



Nevada showed resilience over the last month as it continued its economic rebound despite this year's significant hurdles. As the state works to contain the spread of COVID-19, adjustments have been made to the comprehensive plan guiding re-openings. New policies released over the last month include criteria for venue seating arrangements and guidelines for participation in sports. Additionally, the statewide moratorium on evictions that was extended in August expired on the 15th of October. While evictions unrelated to non-payment of rent are allowed, protections and resources remain available for struggling tenants at the federal level through the Center for Disease Control. With much uncertainty surrounding the economy, the final quarter of the year will be a strong indication of performance in the upcoming year.

Economic Briefing

OCTOBER 2020

ISSUE TEN | VOLUME FOURTEEN

The state continued to add jobs to the workforce moving into September. The statewide seasonally adjusted unemployment rate fell to 12.6 percent from 13.3 percent in August when it was leading the country. While the gains since the bottom of the cycle in April 2020 have been impressive, the overall pace of improvement has slowed. Greater progress is still needed on this front, as unemployment remains 8.8 percent higher than the same period in 2019 and 4.7 percent above the current national level. Nevada has recovered over half of the 280,000 jobs lost from February to April of this year, adding back 164,000 jobs from May through September. Nationally, unemployment insurance claims rose to their highest level in two months, while in Nevada they are down almost a third from the previous month. This is a good sign for the state but a clear indication that layoffs remain an obstacle for the U.S. during the pandemic.

Policymakers and businessowners alike are trading carefully regarding how to best navigate safe operations amid the health crisis. The joint efforts of these two groups and their continued collaboration will undoubtedly affect Nevada's future economic success. A recent report from the Nevada Division of Industrial Relations found that 95 percent of businesses statewide are in compliance with new required health and safety measures. Northern Nevada led this directive adherence with 97 percent overall compliance, four percent higher than Southern Nevada. Among the business types least compliant were bars at 83 percent and general retail stores at 67 percent. Both medical and financial offices received the best scores with 100 percent compliance.

Much like employment numbers, visitor volume followed a gradual increase over the latest period, as the number of visitors coming to Nevada grew to 1.8 million. This is 1.3 percent above where it stood in August

MONTHLY

Employment Indicators

Nevada Employment		Sep-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,302,200	1,292,400	1,428,200
GROWTH RATE	0.8% ▲	-8.8% ▼

Nevada Private Average Weekly Hours Worked		Sep-20
Current Period	Prev. Period	Same Period Prev. Yr.
34.6	35.0	34.6
GROWTH RATE	-1.1% ▲	0.0% ◆

Nevada Unemployment Rate		Sep-20
Current Period	Prev. Period	Same Period Prev. Yr.
12.6%	13.3%	3.7%
GROWTH RATE	-0.7% ▼	8.9% ▲

TRAILING 12-MONTH

Employment Indicators

Nevada Employment ⁽¹⁾		Sep-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,331,483	1,341,983	1,412,450
GROWTH RATE	-0.8% ▼	-5.7% ▼

Nevada Private Average Weekly Hours Worked ⁽¹⁾		Sep-20
Current Period	Prev. Period	Same Period Prev. Yr.
34.4	34.4	34.5
GROWTH RATE	0.1% ▲	-0.4% ▼

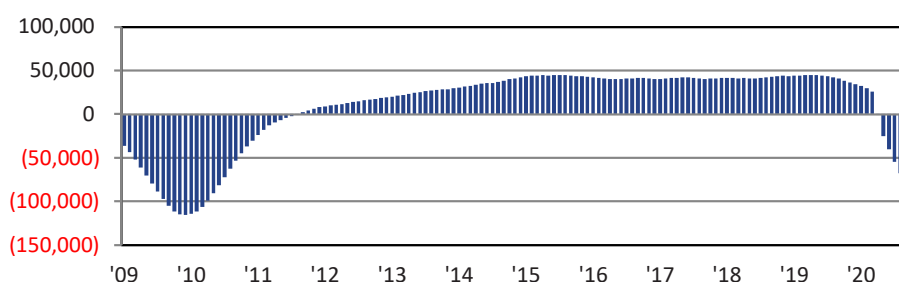
Nevada Unemployment Rate ⁽¹⁾		Sep-20
Current Period	Prev. Period	Same Period Prev. Yr.
11.3%	10.6%	4.0%
GROWTH RATE	0.7% ▲	7.3% ▲

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

Sep-20

Current Period	Prev. Period	Same Period Prev. Yr.
34,370	49,595	8,441
GROWTH RATE	-30.7% ▼	307.2% ▲

Nevada Residential Housing Units Permitted

Aug-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,514	1,962	1,404
GROWTH RATE	-22.8% ▼	7.8% ▲

Nevada Taxable Retail Sales

Jul-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$5,003,435,014	\$5,301,733,779	\$5,232,884,218
GROWTH RATE	-5.6% ▼	-4.4% ▼

Nevada Gross Gaming Revenue

Aug-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$743,038,562	\$756,793,289	\$953,623,896
GROWTH RATE	-1.8% ▼	-22.1% ▼

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Aug-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,921,407	1,764,363	4,863,248
GROWTH RATE	8.9% ▲	-60.5% ▼

Clark/Washoe County Visitor Volume

Aug-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,920,640	1,791,760	4,246,566
GROWTH RATE	7.2% ▲	-54.8% ▼

Nevada New Business Creation

Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
566	1,247	-2,098
GROWTH RATE	-54.6% ▼	-127.0% ▼

Nevada Housing Price Index

(Q1 1991 = 100)

Q2 '20

Current Period	Prev. Period	Same Period Prev. Yr.
283.0	281.8	272.7
GROWTH RATE	0.4% ▲	3.8% ▲

Clark County Office Market Vacancy Rate

Q2 '20

Current Period	Prev. Period	Same Period Prev. Yr.
14.8%	14.4%	15.4%
GROWTH RATE	0.4% ▲	-0.6% ▼

Nevada Hotel/Motel Occupancy

Q2 '20

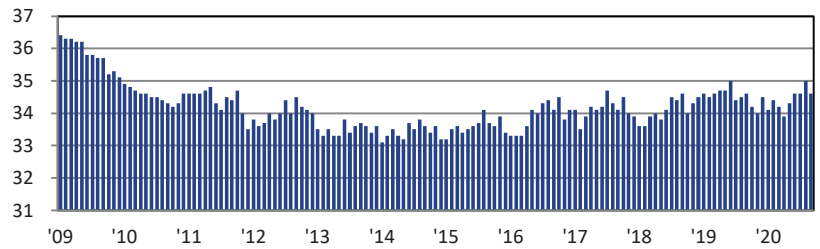
Current Period	Prev. Period	Same Period Prev. Yr.
15.3%	66.8%	85.6%
GROWTH RATE	-51.5% ▼	-70.3% ▼

State of Nevada Personal Income

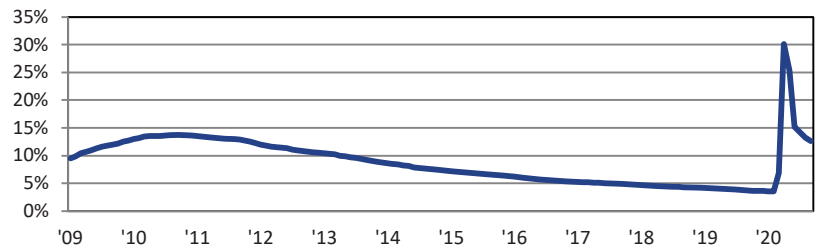
Q2 '20

Current Period	Prev. Period	Same Period Prev. Yr.
\$45,333,400,000	\$40,505,850,000	\$39,219,425,000
GROWTH RATE	11.9% ▲	15.6% ▲

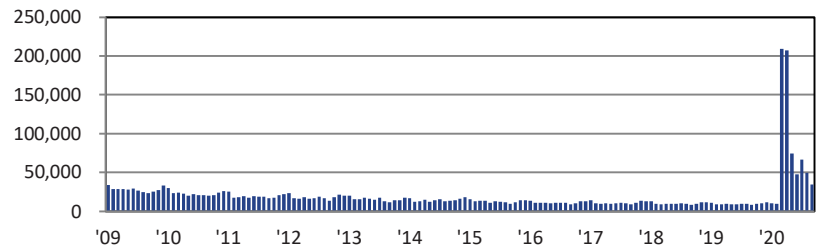
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



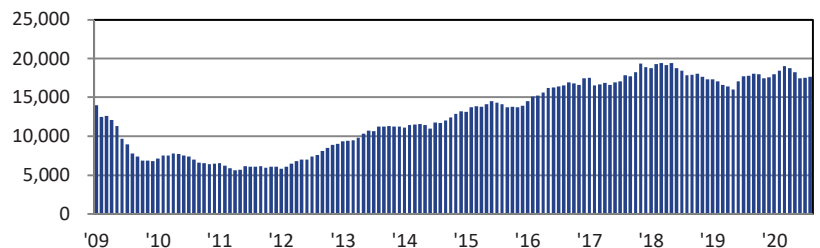
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



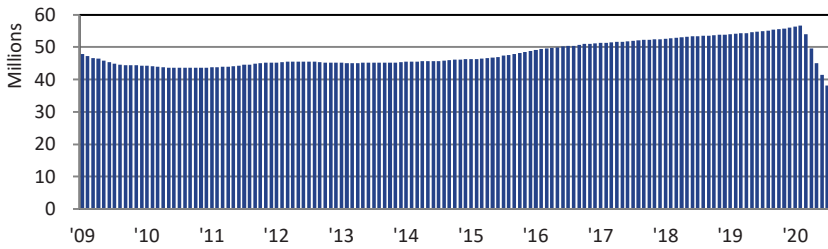
NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES



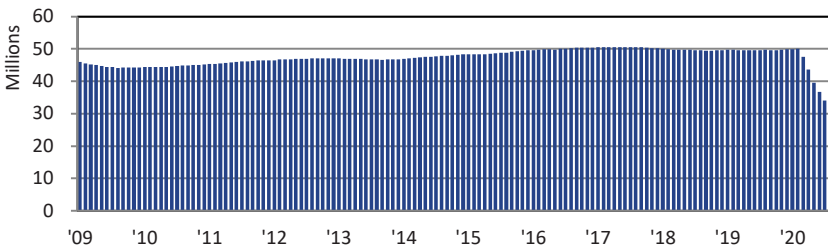
NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



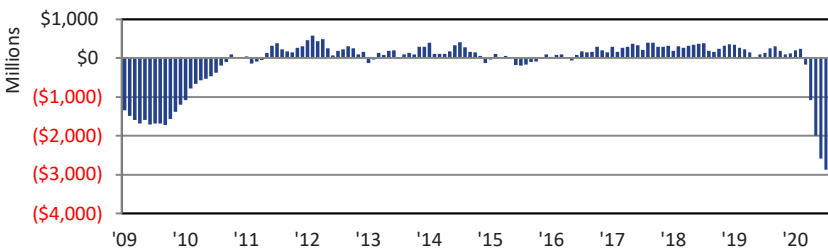
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS
TRAILING 12-MONTH TOTALS



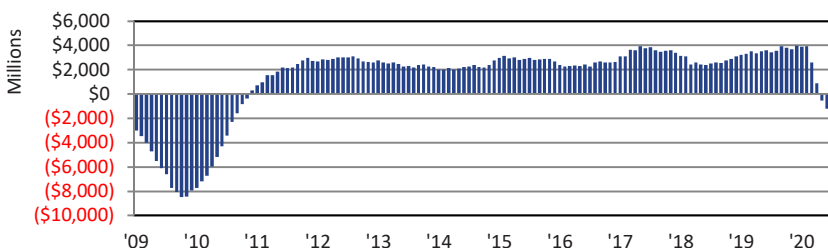
CLARK/WASHOE COUNTY VISITOR VOLUME
TRAILING 12-MONTH TOTALS



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⁾

		Sep-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
741,567	715,638	120,825	
GROWTH RATE	3.6% ▲	513.8% ▲	

Nevada Residential Housing Units Permitted ⁽²⁾

		Aug-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
17,629	17,519	17,747	
GROWTH RATE	0.6% ▲	-0.7% ▼	

Nevada Taxable Retail Sales ⁽²⁾

		Jul-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$61,136,234,486	\$61,365,683,690	\$62,746,042,814	
GROWTH RATE	-0.4% ▼	-2.6% ▼	

Nevada Gross Gaming Revenue ⁽²⁾

		Aug-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$8,849,641,524	\$9,060,226,858	\$11,978,336,910	
GROWTH RATE	-2.3% ▼	-26.1% ▼	

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

		Aug-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
35,234,217	38,176,058	54,975,885	
GROWTH RATE	-7.7% ▼	-35.9% ▼	

Clark/Washoe County Visitor Volume ⁽²⁾

		Aug-20	
Current Period	Prev. Period	Same Period	Prev. Yr.
31,770,694	34,096,620	49,644,794	
GROWTH RATE	-6.8% ▼	-36.0% ▼	

Nevada New Business Creation ⁽²⁾

		Q1 '20	
Current Period	Prev. Period	Same Period	Prev. Yr.
5,058	2,394	1,213	
GROWTH RATE	111.3% ▲	317.0% ▲	

Nevada Housing Price Index ⁽¹⁾

		Q2 '20	
<i>(Q1 1991 = 100)</i>			
Current Period	Prev. Period	Same Period	Prev. Yr.
278.5	276.0	266.9	
GROWTH RATE	0.9% ▲	4.4% ▲	

Clark County Office Market Vacancy Rate ⁽¹⁾

		Q2 '20	
Current Period	Prev. Period	Same Period	Prev. Yr.
14.7%	14.8%	15.9%	
GROWTH RATE	-0.1% ▼	-1.2% ▼	

Nevada Hotel/Motel Occupancy ⁽¹⁾

		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 ⁽²⁾

		Q2 '20	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$181,333,600,000	\$162,023,400,000	\$156,877,700,000	
GROWTH RATE	11.9% ▲	15.6% ▲	

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

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but 57 percent below the same period last year. Moreover, the size and timing of a potential new round of federal stimulus remains somewhat uncertain at this time. With the future of spending in Nevada still ambiguous, the impacts on tourism will be a major factor in this recovery. Despite the economic uncertainty, a number of large-scale projects continue to move toward completion. The assets will provide infrastructure for the recovered economy. The new Circa property in Downtown Las Vegas opens its doors at the end of this month and construction of Resorts World Las Vegas is expected to complete next summer.

In addition to casino-based investments, Southern Nevada has also been the subject of recent attention from the world of sports. In an announcement this month, Las Vegas was selected to host the NCAA Regional Basketball tournament in 2023 following amendments to previous rules that prohibited hosting the competition in states that allowed sports wagering. Additionally, the newly opened Allegiant Stadium was awarded the 2022 Pro-Bowl, following the 2021 delay, and is currently involved in discussions as a potential Super Bowl site in the future. Properties on the Las Vegas Strip are also making significant progress with on-site rapid result coronavirus testing that will assist the state in managing public health and the reopening of entertainment venues. These types of recent developments will undoubtedly help reassure travelers that Las Vegas is a fun but safe destination.

Prepared by:

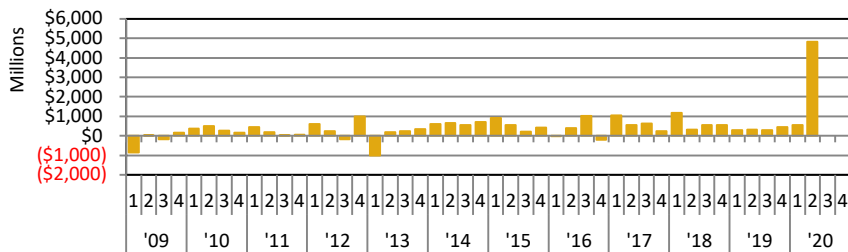


appliedanalysis.com

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.

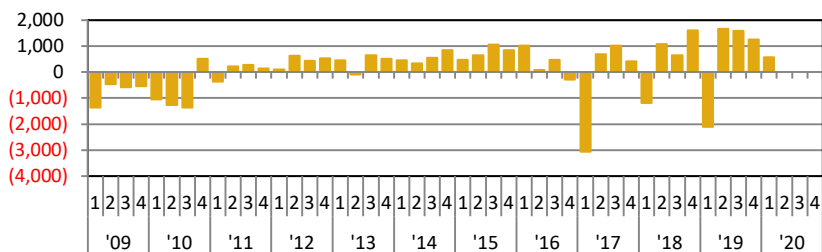
NEVADA PERSONAL INCOME GROWTH

QUARTER-OVER-QUARTER



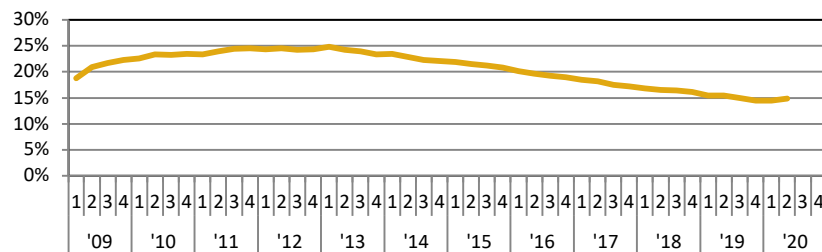
NEVADA NEW BUSINESS CREATION

QUARTER-OVER-QUARTER



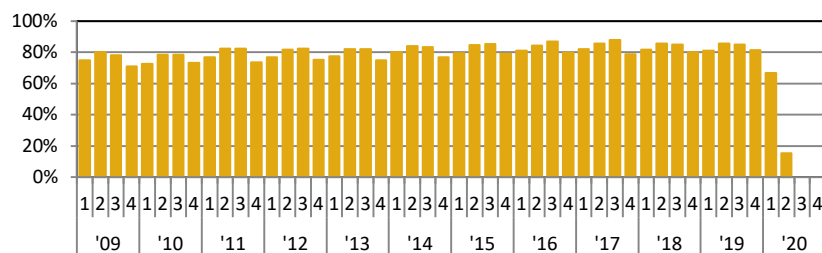
LAS VEGAS OFFICE MARKET VACANCY RATE

QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY

QUARTERLY SERIES



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