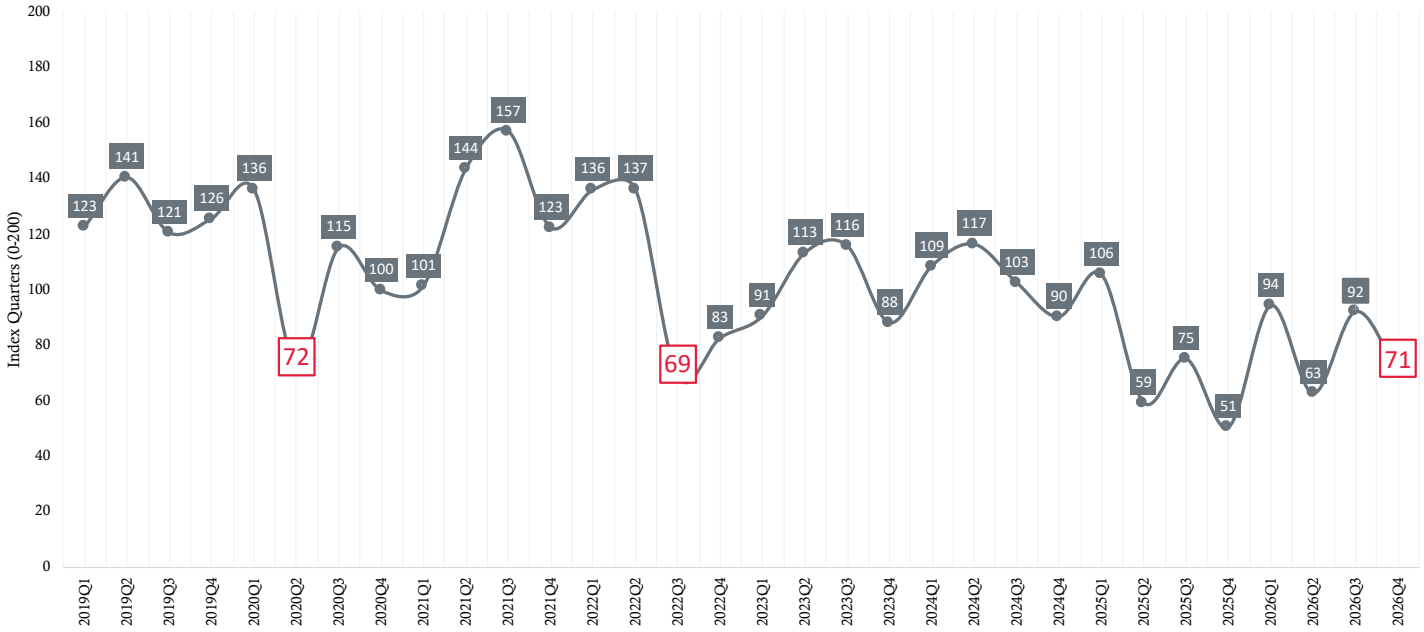
UNLV | LEE BUSINESS SCHOOL
CENTER FOR BUSINESS AND ECONOMIC RESEARCH

QUARTERLY INDICATORS

Southern Nevada Business Confidence Index • 4th Quarter 2026

Local Businesses Expressed Greater Pessimism Amid Growing Economic Uncertainty



	2026Q4	2026Q3	2025Q4	Q-Q change	Y-Y change
CBER Business Confidence Index	**71.2**	**92.2**	**50.5**	**-22.8%**	**40.9%**
Expectations for Nevada's Economy	46.9	98.1	36	-52.2%	30.3%
Expectations for Sales	73.4	87	50	-15.6%	46.8%
Expectations for Profits	65.6	90.7	44.7	-27.7%	46.8%
Expectations for Hiring	73.4	83.3	44.7	-11.9%	64.2%
Expectations for Capital Expenditures	96.8	101.9	77.3	-5.0%	25.2%
Expectations for the U.S. Economy*	51.6	77.8	61.3	-33.7%	-15.8%

* 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, decreased significantly from 92.2 in 2026Q3 to 71.2 in 2026Q4, suggesting that pessimism among local business leaders has increased from the previous quarter.

- Southern Nevada business leaders continued to anticipate worsening national and local economic conditions for the fourth quarter of 2026, and by greater magnitudes than the previous quarter.

Expectations for Hiring

- Hiring sentiment remained below 100 for the tenth 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 decreased significantly from 92.6 in 2026Q3 to 46.9 in 2026Q4, suggesting that respondents became even more pessimistic about the outlook for home prices compared with the prior quarter.

Most Important Challenges

- Economic uncertainty was cited by 42.2 percent of respondents as the most pressing challenge heading into 2026Q4, remaining the biggest challenge facing businesses for the ninth consecutive quarter.

Fed Policy and Potential Recession

- Only 8.1 percent of respondents expect some increase in interest rates through the end of 2026Q4, while 79.0 percent anticipate a decrease.

- More respondents, 72.1 percent this quarter, said the economy is either already in a recession or will enter one within the next two years, up from 64.8 percent last quarter.

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), decreased to 71.2 in 2026Q4, from 92.2 in the previous quarter. The decrease suggests that the pessimism among local business leaders has worsened. The decline could reflect heightened concerns about broader economic conditions amid higher inflation driven by energy costs. The Fed raised its federal funds rate by 0.25 percentage points to 3.75 to 4 percent at its September meeting, its first rate increase since July 2023, as inflation remained elevated.

The index is based on five components: expectations for Nevada economic conditions and respondents' own industry outlooks on sales, profits, hiring, and capital expenditures. All five components remained below the neutral value of 100.0, signaling pessimism. Component scores for Nevada sales, profits, hiring, Nevada economic conditions, and capital expenditures equaled 73.4, 65.6, 73.4, 46.9, and 96.8, respectively.

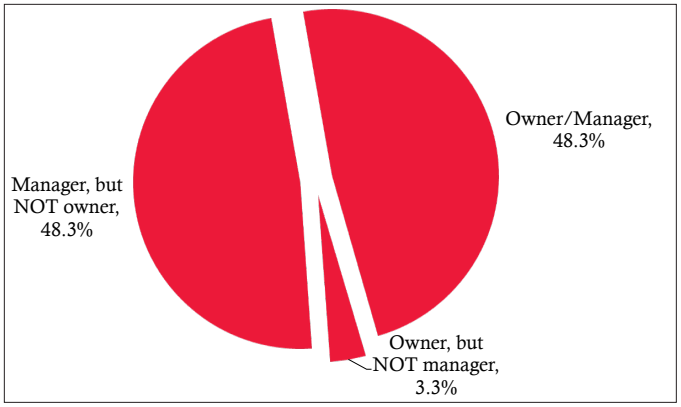
Aside from the main components, the survey also reports results suggesting that home prices and construction activity will decline in 2026Q4. The biggest challenges local businesses face right now are economic uncertainty (42.2 percent), followed by finding qualified employees (14.1 percent), and higher operating and/or production costs (12.5 percent). This ranking remained the same as last quarter, when the respondents cited economic uncertainty (27.3 percent), finding qualified employees (16.4 percent), and higher operating and/or production costs (14.5 percent) as the biggest challenges. Local businesses also expect that the Fed is more likely to raise interest rates (79.0 percent) than to keep them unchanged (12.9 percent) or cut them (8.1 percent). This quarter, respondents were also less optimistic, as 72.1 percent think the economy is either already in a recession or will enter one within the next two years, up from 64.8 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 prospects in the fourth quarter of 2026.

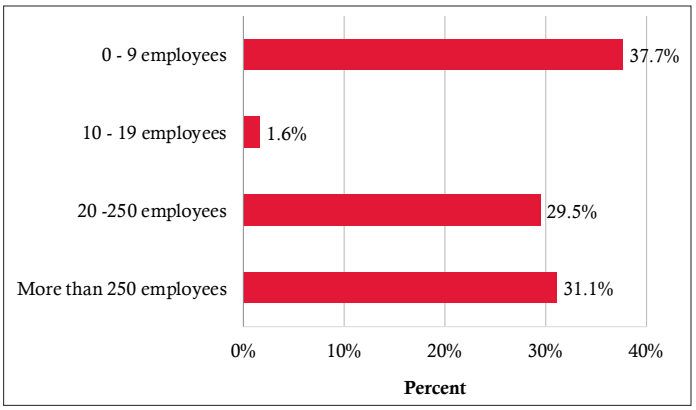
CBER provides a full interactive dashboard for the Southern Nevada Business Confidence Index, covering both the current quarter and historical data, which you can explore in more detail at [https://cber.unlv.edu/southern-nevada-business-confidence-index/.](https://cber.unlv.edu/southern-nevada-business-confidence-index/)

Survey data were collected from a sample of 64 respondents, while the number of responses varied by question (n = 59-64). 48.3 percent of respondents held the position of both owner and manager, while 48.3 percent were managers but not owners. Excluding the respondents themselves from the employee count, 39.3 percent represented businesses with 0-19 employees, 29.5 percent represented businesses with 20-250 employees, and 31.1 percent represented businesses with more than 250 employees. The three most populous business sectors reflected in the survey were financial activities/real estate (37.7 percent), professional & business services (21.3 percent), followed by construction (16.4 percent).

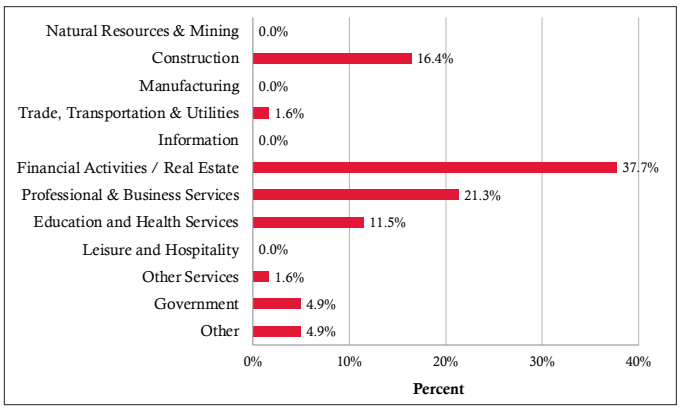
Which best describes your position in the business?



How many people, full time and part time, does your business currently employ, NOT including yourself?



Business Sectors Reflected in Survey



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. Please email us at CBER@UNLV.EDU for questions and concerns.