



NEVADA BUSINESS CONDITIONS

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The third estimate of U.S. real gross domestic product (GDP) for 2023Q1 grew by an annualized 2.0 percent, revised up by 0.7 percent from the second estimate reported last month. The real GDP's upward revision mainly reflected stronger-consumer spending in services and exports, partly offset by downward revisions in business investment and federal government spending.

Seasonally adjusted U.S. nonfarm employment added 209,000 jobs in June, including the smallest gain of 149,000 in private sector employment since December 2020. The June unemployment rate fell to 3.6 percent. Wages increased strongly by 4.4 percent year-over-year. Retail sales in May continued weak growth, up by 1.6 percent year-over-year, lower than the May PCE inflation of 3.8 percent and core PCE inflation of 4.6 percent. The Fed is now expected to raise interest rates once again this summer to maintain inflation's downward trajectory as the U.S. economy remains more robust than anticipated despite some cooling in the job market.

Nevada posted somewhat weak economic signals. Seasonally adjusted statewide employment added 1,500 jobs in May. The unemployment rate, however, remained unchanged at 5.4 percent, the highest unemployment of all states and DC. April taxable sales declined by 0.8 percent year-over-year. May gaming revenue also experienced a loss of 0.8 percent from last year, while total air passengers continued to increase strongly by 7.9 percent over the same period.

Clark County displayed somewhat favorable economic signals. The Las Vegas metro seasonally adjusted employment in May added 1,400 jobs. The unemployment rate, however, stayed at 5.8 percent from last month, remaining high among large metro areas. Taxable sales in April only rose by 1.9 percent year-over-year. May Harry Reid passengers and visitor volume were up by 8.2 and 1.5 percent, respectively, from last year, while gross gaming revenue decreased by 1.0 percent over the same period. May residential permits finally rebounded, up by 79.7 percent from last year after 10 consecutive months of year-over-year declines amid low inventories.

Washoe County showed unfavorable economic signals. The Reno-Sparks seasonally adjusted employment lost 500 jobs in May, and the unemployment rate also edged up to 4.1 percent. April taxable sales plummeted by 11.6 percent

year-over-year. Residential permits in May also continued a year-over-year decrease of 28.5 percent. May gross gaming revenue and visitor volume, however, climbed by 3.8 and 0.8 percent, respectively, from last year.

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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	2023M05	000s, SA	1540.9	1539.4	1485.6	0.1%	3.7%	Up Over Year Ago
Unemployment Rate*	2023M05	%, SA	5.4	5.4	5.2	0.0%	0.2%	Flat Month-Over-Month
Taxable Sales	2023M04	\$billion, NSA	6.989	7.713	7.045	-9.4%	-0.8%	Down From Year Ago
Gaming Revenue	2023M05	\$million, NSA	1289.04	1159.75	1300.01	11.1%	-0.8%	Down From Year Ago
Air Passengers	2023M05	million persons, NSA	5.329	5.166	4.938	3.1%	7.9%	Up Strongly
Gasoline Sales	2023M04	million gallons, NSA	101.23	97.93	102.05	3.4%	-0.8%	Down From Year Ago
Clark County								
Employment	2023M05	000s, SA	1124.6	1123.2	1075.4	0.1%	4.6%	Up Over Year Ago
Unemployment Rate*	2023M05	%, Smoothed SA	5.8	5.8	6.0	0.0%	-0.2%	Flat Month-Over-Month
Taxable Sales	2023M04	\$billion, NSA	5.239	5.780	5.140	-9.4%	1.9%	Up Over Year Ago
Gaming Revenue	2023M05	\$million, NSA	1115.90	994.99	1127.40	12.2%	-1.0%	Down From Year Ago
Residential Permits	2023M05	units permitted, NSA	1723	807	959	113.5%	79.7%	Up Strongly
Commercial Permits	2023M01	permits, NSA	35	29	43	20.7%	-18.6%	Low and Volatile
Air Passengers	2023M05	million persons, NSA	4.953	4.801	4.578	3.2%	8.2%	Up Strongly
Gasoline Sales	2023M04	million gallons, NSA	69.51	68.35	69.91	1.7%	-0.6%	Down From Year Ago
Visitor Volume	2023M05	million persons, NSA	3.695	3.584	3.642	3.1%	1.5%	Up Over Year Ago
Washoe County								
Employment**	2023M05	000s, SA	269.8	270.3	261.1	-0.2%	3.3%	Down Month-Over-Month
Unemployment Rate*	2023M05	%, Smoothed SA	4.1	4.0	3.3	0.1%	0.8%	Up Month-Over-Month
Taxable Sales**	2023M04	\$billion, NSA	1.011	1.130	1.144	-10.5%	-11.6%	Down Significantly
Gaming Revenue	2023M05	\$million, NSA	90.85	87.25	87.55	4.1%	3.8%	Up Over Year Ago
Residential Permits	2023M05	units permitted, NSA	392	326	548	20.2%	-28.5%	Down From Year Ago
Commercial Permits	2019M01	permits, NSA	40	21	42	90.5%	-4.8%	Low and Volatile
Air Passengers	2023M05	million persons, NSA	0.369	0.358	0.352	3.1%	4.7%	Up Over Year Ago
Gasoline Sales**	2023M04	million gallons, NSA	14.87	14.00	15.12	6.3%	-1.6%	Down From Year Ago
Visitor Volume	2023M05	million persons, NSA	0.324	0.335	0.321	-3.5%	0.8%	Up Slightly From Year Ago
United States								
Employment	2023M06	million, SA	156.204	155.995	152.412	0.1%	2.5%	Up From Year Ago
Unemployment Rate*	2023M06	%, SA	3.6	3.7	3.6	-0.1%	0.0%	Down Month-Over-Month
Consumer Price Index	2023M05	82-84=100, SA	303.3	302.9	291.3	0.1%	4.1%	Up Strongly
Core CPI	2023M05	82-84=100, SA	307.8	306.5	292.3	0.4%	5.3%	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	2023M05	\$billion, SA	686.6	684.2	675.7	0.3%	1.6%	Up Over Year Ago
Auto and Truck Sales	2023M05	million, SA	15.06	16.09	12.58	-6.4%	19.7%	Up Over Year Ago
Housing Starts	2023M05	million, SA	1.631	1.340	1.543	21.7%	5.7%	Up Strongly
Real GDP***	2023Q1	2012\$billion, SA	20282.8	20182.5	19924.1	2.0%	1.8%	Robust Growth
Dollar Exchange Rate	2023M06	06.01=100, NSA	119.710	119.855	119.963	-0.1%	-0.2%	Down From Year Ago
Trade Balance	2023M05	\$billion, SA	-68.982	-74.438	-84.075	-7.3%	-18.0%	Year-Over-Year Deficit Decrease
S and P 500	2023M06	monthly close, NSA	4450.38	4179.83	3785.38	6.5%	17.6%	Up Strongly
Real Short-term Rate*	2023M06	%, NSA	1.86	0.94	-3.81	0.9%	5.7%	Up Over Year Ago
Treasury Yield Spread*	2023M06	%, NSA	-1.41	-1.57	1.65	0.2%	-3.1%	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.