



NEVADA BUSINESS CONDITIONS

UNLV | LEE BUSINESS SCHOOL
CENTER FOR BUSINESS
AND ECONOMIC RESEARCH

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The advance estimate for U.S. gross domestic product (GDP) for 2024Q2 experienced unexpected robust growth at a 2.8 percent annual rate, twice the 1.4 percent in the previous quarter. The analysis of the components suggests a robust economy with strong consumer spending, private inventory investment, and nonresidential fixed investment. A surge in imports and a downturn in residential fixed investment contributed negatively to real GDP growth.

Seasonally adjusted U.S. non-farm payroll increased by 114,000 jobs in July, much lower than the 185,000 market estimate and a decrease from June's revised 179,000 jobs. Annual average hourly earnings increased by 3.6 percent, slightly lower than the 3.7 percent market estimate. July's unemployment rate, however, increased slightly to 4.3 percent, the highest since October 2021, up from 4.1 percent in June. Retail sales in June increased by 2.3 percent year-over-year, lower than the CPI inflation of 3.0 percent over the same period. The Fed will likely cut rates in September, given the recent slowdown in the labor market, which may signal an increasing risk of recession. In its July meeting, the Fed kept the federal funds rate unchanged.

Nevada posted mixed economic signals. Seasonally adjusted employment added 2,300 jobs in June. The unemployment rate increased to 5.2 percent from 5.1 percent in the prior month. May taxable sales declined by 0.8 percent year-over-year. June gaming revenue, however, saw an increase of 3.3 percent from last year. Nevada air passengers posted a year-over-year increase of 4.7 percent in May.

Clark County also exhibited mostly negative economic signals. Seasonally adjusted employment decreased by 2,000 in June. The unemployment rate increased slightly to 5.5 percent. Taxable sales in May decreased by 0.2 percent year-over-year. June residential permits fell by 18.7 percent compared to last year. June gaming revenue and visitor volume, nonetheless, rose by 4.6 and 1.7 percent, respectively, from last year, boosted by an extra weekend in June compared to the previous year.

Washoe County displayed generally unfavorable economic signals. Reno-Sparks seasonally adjusted employment experienced an increase of 600 jobs in June. The unemployment rate increased by 0.2 percentage points to 4.4 percent. Taxable sales in May contracted by 2.4 percent year-over-year after reaching a record high level in April 2024. Visitor volume and gaming revenue also fell by 3.6 and 7.6 percent, respectively, year-over-year in June. Residential permits in June, however, rose by 6.9 percent from last year.

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 | 2024M06 | 000s, SA | 1586.4 | 1584.1 | 1539.3 | 0.1% | 3.1% | Up Over Year Ago |
| Unemployment Rate* | 2024M06 | %, SA | 5.2 | 5.1 | 5.0 | 0.1% | 0.2% | Increased |
| Taxable Sales | 2024M05 | \$billion, NSA | 7.546 | 7.613 | 7.605 | -0.9% | -0.8% | Down From Year Ago |
| Gaming Revenue | 2024M06 | \$million, NSA | 1,286.69 | 1,320.41 | 1,246.02 | -2.6% | 3.3% | Up Over Year Ago |
| Air Passengers | 2024M05 | million persons, NSA | 5.583 | 5.251 | 5.334 | 6.3% | 4.7% | Up Over Year Ago |
| Gasoline Sales | 2024M05 | million gallons, NSA | 104.57 | 100.30 | 105.70 | 4.3% | -1.1% | Down Over Year Ago |
| Clark County | | | | | | | | |
| Employment | 2024M06 | 000s, SA | 1157.5 | 1159.5 | 1121.2 | -0.2% | 3.2% | Up Over Year Ago |
| Unemployment Rate* | 2024M06 | %, Smoothed SA | 5.5 | 5.4 | 5.4 | 0.1% | 0.1% | Increased |
| Taxable Sales | 2024M05 | \$billion, NSA | 5.551 | 5.376 | 5.562 | 3.3% | -0.2% | Down From Year Ago |
| Gaming Revenue | 2024M06 | \$million, NSA | 1,119.24 | 1,148.23 | 1,070.14 | -2.5% | 4.6% | Up Over Year Ago |
| Residential Permits | 2024M06 | units permitted | 1401 | 1354 | 1723 | 3.5% | -18.7% | Down From Year Ago |
| Commercial Permits | 2023M01 | permits, NSA | 35 | 29 | 43 | 20.7% | -18.6% | Low and Volatile |
| Air Passengers | 2024M06 | million persons, NSA | 5.066 | 5.191 | 4.884 | -2.4% | 3.7% | Up Over Year Ago |
| Gasoline Sales | 2024M05 | million gallons, NSA | 71.07 | 68.63 | 72.30 | 3.5% | -1.7% | Down From Year Ago |
| Visitor Volume | 2024M06 | million persons, NSA | 3.693 | 3.853 | 3.632 | -4.2% | 1.7% | Up Over Year Ago |
| Washoe County | | | | | | | | |
| Employment** | 2024M06 | 000s, SA | 271.9 | 271.3 | 265.9 | 0.2% | 2.3% | Up Over Year Ago |
| Unemployment Rate* | 2024M06 | %, Smoothed SA | 4.4 | 4.2 | 4.1 | 0.2% | 0.3% | Increased |
| Taxable Sales | 2024M05 | \$billion, NSA | 1.166 | 1.434 | 1.194 | -18.7% | -2.4% | Down From Year Ago |
| Gaming Revenue | 2024M06 | \$million, NSA | 87.21 | 90.43 | 94.38 | -3.6% | -7.6% | Down Significantly |
| Residential Permits | 2024M06 | units permitted | 386 | 381 | 361 | 1.3% | 6.9% | Up Over Year Ago |
| Commercial Permits | 2019M01 | permits, NSA | 40 | 21 | 42 | 90.5% | -4.8% | Low and Volatile |
| Air Passengers | 2024M05 | million persons, NSA | 0.386 | 0.364 | 0.369 | 6.0% | 4.7% | Up Over Year Ago |
| Gasoline Sales | 2024M05 | million gallons, NSA | 15.66 | 14.77 | 15.41 | 6.1% | 1.7% | Up Over Year Ago |
| Visitor Volume | 2024M06 | million persons, NSA | 0.371 | 0.315 | 0.385 | 17.8% | -3.6% | Down From Year Ago |
| United States | | | | | | | | |
| Employment | 2024M07 | million, SA | 158.723 | 158.609 | 156.211 | 0.1% | 1.6% | Up Over Year Ago |
| Unemployment Rate* | 2024M07 | %, SA | 4.3 | 4.1 | 3.5 | 0.2% | 0.8% | Increased |
| Consumer Price Index | 2024M06 | 82-84=100, SA | 313.0 | 313.2 | 304.0 | -0.1% | 3.0% | Up Over Year Ago |
| Core CPI | 2024M06 | 82-84=100, SA | 318.3 | 318.1 | 308.2 | 0.1% | 3.3% | Up Over Year Ago |
| Employment Cost Index | 2024Q2 | 05.12=100, SA | 167.6 | 166.2 | 161.1 | 0.8% | 4.0% | Up Over Year Ago |
| Productivity Index | 2024Q2 | 2017=100, SA | 112.7 | 112.1 | 109.7 | 0.5% | 2.6% | Up Over Year Ago |
| Retail Sales | 2024M06 | \$billion, SA | 704.3 | 704.5 | 688.6 | 0.0% | 2.3% | Up Over Year Ago |
| Auto and Truck Sales | 2024M07 | million, SA | 15.82 | 15.18 | 15.94 | 4.2% | -0.8% | Down From Year Ago |
| Housing Starts | 2024M06 | million, SA | 1.353 | 1.314 | 1.415 | 3.0% | -4.4% | Down From Year Ago |
| Real GDP*** | 2024Q2 | 2017\$billion, SA | 22918.7 | 22758.8 | 22225.4 | 2.8% | 3.1% | Robust Growth |
| Dollar Exchange Rate | 2024M06 | 97.01=100 | 124.031 | 122.244 | 119.579 | 1.5% | 3.7% | Increased |
| Trade Balance | 2024M05 | \$billion, SA | -75.071 | -74.462 | -66.066 | 0.8% | 13.6% | Year-Over-Year Deficit Increase |
| S and P 500 | 2024M07 | monthly close | 5522.30 | 5460.48 | 4588.96 | 1.1% | 20.3% | Up Strongly |
| Real Short-term Rate* | 2024M07 | %, NSA | 2.30 | 2.24 | 1.85 | 0.1% | 0.5% | Up Over Year Ago |
| Treasury Yield Spread* | 2024M07 | %, NSA | -0.95 | -0.93 | -1.35 | 0.0% | 0.4% | Up Over 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.