



Governor Sisolak announced a 45-day extension of the residential eviction moratorium at the end of August amid the COVID-19 public health crisis. This directive extends the moratorium on residential evictions based on nonpayment of rent to provide for greater housing stability. Policymakers hope this will allow Nevadans to remain in their homes as the community continues to fight and recover from both the health and economic ramifications brought on by COVID-19. The directive seeks to maintain public safety during the pandemic as Nevada transitions to programs that protect landlords and tenants. The directive, however, does not change any tenant's obligation to pay rent.

Economic Briefing

SEPTEMBER 2020

ISSUE NINE | VOLUME FOURTEEN

According to the Census Pulse Household Survey's most recent results, approximately 11.7 percent of people across the U.S. have not paid their mortgage or rent for the month of July. In Nevada, approximately 15.3 percent of people indicated they had not paid their mortgage or rent for the past month. Although this may improve as unemployment declines, 9.2 percent of Nevadans have little to no confidence that their household can pay next month's mortgage or rent on time, differing from the national average of 7.2 percent. Even with Governor Sisolak's eviction moratorium extension, 27 percent of adults in the state are living in households where eviction or foreclosure in the next two months is somewhat or very likely. This is better than the national percentage of adults at 33.4 percent, but it is still a growing concern within our communities.

Despite the economic uncertainty, the state's housing market showed improvement over the latest period. Sales activity increased noticeably in July as existing home closings grew in Southern Nevada by 34.8 percent, exceeding 4,000 for the first time this year. This was also reflected in the MLS inventory, which fell by 29.2 percent in the same period. Statewide, single family residential units permitted were 47.0 percent higher than the previous month while multi-family units permitted grew 13.3 percent over the same period.

The labor market expanded modestly as business operations continued to normalize moving into September. The statewide seasonally adjusted unemployment rate fell from 14.0 percent in July to 13.2 percent in August. This decline brings the overall rate below its highest point experienced during the last recession when it peaked at 13.7

MONTHLY

Employment Indicators

Nevada Employment		Aug-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,289,000	1,278,100	1,412,100
GROWTH RATE	0.9% ▲	-8.7% ▼

Nevada Private Average Weekly Hours Worked		Aug-20
Current Period	Prev. Period	Same Period Prev. Yr.
35.1	34.6	34.5
GROWTH RATE	1.4% ▲	1.7% ▲

Nevada Unemployment Rate		Aug-20
Current Period	Prev. Period	Same Period Prev. Yr.
13.2%	14.2%	3.8%
GROWTH RATE	-1.0% ▼	9.4% ▲

TRAILING 12-MONTH

Employment Indicators

Nevada Employment ⁽¹⁾		Aug-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,341,700	1,352,708	1,409,975
GROWTH RATE	-0.8% ▼	-4.8% ▼

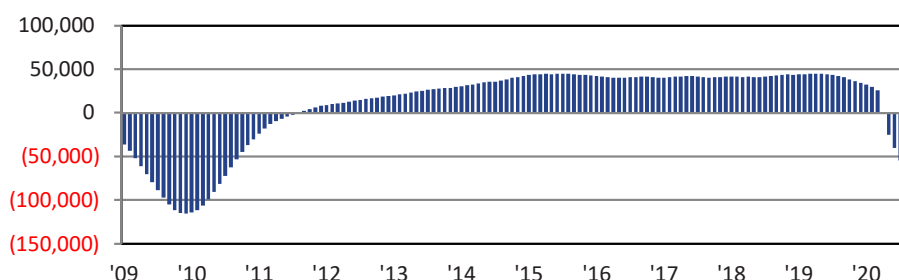
Nevada Private Average Weekly Hours Worked ⁽¹⁾		Aug-20
Current Period	Prev. Period	Same Period Prev. Yr.
34.4	34.3	34.5
GROWTH RATE	0.1% ▲	-0.5% ▼

Nevada Unemployment Rate ⁽¹⁾		Aug-20
Current Period	Prev. Period	Same Period Prev. Yr.
10.6%	9.8%	4.1%
GROWTH RATE	0.8% ▲	6.4% ▲

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

Aug-20

Current Period	Prev. Period	Same Period Prev. Yr.
49,595	66,698	9,685
GROWTH RATE	-25.6% ▼	412.1% ▲

Nevada Residential Housing Units Permitted

Jul-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,962	1,437	1,865
GROWTH RATE	36.5% ▲	5.2% ▲

Nevada Taxable Retail Sales

Jun-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$5,301,733,779	\$4,404,511,559	\$5,637,972,387
GROWTH RATE	20.4% ▲	-6.0% ▼

Nevada Gross Gaming Revenue

Jul-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$756,793,269	\$566,822,673	\$1,024,925,615
GROWTH RATE	33.5% ▲	-26.2% ▼

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Jul-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,764,363	1,140,442	4,939,286
GROWTH RATE	54.7% ▲	-64.3% ▼

Clark/Washoe County Visitor Volume

Jul-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,799,001	1,442,187	4,377,438
GROWTH RATE	24.7% ▲	-58.9% ▼

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

Q1 '20

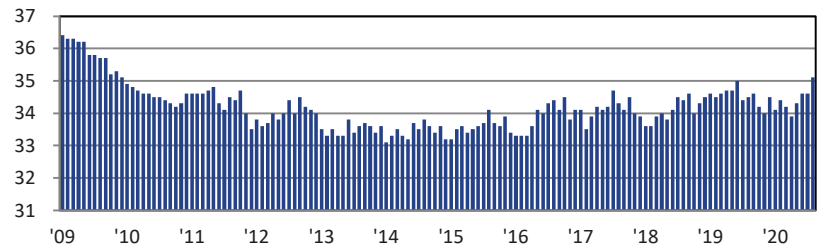
Current Period	Prev. Period	Same Period Prev. Yr.
66.8%	81.3%	81.2%
GROWTH RATE	-14.5% ▼	-14.4% ▼

State of Nevada Personal Income

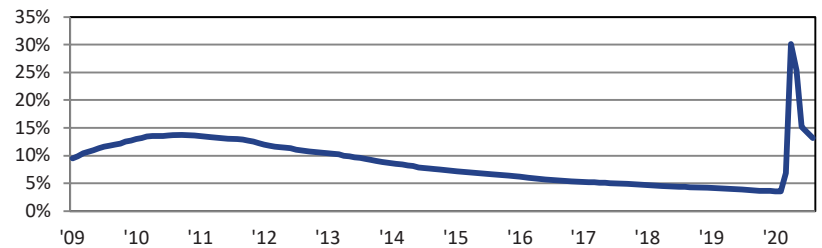
Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
\$39,969,400,000	\$39,871,525,000	\$38,571,575,000
GROWTH RATE	0.2% ▲	3.6% ▲

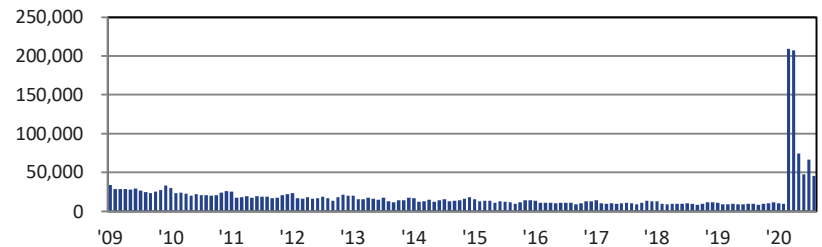
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



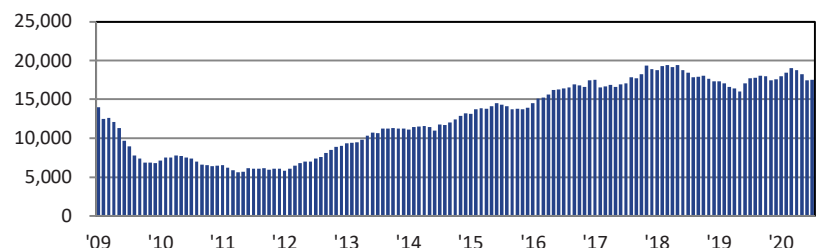
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES

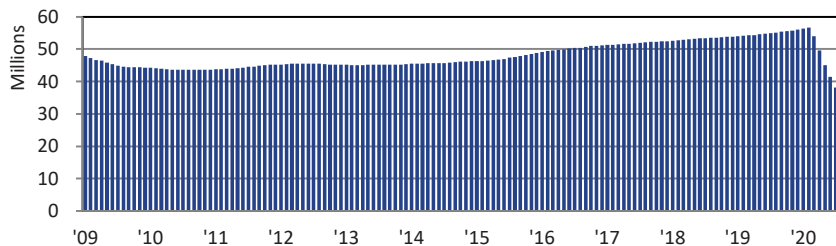


NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



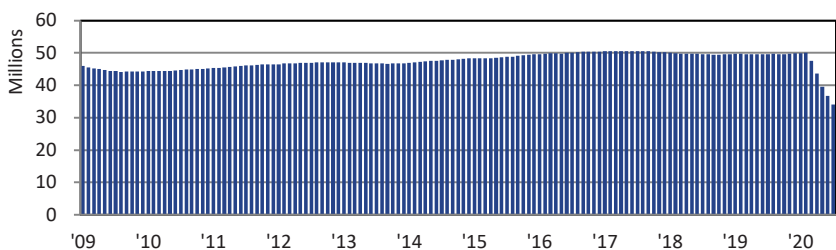
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS

TRAILING 12-MONTH TOTALS



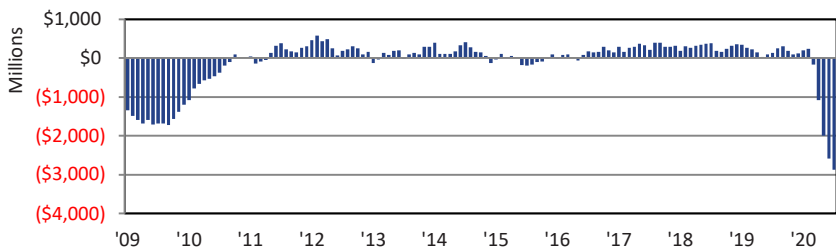
CLARK/WASHOE COUNTY VISITOR VOLUME

TRAILING 12-MONTH TOTALS



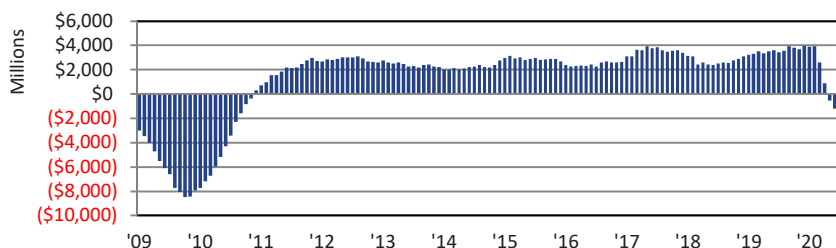
GROWTH IN NEVADA GROSS GAMING REVENUE

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⁾ Aug-20

Current Period	Prev. Period	Same Period Prev. Yr.
711,638	675,728	120,673
GROWTH RATE	5.3% ▲	489.7% ▲

Nevada Residential Housing

Units Permitted ⁽²⁾ Jul-20

Current Period	Prev. Period	Same Period Prev. Yr.
17,519	17,422	17,695
GROWTH RATE	0.6% ▲	-1.0% ▼

Nevada Taxable Retail Sales ⁽²⁾ Jun-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$61,365,683,690	\$61,701,922,298	\$62,561,025,875
GROWTH RATE	-0.5% ▼	-1.9% ▼

Nevada Gross Gaming Revenue ⁽²⁾ Jul-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$9,060,138,532	\$9,328,270,878	\$11,937,826,688
GROWTH RATE	-2.9% ▼	-24.1% ▼

Las Vegas/Reno-Tahoe

Enplaned and Deplaned Passengers ⁽²⁾ Jul-20

Current Period	Prev. Period	Same Period Prev. Yr.
38,176,058	41,350,981	54,815,751
GROWTH RATE	-7.7% ▼	-30.4% ▼

Clark/Washoe County Visitor Volume ⁽²⁾ Jul-20

Current Period	Prev. Period	Same Period Prev. Yr.
34,103,904	36,682,341	49,626,577
GROWTH RATE	-7.0% ▼	-31.3% ▼

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⁾

(Q1 1991 = 100) Q2 '20

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⁾ Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
79.7%	83.3%	83.0%
GROWTH RATE	-3.6% ▼	-3.3% ▼

State of Nevada Personal Income ⁽²⁾ Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
\$159,877,600,000	\$159,486,100,000	\$154,286,300,000
GROWTH RATE	0.2% ▲	3.6% ▲

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

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percent. This improvement is the result of 6,500 newly added jobs, 4,500 of which were sourced to the trade, transportation and utilities sector. August marks the fourth straight month that jobs have been added to the Nevada economy. Despite this, the unemployment rate remains nearly 5 percentage points higher than the current national average and 9.4 percentage points higher than it stood in August 2019.

Nevada’s historical reliance on tourism will ensure that recent market shocks have lasting effects. Gaming revenue is coming off the floor following mandatory closures through June 3. Even with these recent gains, gaming revenue remains 26.2 percent below its 2019 level. Statewide visitor volume similarly grew by 24.7 percent in July from June, exceeding 1.7 million visitors. Though a notable improvement, this is 58.9 percent lower than July 2019 as visitation was regularly above 4 million in the months preceding the public health crisis. With hotel occupancy down to just 42.5 percent in Southern Nevada during July, less than half the 91.1 percent rate measured in July 2019, it will be critical to remember that recovery will largely be a function of science. The health crisis and related response have resulted in an economic crisis, particularly in the travel and tourism industries. The recovery timeline for resort operations is likely to be measured in years and not months.

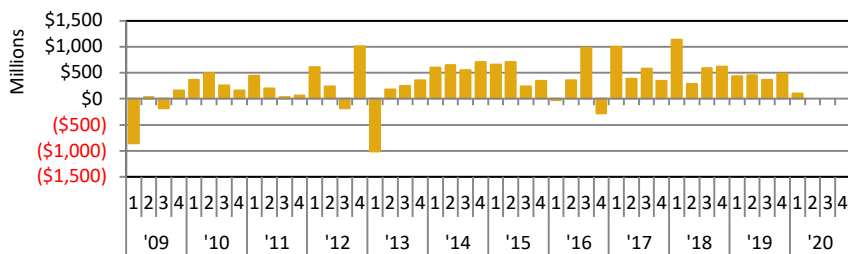
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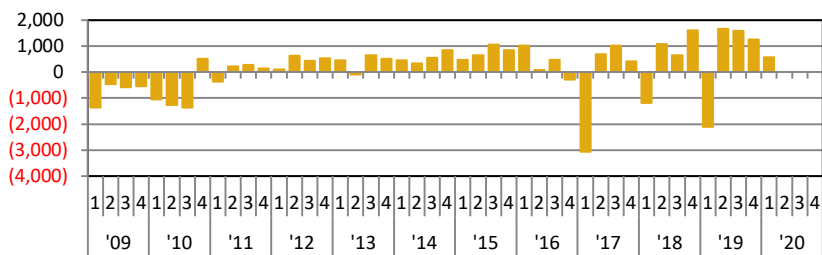
appliedanalysis.com

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.

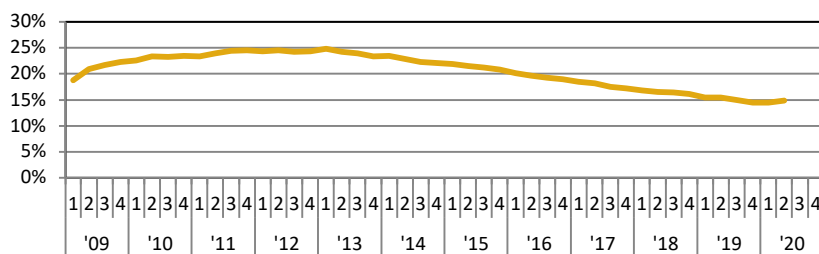
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES

