



The spread of COVID-19 in Nevada has fallen from its December peak, but the ongoing pandemic continued to show broad negative effects throughout the economy as the calendar flipped to 2021. Most measures of coronavirus infections, including new cases and deaths, have declined in recent weeks, yet metrics through the winter months remained elevated compared to the prior peak period in late summer. The nationwide rollout of vaccines has provided reason for optimism in the new year. The state has administered more than 100,000 vaccine doses, and the pace of vaccinations is expected to improve as accessibility and availability increase. The majority of doses have been targeted to healthcare workers and the elderly. This month, priority status was also granted to hotel-casino employees as they were reclassified as essential workers. Leisure and hospitality workers account for nearly a quarter of all employees in the state. Having a vaccinated workforce will help boost traveler confidence in Nevada as a safe destination. A majority of Nevadans are expected to be immunized by the spring.

# Economic Briefing

JANUARY 2021

ISSUE ONE | VOLUME FIFTEEN

Nevada's labor market closed out the year on a strong note. The economy in December added jobs for the eighth consecutive month. Employment in Nevada grew by 0.6 percent, or 8,200 jobs, over the month compared to a national employment decline in jobs of 0.1 percent. The pace of Nevada's monthly job growth has slowed, however, a reminder of the ongoing effects of the pandemic and related response. The state unemployment rate improved to 9.2 percent, down from 10.4 percent in November. December marked the first month of single-digit unemployment rate since March 2020, but the latest rate remained 5.5 percentage points higher than the prior year.

Underlying the unemployment rate improvement was a growing number of Nevadans who dropped out of the labor force due to the lack of job opportunities in the current environment. The statewide labor force participation rate dipped below 60 percent for the first time since May, when the state's gaming properties were closed. Initial unemployment insurance claims rose by

14.4 percent over the month. Multiple factors can contribute to such a rise, including passage of additional benefit payments or seasonal changes.

The Silver State remained a leader in population growth as the Census Bureau recently released its 2020 population figures. While the United States as a whole saw its smallest growth in 120 years, Nevada had the third-fastest population growth rate of any state. Nevada added 47,500 residents over the year, equating to a 1.5 percent annual population growth rate that ranked behind only Idaho and Arizona. Notably, California's population fell 0.2 percent. As it has for several decades, Nevada's western neighbor remained the largest source of new residents in 2020, with annual drivers' license surrenders from the state exceeding 27,000.

Real estate in Nevada continued to defy many of the broader economic trends. In the housing market, residential permits in November (latest available) grew by 31 percent over the month. Growth compared to the same period last year was even larger at 78.7 percent. Foreclosure

## MONTHLY

### Employment Indicators

Nevada Employment		Dec-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,337,100	1,331,500	1,432,300
GROWTH RATE	0.4% ▲	-6.6% ▼

Nevada Private Average Weekly Hours Worked		Nov-20
Current Period	Prev. Period	Same Period Prev. Yr.
35.1	34.9	34.0
GROWTH RATE	0.6% ▲	3.2% ▲

Nevada Unemployment Rate		Dec-20
Current Period	Prev. Period	Same Period Prev. Yr.
9.2%	10.4%	3.7%
GROWTH RATE	-1.2% ▼	5.5% ▲

## TRAILING 12-MONTH

### Employment Indicators

Nevada Employment <sup>(1)</sup>		Dec-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,305,767	1,313,700	1,417,808
GROWTH RATE	-0.6% ▼	-7.9% ▼

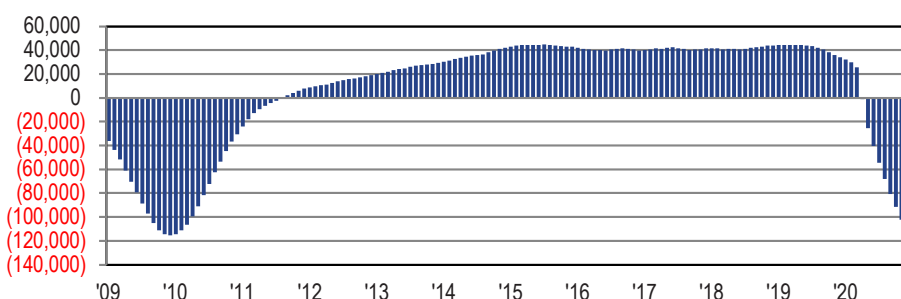
Nevada Private Average Weekly Hours Worked <sup>(1)</sup>		Nov-20
Current Period	Prev. Period	Same Period Prev. Yr.
34.5	34.4	34.5
GROWTH RATE	0.3% ▲	0.0% ◆

Nevada Unemployment Rate <sup>(1)</sup>		Dec-20
Current Period	Prev. Period	Same Period Prev. Yr.
13.0%	12.6%	3.9%
GROWTH RATE	0.5% ▲	9.1% ▲

Notes: (1) Trailing 12-month/4-quarter averages.  
(2) Trailing 12-month/4-quarter totals.

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## NEVADA EMPLOYMENT GROWTH TRAILING 12-MONTH AVERAGES



MONTHLY & QUARTERLY  
Economic Indicator Series

**Nevada Initial Unemployment Insurance Claims**

Dec-20

Current Period	Prev. Period	Same Period Prev. Yr.
37,310	32,613	12,006
GROWTH RATE	14.4% ▲	210.8% ▲

**Nevada Residential Housing Units Permitted**

Nov-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,943	1,483	1,087
GROWTH RATE	31.0% ▲	78.7% ▲

**Nevada Taxable Retail Sales**

Oct-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$5,227,428,642	\$5,345,750,808	\$5,376,257,718
GROWTH RATE	-2.2% ▼	-2.8% ▼

**Nevada Gross Gaming Revenue**

Nov-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$771,162,743	\$822,678,765	\$937,533,406
GROWTH RATE	-6.3% ▼	-17.7% ▼

**Las Vegas/Reno-Tahoe E  
mplanned and Deplaned Passengers**

Nov-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,955,686	2,154,992	4,497,015
GROWTH RATE	-9.2% ▼	-56.5% ▼

**Clark/Washoe County Visitor Volume**

Nov-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,811,469	2,243,791	4,054,652
GROWTH RATE	-19.3% ▼	-55.3% ▼

**Nevada New Business Creation**

Q2 '20

Current Period	Prev. Period	Same Period Prev. Yr.
552	566	1,661
GROWTH RATE	-2.5% ▼	-66.8% ▼

**Nevada Housing Price Index**

(Q1 1991 = 100)

Q3 '20

Current Period	Prev. Period	Same Period Prev. Yr.
292.9	282.5	273.7
GROWTH RATE	3.7% ▲	7.0% ▲

**Clark County Office Market  
Vacancy Rate**

Q3 '20

Current Period	Prev. Period	Same Period Prev. Yr.
15.8%	14.8%	15.0%
GROWTH RATE	1.0% ▲	0.8% ▲

**Nevada Hotel/Motel Occupancy**

Q2 '20

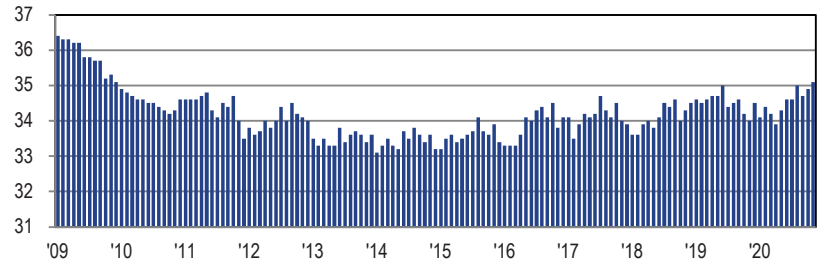
Current Period	Prev. Period	Same Period Prev. Yr.
15.3%	66.8%	85.6%
GROWTH RATE	-51.5% ▼	-70.3% ▼

**State of Nevada Personal Income**

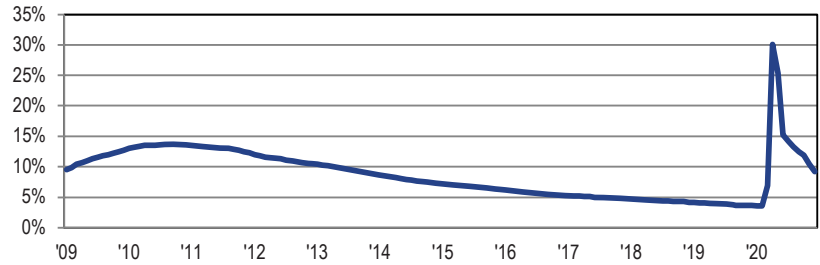
Q3 '20

Current Period	Prev. Period	Same Period Prev. Yr.
\$42,278,850,000	\$44,118,675,000	\$39,511,625,000
GROWTH RATE	-4.2% ▼	7.0% ▲

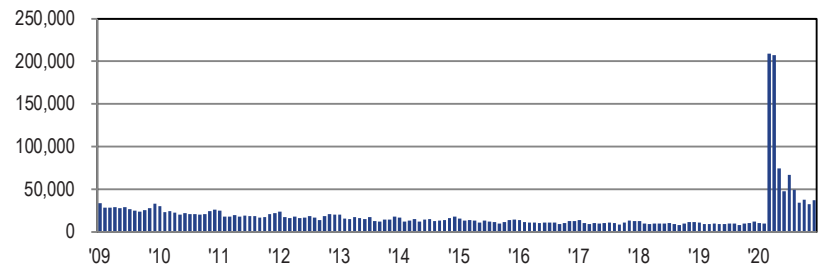
**NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED**  
MONTHLY SERIES



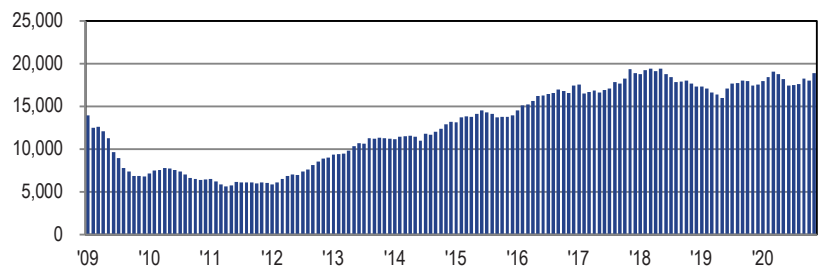
**NEVADA UNEMPLOYMENT RATE**  
MONTHLY SERIES



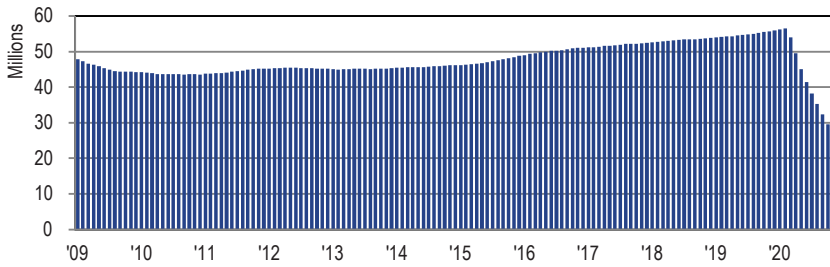
**NEVADA UNEMPLOYMENT INSURANCE CLAIMS**  
MONTHLY SERIES



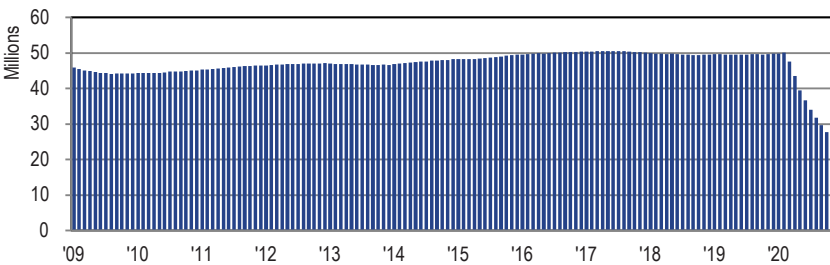
**NEVADA RESIDENTIAL UNITS PERMITTED**  
TRAILING 12-MONTH TOTALS



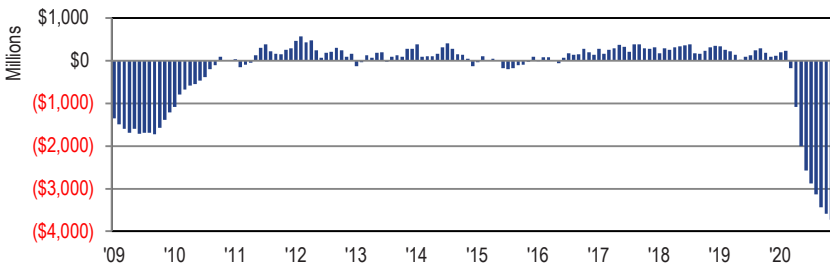
**LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS**  
TRAILING 12-MONTH TOTALS



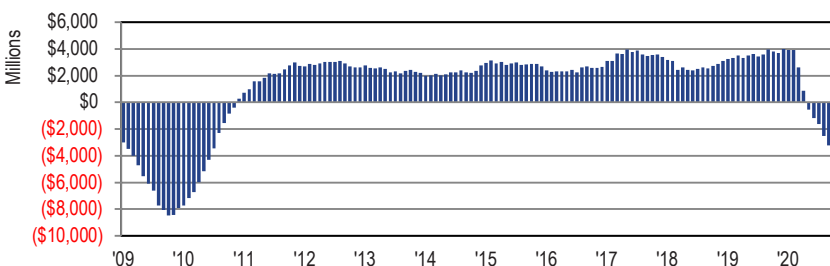
**CLARK/WASHOE COUNTY VISITOR VOLUME**  
TRAILING 12-MONTH TOTALS



**GROWTH IN NEVADA GROSS GAMING REVENUE**  
TRAILING 12-MONTH TOTALS



**GROWTH IN NEVADA TAXABLE RETAIL SALES**  
TRAILING 12-MONTH TOTALS



*TRAILING 12-MONTH*  
Economic Indicator Series

**Nevada Initial Unemployment Insurance Claims <sup>(2)</sup>**

		Dec-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
817,163	791,859		119,251
GROWTH RATE	3.2% ▲		585.2% ▲

**Nevada Residential Housing Units Permitted <sup>(2)</sup>**

		Nov-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
18,897	18,041		17,425
GROWTH RATE	4.7% ▲		8.4% ▲

**Nevada Taxable Retail Sales <sup>(2)</sup>**

		Oct-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$60,232,968,615	\$60,381,797,691		\$63,897,462,274
GROWTH RATE	-0.2% ▼		-5.7% ▼

**Nevada Gross Gaming Revenue <sup>(2)</sup>**

		Nov-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$8,247,108,430	\$8,413,479,093		\$11,974,081,521
GROWTH RATE	-2.0% ▼		-31.1% ▼

**Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers <sup>(2)</sup>**

		Nov-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
27,014,391	29,555,720		55,598,270
GROWTH RATE	-8.6% ▼		-51.4% ▼

**Clark/Washoe County Visitor Volume <sup>(2)</sup>**

		Nov-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
25,487,993	27,731,176		49,647,728
GROWTH RATE	-8.1% ▼		-48.7% ▼

**Nevada New Business Creation <sup>(2)</sup>**

		Q2 '20	
Current Period	Prev. Period	Same Period	Prev. Yr.
3,949	5,058		1,805
GROWTH RATE	-21.9% ▼		118.8% ▲

**Nevada Housing Price Index <sup>(1)</sup>**

		Q3 '20	
<i>(Q1 1991 = 100)</i>			
Current Period	Prev. Period	Same Period	Prev. Yr.
283.0	278.2		270.0
GROWTH RATE	1.7% ▲		4.8% ▲

**Clark County Office Market Vacancy Rate <sup>(1)</sup>**

		Q3 '20	
Current Period	Prev. Period	Same Period	Prev. Yr.
14.9%	14.7%		15.5%
GROWTH RATE	0.2% ▲		-0.6% ▼

**Nevada Hotel/Motel Occupancy <sup>(1)</sup>**

		Q2 '20	
Current Period	Prev. Period	Same Period	Prev. Yr.
62.1%	79.7%		83.0%
GROWTH RATE	-17.6% ▼		-20.9% ▼

**State of Nevada Personal Income <sup>(2)</sup>**

		Q3 '20	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$169,115,400,000	\$176,474,700,000		\$158,046,500,000
GROWTH RATE	-4.2% ▼		7.0% ▲

Notes: (1) Trailing 12-month/4-quarter averages. (2) Trailing 12-month/4-quarter totals.

◀ Continued From Cover

inventory in the state fell in the latest period, ending the third quarter of 2020 down 7.8 percent. At 2,440 properties, this figure was also down 19.4 percent compared to the same quarter for the prior year, which may be an effect of foreclosure moratoriums enacted during the pandemic. With the sales price of existing homes throughout the state growing considerably, the housing market maintained the momentum from the last half of 2020 as it moved into the new year.

Through a combination of efforts including a strategic plan for an immunized population and a series of new developments, the state’s tourism economy is positioned for growth after the pandemic ends. Two new Las Vegas properties, Resorts World and Virgin Hotels, are scheduled to open their doors to guests in the first half of the year. Additionally, the Las Vegas Convention and Visitors Authority, which recently completed its expansion of the Las Vegas Convention Center, anticipates hosting 59 conventions over the coming year. The recovery of the convention segment will be an important aspect of the tourism industry’s overall recovery. The LVCVA reported that convention attendance dropped from 6.6 million in 2019 to 1.7 million in 2020, and most of that visitation occurred prior to the pandemic. In an address this month, Governor Sisolak emphasized the need for economic diversification moving forward, a strategy that will mitigate economic shocks that impact the tourism industry. Much remains uncertain about the year ahead, but a vaccinated population remains a clear and necessary pre-requisite to ending the pandemic and putting the state economy on the road to recovery.

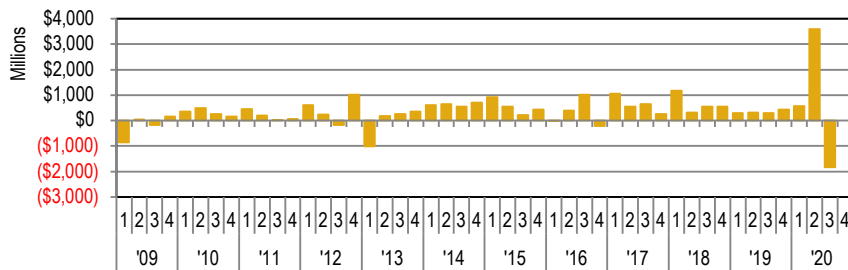
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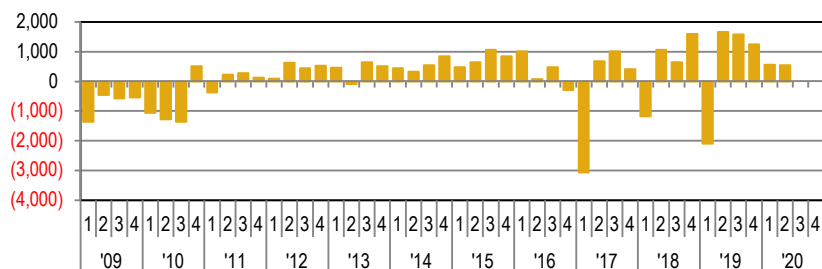
appliedanalysis.com

**Methodology:** Applied Analysis (“AA”) was retained by Nevada State Bank to summarize and analyze a series of key economic indicators on a recurring basis. Relevant data were obtained from AA’s internal databases as well as national, regional and local data providers, including, without limitation, state and local governments. While we have no reason to doubt the accuracy of any of the data reported, we have not performed an audit or assurance procedures on these data, and as such, we cannot attest to their completeness. Generally speaking, data reported are for Nevada, Clark County, Washoe County, or the metropolitan areas therein. Please note that these geographies may differ slightly between data providers.

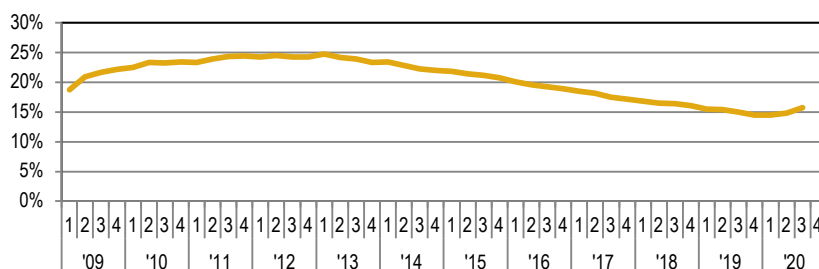
**NEVADA PERSONAL INCOME GROWTH**  
QUARTER-OVER-QUARTER



**NEVADA NEW BUSINESS CREATION**  
QUARTER-OVER-QUARTER



**LAS VEGAS OFFICE MARKET VACANCY RATE**  
QUARTERLY SERIES



**NEVADA HOTEL/MOTEL OCCUPANCY**  
QUARTERLY SERIES

