



# NEVADA BUSINESS CONDITIONS

**UNLV** | LEE BUSINESS SCHOOL  
CENTER FOR BUSINESS  
AND ECONOMIC RESEARCH

September 2022

The “advance” estimate of U.S. real gross domestic product (GDP) for the second quarter of 2022 continued to shrink for the second straight quarter, down by 0.9 percent at an annual rate. The decline largely reflected a drop in private inventory investment which was led by a slowdown in retail trade. Consumer spending, which accounts for roughly 70 percent of GDP, continued to climb thanks to increased spending on services, albeit at a slower pace as consumers cut their spending on goods. U.S. nonfarm employment experienced a strong gain despite rising recession fears, adding 528,000 jobs in July, fully recovering from the COVID-19 recession. The U.S. unemployment rate in July also fell to 3.5 percent, the same level as February 2020. Strong employment readings will support the Fed’s stated plans to continue to hike interest rates by 0.5 percent or more at their next meeting in September. CPI inflation dipped to 8.5 percent.

Nevada posted positive economic signals. Seasonally adjusted statewide employment added 7,800 jobs in June, bringing total employment above pre pandemic levels. The June unemployment rate dropped to 4.7 percent. June gaming revenue gained by 7.0 percent year-over-year and continued to top non-seasonally adjusted \$1 billion for 16 consecutive months. May taxable sales rose by 13.5 percent from last year, but gasoline sales in gallons contracted by 2.9 percent over the same period.

Clark County displayed generally favorable signs in its local economic activity. Seasonally adjusted employment in June added 5,400 jobs. The unemployment rate in June remained unchanged at 5.3 percent, seasonally adjusted. Total Harry Reid passengers continued a strong gain, up by 2.3 percent from last month, hitting its record-high level thanks to pent-up demand for travel. June visitor volume, nevertheless, decreased by 3.5 percent month-over-month and remained 9.5 percent lower than its level in June 2019. June gaming revenue climbed by 9.2 percent from last year and May taxable sales also rose by 16.3 percent year-over-year. June residential permits experienced a year-over-year gain of 8.1 percent despite higher interest rates.

Washoe County’s economy showed mixed signals. The Reno-Sparks seasonally adjusted employment gained 1,100 jobs in June. The unemployment rate, however, increased to 2.8 percent. Taxable sales declined by 5.0 percent from last month but increased by 11.1 percent

from last year. Gaming revenue, air passengers, and visitor volume in June experienced year-over-year losses, down by 3.1, 3.4, and 4.7 percent, respectively.

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	
<b>Nevada</b>								
Employment	2022M06	000s, SA	1452.7	1444.9	1362.2	0.5%	6.6%	Increased
Unemployment Rate*	2022M06	%, SA	4.7	4.9	7.2	-0.2%	-2.5%	Reduced
Taxable Sales	2022M05	\$billion	7.152	7.045	6.299	1.5%	13.5%	Up Strongly From Year Ago
Gaming Revenue	2022M06	\$million	1277.07	1300.07	1193.43	-1.8%	7.0%	Up From Year Ago
Air Passengers	2022M06	million persons	5.078	4.940	4.220	2.8%	20.3%	Up Strongly
Gasoline Sales	2022M05	million gallons	104.18	102.05	107.34	2.1%	-2.9%	Down From Year Ago
<b>Clark County</b>								
Employment	2022M06	000s, SA	1056.1	1050.7	981.5	0.5%	7.6%	Improved
Unemployment Rate*	2022M06	%, Smoothed SA	5.3	5.3	8.8	0.0%	-3.5%	Flat Month-Over-Month
Taxable Sales	2022M05	\$billion	5.284	5.140	4.545	2.8%	16.3%	Up Strongly From Year Ago
Gaming Revenue	2022M06	\$million	1109.16	1127.40	1015.47	-1.6%	9.2%	Up From Year Ago
Residential Permits	2022M06	units permitted	1301	959	1203	35.7%	8.1%	Up From Year Ago
Commercial Permits	2022M06	permits	35	61	59	-42.6%	-40.7%	Low and Volatile
Air Passengers	2022M06	million persons	4.683	4.578	4.151	2.3%	12.8%	Up Strongly
Gasoline Sales	2022M05	million gallons	70.81	69.91	72.53	1.3%	-2.4%	Down From Year Ago
Visitor Volume	2022M06	million persons	3.514	3.642	3.083	-3.5%	14.0%	Up Strongly From Year Ago
<b>Washoe County</b>								
Employment**	2022M06	000s, SA	257.7	256.6	247.2	0.4%	4.2%	Increased
Unemployment Rate*	2022M06	%, Smoothed SA	2.8	2.6	4.6	0.2%	-1.8%	Recent Increase
Taxable Sales**	2022M05	\$billion	1.087	1.144	0.978	-5.0%	11.1%	Up Over Year Ago
Gaming Revenue	2022M06	\$million	85.64	87.55	88.43	-2.2%	-3.1%	Down From Year Ago
Residential Permits	2022M06	units permitted	511	548	399	-6.8%	28.1%	Up Over Year Ago
Commercial Permits	2019M01	permits	40	21	42	90.5%	-4.8%	Low and Volatile
Air Passengers	2022M06	million persons	0.384	0.352	0.398	9.1%	-3.4%	Down From Year Ago
Gasoline Sales**	2022M05	million gallons	15.34	15.12	16.18	1.5%	-5.2%	Down From Year Ago
Visitor Volume	2022M06	million persons	0.360	0.321	0.378	12.0%	-4.7%	Down From Year Ago
<b>United States</b>								
Employment	2022M07	million, SA	152.536	152.008	146.387	0.3%	4.2%	Up Strongly
Unemployment Rate*	2022M07	%, SA	3.5	3.6	5.4	-0.1%	-1.9%	Reduced
Consumer Price Index	2022M06	82-84=100, SA	295.3	295.3	272.2	0.0%	8.5%	Up Over Year Ago
Core CPI	2022M06	82-84=100, SA	295.3	294.4	278.8	0.3%	5.9%	Up Over Year Ago
Employment Cost Index	2022Q2	05.12=100, SA	154.1	151.7	145.8	1.6%	5.7%	Up Over Year Ago
Productivity Index	2022Q2	2012=100, SA	110.1	111.3	112.8	-1.0%	-2.4%	Down From Year Ago
Retail Sales	2022M06	\$billion, SA	680.6	673.9	627.8	1.0%	8.4%	Up Over Year Ago
Auto and Truck Sales	2022M06	million, SA	13.02	12.76	15.47	2.0%	-15.9%	Down From Year Ago
Housing Starts	2022M06	million, SA	1.559	1.591	1.664	-2.0%	-6.3%	Down
Real GDP***	2022Q2	2012\$billion, SA	19681.7	19727.9	19368.3	-0.9%	1.6%	Continued Decline
Dollar Exchange Rate	2022M07	06.01=100	122.821	120.162	113.095	2.2%	8.6%	Up Over Year Ago
Trade Balance	2022M06	\$billion, SA	-79.614	-85.546	-71.357	-6.9%	11.6%	Year-Over-Year Deficit Increase
S and P 500	2022M07	monthly close	4130.29	3785.38	4395.26	9.1%	-6.0%	Down From Year Ago
Real Short-term Rate*	2022M07	%, NSA	-2.97	-3.81	-4.65	0.8%	1.7%	Up Over Year Ago
Treasury Yield Spread*	2022M07	%, NSA	0.67	1.65	1.27	-1.0%	-0.6%	Down From 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.