



NEVADA BUSINESS CONDITIONS

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The advance estimate of U.S. real gross domestic product (GDP) for 2022Q4 expanded robustly by an annualized 2.9 percent, which caused 2022 real GDP to increase by 2.1 percent. The real GDP increase largely reflected restocked inventories and increased consumer spending, which the fall in business investment partly offset. Although consumer spending in 2022Q4 experienced a solid 2.1 percent quarter-over-quarter gain, the most recent two months of retail sales declines signal a potential economic slowdown. Seasonally adjusted U.S. nonfarm employment experienced an unanticipated gain of 517,000 jobs, mainly driven by leisure and hospitality (+128,000 jobs). The unemployment rate fell to 3.4 percent, the lowest in 54 years. Average hourly earnings continued to gain 0.3 percent month-over-month in January and 1.9 job openings still existed per unemployed person in December. The strong labor market indicates that the Fed will continue to move forward with rate hikes to further bring down inflation. CPI inflation in December continued to decelerate to 6.4 percent year-over-year.

Nevada posted mixed economic signals. Seasonally adjusted statewide employment lost 1,300 jobs in December. The unemployment rate also rose by 0.3 percent to 5.2 percent. December gaming revenue experienced a strong year-over-year gain of 14.3 percent to \$1.3 billion. Taxable sales in November climbed by 7.4 percent from last year.

Clark County also displayed mixed economic signals. Seasonally adjusted employment in December lost 1,600 jobs, the first monthly decline since November 2021. The unemployment rate, however, remained unchanged at 5.6 percent. December total Harry Reid passengers increased by 12.9 percent year-over-year, a record-high total of 52.6 million passengers in 2022. Despite strong air passenger performance, visitor volume in 2022 remained 10.3 percent lower than in 2019. December gaming revenue also rose strongly by 15.9 percent year-over-year, capping a record-breaking annual revenue of \$12.8 billion in 2022. Taxable sales increased by 8.7 percent year-over-year in November. December residential permits continued to fall by 63.1 percent from last year.

Washoe County recorded unfavorable economic signals. The Reno-Sparks seasonally adjusted employment added 500 jobs. The unemployment rate, however, rose to 3.6 percent in December, higher than last year's 3.2 percent. Taxable sales plummeted by 7.4 percent month-over-month despite Black Friday and Cyber Monday. December residential permits also decreased by 27.4 percent from last year. Visitor volume in December fell by 2.3 percent year-over-year, while gaming revenue increased by 9.1 percent over the same period.

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	Date	Units	Data			Growth		Comments
			Latest	Previous	Year Ago	Recent	Year Ago	
Nevada								
Employment	2022M12	000s, SA	1476.0	1477.3	1422.6	-0.1%	3.8%	Down Month-Over-Month
Unemployment Rate*	2022M12	%, SA	5.2	4.9	5.3	0.3%	-0.1%	Recent Increase
Taxable Sales	2022M11	\$billion, NSA	7.059	7.243	6.570	-2.5%	7.4%	Up Over Year Ago
Gaming Revenue	2022M12	\$million, NSA	1314.478876	1220.87	1149.99	7.7%	14.3%	Up Strongly
Air Passengers	2022M12	million persons, NSA	4.704	4.911	4.210	-4.2%	11.7%	Up Strongly From Year Ago
Gasoline Sales	2022M11	million gallons, NSA	97.63	102.70	99.07	-4.9%	-1.5%	Down From Year Ago
Clark County								
Employment	2022M12	000s, SA	1073.9	1075.5	1029.2	-0.1%	4.3%	Down Month-Over-Month
Unemployment Rate*	2022M12	%, Smoothed SA	5.6	5.6	6.1	0.0%	-0.5%	Flat Month-Over-Month
Taxable Sales	2022M11	\$billion, NSA	5.226	5.364	4.808	-2.6%	8.7%	Up Over Year Ago
Gaming Revenue	2022M12	\$million, NSA	1156.92	1062.51	998.27	8.9%	15.9%	Up Strongly
Residential Permits	2022M12	units permitted, NSA	447	826	1211	-45.9%	-63.1%	Down From Year Ago
Commercial Permits	2022M10	permits, NSA	29	26	30	11.5%	-3.3%	Low and Volatile
Air Passengers	2022M12	million persons, NSA	4.371	4.562	3.870	-4.2%	12.9%	Up Strongly From Year Ago
Gasoline Sales	2022M11	million gallons, NSA	67.15	69.40	68.02	-3.2%	-1.3%	Down From Year Ago
Visitor Volume	2022M12	million persons, NSA	3.474	3.432	3.081	1.2%	12.7%	Up Strongly
Washoe County								
Employment**	2022M12	000s, SA	259.9	259.4	250.5	0.2%	3.8%	Up Over Year Ago
Unemployment Rate*	2022M12	%, Smoothed SA	3.6	3.5	3.2	0.1%	0.4%	Increased
Taxable Sales**	2022M11	\$billion, NSA	1.084	1.170	1.024	-7.4%	5.8%	Up Over Year Ago
Gaming Revenue	2022M12	\$million, NSA	83.50	79.27	76.54	5.3%	9.1%	Up Strongly
Residential Permits	2022M12	units permitted, NSA	352	259	485	35.9%	-27.4%	Down From Year Ago
Commercial Permits	2019M01	permits, NSA	40	21	42	90.5%	-4.8%	Low and Volatile
Air Passengers	2022M12	million persons, NSA	0.327	0.343	0.331	-4.6%	-1.0%	Down From Year Ago
Gasoline Sales**	2022M11	million gallons, NSA	14.43	15.24	14.06	-5.3%	2.6%	Up Over Year Ago
Visitor Volume	2022M12	million persons, NSA	0.276	0.272	0.283	1.6%	-2.3%	Down From Year Ago
United States								
Employment	2023M01	million, SA	155.073	154.556	150.106	0.3%	3.3%	Up From Year Ago
Unemployment Rate*	2023M01	%, SA	3.4	3.5	4.0	-0.1%	-0.6%	Reduced
Consumer Price Index	2022M12	82-84=100, SA	298.1	298.3	280.1	-0.1%	6.4%	Down Month-Over-Month
Core CPI	2022M12	82-84=100, SA	301.0	300.1	284.8	0.3%	5.7%	Up Strongly
Employment Cost Index	2022Q4	05.12=100, SA	157.5	155.9	149.8	1.0%	5.1%	Strong Increase
Productivity Index	2022Q4	2012=100, SA	114.4	113.5	116.1	0.8%	-1.4%	Down From Year Ago
Retail Sales	2022M12	\$billion, SA	677.1	685.0	638.7	-1.1%	6.0%	Up Over Year Ago
Auto and Truck Sales	2023M01	million, SA	15.74	13.37	15.11	17.7%	4.1%	Up Over Year Ago
Housing Starts	2022M12	million, SA	1.382	1.401	1.768	-1.4%	-21.8%	Down From Year Ago
Real GDP***	2022Q4	2012\$billion, SA	20198.1	20054.7	20006.2	2.9%	1.0%	Robust Increase
Dollar Exchange Rate	2023M01	06.01=100, NSA	119.777	122.202	115.050	-2.0%	4.1%	Down Month-Over-Month
Trade Balance	2022M12	\$billion, SA	-67.419	-61.015	-78.867	10.5%	-14.5%	Year-Over-Year Deficit Decrease
S and P 500	2023M01	monthly close, NSA	4076.60	3839.50	4515.55	6.2%	-9.7%	Down From Year Ago
Real Short-term Rate*	2023M01	%, NSA	0.64	-0.15	-4.75	0.8%	5.4%	Up Over Year Ago
Treasury Yield Spread*	2023M01	%, NSA	-1.01	-0.63	1.61	-0.4%	-2.6%	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.