



NEVADA BUSINESS CONDITIONS

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The second estimate of U.S. real gross domestic product (GDP) for 2023Q1 grew by an annualized 1.3 percent, revised up by 0.2 percent from the advance estimate reported in the previous month. The upward revision in real GDP primarily reflected a smaller decrease in business inventories, which mainly contributed to slower growth in real GDP for 2023Q1.

Seasonally adjusted U.S. nonfarm employment experienced a larger-than-expected gain of 339,000 jobs in May despite recent signs of a loosening labor market. May marked the 29th month consecutive of positive job growth. The unemployment rate rose to 3.7 percent, still historically low. Retail sales growth in April continued to decelerate to 1.6 percent year-over-year, the lowest since May 2020 while CPI inflation remained high at 5.0 percent. The Fed is likely to hold interest rates steady this summer, but still possibly raise rates further based on economic activity and inflation.

Nevada posted mixed economic signals. Seasonally adjusted statewide employment lost 2,900 jobs in April, largely reflecting 2,400 job losses in the leisure and hospitality sector. The unemployment rate, however, fell to 5.4 percent. Total air passengers continued to increase strongly by 12.4 percent year-over-year. April gross gaming revenue and March taxable sales only rose by 2.8 and 2.4 percent from last year amid inflation, yet the \$1.16 billion in gaming win was the best April on record. Nevada continued to post the highest unemployment rate of all states and DC.

Clark County displayed somewhat favorable economic signals. The Las Vegas-Paradise seasonally adjusted employment in April lost 500 jobs. The unemployment rate edged down to 5.8 percent from last month but remained substantially high among large metropolitan areas. Taxable sales in March increased by 5.3 percent year-over-year. April Harry Reid passengers were up strongly by 12.8 percent from last year, while gross gaming revenue and visitor volume only rose by 3.6 and 0.1 percent, respectively, over the same period. April residential permits continued to decline by 49.5 percent year-over-year amid higher interest rates and falling housing inventory.

Washoe County showed mixed economic signals. The Reno-Sparks seasonally adjusted employment remained

unchanged in April, and the unemployment rate also stayed at 4.0 percent. March taxable sales continued to contract by 3.1 percent year-over-year. April gross gaming revenue and visitor volume, however, increased by 2.3 and 7.2 percent, respectively, from last year. Residential permits continued a year-over-year decrease of 63.9 percent.

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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	2023M04	000s, SA	1540.3	1543.2	1478.7	-0.2%	4.2%	Down Month-Over-Month
Unemployment Rate*	2023M04	%, SA	5.4	5.5	5.2	-0.1%	0.2%	Down Month-Over-Month
Taxable Sales	2023M03	\$billion, NSA	7.713	6.435	7.532	19.9%	2.4%	Up Over Year Ago
Gaming Revenue	2023M04	\$million, NSA	1159.75	1312.09	1128.50	-11.6%	2.8%	Up Over Year Ago
Air Passengers	2023M04	million persons, NSA	5.166	5.326	4.598	-3.0%	12.4%	Up Strongly From Year Ago
Gasoline Sales	2023M03	million gallons, NSA	97.93	88.70	98.88	10.4%	-1.0%	Down From Year Ago
Clark County								
Employment	2023M04	000s, SA	1124.3	1124.8	1071.6	0.0%	4.9%	Flat Month-Over-Month
Unemployment Rate*	2023M04	%, Smoothed SA	5.8	5.9	6.1	-0.1%	-0.3%	Down Month-Over-Month
Taxable Sales	2023M03	\$billion, NSA	5.780	4.802	5.487	20.4%	5.3%	Up Over Year Ago
Gaming Revenue	2023M04	\$million, NSA	994.99	1149.36	960.48	-13.4%	3.6%	Up Over Year Ago
Residential Permits	2023M04	units permitted, NSA	807	1303	1597	-38.1%	-49.5%	Down From Year Ago
Commercial Permits	2023M01	permits, NSA	35	29	43	20.7%	-18.6%	Low and Volatile
Air Passengers	2023M04	million persons, NSA	4.801	4.939	4.256	-2.8%	12.8%	Up Strongly From Year Ago
Gasoline Sales	2023M03	million gallons, NSA	68.35	61.44	67.53	11.2%	1.2%	Up Over Year Ago
Visitor Volume	2023M04	million persons, NSA	3.584	3.863	3.580	-7.2%	0.1%	Up Slightly From Year Ago
Washoe County								
Employment**	2023M04	000s, SA	270.6	270.6	260.5	0.0%	3.9%	Flat Month-Over-Month
Unemployment Rate*	2023M04	%, Smoothed SA	4.0	4.0	3.2	0.0%	0.8%	Flat Month-Over-Month
Taxable Sales**	2023M03	\$billion, NSA	1.130	0.926	1.166	21.9%	-3.1%	Down From Year Ago
Gaming Revenue	2023M04	\$million, NSA	87.25	79.50	85.30	9.7%	2.3%	Up Over Year Ago
Residential Permits	2023M04	units permitted, NSA	326	362	902	-9.9%	-63.9%	Down From Year Ago
Commercial Permits	2019M01	permits, NSA	40	21	42	90.5%	-4.8%	Low and Volatile
Air Passengers	2023M04	million persons, NSA	0.358	0.380	0.327	-5.9%	9.5%	Up Over Year Ago
Gasoline Sales**	2023M03	million gallons, NSA	14.00	13.34	14.38	5.0%	-2.7%	Down From Year Ago
Visitor Volume	2023M04	million persons, NSA	0.335	0.300	0.313	11.7%	7.2%	Up Strongly
United States								
Employment	2023M05	million, SA	156.105	155.766	152.042	0.2%	2.7%	Up From Year Ago
Unemployment Rate*	2023M05	%, SA	3.7	3.4	3.6	0.3%	0.1%	Up
Consumer Price Index	2023M04	82-84=100, SA	302.9	301.8	288.6	0.4%	5.0%	Up Strongly
Core CPI	2023M04	82-84=100, SA	306.5	305.2	290.4	0.4%	5.5%	Up Strongly
Employment Cost Index	2023Q1	05.12=100, SA	159.5	157.6	151.8	1.2%	5.1%	Up Strongly
Productivity Index	2023Q1	2012=100, SA	113.0	113.5	113.7	-0.4%	-0.6%	Down From Year Ago
Retail Sales	2023M04	\$billion, SA	686.1	683.2	675.3	0.4%	1.6%	Up Slightly From Year Ago
Auto and Truck Sales	2023M05	million, SA	15.05	16.09	12.58	-6.5%	19.6%	Down Month-Over-Month
Housing Starts	2023M04	million, SA	1.401	1.371	1.803	2.2%	-22.3%	Down From Year Ago
Real GDP***	2023Q1	2012\$billion, SA	20246.4	20182.5	19924.1	1.3%	1.6%	Weak Growth
Dollar Exchange Rate	2023M05	06.01=100, NSA	119.855	119.418	119.665	0.4%	0.2%	Up Over Year Ago
Trade Balance	2023M03	\$billion, SA	-64.228	-70.643	-106.445	-9.1%	-39.7%	Year-Over-Year Deficit Decrease
S and P 500	2023M05	monthly close, NSA	4179.83	4169.48	4132.15	0.2%	1.2%	Up Over Year Ago
Real Short-term Rate*	2023M05	%, NSA	0.94	0.32	-4.32	0.6%	5.3%	Up Over Year Ago
Treasury Yield Spread*	2023M05	%, NSA	-1.57	-1.46	1.92	-0.1%	-3.5%	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.