



NEVADA BUSINESS CONDITIONS

UNLV | LEE BUSINESS SCHOOL
CENTER FOR BUSINESS
AND ECONOMIC RESEARCH

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The “third” estimate of U.S. real gross domestic product (GDP) for the first quarter of 2022 shrank by 1.6 percent at an annual rate, revised down by 0.1 percent from the second estimate. The revision reflected a downward adjustment in consumer spending, partly offset by an upward adjustment in private inventory investment. U.S. nonfarm employment experienced a larger-than-expected gain, adding 372,000 jobs in June despite rising recession concerns. The U.S. unemployment rate in June remained unchanged for four consecutive months at 3.6 percent. Retail sales in May, however, declined by 0.3 percent month-over-month. Housing starts in May also plummeted by 14.4 percent from last month in response to rising interest rates. According to the Atlanta Fed’s GDPNow, the real GDP will likely continue to fall in the second quarter. The Federal Reserve, nonetheless, stated that they would continue their efforts to combat inflation with “whatever it takes”.

Nevada’s most recent economic activity posted positive signals. Seasonally adjusted statewide employment added 2,600 jobs in May but remaining 3,000 below pre-pandemic levels. The May unemployment rate also edged down to 4.9 percent. May gaming revenue rebounded, soaring by 15.2 percent month-over-month after a 16.7 percent monthly drop in April, and continuing to top non-seasonally adjusted \$1 billion for 15 consecutive months. April taxable sales fell by 6.5 percent from last month but rose by 11.1 percent from last year.

Clark County displayed generally favorable signs in its local economic activity. Seasonally adjusted employment in May added 4,800 jobs. The unemployment rate in May remained unchanged at 5.3 percent. Total Harry Reid passengers experienced a strong pick-up, up by 7.5 percent from last month, nearing pre-pandemic levels. May visitor volume continued its recovery with a robust gain of 1.7 percent month-over-month. May gaming revenue increased by 7.1 percent from last year and April taxable sales also rose by 13.4 percent year-over-year. May residential permits, however, experienced a year-over-year drop of 17.9 percent amid higher mortgage rates.

Washoe County maintained its already strong local economy. The Reno-Sparks seasonally adjusted employment gained 800 jobs in May. The unemployment rate remained unchanged at an all-time low of 2.6 percent.

Although taxable sales climbed by 7.4 percent from last year, gasoline sales declined by 3.0 percent over the same period. May gaming revenue also continued to drop by 4.8 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	2022M05	000s, SA	1446.6	1444.0	1350.3	0.2%	7.1%	Improved
Unemployment Rate*	2022M05	%, SA	4.9	5.0	7.8	-0.1%	-2.9%	Reduced
Taxable Sales	2022M04	\$billion	7.045	7.532	6.341	-6.5%	11.1%	Up Strongly From Year Ago
Gaming Revenue	2022M05	\$million	1300.07	1128.48	1230.17	15.2%	5.7%	Up Strongly
Air Passengers	2022M05	million persons	4.940	4.595	3.836	7.5%	28.8%	Up Strongly
Gasoline Sales	2022M04	million gallons	102.05	98.88	107.34	3.2%	-4.9%	Down From Year Ago
Clark County								
Employment	2022M05	000s, SA	1049.7	1044.9	963.6	0.5%	8.9%	Improved
Unemployment Rate*	2022M05	%, Smoothed SA	5.3	5.3	9.4	0.0%	-4.1%	Flat Month-Over-Month
Taxable Sales	2022M04	\$billion	5.140	5.487	4.532	-6.3%	13.4%	Up Strongly From Year Ago
Gaming Revenue	2022M05	\$million	1127.40	960.48	1052.68	17.4%	7.1%	Up Strongly
Residential Permits	2022M05	units permitted	959	1597	1168	-39.9%	-17.9%	Down From Year Ago
Commercial Permits	2021M01	permits	32	17	39	88.2%	-17.9%	Low and Volatile
Air Passengers	2022M05	million persons	4.578	4.257	3.521	7.5%	30.0%	Up Strongly
Gasoline Sales	2022M04	million gallons	69.91	67.53	69.78	3.5%	0.2%	Up Slightly From Year Ago
Visitor Volume	2022M05	million persons	3.642	3.580	2.996	1.7%	21.6%	Up Strongly
Washoe County								
Employment**	2022M05	000s, SA	256.7	255.9	246.4	0.3%	4.2%	Increased
Unemployment Rate*	2022M05	%, Smoothed SA	2.6	2.6	4.8	0.0%	-2.2%	Flat Month-Over-Month
Taxable Sales**	2022M04	\$billion	1.144	1.166	1.064	-1.9%	7.4%	Up Over Year Ago
Gaming Revenue	2022M05	\$million	87.55	85.30	91.98	2.6%	-4.8%	Down From Year Ago
Residential Permits	2022M04	units permitted	548	902	430	-39.2%	27.4%	Up Over Year Ago
Commercial Permits	2018M12	permits	40	21	42	90.5%	-4.8%	Low and Volatile
Air Passengers	2022M05	million persons	0.352	0.327	0.302	7.8%	16.5%	Up Strongly
Gasoline Sales**	2022M04	million gallons	15.12	14.38	15.59	5.1%	-3.0%	Down From Year Ago
Visitor Volume	2022M05	million persons	0.321	0.313	0.323	2.6%	-0.5%	Down From Year Ago
United States								
Employment	2022M06	million, SA	151.980	151.608	145.698	0.2%	4.3%	Improved
Unemployment Rate*	2022M06	%, SA	3.6	3.6	5.9	0.0%	-2.3%	Flat Month-Over-Month
Consumer Price Index	2022M05	82-84=100, SA	291.5	288.7	268.6	1.0%	8.5%	Up Over Year Ago
Core CPI	2022M05	82-84=100, SA	292.3	290.5	275.7	0.6%	6.0%	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	111.3	113.5	111.9	-2.0%	-0.6%	Down From Year Ago
Retail Sales	2022M05	\$billion, SA	672.9	674.7	622.5	-0.3%	8.1%	Down Month-Over-Month
Auto and Truck Sales	2022M05	million, SA	12.68	14.50	16.89	-12.6%	-25.0%	Down
Housing Starts	2022M05	million, SA	1.549	1.810	1.605	-14.4%	-3.5%	Down
Real GDP***	2022Q1	2012\$billion, SA	19727.9	19806.3	19055.7	-1.6%	3.5%	Unexpected Decline
Dollar Exchange Rate	2022M06	06.01=100	120.162	119.841	111.618	0.3%	7.7%	Up Over Year Ago
Trade Balance	2022M05	\$billion, SA	-85.546	-86.686	-66.633	-1.3%	28.4%	Year-Over-Year Deficit Increase
S and P 500	2022M06	monthly close	3785.38	4132.15	4297.50	-8.4%	-11.9%	Down
Real Short-term Rate*	2022M06	%, NSA	-3.81	-4.32	-4.16	0.5%	0.4%	Up Over Year Ago
Treasury Yield Spread*	2022M06	%, NSA	1.65	1.92	1.48	-0.3%	0.2%	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.