



NEVADA BUSINESS CONDITIONS

UNLV | LEE BUSINESS SCHOOL
CENTER FOR BUSINESS
AND ECONOMIC RESEARCH

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The “second” estimate of U.S. real gross domestic product (GDP) for the first quarter of 2022 shrank by 1.5 percent at an annual rate, revised down by 0.1 percent from the advance estimate. The revision reflected lower-than-expected private inventory and residential investments, which were partly offset by an upward revision in consumer spending. U.S. nonfarm employment continued its robust gain, albeit at a slower pace, adding 390,000 jobs in May. The U.S. unemployment rate in May, however, remained unchanged at 3.6 percent with a slightly higher labor force participation rate. Retail sales in April climbed solidly by 0.9 percent month-over-month. Auto and truck sales in May declined by 12.5 and 24.9 percent, respectively, from last month and last year largely due to tight inventories and high prices. The Federal Reserve will probably continue to increase the federal funds rates by 50 basis point at both June and July meetings.

Nevada’s most recent economic activity posted positive signals. Seasonally adjusted statewide employment added 5,200 jobs in April, remaining 4,100 below pre-pandemic levels. The April unemployment rate, however, remained unchanged at 5.0 percent. April gaming revenue dropped by 16.7 percent month-over-month after hitting its second highest level of all time, but continuing to top not seasonally adjusted \$1 billion for 14 consecutive months. March taxable sales surged by 26.7 and 14.3 percent, respectively, from last month and last year.

Clark County displayed generally favorable signs in its local economic activity. Seasonally adjusted employment in April added 2,800 jobs. The unemployment rate in April edged down to 5.3 percent. Although April visitor volume continued its robust gain of 1.1 percent month-over-month, total Harry Reid Airport passengers did not budge much from last month, decreasing by 0.4 percent. April gaming revenue plummeted by 18.5 percent month-over-month after hitting a record high in March but jumped 11.0 percent from last year. March taxable sales soared 18.0 percent year-over-year. April residential permits also experienced a strong year-over-year gain of 17.5 percent despite higher mortgage rates.

Washoe County exhibited mixed signals in its local economic activity. The Reno-Sparks seasonally adjusted employment continued a robust gain of 1,200 jobs in April.

The unemployment rate remained unchanged at an all-time low of 2.6 percent. March taxable sales, however, only gained 1.3 percent year-over-year. April gaming revenue dropped by 2.4 percent from last year. April residential permits, nevertheless, surged by 92.3 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	2022M04	000s, SA	1445.5	1440.3	1338.4	0.4%	8.0%	Improved
Unemployment Rate*	2022M04	%, SA	5.0	5.0	8.6	0.0%	-3.6%	Flat Month-Over-Month
Taxable Sales	2022M03	\$billion	7.532	5.945	6.591	26.7%	14.3%	Up Strongly
Gaming Revenue	2022M04	\$million	1128.48	1355.23	1039.47	-16.7%	8.6%	Down Month-Over-Month
Air Passengers	2022M04	million persons	4.593	4.650	3.166	-1.2%	45.1%	Up Strongly From Year Ago
Gasoline Sales	2022M03	million gallons	98.88	91.22	100.02	8.4%	-1.1%	Down From Year Ago
Clark County								
Employment	2022M04	000s, SA	1045.3	1042.5	946.8	0.3%	10.4%	Improved
Unemployment Rate*	2022M04	%, Smoothed SA	5.3	5.4	10.0	-0.1%	-4.7%	Improved
Taxable Sales	2022M03	\$billion	5.487	4.366	4.650	25.7%	18.0%	Up Strongly
Gaming Revenue	2022M04	\$million	960.48	1178.56	865.49	-18.5%	11.0%	Down Month-Over-Month
Residential Permits	2022M04	units permitted	1597	1486	1359	7.5%	17.5%	Up Over Year Ago
Commercial Permits	2021M01	permits	32	17	39	88.2%	-17.9%	Low and Volatile
Air Passengers	2022M04	million persons	4.257	4.272	2.907	-0.4%	46.4%	Up Strongly From Year Ago
Gasoline Sales	2022M03	million gallons	67.53	61.82	67.22	9.2%	0.5%	Up Slightly From Year Ago
Visitor Volume	2022M04	million persons	3.580	3.541	2.688	1.1%	33.2%	Up Strongly
Washoe County								
Employment**	2022M04	000s, SA	256.2	255.0	245.0	0.5%	4.6%	Increased
Unemployment Rate*	2022M04	%, Smoothed SA	2.6	2.6	5.1	0.0%	-2.5%	Flat Month-Over-Month
Taxable Sales**	2022M03	\$billion	1.166	0.934	1.152	24.9%	1.3%	Up Over Year Ago
Gaming Revenue	2022M04	\$million	85.30	84.72	87.43	0.7%	-2.4%	Down From Year Ago
Residential Permits	2022M04	units permitted	902	649	469	39.0%	92.3%	Up Strongly
Commercial Permits	2018M12	permits	40	21	42	90.5%	-4.8%	Low and Volatile
Air Passengers	2022M04	million persons	0.327	0.369	0.247	-11.4%	32.2%	Down Month-Over-Month
Gasoline Sales**	2022M03	million gallons	14.38	14.26	15.43	0.9%	-6.8%	Down From Year Ago
Visitor Volume	2022M04	million persons	0.313	0.347	0.303	-9.7%	3.1%	Down Month-Over-Month
United States								
Employment	2022M05	million, SA	151.682	151.292	145.141	0.3%	4.5%	Improved
Unemployment Rate*	2022M05	%, SA	3.6	3.6	5.8	0.0%	-2.2%	Flat Month-Over-Month
Consumer Price Index	2022M04	82-84=100, SA	288.7	287.7	266.7	0.3%	8.2%	Up Over Year Ago
Core CPI	2022M04	82-84=100, SA	290.5	288.8	273.7	0.6%	6.1%	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	2022M04	\$billion, SA	677.7	671.6	626.4	0.9%	8.2%	Up Over Year Ago
Auto and Truck Sales	2022M05	million, SA	12.68	14.50	16.89	-12.5%	-24.9%	Down From Year Ago
Housing Starts	2022M04	million, SA	1.724	1.728	1.505	-0.2%	14.6%	Up Over Year Ago
Real GDP***	2022Q1	2012\$billion, SA	19731.1	19806.3	19055.7	-1.5%	3.5%	Unexpected Decline
Dollar Exchange Rate	2022M05	06.01=100	119.841	117.312	111.241	2.2%	7.7%	Up Over Year Ago
Trade Balance	2022M04	\$billion, SA	-87.077	-107.651	-65.724	-19.1%	32.5%	Year-Over-Year Deficit Increase
S and P 500	2022M05	monthly close	4132.15	4131.93	4204.11	0.0%	-1.7%	Flat Month-Over-Month
Real Short-term Rate*	2022M05	%, NSA	-4.32	-4.64	-4.58	0.3%	0.3%	Up Over Year Ago
Treasury Yield Spread*	2022M05	%, NSA	1.92	1.99	1.60	-0.1%	0.3%	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.