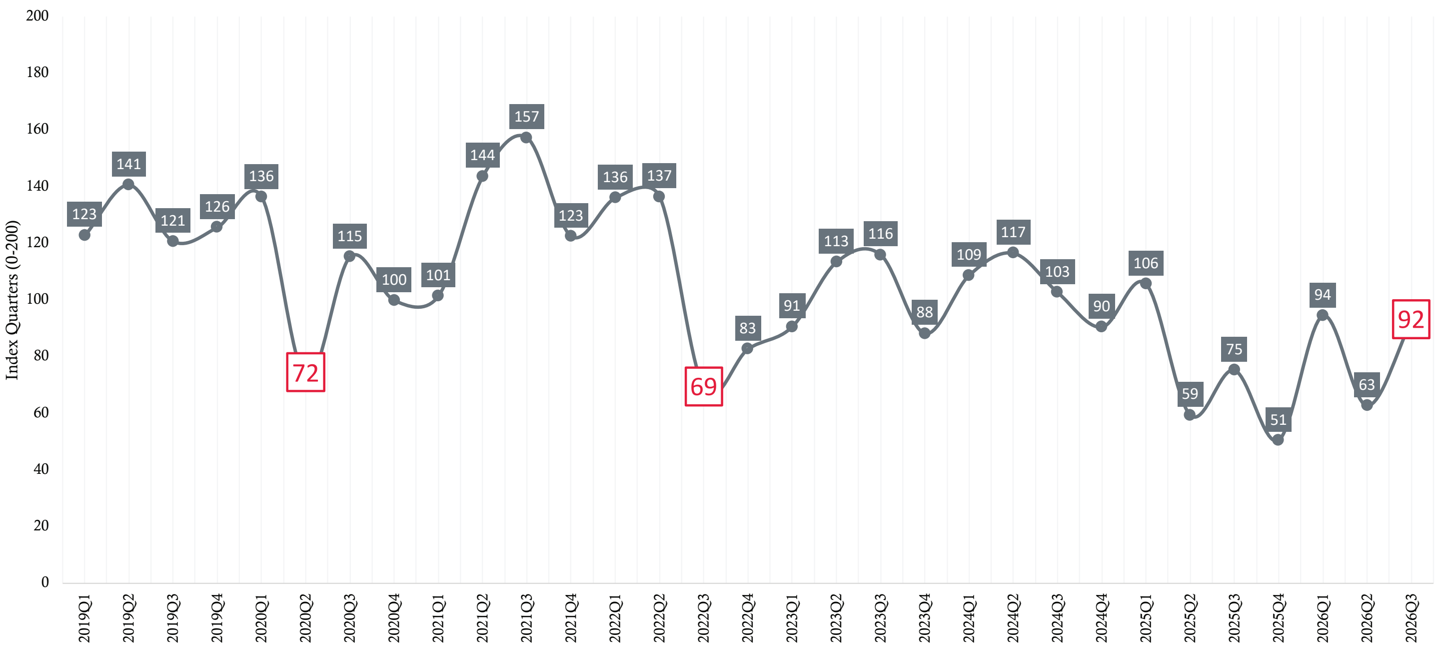
QUARTERLY INDICATORS

Southern Nevada Business Confidence Index • 3rd Quarter 2026

Local Business Confidence Shows Reduced Pessimism Compared with the Previous Quarter



	2026Q3	2026Q2	2025Q3	Q-Q change	Y-Y change
CBER Business Confidence Index	**92.2**	**62.7**	**75.2**	**47.0%**	**22.6%**
Expectations for Nevada's Economy	98.1	46.9	58.7	109.2%	67.1%
Expectations for Sales	87.0	66.7	84.1	30.4%	3.4%
Expectations for Profits	90.7	54.5	77.8	66.4%	16.6%
Expectations for Hiring	83.3	69.7	71.4	19.5%	16.7%
Expectations for Capital Expenditures	101.9	75.8	84.1	34.4%	21.2%
Expectations for the U.S. Economy*	77.8	24.2	47.6	221.5%	63.4%

* Expectations for the U.S. economy are not a component of the CBER Business Confidence Index.

Note: The index equals the average of its five components: expectations on Nevada economic conditions, sales, profits, hiring, and capital expenditures. Each component is calculated by adding 100 to the difference between the percentages of positive and negative responses. A score above 100 indicates respondents are positive about that component's outlook, while a score below 100 indicates they are negative.

Key Highlights

Economic Expectations

- Local business leaders' confidence, as captured by the CBER Southern Nevada Business Confidence Index, increased significantly from 62.7 in 2026Q2 to 92.2 in 2026Q3, suggesting that pessimism among local business leaders has decreased from the previous quarter.

- Southern Nevada business leaders continued to anticipate worsening national[1] and local economic conditions for the third quarter of 2026, but by smaller magnitudes than the previous quarter.

Expectations for Hiring

- Hiring sentiment remained below 100 for the ninth consecutive quarter, suggesting continued weakness in the Southern Nevada labor markets.

- Over the past year, businesses reported low confidence in hiring activity, probably driven by ongoing economic uncertainty. Respondents have ranked economic uncertainty as the biggest challenge facing their businesses in every quarter since 2024Q4.

Expectations for Home Prices

- The index value for expectations on home prices in Southern Nevada remained below 100 at 92.6 in 2026Q3, slightly up from 90.9 in the previous quarter, suggesting respondents expect local home prices to decline, on average, but at a reduced rate.

Most Important Challenges

- Economic uncertainty was cited by 27.3 percent of respondents as the most pressing challenge heading into 2026Q3. Although economic uncertainty remained the biggest challenge, the share of respondents citing it declined from levels of 40 percent and above seen in the previous five quarters.

Potential Recession

- 37.0 percent of respondents expect some increase in interest rates through the end of 2026Q3, while 31.5 percent anticipate a decrease.

- More respondents, 64.8 percent this quarter, said the economy is either already in a recession or will enter one within the next two years, up from 53.3 percent last quarter.

1 Not shown in the table. Check the detailed numbers on the Southern Nevada Business Confidence Index dashboard at https://cber.unlv.edu/southern-nevada-business-confidence-index/

Commentary from CBER

The Southern Nevada Business Confidence Index, constructed by the Center for Business and Economic Research (CBER) at the University of Nevada, Las Vegas (UNLV), increased to 92.2 in 2026Q3, from 62.7 in the previous quarter. The increase suggests that the pessimism among local business leaders has eased. The rise could reflect lowered concerns about broader economic conditions amid the volatile US-Iran ceasefire negotiations.

The index is based on five components: expectations for general economic conditions in Nevada and respondents' own industry outlooks on sales, profits, hiring, capital expenditures, and economic conditions. All five components aside from capital expenditures remained below the neutral value of 100.0, signaling some pessimism. Component scores for Nevada economic conditions, sales, profits, hiring, and capital expenditures equaled 98.1, 87.0, 90.7, 83.3, and 101.9, respectively.

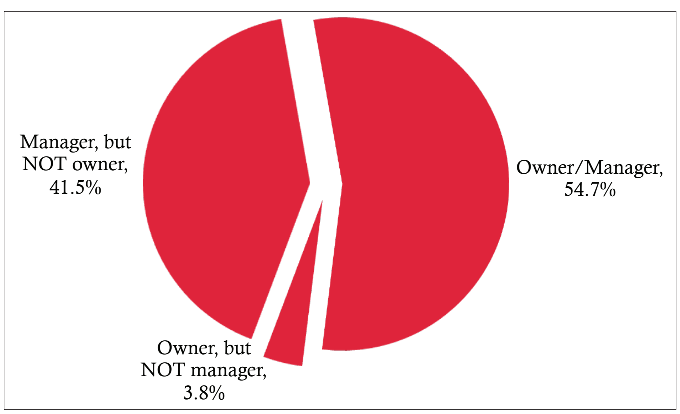
Aside from the main components, the survey results suggest that home prices and construction activity will decline in 2026Q3. The biggest challenges local businesses face right now are economic uncertainty (27.3 percent), followed by finding qualified employees (16.4 percent) and decreasing sales (14.5 percent). This ranking changed from last quarter, when the respondents cited economic uncertainty (57.6 percent), higher operation and/or production costs (12.1 percent), and decreasing sales (12.1 percent) as the biggest challenges. Local businesses also expect the Fed to be more likely to raise interest rates (37.0 percent) than to keep them unchanged (31.5 percent) or cut them (31.5 percent). This quarter,ww respondents were also less optimistic, as 64.8 percent think the economy is either already in a recession or will enter one within the next two years, up from 53.3 percent last quarter.

In conclusion, the most recent CBER business confidence survey indicates that local businesses continue to hold a pessimistic outlook on their industry's business conditions in the third quarter of 2026.

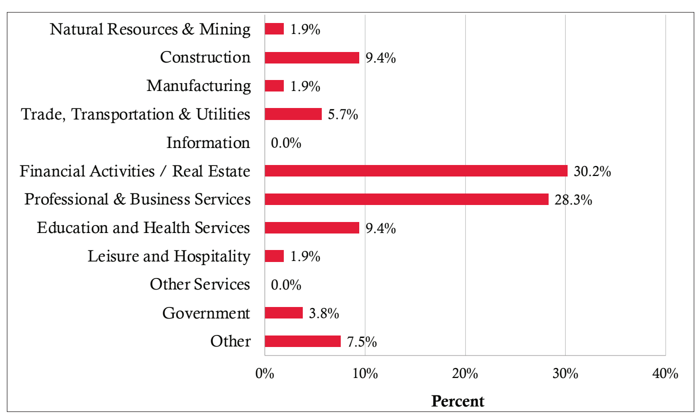
CBER provides a full interactive dashboard for the Southern Nevada Business Confidence Index, covering both the current quarter and historical data, which you can explore in more detail at https://cber.unlv.edu/southern-nevada-business-confidence-index/.

Survey data were collected from a sample of 55 respondents, while the number of responses varied by question (n = 52-55). 54.7 percent of respondents held the position of both owner and manager, while 41.5 percent were managers. Not including the respondent, respondents hailed from businesses employing 0-19 employees (49.1 percent), 20-250 employees (24.5 percent), and more than 250 employees (26.4 percent). The three most populous business sectors reflected in the survey were financial activities/real estate (30.2 percent), professional & business services (28.3 percent), followed by a tie for third between construction (9.4 percent) and education & health services (9.4 percent).

Which best describes your position in the business?



Business sectors reflected in survey



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