



NEVADA BUSINESS CONDITIONS

UNLV | LEE BUSINESS SCHOOL
CENTER FOR BUSINESS
AND ECONOMIC RESEARCH

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The “advance” estimate of U.S. real gross domestic product (GDP) for the first quarter of 2022 unexpectedly fell by 1.4 percent at an annual rate, the first decline since the COVID-19 pandemic recession. The decline largely reflected a decrease in government spending and a huge trade deficit caused by a drop in exports and a surge in imports. U.S. nonfarm employment posted a robust gain, adding 428,000 jobs in April. The U.S. unemployment rate in April, however, remained unchanged at 3.6 percent despite a fall in the labor force participation rate. Retail sales in March rose by 0.7 percent month-over-month amid escalating inflation. Although auto and truck sales in April rose strongly by 6.6 percent from last month, they continued their double-digit year-over-year contraction due to continued supply chain disruptions. To control inflation, the Federal Reserve increased the federal funds rates by 0.50 percent to a target range of 0.75-1.00 percent in May and placed additional future 50 basis point increases on the table.

Nevada’s economic activity posted positive signals based on the most recent data. Seasonally adjusted statewide employment added 4,900 jobs in March. The March unemployment rate fell to 5.0 percent. March gaming revenue reached its second highest level of all time thanks to an impressive 21.7 percent month-over-month increase and continued to top \$1 billion for a record 13 consecutive months. February taxable sales remained 20.8 percent higher than last year’s level.

Clark County also displayed favorable signs in its local economic activity from pent-up demand for travel. Seasonally adjusted employment in March added 1,300 jobs. The unemployment rate in March dropped from 5.6 to 5.4 percent. Total Harry Reid Airport passengers and visitor volume for March experienced strong recoveries, up by 27.8 and 27.3 percent, respectively, month-over-month. March gaming revenue hit a record high, up substantially by 24.1 percent month-over-month. February taxable sales soared by 26.1 percent year-over-year. March residential permits, however, declined slightly by 0.9 percent from last year despite continued strong demand.

Washoe County also exhibited highly positive signals in its local economic activity. The Reno-Sparks seasonally adjusted employment experienced a strong gain of 1,300 jobs in March. The unemployment rate fell to an all-time

low of 2.6 percent. February taxable sales gained by 7.4 percent year-over-year. March gaming revenue also increased by 1.9 percent from last year. March residential permits rose strongly up by 37.5 percent year-over-year.

The views expressed are those of the authors and do not necessarily represent those of the University of Nevada, Las Vegas or the Nevada System of Higher Education.

	Date	Units	Data			Growth		Comments
			Latest	Previous	Year Ago	Recent	Year Ago	
Nevada								
Employment	2022M03	000s, SA	1440.2	1435.3	1319.8	0.3%	9.1%	Improved
Unemployment Rate*	2022M03	%, SA	5.0	5.1	9.2	-0.1%	-4.2%	Improved
Taxable Sales	2022M02	\$billion	5.945	6.100	4.922	-2.5%	20.8%	Up Strongly From Year Ago
Gaming Revenue	2022M03	\$million	1355.23	1113.15	1068.99	21.7%	26.8%	Up Strongly
Air Passengers	2022M03	million persons	4.652	3.663	2.839	27.0%	63.8%	Up Strongly
Gasoline Sales	2022M02	million gallons	91.22	94.00	82.06	-3.0%	11.2%	Up Strongly From Year Ago
Clark County								
Employment	2022M03	000s, SA	1043.4	1042.1	926.8	0.1%	12.6%	Improved
Unemployment Rate*	2022M03	%, Smoothed SA	5.4	5.6	10.5	-0.2%	-5.1%	Improved
Taxable Sales	2022M02	\$billion	4.366	4.403	3.463	-0.8%	26.1%	Up Strongly From Year Ago
Gaming Revenue	2022M03	\$million	1178.56	949.87	895.19	24.1%	31.7%	Up Strongly
Residential Permits	2022M03	units permitted	1486	1285	1499	15.6%	-0.9%	Down From Year Ago
Commercial Permits	2021M01	permits	32	17	39	88.2%	-17.9%	Low and Volatile
Air Passengers	2022M03	million persons	4.272	3.344	2.576	27.8%	65.8%	Up Strongly
Gasoline Sales	2022M02	million gallons	61.82	64.54	54.76	-4.2%	12.9%	Up Over Year Ago
Visitor Volume	2022M03	million persons	3.541	2.782	2.341	27.3%	51.2%	Up Strongly
Washoe County								
Employment**	2022M03	000s, SA	255.5	254.2	244.8	0.5%	4.4%	Increased
Unemployment Rate*	2022M03	%, Smoothed SA	2.6	2.7	5.2	-0.1%	-2.6%	Reduced
Taxable Sales**	2022M02	\$billion	0.934	1.007	0.869	-7.3%	7.4%	Up Over Year Ago
Gaming Revenue	2022M03	\$million	84.71	83.59	83.12	1.3%	1.9%	Up Over Year Ago
Residential Permits	2022M02	units permitted	649	419	472	54.9%	37.5%	Up Strongly
Commercial Permits	2018M12	permits	40	21	42	90.5%	-4.8%	Low and Volatile
Air Passengers	2022M03	million persons	0.369	0.311	0.253	18.7%	45.9%	Up Strongly
Gasoline Sales**	2022M02	million gallons	14.26	14.31	13.34	-0.3%	6.9%	Up Over Year Ago
Visitor Volume	2022M03	million persons	0.347	0.279	0.292	24.2%	18.8%	Up Strongly
United States								
Employment	2022M04	million, SA	151.314	150.886	144.694	0.3%	4.6%	Improved
Unemployment Rate*	2022M04	%, SA	3.6	3.6	6.0	0.0%	-2.4%	Flat Month-Over-Month
Consumer Price Index	2022M03	82-84=100, SA	287.7	284.2	265.0	1.2%	8.6%	Up Over Year Ago
Core CPI	2022M03	82-84=100, SA	288.8	287.9	271.3	0.3%	6.4%	Up Over Year Ago
Employment Cost Index	2022Q1	05.12=100, SA	151.7	149.8	144.5	1.3%	5.0%	Up Over Year Ago
Productivity Index	2022Q1	2012=100, SA	111.2	113.5	111.9	-2.0%	-0.6%	Down From Year Ago
Retail Sales	2022M03	\$billion, SA	667.7	662.8	626.3	0.7%	6.6%	Up Over Year Ago
Auto and Truck Sales	2022M04	million, SA	14.29	13.41	18.30	6.6%	-21.9%	Down From Year Ago
Housing Starts	2022M03	million, SA	1.793	1.788	1.725	0.3%	3.9%	Up Over Year Ago
Real GDP***	2022Q1	2012\$billion, SA	19735.9	19806.3	19055.7	-1.4%	3.6%	Unexpected Decline
Dollar Exchange Rate	2022M04	06.01=100	117.312	116.412	112.661	0.8%	4.1%	Up Over Year Ago
Trade Balance	2022M03	\$billion, SA	-109.802	-89.799	-71.395	22.3%	53.8%	Year-Over-Year Deficit Increase
S and P 500	2022M04	monthly close	4131.93	4530.41	4181.17	-8.8%	-1.2%	Recent Decrease
Real Short-term Rate*	2022M04	%, NSA	-4.64	-4.96	-3.38	0.3%	-1.3%	Down From Year Ago
Treasury Yield Spread*	2022M04	%, NSA	1.99	1.69	1.62	0.3%	0.4%	Up Over Year Ago

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; McCarran 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.