

NEVADA STATE BANK

Economic Briefing

JUNE 2015
ISSUE SIX
VOLUME EIGHT

The economic recovery in Nevada has shown few signs of slowing as many of the most important indicators have continued to demonstrate strong and steady growth in the wake of the Great Recession. In fact, many indicators are in the midst of extended positive trends that have continued for three years or more. Among them is employment, a key measure of the overall health of Nevada's economy. Total employment climbed to 1.25 million in April 2015 (latest data available), which marked 52 consecutive months of year-to-year job growth. The sustained trend added 143,100 jobs in the Silver State, a 13.2-percent gain from the post-recession low-water mark of 1.10 million jobs reported in January 2010.

As a result of those job gains, the state's year-over-year unemployment rate has fallen for 50 straight months, and the 7.1 percent mark in April 2015 is nearly half of the peak rate of 13.7 percent reported in November 2010. The number of private businesses in Nevada has grown along with employment. Since dipping to 69,812 in the third quarter of 2010, businesses have rebounded to 75,817 in the fourth quarter of 2014. That 8.6-percent growth included 14 straight quarters, or 42 months, of year-over-year improvement. Those trends were attributable to strong business growth

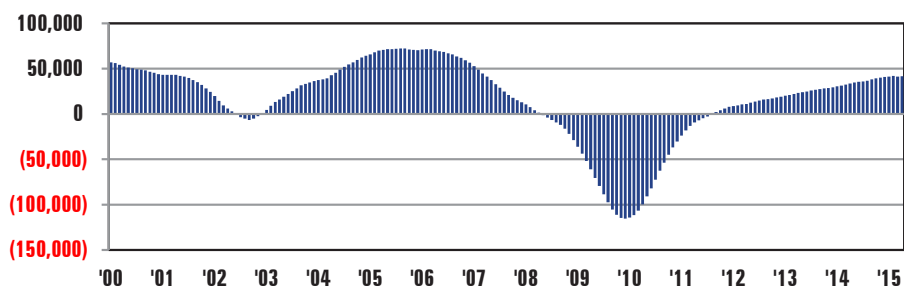
in Clark County, which grew by 12.0 percent over the same time period. The 52,144 private businesses reported in the fourth quarter of 2014 were a record for Clark County. Washoe County has not experienced similar levels of business growth. It has added 502 businesses since the low point in the first quarter of 2012, but the 13,843 businesses reported at the end of 2014 fell short of the 14,484 peak posted six years earlier.

Taxable retail sales in Nevada have shown consistent growth during the recovery since the 12-month total reached a low of \$37.8 billion in June

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NEVADA EMPLOYMENT GROWTH

TRAILING 12-MONTH AVERAGES



MONTHLY

Employment Indicators

Nevada Employment		Apr-15
Current Period	Prev. Period	Same Period Prev. Yr.
1,250,200	1,233,500	1,209,000
GROWTH RATE	1.4% ▲	3.4% ▲

Nevada Private Average Weekly Hours Worked		Apr-15
Current Period	Prev. Period	Same Period Prev. Yr.
33.3	33.5	33.3
GROWTH RATE	-0.6% ▼	0.0% ◆

Nevada Unemployment Rate		Apr-15
Current Period	Prev. Period	Same Period Prev. Yr.
7.1%	7.1%	8.1%
GROWTH RATE	0.0% ◆	-1.0% ▼

Nevada Initial Unemployment Insurance Claims		Apr-15
Current Period	Prev. Period	Same Period Prev. Yr.
13,550	14,044	14,931
GROWTH RATE	-3.5% ▼	-9.2% ▼

TRAILING 12-MONTH

Employment Indicators

Nevada Employment ⁽¹⁾		Apr-15
Current Period	Prev. Period	Same Period Prev. Yr.
1,228,617	1,225,183	1,187,150
GROWTH RATE	0.3% ▲	3.5% ▲

Nevada Private Average Weekly Hours Worked ⁽¹⁾		Apr-15
Current Period	Prev. Period	Same Period Prev. Yr.
33.5	33.5	33.5
GROWTH RATE	0.0% ◆	0.0% ◆

Nevada Unemployment Rate ⁽¹⁾		Apr-15
Current Period	Prev. Period	Same Period Prev. Yr.
7.3%	7.4%	8.9%
GROWTH RATE	-0.1% ▼	-1.6% ▼

Nevada Initial Unemployment Insurance Claims ⁽²⁾		Apr-15
Current Period	Prev. Period	Same Period Prev. Yr.
174,121	175,502	178,250
GROWTH RATE	-0.8% ▼	-2.3% ▼

Notes: (1) Trailing 12-month/4-quarter averages.
(2) Trailing 12-month/4-quarter totals.

MONTHLY & QUARTERLY Economic Indicator Series

Nevada Residential Housing Units Permitted

Apr-15

Current Period	Prev. Period	Same Period	Prev. Yr.
1,073	1,143	1,074	1,074
GROWTH RATE	-6.1% ▼	-0.1% ▼	

Nevada Taxable Retail Sales

Mar-15

Current Period	Prev. Period	Same Period	Prev. Yr.
\$4,549,164,085	\$3,832,409,717	\$4,431,763,542	\$4,431,763,542
GROWTH RATE	18.7% ▲	2.6% ▲	

Nevada Gross Gaming Revenue

Apr-15

Current Period	Prev. Period	Same Period	Prev. Yr.
\$897,925,088	\$951,287,391	\$851,977,865	\$851,977,865
GROWTH RATE	-5.6% ▼	5.4% ▲	

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Apr-15

Current Period	Prev. Period	Same Period	Prev. Yr.
4,026,692	4,128,676	3,876,675	3,876,675
GROWTH RATE	-2.5% ▼	3.9% ▲	

Clark/Washoe County Visitor Volume

Apr-15

Current Period	Prev. Period	Same Period	Prev. Yr.
4,179,644	4,294,392	4,127,667	4,127,667
GROWTH RATE	-2.7% ▼	1.3% ▲	

Nevada New Business Creation

Q4 '14

Current Period	Prev. Period	Same Period	Prev. Yr.
886	455	432	432
GROWTH RATE	94.7% ▲	105.1% ▲	

Nevada Housing Price Index

(Q1 1991 = 100)

Q1 '15

Current Period	Prev. Period	Same Period	Prev. Yr.
183.6	177.7	166.7	166.7
GROWTH RATE	3.3% ▲	10.1% ▲	

Clark County Office Market Vacancy Rate

Q1 '15

Current Period	Prev. Period	Same Period	Prev. Yr.
23.6%	23.7%	24.7%	24.7%
GROWTH RATE	-0.1% ▼	-1.1% ▼	

Nevada Hotel/Motel Occupancy

Q2 '14

Current Period	Prev. Period	Same Period	Prev. Yr.
84.5%	80.5%	82.2%	82.2%
GROWTH RATE	4.0% ▲	2.3% ▲	

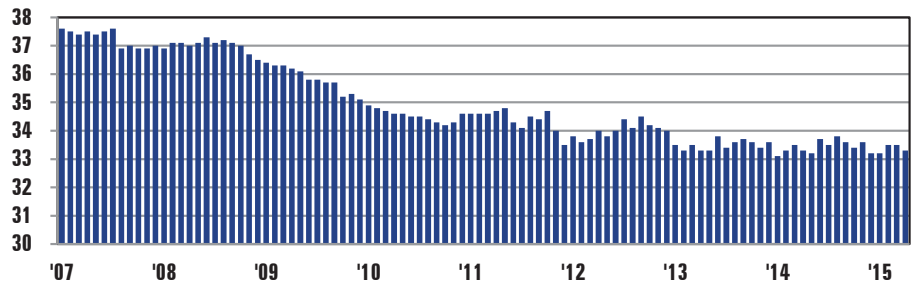
State of Nevada Personal Income

Q4 '14

Current Period	Prev. Period	Same Period	Prev. Yr.
\$28,876,882,750	\$28,565,527,750	\$27,610,680,000	\$27,610,680,000
GROWTH RATE	1.1% ▲	4.6% ▲	

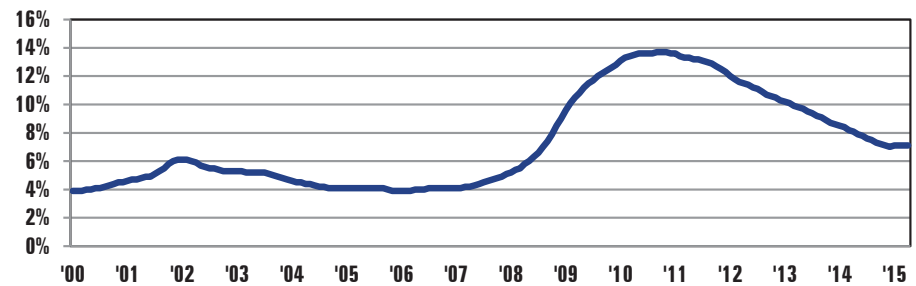
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED

MONTHLY SERIES



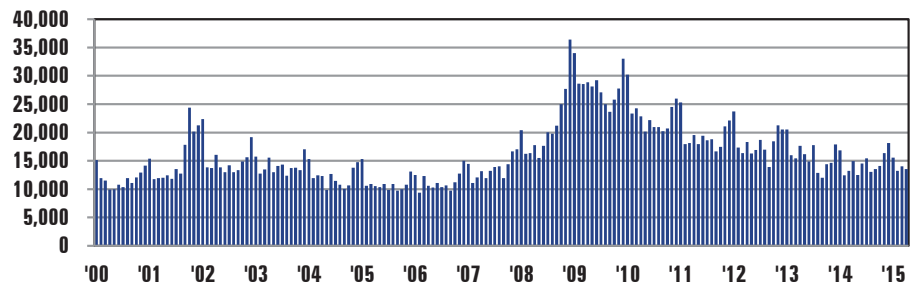
NEVADA UNEMPLOYMENT RATE

MONTHLY SERIES



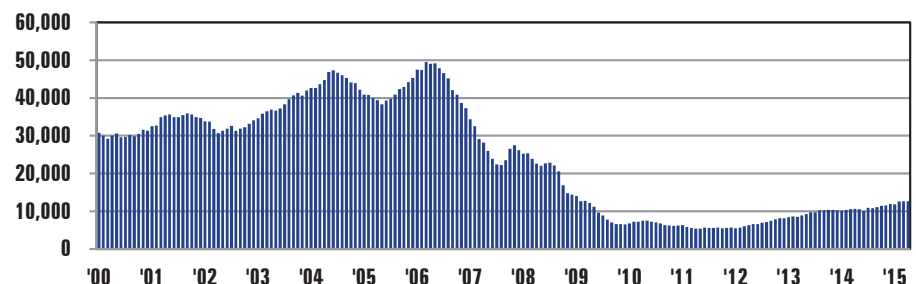
NEVADA UNEMPLOYMENT INSURANCE CLAIMS

MONTHLY SERIES

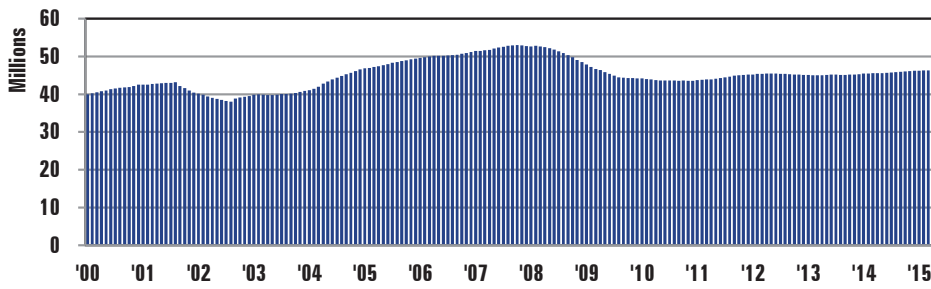


NEVADA RESIDENTIAL UNITS PERMITTED

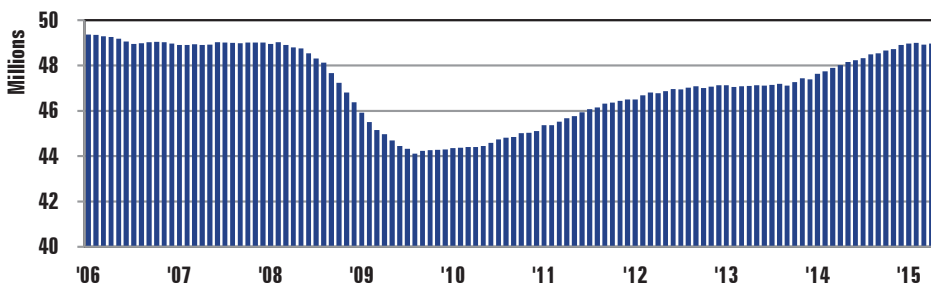
TRAILING 12-MONTH TOTALS



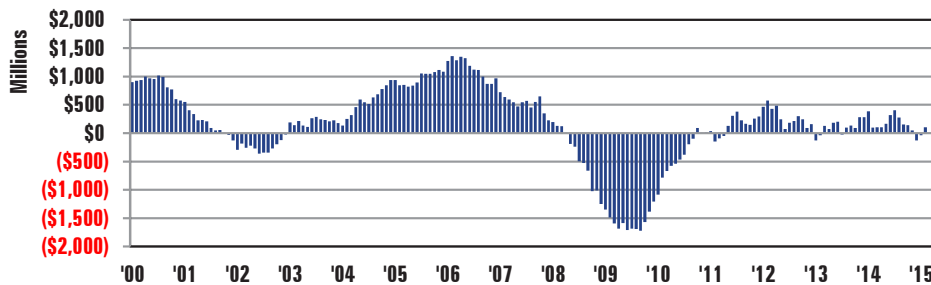
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS TRAILING 12-MONTH TOTALS



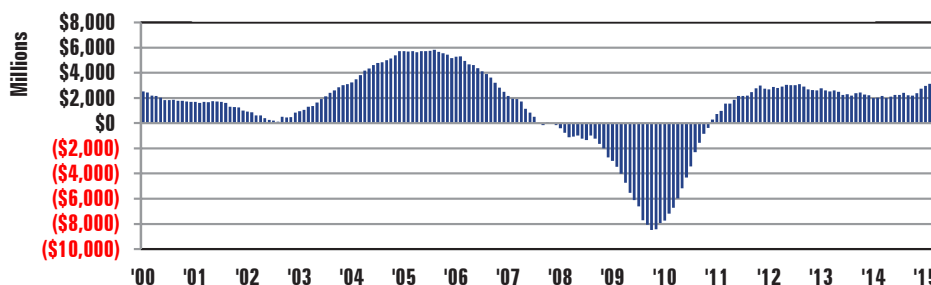
CLARK/WASHOE COUNTY VISITOR VOLUME TRAILING 12-MONTH TOTALS



GROWTH IN NEVADA GROSS GAMING REVENUES TRAILING 12-MONTH TOTALS



GROWTH IN NEVADA TAXABLE RETAIL SALES TRAILING 12-MONTH TOTALS



TRAILING 12-MONTH
Economic Indicator Series

Nevada Residential Housing Units Permitted ⁽²⁾ Apr-15

Current Period	Prev. Period	Same Period Prev. Yr.
12,657	12,658	10,590
GROWTH RATE	0.0% ▼	19.5% ▲

Nevada Taxable Retail Sales ⁽²⁾ Mar-15

Current Period	Prev. Period	Same Period Prev. Yr.
\$49,747,236,949	\$49,629,836,406	\$46,821,362,044
GROWTH RATE	0.2% ▲	6.2% ▲

Nevada Gross Gaming Revenue ⁽²⁾ Apr-15

Current Period	Prev. Period	Same Period Prev. Yr.
\$11,092,134,453	\$11,046,187,230	\$11,039,097,565
GROWTH RATE	0.4% ▲	0.5% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers ⁽²⁾ Apr-15

Current Period	Prev. Period	Same Period Prev. Yr.
46,484,111	46,334,094	45,594,321
GROWTH RATE	0.3% ▲	2.0% ▲

Clark/Washoe County Visitor Volume ⁽²⁾ Apr-15

Current Period	Prev. Period	Same Period Prev. Yr.
48,974,457	48,922,480	48,022,763
GROWTH RATE	0.1% ▲	2.0% ▲

Nevada New Business Creation ⁽²⁾ Q4 '14

Current Period	Prev. Period	Same Period Prev. Yr.
2,165	1,711	1,548
GROWTH RATE	26.5% ▲	39.9% ▲

Nevada Housing Price Index ⁽¹⁾ Q1 '15

Current Period	Prev. Period	Same Period Prev. Yr.
175.7	171.5	157.8
GROWTH RATE	2.5% ▲	11.3% ▲

Clark County Office Market Vacancy Rate ⁽¹⁾ Q1 '15

Current Period	Prev. Period	Same Period Prev. Yr.
23.8%	24.1%	24.7%
GROWTH RATE	-0.3% ▼	-0.9% ▼

Nevada Hotel/Motel Occupancy ⁽¹⁾ Q2 '14

Current Period	Prev. Period	Same Period Prev. Yr.
80.5%	79.9%	79.4%
GROWTH RATE	0.6% ▲	1.1% ▲

State of Nevada Personal Income ⁽²⁾ Q4 '14

Current Period	Prev. Period	Same Period Prev. Yr.
\$115,507,531,000	\$114,262,111,000	\$110,442,720,000
GROWTH RATE	1.1% ▲	4.6% ▲

Notes: (1) Trailing 12-month/4-quarter averages.
(2) Trailing 12-month/4-quarter totals.

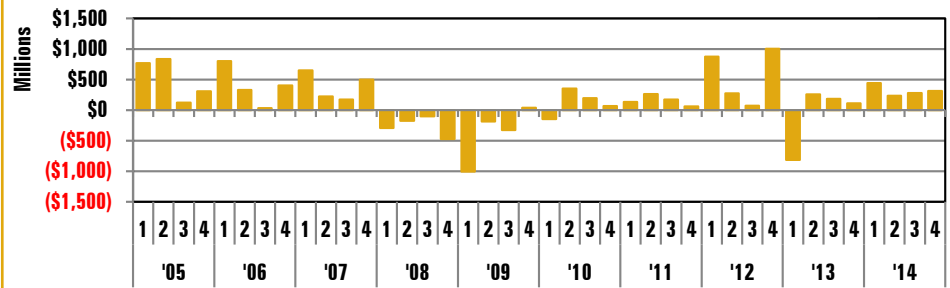
2010. Since then the trailing 12-month total increased by 31.7 percent to an all-time high of \$49.8 billion in March 2015 (latest reporting period). That stretch has included 52 straight months of year-to-year improvement. Clark and Washoe counties each reported similar trends in both overall retail sales growth and the number of consecutive months of year-over-year growth.

Nevada's housing industry has experienced several streaks of its own along with the statewide economic revival. Home prices, as measured by the housing price index, have climbed for 13 straight quarters, and the latest home price index of 183.56 in the first quarter of 2015 is the highest mark since 2008. Since 2012, the Silver State has consistently led the nation in year-to-year home price appreciation. The newest figure put Nevada second behind Colorado and continued a 10-quarter streak with either a first- or second-place ranking. Since hitting the low point of 111.38 in the fourth quarter of 2011, Nevada's home price index has grown by a nation-leading 64.8 percent, well above California's 48.1-percent mark.

The sustained growth of these and other key indicators has been a welcome sign of Nevada's steady recovery following the Great Recession, and their continued improvement will go hand in hand with the ongoing betterment of the state's economic well-being. ☺

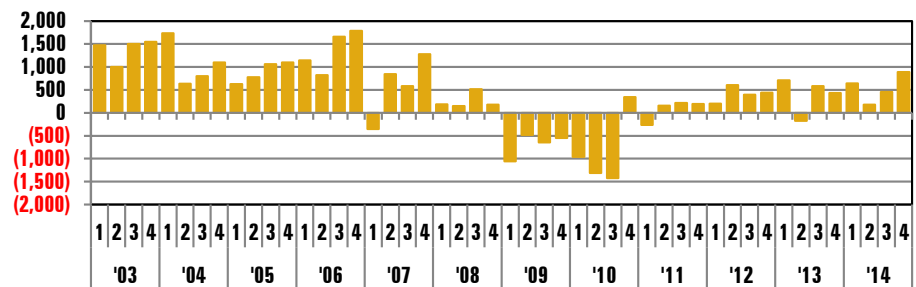
STATE OF NEVADA PERSONAL INCOME GROWTH

QUARTER-OVER-QUARTER



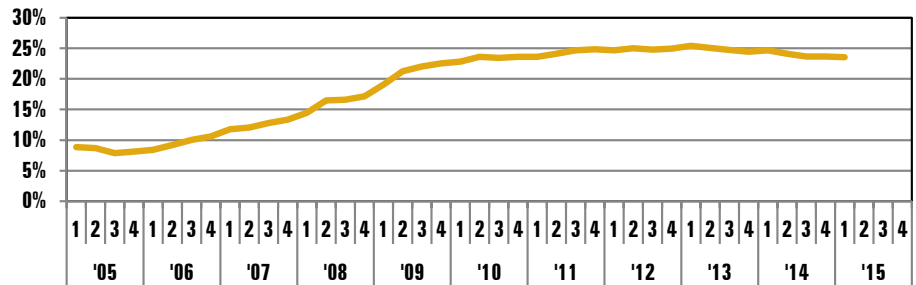
NEVADA NEW BUSINESS CREATION

QUARTER-OVER-QUARTER



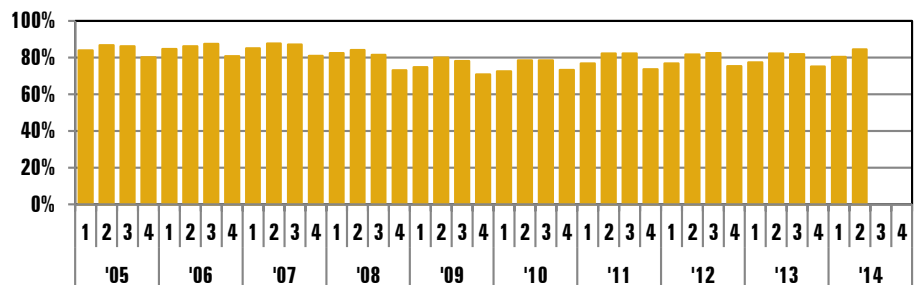
LAS VEGAS OFFICE MARKET VACANCY RATE

QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY

QUARTERLY SERIES



Prepared by:



appliedanalysis.com

Methodology: Applied Analysis ("AA") was retained by Nevada State Bank to summarize and analyze a series of key economic indicators on a recurring basis. Relevant data were obtained from AA's internal databases as well as national, regional and local data providers, including, without limitation, state and local governments. While we have no reason to doubt the accuracy of any of the data reported, we have not performed an audit or assurance procedures on these data, and as such, we cannot attest to their completeness. Generally speaking, data reported are for Nevada, Clark County, Washoe County, or the metropolitan areas therein. Please note that these geographies may differ slightly between data providers.