



NEVADA BUSINESS CONDITIONS



LEE BUSINESS SCHOOL
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AND ECONOMIC RESEARCH

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The third estimate of U.S. real gross domestic product (GDP) for 2023Q2 remained unchanged from the second estimate reported last month, with an annualized expansion of 2.1 percent. The third estimate update was shaped by a decrease in consumer spending and imports, alongside upward revisions in nonresidential fixed investment, exports, and inventory investment, mitigating the decline.

Seasonally adjusted U.S. nonfarm employment increased by 336,000 jobs in September. The September unemployment rate remained unchanged at 3.8 percent. Average hourly earnings rose by 4.3 percent from last year. Retail sales in August experienced a gain of 0.6 percent month-over-month, making it the fifth consecutive month of growth. 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 9,100 jobs in August, securing Nevada's position as the state with the most substantial year-over-year employment growth so far in 2023. The unemployment rate increased by 0.1 percentage point to 5.4 percent. Nevada has consistently witnessed growth in its labor force, marked by an increase in both the number of employed and unemployed individuals. July's taxable sales increased by 8.0 percent year-over-year. Now, despite its record-high revenue of \$1.4 billion last month, July's gaming revenue was unable to sustain its rebound, experiencing a significant 13.9 percent month-over-month decline.

Clark County also displayed favorable economic signals. Seasonally adjusted employment in the Las Vegas metro area experienced a gain of 8,500 additional jobs in August. The unemployment rate, however, increased by 0.3 percentage points to 6.1 percent in August, remaining the highest among large metro areas. Taxable sales in July experienced a significant increase of 8.0 percent year-over-year. August Harry Reid passengers fell by 5.0, while visitor volume increased by 4.2 percent, from last year. Gross gaming revenue in August fell by 8.7 percent over the same period. August maintains its robust year-over-year growth in residential permits, surging by an impressive 72.7 percent.

Washoe County continues to show somewhat mixed economic signals. The Reno-Sparks seasonally adjusted employment added 1,200 jobs in August. The unemployment rate rose to 4.5 percent, much higher than last year's 3.8 percent. July's taxable sales fell substantially by 9.7 percent year-over-year. August's air passengers and visitor volume increased substantially by 7.5 and 21.2 percent, respectively, year-over-year. Residential permits in August continued to decline by 21.6 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
Nevada			Latest	Previous	Year Ago	Recent	Year Ago	
Employment	2023M08	000s, SA	1560.5	1551.4	1502.3	0.6%	3.9%	Up Over Year Ago
Unemployment Rate*	2023M08	%, SA	5.4	5.3	5.4	0.1%	0.0%	Flat Month-Over-Month
Taxable Sales	2023M07	\$billion, NSA	7.492	7.653	6.939	-2.1%	8.0%	Up Over Year Ago
Gaming Revenue	2023M07	\$million, NSA	1,209.32	1,403.95	1,208.53	-13.9%	0.1%	Recent Decrease
Air Passengers	2023M08	million persons, NSA	5.060	5.389	5.052	-6.1%	0.1%	Recent Decrease
Gasoline Sales	2023M06	million gallons, NSA	102.49	105.70	100.43	-3.0%	2.1%	Up Over Year Ago
Clark County			Latest	Previous	Year Ago	Recent	Year Ago	
Employment	2023M08	000s, SA	1138.4	1129.9	1094.4	0.8%	4.0%	Up Over Year Ago
Unemployment Rate*	2023M08	%, Smoothed SA	5.8	5.8	5.9	0.0%	-0.1%	Flat Month-Over-Month
Taxable Sales	2023M07	\$billion, NSA	5.464	5.512	5.057	-0.9%	8.0%	Up Over Year Ago
Gaming Revenue	2023M08	\$million, NSA	1,026.04	1207.71	1,123.42	-15.0%	-8.7%	Down From Year Ago
Residential Permits	2023M10	units permitted	1144	956	764	19.6%	49.7%	Up Strongly
Commercial Permits	2023M01	permits, NSA	35	29	43	20.7%	-18.6%	Low and Volatile
Air Passengers	2023M08	million persons, NSA	4.621	4.946	4.865	-6.6%	-5.0%	Down From Year Ago
Gasoline Sales	2023M06	million gallons, NSA	67.94	72.30	66.57	-6.0%	2.1%	Up Over Year Ago
Visitor Volume	2023M08	million persons, NSA	3.493	3.739	3.353	-6.6%	4.2%	Up Over Year Ago
Washoe County			Latest	Previous	Year Ago	Recent	Year Ago	
Employment**	2023M08	000s, SA	271.7	270.5	262.8	0.4%	3.4%	Up Over Year Ago
Unemployment Rate*	2023M08	%, Smoothed SA	4.4	4.3	3.8	0.1%	0.6%	Increased
Taxable Sales**	2023M07	\$billion, NSA	1.071	1.279	1.186	-16.3%	-9.7%	Down From Year Ago
Gaming Revenue	2023M08	\$million, NSA	94.43	100.58	94.78	-6.1%	-0.4%	Recent Decrease
Residential Permits	2023M10	units permitted	363	328	369	10.7%	-1.6%	Down From Year Ago
Commercial Permits	2019M01	permits, NSA	40	21	42	90.5%	-4.8%	Low and Volatile
Air Passengers	2023M08	million persons, NSA	0.439	0.443	0.408	-1.0%	7.5%	Up Over Year Ago
Gasoline Sales**	2023M06	million gallons, NSA	15.58	15.41	15.46	1.1%	0.8%	Up Over Year Ago
Visitor Volume	2023M08	million persons, NSA	0.448	0.478	0.370	-6.2%	21.2%	Up Strongly
United States			Latest	Previous	Year Ago	Recent	Year Ago	
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	2023M08	82-84=100, SA	306.3	304.3	295.3	0.7%	3.7%	Up Strongly
Core CPI	2023M08	82-84=100, SA	309.7	308.8	296.6	0.3%	4.4%	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	114.2	113.3	112.7	0.8%	1.3%	Up Over Year Ago
Retail Sales	2023M08	\$billion, SA	697.6	693.7	680.7	0.6%	2.5%	Up Over Year Ago
Auto and Truck Sales	2023M08	million, SA	15.04	15.75	13.23	-4.5%	13.7%	Up Strongly
Housing Starts	2023M08	million, SA	1.283	1.447	1.505	-11.3%	-14.8%	Down From Year Ago
Real GDP***	2023Q2	2012\$billion, SA	22225.4	22112.3	21708.2	2.1%	2.4%	Robust Growth
Dollar Exchange Rate	2023M09	06.01=100, NSA	122.125	120.379	125.507	1.5%	-2.7%	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	2023M09	monthly close, NSA	4288.05	4507.66	3585.62	-4.9%	19.6%	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*	2023M09	%, NSA	-0.94	-1.13	0.39	0.2%	-1.3%	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.