



The doors of shuttered resort-casinos reopened in June with enthusiasm and optimism following an 11-week shutdown because of the COVID-19 crisis. The closure of Las Vegas' iconic properties was the most visible sign of the gravity of the pandemic and the public health measures enacted to slow the viral spread. Those measures proved effective in slowing infection rates, enabling Governor Steve Sisolak to relax restrictions and move Nevada into Phase 2 of the economic reopening plan.

Phase 2 began May 29 and allowed gyms, movie theaters and other businesses to reopen. Gaming establishments were allowed to reopen starting June 4 under new public health guidelines enacted by the Gaming Control Board. In transitioning the state into Phase 2, the governor cited the state's progress in reducing the COVID-19 test positivity rate over the prior month, which has continued to decline to below 5.5 percent. The World Health Organization goal is 5 percent.

The reopening of Las Vegas Strip resorts was met with a wave of initial customer demand under Gaming Control Board guidelines including testing for all employees, thermal scanners at entrances, masks for employees and increased cleaning and disinfecting procedures throughout the properties. Many properties distributed personal protective equipment, including masks, to guests as well, though mask wearing remained sporadic, prompting the Gaming Control Board to revise rules and require masks for anyone at a table game that was not equipped with partitions.

Although the first week of resort reopenings was met with enthusiastic

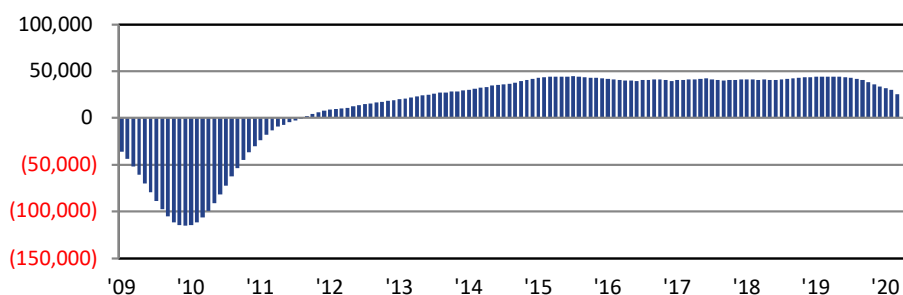
crowds, expectations should remain tempered. In one early indication of activity, Caesars Entertainment reported that revenue at its five reopened Nevada resorts was between 56 percent and 58 percent lower compared to the same period a year ago. Overall, gaming operators appear optimistic as additional resort reopenings have already been announced, though the Caesars report serves as a reminder that a recovery to pre-COVID-19 levels may take an extended period of time.

Nevada's gradual economic reopening that began in early May 2020 had a positive effect on the state's employment picture. Initially, unemployment claims filed by newly jobless workers declined throughout the month, reaching 11,300 claims for the last week of the month, the lowest one-week total since mid-March. Continued unemployment claims, a measure of ongoing joblessness, peaked in mid-May at 369,000 and has since declined to 305,900 a month later, indicating people transitioning from unemployment to work.

The national and statewide employment situations each benefited from business reopenings in May 2020. The United States

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NEVADA EMPLOYMENT GROWTH
TRAILING 12-MONTH AVERAGES



Economic Briefing

JUNE 2020

ISSUE SIX | VOLUME FOURTEEN

MONTHLY Employment Indicators

Nevada Employment		May-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,173,900	1,138,100	1,423,100
GROWTH RATE	3.1% ▲	-17.5% ▼

Nevada Private Average Weekly Hours Worked		May-20
Current Period	Prev. Period	Same Period Prev. Yr.
34.3	33.9	34.7
GROWTH RATE	1.2% ▲	-1.2% ▼

Nevada Unemployment Rate		May-20
Current Period	Prev. Period	Same Period Prev. Yr.
25.3%	30.1%	4.0%
GROWTH RATE	-4.8% ▼	21.3% ▲

TRAILING 12-MONTH Employment Indicators

Nevada Employment ⁽¹⁾		May-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,376,350	1,397,117	1,401,617
GROWTH RATE	-1.5% ▼	-1.8% ▼

Nevada Private Average Weekly Hours Worked ⁽¹⁾		May-20
Current Period	Prev. Period	Same Period Prev. Yr.
34.3	34.4	34.5
GROWTH RATE	-0.1% ▼	-0.3% ▼

Nevada Unemployment Rate ⁽¹⁾		May-20
Current Period	Prev. Period	Same Period Prev. Yr.
8.0%	6.2%	4.2%
GROWTH RATE	1.8% ▲	3.8% ▲

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

MONTHLY & QUARTERLY
Economic Indicator Series

Nevada Initial Unemployment Insurance Claims

May-20

Current Period	Prev. Period	Same Period Prev. Yr.
74,469	207,147	9,432
GROWTH RATE	-64.1% ▼	689.5% ▲

Nevada Residential Housing Units Permitted

Apr-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,032	1,712	1,310
GROWTH RATE	-39.7% ▼	-21.2% ▼

Nevada Taxable Retail Sales

Mar-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$4,531,155,838	\$4,786,059,766	\$5,628,409,110
GROWTH RATE	-5.3% ▼	-19.5% ▼

Nevada Gross Gaming Revenue

Apr-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$3,646,658	\$618,129,278	\$936,465,930
GROWTH RATE	-99.4% ▼	-99.6% ▼

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Apr-20

Current Period	Prev. Period	Same Period Prev. Yr.
169,981	2,259,189	4,614,612
GROWTH RATE	-92.5% ▼	-96.3% ▼

Clark/Washoe County Visitor Volume

Apr-20

Current Period	Prev. Period	Same Period Prev. Yr.
169,750	1,828,981	4,155,974
GROWTH RATE	-90.7% ▼	-95.9% ▼

Nevada New Business Creation

Q4 '19

Current Period	Prev. Period	Same Period Prev. Yr.
1,247	1,584	1,597
GROWTH RATE	-21.3% ▼	-21.9% ▼

Nevada Housing Price Index

(Q1 1991 = 100)

Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
281.6	274.9	270.7
GROWTH RATE	2.4% ▲	4.1% ▲

Clark County Office Market

Vacancy Rate

Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
14.4%	14.4%	15.5%
GROWTH RATE	0.0% ◀	-1.1% ▼

Nevada Hotel/Motel Occupancy

Q4 '19

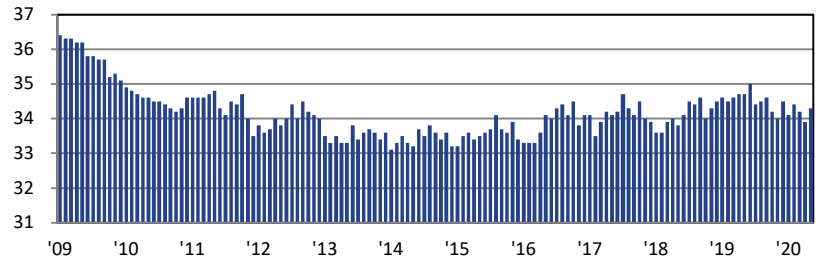
Current Period	Prev. Period	Same Period Prev. Yr.
81.3%	85.0%	80.2%
GROWTH RATE	-3.7% ▼	1.1% ▲

State of Nevada Personal Income

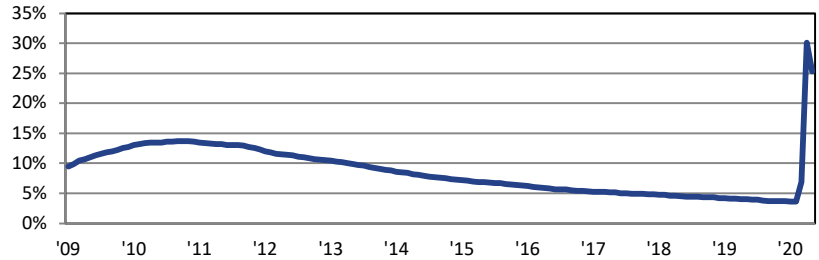
Q4 '19

Current Period	Prev. Period	Same Period Prev. Yr.
\$39,767,775,000	\$39,366,550,000	\$38,135,875,000
GROWTH RATE	1.0% ▲	4.3% ▲

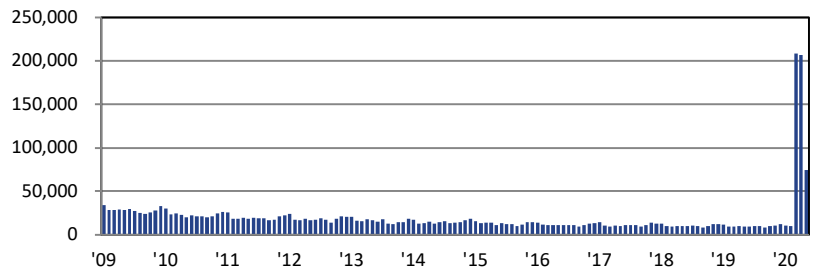
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



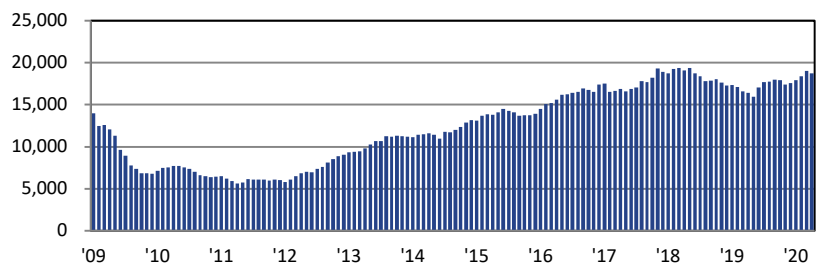
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



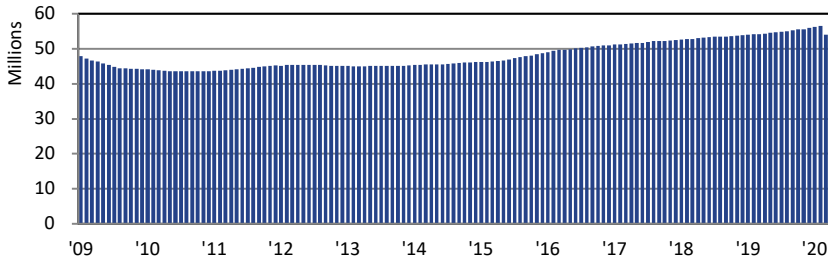
NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES



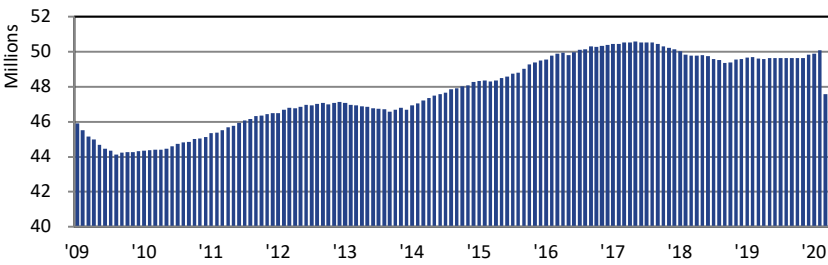
NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



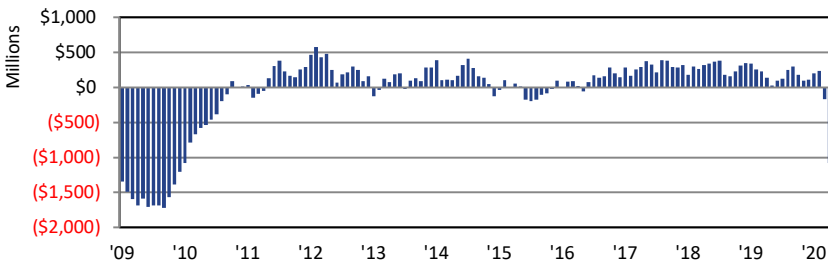
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS
TRAILING 12-MONTH TOTALS



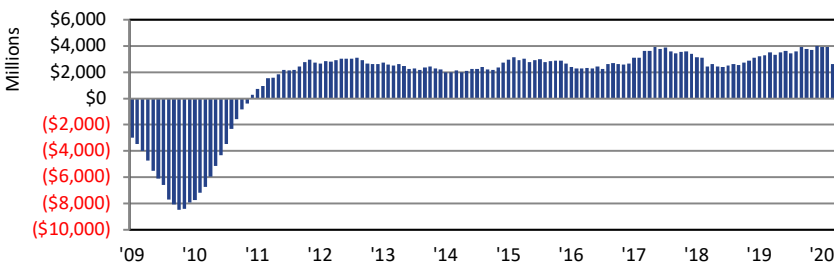
CLARK/WASHOE COUNTY VISITOR VOLUME
TRAILING 12-MONTH TOTALS



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 ⁽²⁾

		May-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
580,499	515,462		121,793
GROWTH RATE	12.6% ▲		376.6% ▲

Nevada Residential Housing Units Permitted ⁽²⁾

		Apr-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
18,766	19,044		16,406
GROWTH RATE	-1.5% ▼		14.4% ▲

Nevada Taxable Retail Sales ⁽²⁾

		Mar-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$64,239,490,104	\$65,336,743,376		\$61,627,020,944
GROWTH RATE	-1.7% ▼		4.2% ▲

Nevada Gross Gaming Revenue ⁽²⁾

		Apr-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$10,778,044,515	\$11,710,863,788		\$11,861,928,585
GROWTH RATE	-8.0% ▼		-9.1% ▼

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers ⁽²⁾

		Apr-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
49,549,083	53,993,714		54,378,151
GROWTH RATE	-8.2% ▼		-8.9% ▼

Clark/Washoe County Visitor Volume ⁽²⁾

		Apr-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
43,584,249	47,570,473		49,581,285
GROWTH RATE	-8.4% ▼		-12.1% ▼

Nevada New Business Creation ⁽²⁾

		Q4 '19	
Current Period	Prev. Period	Same Period	Prev. Yr.
2,394	2,744		2,128
GROWTH RATE	-12.8% ▼		12.5% ▲

Nevada Housing Price Index ⁽¹⁾

		Q1 '20	
<i>(Q1 1991 = 100)</i>			
Current Period	Prev. Period	Same Period	Prev. Yr.
276.1	273.4		262.6
GROWTH RATE	1.0% ▲		5.1% ▲

Clark County Office Market Vacancy Rate ⁽¹⁾

		Q1 '20	
Current Period	Prev. Period	Same Period	Prev. Yr.
14.8%	15.1%		16.1%
GROWTH RATE	-0.3% ▼		-1.3% ▼

Nevada Hotel/Motel Occupancy ⁽¹⁾

		Q4 '19	
Current Period	Prev. Period	Same Period	Prev. Yr.
83.3%	83.0%		83.1%
GROWTH RATE	0.3% ▲		0.2% ▲

State of Nevada Personal Income ⁽²⁾

		Q4 '19	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$159,071,100,000	\$157,466,200,000		\$152,543,500,000
GROWTH RATE	1.0% ▲		4.3% ▲

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

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unemployment rate dipped from 14.7 percent to 13.3 percent as the nation added 2.5 million jobs, with the leisure and hospitality sector accounting for about half of those gains by adding 1.2 million jobs. In April 2020, Nevada recorded the highest unemployment rate in the nation of 30.1 percent. In May 2020, the state regained 35,800 jobs, pushing the unemployment rate down to 25.2 percent. However, statewide employment remained 243,800 jobs below February 2020 levels.

Federal stimulus funding through a variety of programs to support businesses and individuals has helped boost short-term incomes for households throughout the nation and blunt some of the financial hardships created by the economic crisis. However, state and local government budgets face significant shortfalls from the loss of tax revenues during the extended shutdown period. Public agencies throughout Nevada have announced layoffs, furloughs, pay cuts, delayed capital investments and other strategies to help close the funding gap through the next fiscal year. At the state level, Governor Sisolak is expected to call a special session to address significant funding shortfalls of more than \$800 million for the fiscal year ending June 30 and \$1.3 billion for the next fiscal year.

The future of Nevada’s economy and the budgets of public and private entities alike will depend on how quickly economic activity can recover. While the COVID-19 virus remains active and will likely impact the economy for the foreseeable future, the first month of broader business reopenings and the return of resorts and casinos provided a major step toward returning people to work and regaining the state’s economic footing.

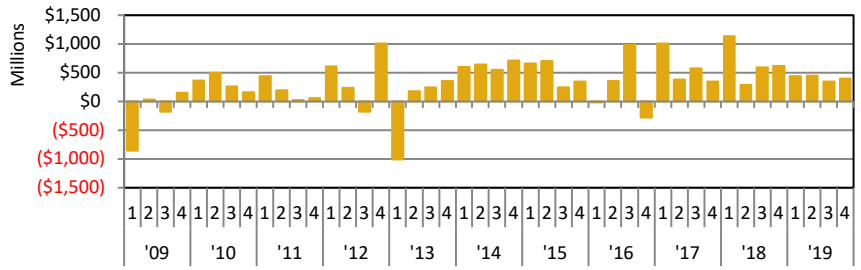
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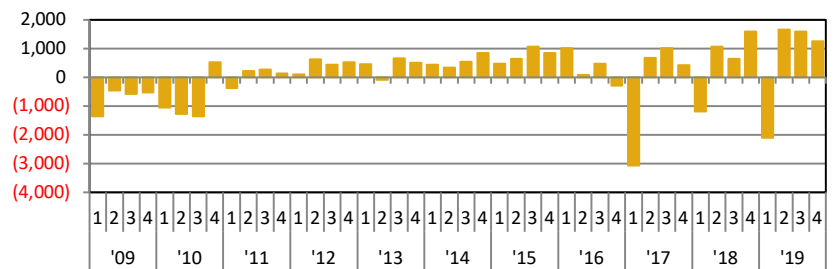
appliedanalysis.com

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.

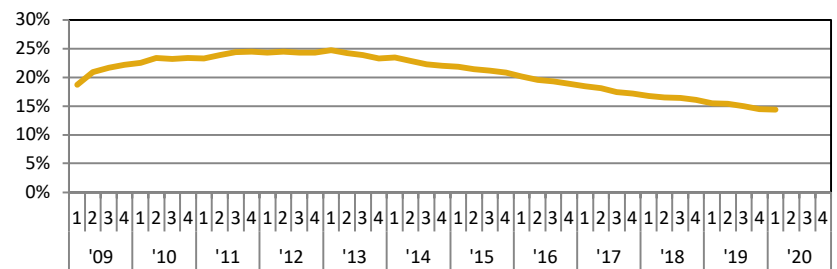
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



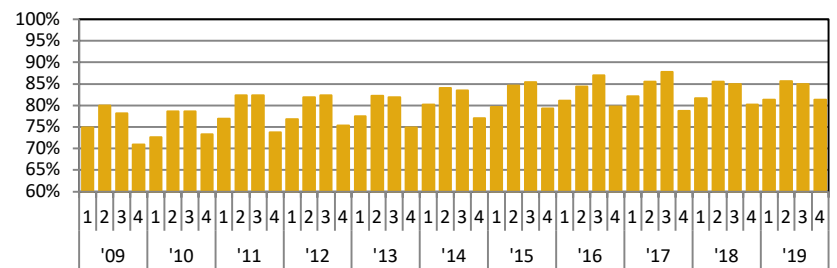
NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES



NEVADA STATE BANK
THE DOOR TO YOUR FUTURE