



NEVADA BUSINESS CONDITIONS

UNLV | LEE BUSINESS SCHOOL
CENTER FOR BUSINESS
AND ECONOMIC RESEARCH

September 2023

The advance estimate of U.S. real gross domestic product (GDP) for 2023Q2 expanded by an annualized 2.4 percent, exceeding expectations that the economy would slow down due to higher-interest rates. The real GDP growth largely reflected a strong rebound in business investment as well as increases in consumer spending.

Seasonally adjusted U.S. nonfarm employment added 187,000 jobs in July, continuing to cool with a combined downward revision of 49,000 jobs for the previous two months. The July unemployment rate fell to 3.5 percent, and wage growth still surpassed inflation, rising by 4.4 percent from last year. Retail sales in June posted a weak growth of 1.5 percent year-over-year, remaining below the June PCE inflation rate of 3.0 percent. The Fed increased the federal funds rate by another 25 basis points to a range of 5.25 to 5.50 percent in July, the highest level since 2001, in response to the stronger-than-anticipated performance of the U.S. economy.

Nevada posted somewhat positive economic signals. Seasonally adjusted statewide employment added 3,600 jobs in June. The unemployment rate, however, remained unchanged at 5.4 percent, seasonally adjusted, for three consecutive months, the highest unemployment rate of all states and DC. May taxable sales rebounded strongly, up by 6.3 percent year-over-year. June gaming revenue, nevertheless, declined by 2.4 percent year-over-year but still remained substantially higher than pre-pandemic levels.

Clark County also displayed somewhat favorable economic signals. The Las Vegas metro seasonally adjusted employment in June added 2,400 jobs. The unemployment rate, smoothed seasonally adjusted, however, stayed at 5.8 percent from the month prior, remaining high among large metro areas. Taxable sales in May experienced a strong increase of 5.3 percent year-over-year. June Harry Reid passengers and visitor volume climbed by 4.3 and 3.4 percent, respectively, from last year. Gross gaming revenue decreased by 3.5 percent over the same period. June residential permits were down by 21.1 percent from last year after a strong year-over-year rebound in the previous month.

Washoe County finally showed somewhat positive economic signals after several months of weak performance. The Reno-Sparks seasonally

adjusted employment added 1,400 jobs in June, but the unemployment rate edged up to 4.2 percent. May taxable sales experienced a substantial rebound, up by 9.9 percent year-over-year. June gaming revenue and visitor volume also increased strongly by 10.0 and 6.9 percent, respectively, year-over-year. Residential permits in June, however, also continued to decrease by 29.4 percent from last year.

UNLV Center for Business and Economic Research

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	2023M06	000s, SA	1547.3	1543.7	1488.2	0.2%	4.0%	Up Strongly
Unemployment Rate*	2023M06	%, SA	5.4	5.4	5.2	0.0%	0.2%	Flat Month-Over-Month
Taxable Sales	2023M05	\$billion, NSA	7.605	6.989	7.152	8.8%	6.3%	Up Robustly
Gaming Revenue	2023M06	\$million, NSA	1245.81	1289.04	1277.03	-3.4%	-2.4%	Down From Year Ago
Air Passengers	2023M05	million persons, NSA	5.329	5.166	4.938	3.1%	7.9%	Up Strongly
Gasoline Sales	2023M05	million gallons, NSA	105.70	101.23	104.18	4.4%	1.5%	Up Over Year Ago
Clark County								
Employment	2023M06	000s, SA	1126.8	1124.4	1081.2	0.2%	4.2%	Up Strongly
Unemployment Rate*	2023M06	%, Smoothed SA	5.8	5.8	6.0	0.0%	-0.2%	Flat Month-Over-Month
Taxable Sales	2023M05	\$billion, NSA	5.562	5.239	5.284	6.2%	5.3%	Up Robustly
Gaming Revenue	2023M06	\$million, NSA	1070.08	1115.90	1109.11	-4.1%	-3.5%	Down From Year Ago
Residential Permits	2023M06	units permitted, NSA	1026	1723	1301	-40.5%	-21.1%	Down From Year Ago
Commercial Permits	2023M01	permits, NSA	35	29	43	20.7%	-18.6%	Low and Volatile
Air Passengers	2023M06	million persons, NSA	4.882	4.953	4.683	-1.4%	4.3%	Up Over Year Ago
Gasoline Sales	2023M05	million gallons, NSA	72.30	69.51	70.81	4.0%	2.1%	Up Over Year Ago
Visitor Volume	2023M06	million persons, NSA	3.632	3.695	3.514	-1.7%	3.4%	Up Over Year Ago
Washoe County								
Employment**	2023M06	000s, SA	271.2	269.8	261.6	0.5%	3.7%	Up Strongly
Unemployment Rate*	2023M06	%, Smoothed SA	4.2	4.1	3.5	0.1%	0.7%	Up Month-Over-Month
Taxable Sales**	2023M05	\$billion, NSA	1.194	1.011	1.087	18.1%	9.9%	Up Strongly
Gaming Revenue	2023M06	\$million, NSA	94.24	90.85	85.64	3.7%	10.0%	Up Strongly
Residential Permits	2023M06	units permitted, NSA	361	392	511	-7.9%	-29.4%	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**	2023M05	million gallons, NSA	15.41	14.87	15.34	3.6%	0.4%	Up Slightly From Year Ago
Visitor Volume	2023M06	million persons, NSA	0.385	0.324	0.360	18.9%	6.9%	Up Strongly
United States								
Employment	2023M07	million, SA	156.342	156.155	152.980	0.1%	2.2%	Up Over Year Ago
Unemployment Rate*	2023M07	%, SA	3.5	3.6	3.5	-0.1%	0.0%	Down Month-Over-Month
Consumer Price Index	2023M06	82-84=100, SA	303.8	303.3	294.7	0.2%	3.1%	Up Strongly
Core CPI	2023M06	82-84=100, SA	308.3	307.8	294.0	0.2%	4.9%	Up Strongly
Employment Cost Index	2023Q2	05.12=100, SA	161.1	159.5	154.0	1.0%	4.6%	Up Strongly
Productivity Index	2023Q2	2012=100, SA	114.3	113.3	112.7	0.9%	1.4%	Up Over Year Ago
Retail Sales	2023M06	\$billion, SA	689.5	688.2	679.4	0.2%	1.5%	Up Over Year Ago
Auto and Truck Sales	2023M07	million, SA	15.74	15.66	13.31	0.5%	18.2%	Up Strongly From Year Ago
Housing Starts	2023M06	million, SA	1.434	1.559	1.561	-8.0%	-8.1%	Down From Year Ago
Real GDP***	2023Q2	2012\$billion, SA	20404.1	20282.8	19895.3	2.4%	2.6%	Robust Growth
Dollar Exchange Rate	2023M07	06.01=100, NSA	118.585	119.710	122.648	-0.9%	-3.3%	Down From Year Ago
Trade Balance	2023M06	\$billion, SA	-65.497	-68.285	-80.851	-4.1%	-19.0%	Year-Over-Year Deficit Decrease
S and P 500	2023M07	monthly close, NSA	4588.96	4450.38	4130.29	3.1%	11.1%	Up Strongly
Real Short-term Rate*	2023M07	%, NSA	1.85	1.86	-2.97	0.0%	4.8%	Up Over Year Ago
Treasury Yield Spread*	2023M07	%, NSA	-1.35	-1.41	0.67	0.1%	-2.0%	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.