



NEVADA BUSINESS CONDITIONS

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October 2023

The second estimate of U.S. real gross domestic product (GDP) for 2023Q2 expanded by an annualized 2.1 percent, revised down by 0.3 percent from the advance estimate reported last month. The downward revision mostly reflected lower business investment than previously expected, which was partly offset by larger-than-expected government spending. Overall, the real GDP for 2023Q2 remained robust despite expectations of a slowdown fueled by higher interest rates.

Seasonally adjusted U.S. nonfarm employment added 187,000 jobs in August, continuing to slow with an additional combined downward revision of 110,000 jobs for the previous two months. The August unemployment rate rose to 3.8 percent, largely due to increases in the labor force participation rate. Wage growth, however, continued to outpace inflation, rising by 4.3 percent from last year. Retail sales in July experienced a stronger-than-expected gain, up by 3.2 percent year-over-year. The Fed will likely hold the federal funds rate steady this fall, but resilient economic conditions could result in another hike this year.

Nevada posted positive economic signals. Seasonally adjusted statewide employment added 1,300 jobs in July. The unemployment rate edged down to 5.3 percent but is still the highest unemployment rate of all states and the District of Columbia. June taxable sales increased by 2.8 percent year-over-year. July gaming revenue rebounded strongly after two consecutive months of decline, up by 6.7 percent to the record-high revenue of \$1.4 billion.

Clark County also displayed favorable economic signals. The Las Vegas metro seasonally adjusted employment in July added 1,700 jobs. The unemployment rate, however, stayed unchanged at 5.8 percent from last month, remaining the highest among large metro areas. Taxable sales in June experienced a weak gain of 1.6 percent year-over-year. July Harry Reid passengers and visitor volume rose by 1.7 and 1.3 percent, respectively, from last year, and gross gaming revenue in July jumped by 7.5 percent over the same period. July residential permits also experienced a strong year-over-year gain of 91.0 percent amid low home inventories.

Washoe County showed somewhat mixed economic signals. The Reno-Sparks seasonally adjusted employment lost 400 jobs in July, and the unemployment rate rose

to 4.3 percent, much higher than last year's 3.6 percent. June taxable sales, however, climbed substantially by 7.8 percent year-over-year. July gaming revenue and visitor volume also increased substantially by 6.1 and 29.2 percent, respectively, year-over-year. Residential permits in July continued to decline by 8.1 percent 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	2023M07	000s, SA	1550.0	1548.7	1493.5	0.1%	3.8%	Up Over Year Ago
Unemployment Rate*	2023M07	%, SA	5.3	5.4	5.3	-0.1%	0.0%	Flat Month-Over-Month
Taxable Sales	2023M06	\$billion, NSA	7.653	7.605	7.443	0.6%	2.8%	Up Over Year Ago
Gaming Revenue	2023M07	\$million, NSA	1403.95	1245.81	1315.97	12.7%	6.7%	Up Strongly
Air Passengers	2023M07	million persons, NSA	5.406	5.310	5.280	1.8%	2.4%	Up Over Year Ago
Gasoline Sales	2023M06	million gallons, NSA	102.49	105.70	100.43	-3.0%	2.1%	Up Over Year Ago
Clark County								
Employment	2023M07	000s, SA	1129.1	1127.4	1087.9	0.2%	3.8%	Up Over Year Ago
Unemployment Rate*	2023M07	%, Smoothed SA	5.8	5.8	6.0	0.0%	-0.2%	Flat Month-Over-Month
Taxable Sales	2023M06	\$billion, NSA	5.512	5.562	5.422	-0.9%	1.6%	Up Over Year Ago
Gaming Revenue	2023M07	\$million, NSA	1207.71	1070.08	1123.42	12.9%	7.5%	Up Strongly
Residential Permits	2023M07	units permitted, NSA	1331	1026	697	29.7%	91.0%	Up Strongly
Commercial Permits	2023M01	permits, NSA	35	29	43	20.7%	-18.6%	Low and Volatile
Air Passengers	2023M07	million persons, NSA	4.946	4.884	4.865	1.3%	1.7%	Up Over Year Ago
Gasoline Sales	2023M06	million gallons, NSA	67.94	72.30	66.57	-6.0%	2.1%	Up Over Year Ago
Visitor Volume	2023M07	million persons, NSA	3.739	3.632	3.692	2.9%	1.3%	Up Over Year Ago
Washoe County								
Employment**	2023M07	000s, SA	270.4	270.8	261.8	-0.1%	3.3%	Up Over Year Ago
Unemployment Rate*	2023M07	%, Smoothed SA	4.3	4.2	3.6	0.1%	0.7%	Increased
Taxable Sales**	2023M06	\$billion, NSA	1.279	1.194	1.186	7.1%	7.8%	Up Strongly
Gaming Revenue	2023M07	\$million, NSA	100.58	94.24	94.78	6.7%	6.1%	Up Strongly
Residential Permits	2023M07	units permitted, NSA	352	361	383	-2.5%	-8.1%	Down From Year Ago
Commercial Permits	2019M01	permits, NSA	40	21	42	90.5%	-4.8%	Low and Volatile
Air Passengers	2023M07	million persons, NSA	0.443	0.409	0.408	8.2%	8.6%	Up Strongly
Gasoline Sales**	2023M06	million gallons, NSA	15.58	15.41	15.46	1.1%	0.8%	Up Over Year Ago
Visitor Volume	2023M07	million persons, NSA	0.478	0.385	0.370	24.2%	29.2%	Up Strongly
United States								
Employment	2023M08	million, SA	156.419	156.232	153.332	0.1%	2.0%	Up Over Year Ago
Unemployment Rate*	2023M08	%, SA	3.8	3.5	3.7	0.3%	0.1%	Increased
Consumer Price Index	2023M07	82-84=100, SA	304.3	303.8	294.6	0.2%	3.3%	Up Strongly
Core CPI	2023M07	82-84=100, SA	308.8	308.3	294.9	0.2%	4.7%	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	2023M07	\$billion, SA	696.4	691.3	674.9	0.7%	3.2%	Up Over Year Ago
Auto and Truck Sales	2023M07	million, SA	15.74	15.66	13.31	0.5%	18.2%	Up Strongly
Housing Starts	2023M07	million, SA	1.452	1.398	1.371	3.9%	5.9%	Up Over Year Ago
Real GDP***	2023Q2	2012\$billion, SA	20386.5	20282.8	19895.3	2.1%	2.5%	Robust Growth
Dollar Exchange Rate	2023M08	06.01=100, NSA	120.379	118.585	122.237	1.5%	-1.5%	Down From Year Ago
Trade Balance	2023M07	\$billion, SA	-65.022	-63.718	-71.672	2.0%	-9.3%	Year-Over-Year Deficit Decrease
S and P 500	2023M08	monthly close, NSA	4507.66	4588.96	3955.00	-1.8%	14.0%	Down Month-Over-Month
Real Short-term Rate*	2023M08	%, NSA	1.80	1.85	-2.17	-0.1%	4.0%	Up Over Year Ago
Treasury Yield Spread*	2023M08	%, NSA	-1.13	-1.35	0.27	0.2%	-1.4%	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.