The “first” estimate of U.S. real gross domestic product (GDP) for the third quarter of 2018 increased at an annual rate of 3.5 percent, a 0.7 percentage point drop from the “final” estimate of the second quarter, yet a faster-than-expected growth rate for the third quarter. Overall, positive contributions from personal consumption spending, private inventory investment, government spending, and nonresidential fixed investment cause the growth of real GDP. Downturns in net exports and residential fixed investment, however, partly offset these positive effects. U.S. nonfarm employment added 250,000 jobs in October, well ahead the estimates, and higher-than the average monthly gain over the previous 12 months. Mainly, jobs were created in health care, manufacturing, construction, transport and warehousing employment sectors. The unemployment rate remained unchanged from the previous month at 3.7 percent, the lowest level since 1969. Average hourly earnings growth increased in October, 3.1 percent, year-over-year, achieving the record highest after the Great Recession. Retail sales in September continued its robust gain, up by 4.7 percent from last year. Housing starts continued to grow in September, at 3.7 percent year-over-year. The Federal Reserve will continue to raise the interest rates given the strong performance of the economy.

The Nevada economy showed positive economic activity based on the most recent data. Seasonally adjusted statewide employment gained 2,800 jobs in September. The unemployment rate of 4.5 percent did not change from August, the lowest level since the Great Recession. September gaming revenue rose by 1.2 percent year-over-year, August taxable sales soared by 5.3 percent from a year ago, while gasoline sales (in gallons) climbed by 1.1 percent over the same period. Nevada air passengers, however, experienced a slight loss of 0.2 percent year-over-year.

Clark County exhibited mixed signals in its economic activity. Seasonally adjusted employment gained 3,700 jobs in September. Revised July and August estimates, added 1,700 jobs in August, overturning a previously estimated job loss. The unemployment rate, however, rose to 4.7 percent. September visitor volume in Clark County dropped, falling by 3.4 percent year-over-year, while Las Vegas hotel and motel occupancy rate declined by 3.7 percent year-over-year. Revenue per available room for Las Vegas, however, climbed by 2.0 percent year-over-year. Gross gaming revenue in September gained slightly, 1.4 percent compared to a year ago. The slow growth reflects the weighty drop of Baccarat gaming revenue of 27.8 percent year-over-year. Total McCarran Airport passengers slightly fell by 0.3 percent year-over-year. August taxable sales posted a strong year-over-year growth of 6.4 percent, while gasoline sales rose by 1.8 percent from the last year. Residential housing permits/ units in September continued yearly losses for the fourth consecutive month, down by 9.1 percent compared to a year ago.

Washoe County also posted generally mixed economic signals. The Reno-Sparks seasonally adjusted employment added 300 jobs from August to September, up by 4.0 percent year-over-year. The unemployment rate, however, remained at 3.9 percent, falling by 0.2 percent, year-over-year. August taxable sales for Washoe and Storey Counties lost 6.0 percent from last year due to the weak performance of Washoe County. September visitor volume fell by 6.1 percent year-over-year, while gross gaming revenue decreased by 1.4 percent during the same period. Total airport passengers exceeded the level from last year by 5.2 percent. Residential housing permits in September showed a year-over-year gain of 56.3 percent.
## BUSINESS CONDITIONS
For the State of Nevada

<table>
<thead>
<tr>
<th>Nevada</th>
<th>Date</th>
<th>Units</th>
<th>Latest</th>
<th>Previous</th>
<th>Year Ago</th>
<th>Recent</th>
<th>Year Ago</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>2018M09</td>
<td>000s, SA</td>
<td>1394.1</td>
<td>1391.3</td>
<td>1350.6</td>
<td>0.2%</td>
<td>3.2%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Unemployment Rate*</td>
<td>2018M09</td>
<td>%, Smoothed SA</td>
<td>4.5</td>
<td>4.5</td>
<td>4.9</td>
<td>0.0%</td>
<td>-0.4%</td>
<td>Down From Year Ago</td>
</tr>
<tr>
<td>Taxable Sales</td>
<td>2018M08</td>
<td>$billion</td>
<td>5.028</td>
<td>5.048</td>
<td>4.774</td>
<td>-0.4%</td>
<td>5.3%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Gaming Revenue</td>
<td>2018M09</td>
<td>$million</td>
<td>991.22</td>
<td>912.98</td>
<td>979.86</td>
<td>8.6%</td>
<td>1.2%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Air Passengers</td>
<td>2018M09</td>
<td>million persons</td>
<td>4.445</td>
<td>4.736</td>
<td>4.452</td>
<td>-6.1%</td>
<td>-0.2%</td>
<td>Down From Year Ago</td>
</tr>
<tr>
<td>Gasoline Sales</td>
<td>2018M08</td>
<td>million gallons</td>
<td>112.62</td>
<td>109.42</td>
<td>111.38</td>
<td>2.9%</td>
<td>1.1%</td>
<td>Up Over Year Ago</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Clark County</th>
<th>Date</th>
<th>Units</th>
<th>Latest</th>
<th>Previous</th>
<th>Year Ago</th>
<th>Recent</th>
<th>Year Ago</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>2018M09</td>
<td>000s, SA</td>
<td>1017.4</td>
<td>1013.7</td>
<td>983.2</td>
<td>0.4%</td>
<td>3.5%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Unemployment Rate*</td>
<td>2018M09</td>
<td>%, Smoothed SA</td>
<td>4.7</td>
<td>4.5</td>
<td>5.2</td>
<td>0.2%</td>
<td>-0.5%</td>
<td>Reduced</td>
</tr>
<tr>
<td>Taxable Sales</td>
<td>2018M08</td>
<td>$billion</td>
<td>3.601</td>
<td>3.635</td>
<td>3.384</td>
<td>-0.9%</td>
<td>6.4%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Gaming Revenue</td>
<td>2018M09</td>
<td>$million</td>
<td>843.44</td>
<td>756.10</td>
<td>831.71</td>
<td>11.5%</td>
<td>1.4%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Residential Permits</td>
<td>2018M09</td>
<td>units permitted</td>
<td>656</td>
<td>843</td>
<td>722</td>
<td>-22.2%</td>
<td>-9.1%</td>
<td>Down From Year Ago</td>
</tr>
<tr>
<td>Commercial Permits</td>
<td>2017M11</td>
<td>permits</td>
<td>33</td>
<td>34</td>
<td>41</td>
<td>-2.9%</td>
<td>-19.5%</td>
<td>Low and Volatile</td>
</tr>
<tr>
<td>Air Passengers</td>
<td>2018M09</td>
<td>million persons</td>
<td>4.057</td>
<td>4.306</td>
<td>4.071</td>
<td>-5.8%</td>
<td>-0.3%</td>
<td>Down From Year Ago</td>
</tr>
<tr>
<td>Gasoline Sales</td>
<td>2018M08</td>
<td>million gallons</td>
<td>76.15</td>
<td>73.70</td>
<td>74.84</td>
<td>3.3%</td>
<td>1.8%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Visitor Volume</td>
<td>2018M09</td>
<td>million persons</td>
<td>3.699</td>
<td>3.811</td>
<td>3.829</td>
<td>-2.9%</td>
<td>-3.4%</td>
<td>Down From Year Ago</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Washoe County</th>
<th>Date</th>
<th>Units</th>
<th>Latest</th>
<th>Previous</th>
<th>Year Ago</th>
<th>Recent</th>
<th>Year Ago</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment**</td>
<td>2018M09</td>
<td>000s, SA</td>
<td>242.1</td>
<td>241.8</td>
<td>232.9</td>
<td>0.1%</td>
<td>4.0%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Unemployment Rate*</td>
<td>2018M09</td>
<td>%, Smoothed SA</td>
<td>3.9</td>
<td>3.6</td>
<td>4.1</td>
<td>0.3%</td>
<td>-0.2%</td>
<td>Reduced</td>
</tr>
<tr>
<td>Taxable Sales**</td>
<td>2018M08</td>
<td>$billion</td>
<td>0.801</td>
<td>0.803</td>
<td>0.852</td>
<td>-0.2%</td>
<td>-6.0%</td>
<td>Down From Year Ago</td>
</tr>
<tr>
<td>Gaming Revenue</td>
<td>2018M09</td>
<td>$million</td>
<td>78.92</td>
<td>82.95</td>
<td>80.04</td>
<td>-4.9%</td>
<td>-1.4%</td>
<td>Down From Year Ago</td>
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<tr>
<td>Residential Permits</td>
<td>2018M09</td>
<td>units permitted</td>
<td>400</td>
<td>386</td>
<td>256</td>
<td>3.6%</td>
<td>56.3%</td>
<td>Up Over Year Ago</td>
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<tr>
<td>Commercial Permits</td>
<td>2018M09</td>
<td>permits</td>
<td>36</td>
<td>34</td>
<td>22</td>
<td>5.9%</td>
<td>63.6%</td>
<td>Low and Volatile</td>
</tr>
<tr>
<td>Air Passengers</td>
<td>2018M09</td>
<td>million persons</td>
<td>0.363</td>
<td>0.403</td>
<td>0.345</td>
<td>-9.9%</td>
<td>5.2%</td>
<td>Up Over Year Ago</td>
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<tr>
<td>Gasoline Sales**</td>
<td>2018M08</td>
<td>million gallons</td>
<td>17.15</td>
<td>16.52</td>
<td>16.91</td>
<td>3.8%</td>
<td>1.4%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Visitor Volume</td>
<td>2018M09</td>
<td>million persons</td>
<td>0.463</td>
<td>0.476</td>
<td>0.493</td>
<td>-2.7%</td>
<td>-6.1%</td>
<td>Down From Year Ago</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>United States</th>
<th>Date</th>
<th>Units</th>
<th>Latest</th>
<th>Previous</th>
<th>Year Ago</th>
<th>Recent</th>
<th>Year Ago</th>
<th>Comments</th>
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</thead>
<tbody>
<tr>
<td>Employment</td>
<td>2018M10</td>
<td>million, SA</td>
<td>149.750</td>
<td>149.500</td>
<td>147.234</td>
<td>0.2%</td>
<td>1.7%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Unemployment Rate*</td>
<td>2018M10</td>
<td>%, SA</td>
<td>3.7</td>
<td>3.7</td>
<td>4.1</td>
<td>0.0%</td>
<td>-0.4%</td>
<td>Down From Year Ago</td>
</tr>
<tr>
<td>Consumer Price Index</td>
<td>2018M09</td>
<td>82-84=100, SA</td>
<td>252.0</td>
<td>251.8</td>
<td>246.4</td>
<td>0.1%</td>
<td>2.3%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Core CPI</td>
<td>2018M09</td>
<td>82-84=100, SA</td>
<td>258.4</td>
<td>258.1</td>
<td>252.9</td>
<td>0.1%</td>
<td>2.2%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Employment Cost Index</td>
<td>2018Q3</td>
<td>05.12=100, SA</td>
<td>133.9</td>
<td>132.8</td>
<td>130.0</td>
<td>0.8%</td>
<td>3.0%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Productivity Index</td>
<td>2018Q3</td>
<td>2012=100, SA</td>
<td>105.9</td>
<td>105.4</td>
<td>104.6</td>
<td>0.5%</td>
<td>1.2%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Retail Sales</td>
<td>2018M09</td>
<td>$billion, SA</td>
<td>509.0</td>
<td>508.5</td>
<td>486.1</td>
<td>0.1%</td>
<td>4.7%</td>
<td>Robust Increase</td>
</tr>
<tr>
<td>Auto and Truck Sales</td>
<td>2018M09</td>
<td>million, SA</td>
<td>17.40</td>
<td>16.60</td>
<td>18.10</td>
<td>4.8%</td>
<td>-3.9%</td>
<td>Down From Year Ago</td>
</tr>
<tr>
<td>Housing Starts</td>
<td>2018M09</td>
<td>SA</td>
<td>1.201</td>
<td>1.268</td>
<td>1.158</td>
<td>-5.3%</td>
<td>3.7%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Real GDP***</td>
<td>2018Q3</td>
<td>2012$billion, SA</td>
<td>18671.5</td>
<td>18511.6</td>
<td>18120.8</td>
<td>3.5%</td>
<td>3.0%</td>
<td>Strong Growth</td>
</tr>
<tr>
<td>Dollar Exchange Rate</td>
<td>2018M10</td>
<td>97.01=100</td>
<td>126.644</td>
<td>126.040</td>
<td>120.024</td>
<td>0.5%</td>
<td>5.5%</td>
<td>Increased</td>
</tr>
<tr>
<td>Trade Balance</td>
<td>2018M09</td>
<td>$billion, SA</td>
<td>-54.019</td>
<td>-53.309</td>
<td>-44.407</td>
<td>1.3%</td>
<td>21.6%</td>
<td>Year-Over-Year Deficit Increase</td>
</tr>
<tr>
<td>S and P 500</td>
<td>2018M10</td>
<td>monthly close</td>
<td>2711.74</td>
<td>2914.98</td>
<td>2575.26</td>
<td>-7.0%</td>
<td>5.3%</td>
<td>Increased</td>
</tr>
<tr>
<td>Real Short-term Rate*</td>
<td>2018M10</td>
<td>%, NSA</td>
<td>-0.65</td>
<td>-0.57</td>
<td>-1.33</td>
<td>-0.1%</td>
<td>0.7%</td>
<td>Up Over Year Ago</td>
</tr>
<tr>
<td>Treasury Yield Spread*</td>
<td>2018M10</td>
<td>%, NSA</td>
<td>0.90</td>
<td>0.87</td>
<td>1.29</td>
<td>0.0%</td>
<td>-0.4%</td>
<td>Down From Year Ago</td>
</tr>
</tbody>
</table>

Note: NSA = Not Seasonally Adjusted, SA = Seasonally Adjusted  
*Growth data represent change in the percentage rate  
**Reflects the Reno-Sparks MSA which includes Washoe and Storey Counties  
***Recent growth is an annualized rate  
Sources: Nevada Department of Taxation; Nevada Department of Employment, Training, and Rehabilitation; UNR Bureau of Business and Economic Research; UNLV Center for Business and Economic Research; McCarren International Airport; Reno/Tahoe International Airport; Las Vegas Convention and Visitors Authority; Reno-Sparks Convention and Visitors Authority; U.S. Department of Commerce; U.S. Bureau of Labor Statistics; U.S. Census Bureau; U.S. Federal Reserve System.