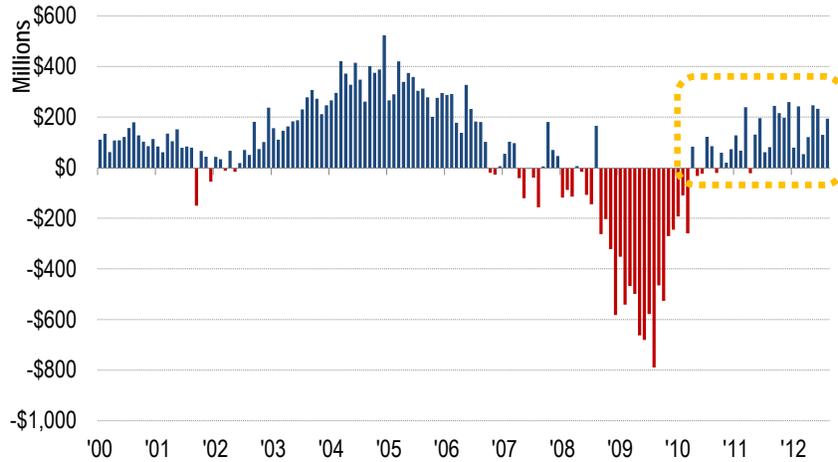
Las Vegas Visitors Per Hotel/Motel Room Trailing 12-Month Averages



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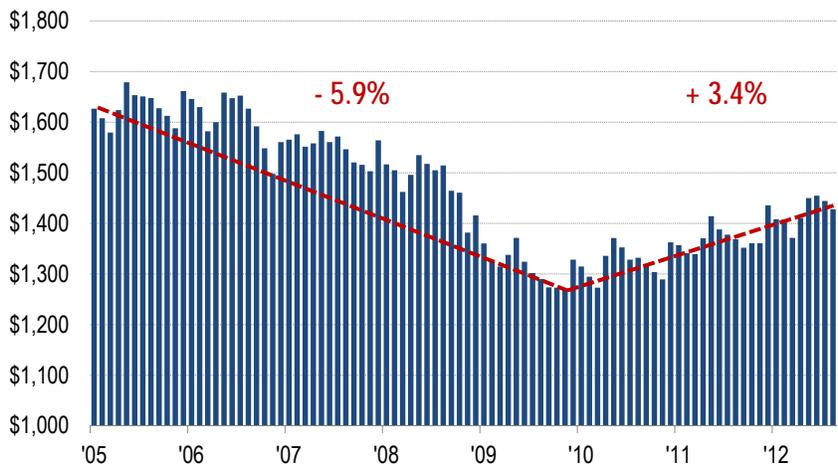


Clark County Taxable Retail Sales Growth Year-Over-Year



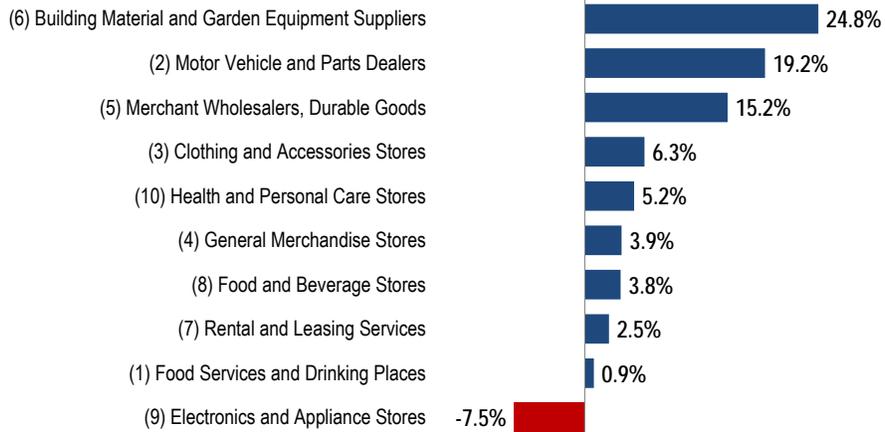
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Clark County Taxable Retail Sales Inflation Adjusted Per Las Vegas MSA Employee



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Clark County Taxable Retail Sales Annual Growth in Top 10 Sectors



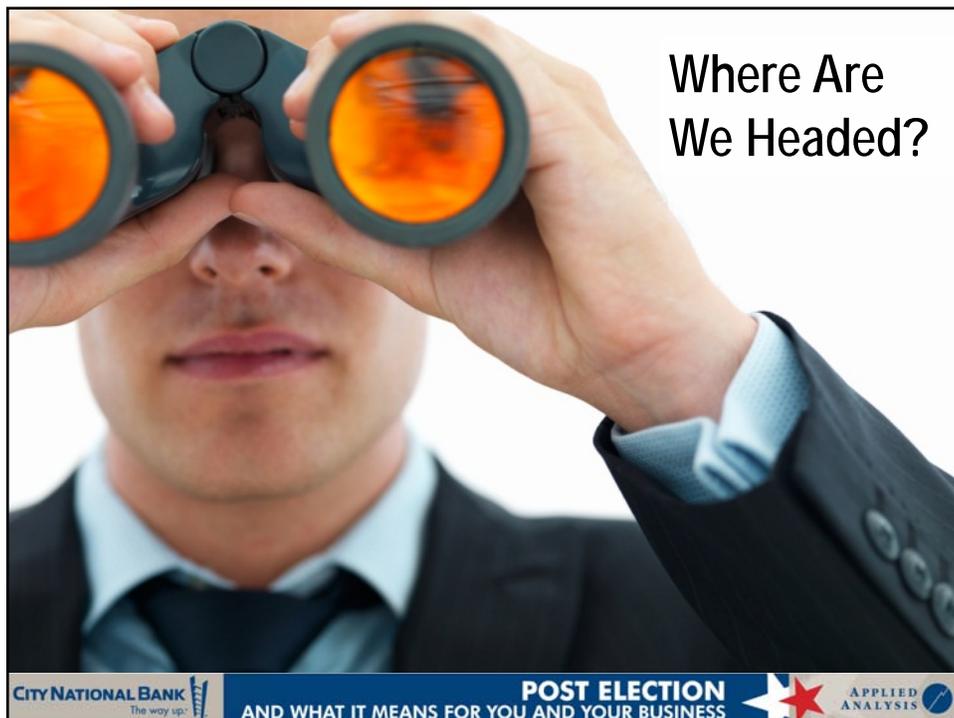
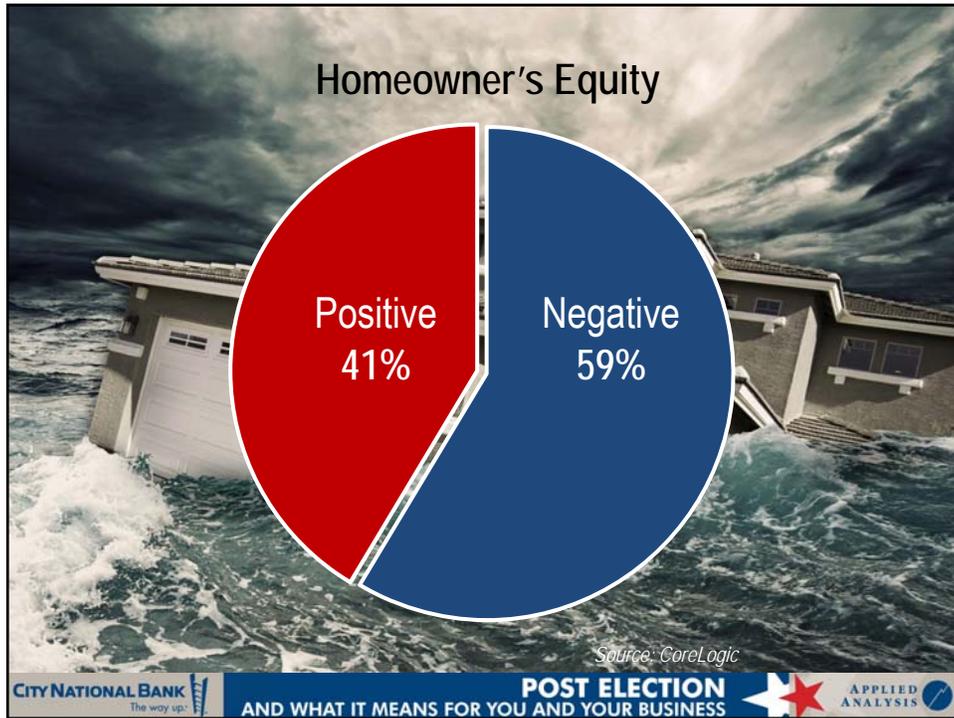
Spending vs. Mortgage Non-Payment

Clark County Taxable
Resident Consumer Spending
(\$ in billions)



Non-Payment of Mortgages
(Delinquent + Foreclosures)
(\$ in billions)

Loans Serviced:	467,540	100%
Loans Past Due:	46,053	9.9%
In Foreclosure:	28,473	6.1%
Total Not Paid:	74,526	16.0%
Avg. Payment:	\$2,000	Est.
Total Annual Impact:	\$1.8 B	Est.



Global Considerations



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Europe in Disarray...

- » Fundamentals remain fragile
 - High unemployment
 - Highly leveraged
 - Weak spending levels

- » Greece not helping
 - Record unemployment
 - Future aid and the use of aid

- » Spain and Italy facing further contraction



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Shifts in China Continue...

- » Growth is slowing
 - Manufacturing
 - Consumption
 - Tighter lending

- » Leadership transitions

- » International uncertainty persists



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Domestic Issues



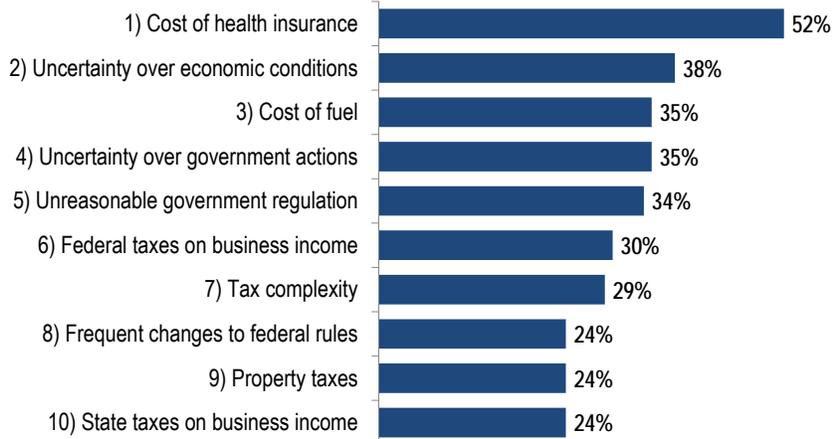
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Biggest Problems for US Businesses



Source: National Federation of Independent Businesses

Where Is the National Economy Headed in the Next 12 Months?





The Fiscal Cliff...

Is Impacting

61%

of Businesses from Hiring

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The Fiscal Cliff...

Results in

\$6.1 T

In Belt Tightening
Over 10 Years

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The Fiscal Cliff...

Results in

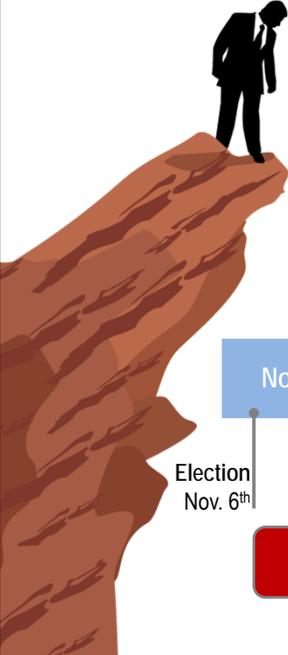
\$600 B

In Belt Tightening
Over the Next Year

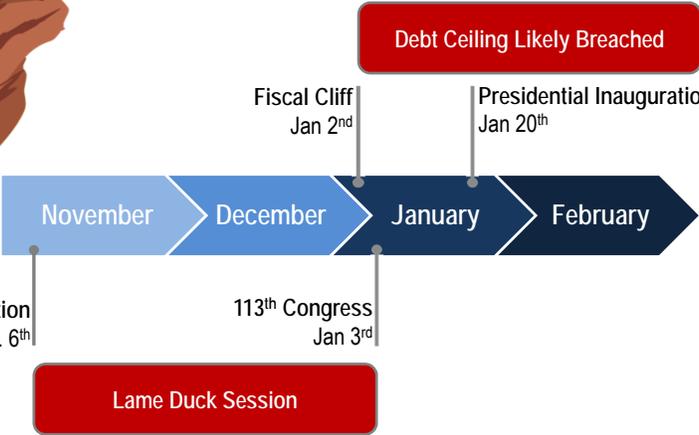
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The Fiscal Cliff...



Debt Ceiling Likely Breached

Fiscal Cliff
Jan 2nd

Presidential Inauguration
Jan 20th

November → December → January → February

Election
Nov. 6th

113th Congress
Jan 3rd

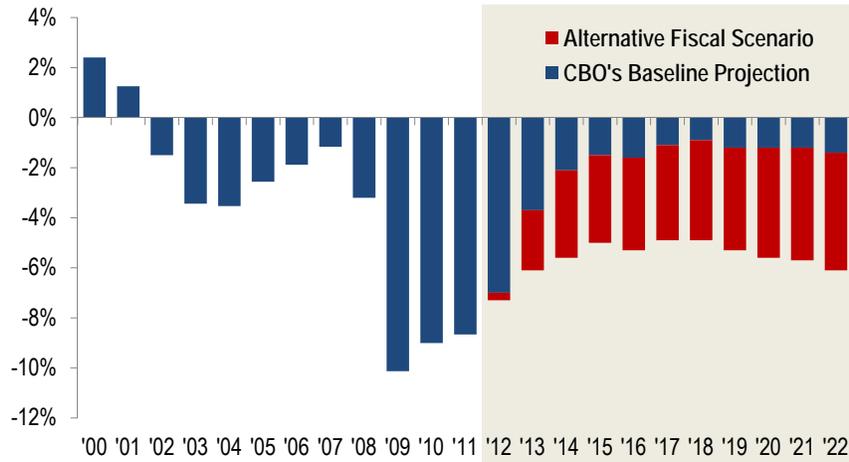
Lame Duck Session

CITY NATIONAL BANK
The way up: 

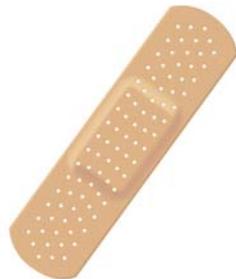
POST ELECTION
AND WHAT IT MEANS FOR YOU AND YOUR BUSINESS 

APPLIED ANALYSIS 

Deficits or Surpluses (As a Percentage of GDP)



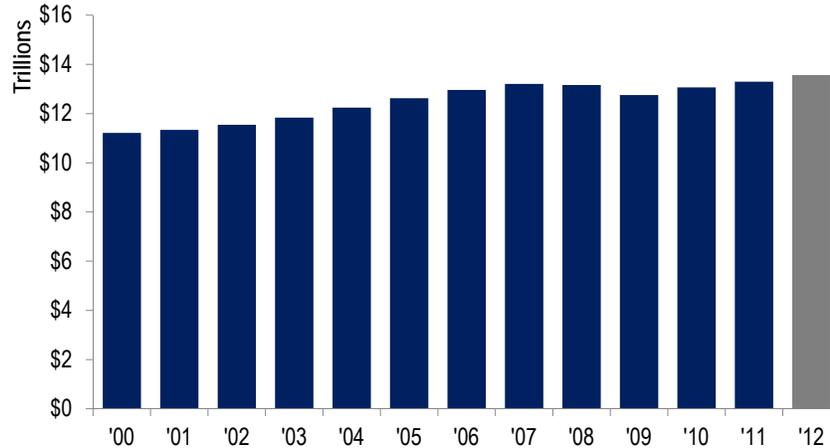
National Fiscal Reforms in 2013...



VS.

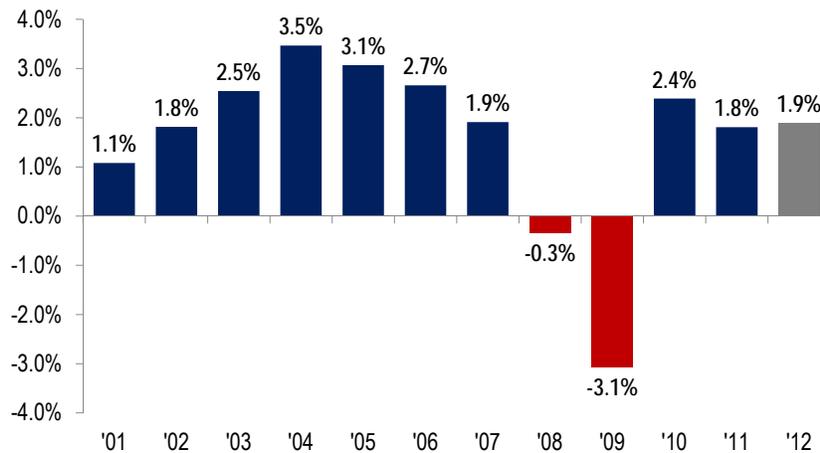


U.S. Gross Domestic Product

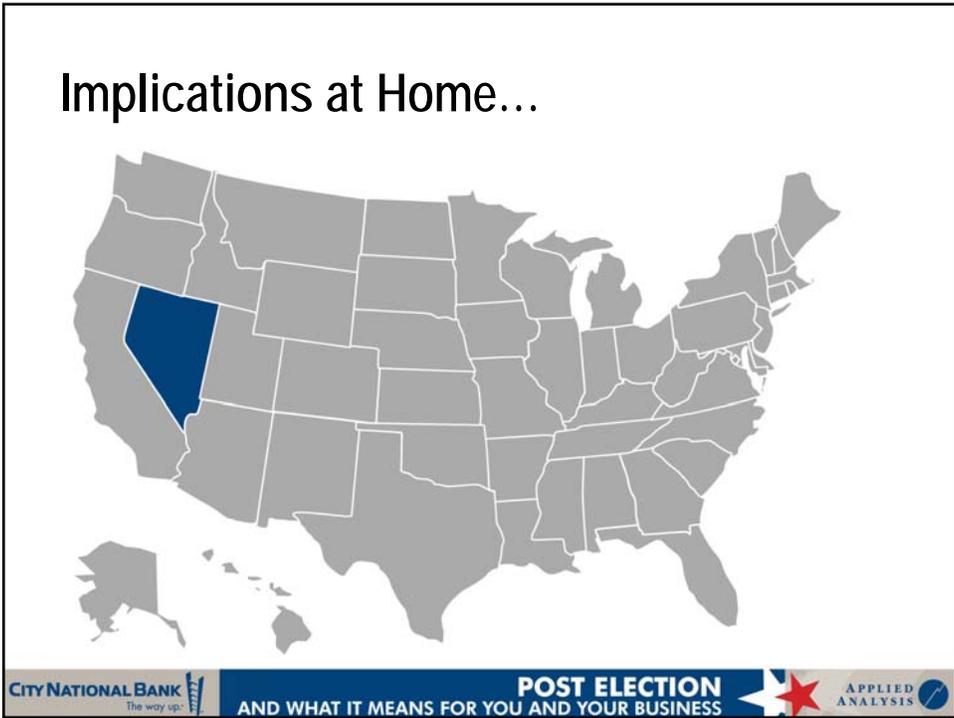
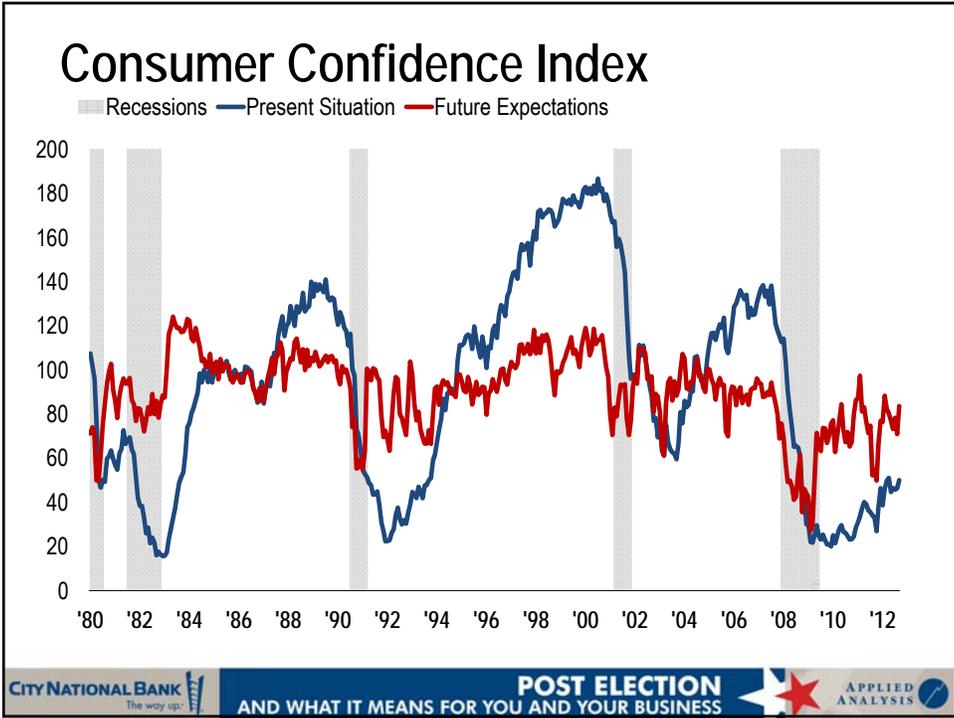


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U.S. Gross Domestic Product Growth



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Implications at Home...

» Proposition 30 Increases Taxes

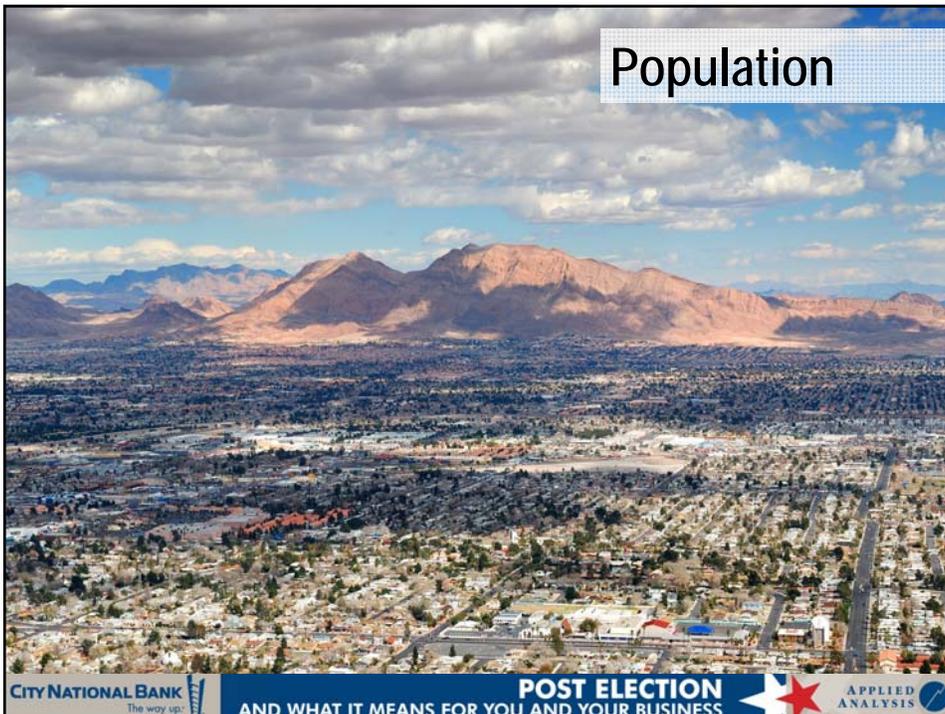


- Increase the sales tax: + 0.25%

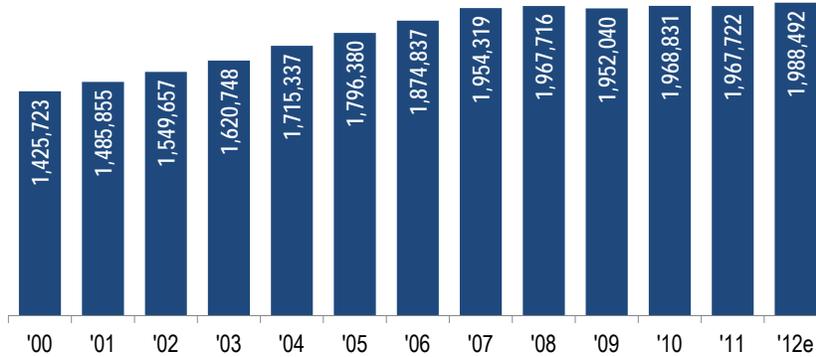
- Increase the state income tax:
 - Rate: +1-3%
 - Incomes: +\$250,000
 - Term: Up to 7 years

- + \$6.0 Billion

Population

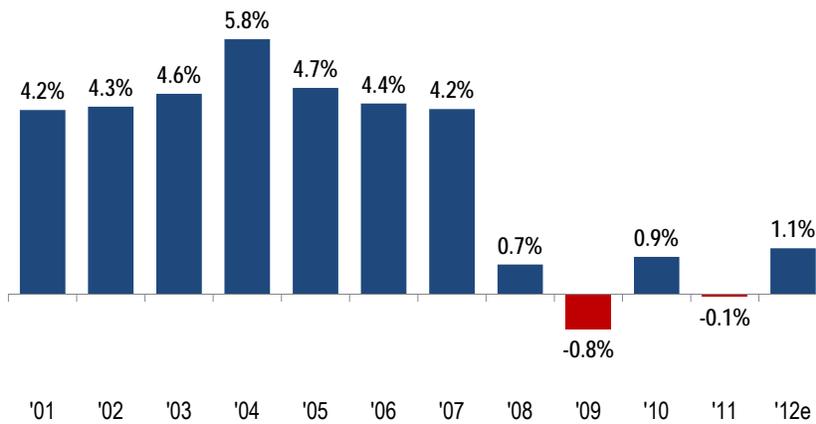


Clark County Population



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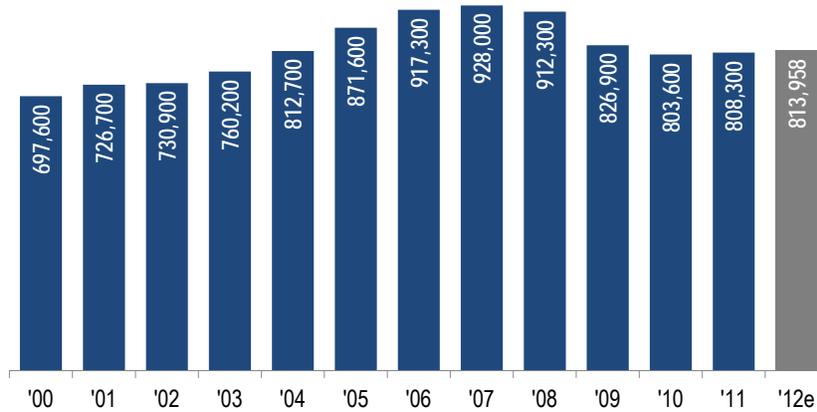
Clark County Population Growth



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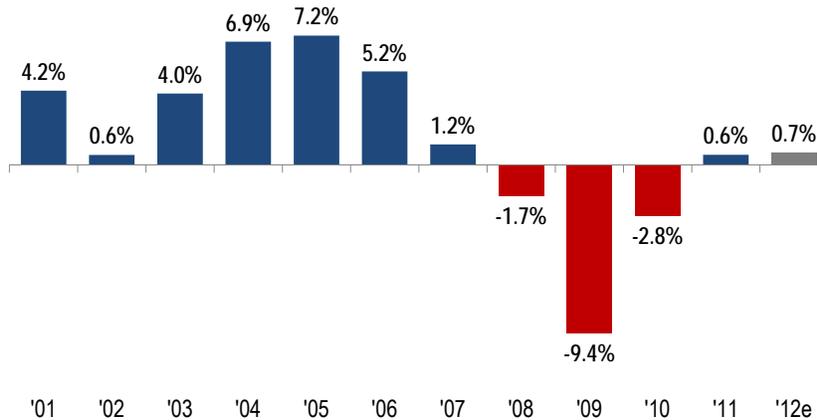


Las Vegas MSA Employment



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Las Vegas MSA Employment Growth



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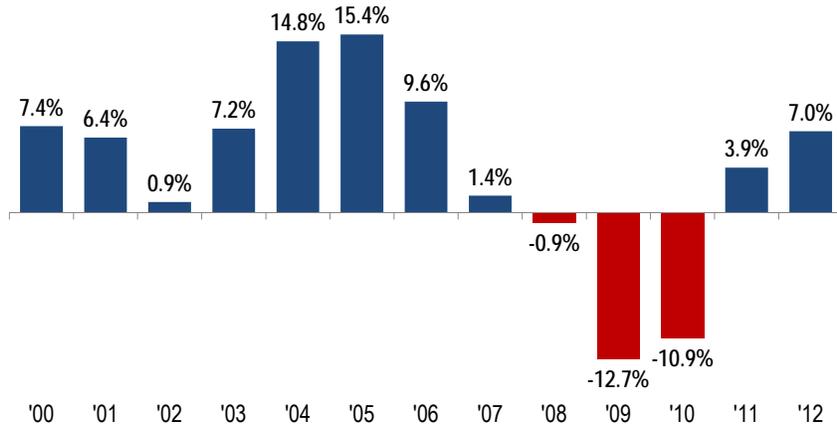
Consumer Spending



Clark County Taxable Retail Sales Annual Totals (in billions)



Clark County Taxable Retail Sales Annual Growth Rate



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So What Does It All Mean?

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The way up! AND WHAT IT MEANS FOR YOU AND YOUR BUSINESS







JONES LANG LASALLE
Real value in a changing world

High-Technology Office Outlook
United States 2012

Industry clusters comprise nearly one-third of office absorption in the last year

These dynamic companies are changing not only the way we do business and communicate, but also revolutionizing the office market landscape.

Measured venture capital and IPO activity will ensure a more sustained business cycle, diminishing the risk of industry collapse.



“San Francisco, Seattle, New York and Boston remain the hotbeds of innovation, but clusters of activity are emerging in markets like Chicago Washington, DC and Las Vegas.”

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The way up.

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POST ELECTION
AND WHAT IT MEANS FOR YOU AND YOUR BUSINESS

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+0.5%
GDP

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POST ELECTION
AND WHAT IT MEANS FOR YOU AND YOUR BUSINESS

APPLIED ANALYSIS



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POST ELECTION
AND WHAT IT MEANS FOR YOU AND YOUR BUSINESS

APPLIED ANALYSIS

UNCERTAINTY?

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APPLIED ANALYSIS

UNCERTAINTY?

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CERTAIN

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DOMINATEURSPACE

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 **APPLIED ANALYSIS**

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 **POST ELECTION**

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