

## ECONOMIC UPDATE

Nevada finished 2015 with a bevy of positive economic news, including a number of indicators that closed the year among the best in the nation.

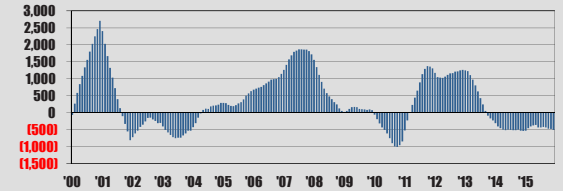
The state's expanding jobs market led economic news headlines throughout the year. Annual average employment grew by 37,500 jobs in 2015 for an annual growth rate of 3.1 percent. That rate ranked sixth-best in the United States. If statewide employment continues to expand at about the same rate in 2016, the total number of jobs will return to pre-recession levels later this year. Growing employment pushed the state's seasonally adjusted unemployment rate down to 6.4 percent, the lowest since 2008. Despite the improvement, Nevada's unemployment rate remained among the three highest in the country.

In contrast to state trends, Elko County's annual average employment shrank to 26,125 (-1.9 percent) in 2015, and its unemployment rate climbed to 5.0 percent in December 2015, up slightly from 4.8 percent a year earlier.

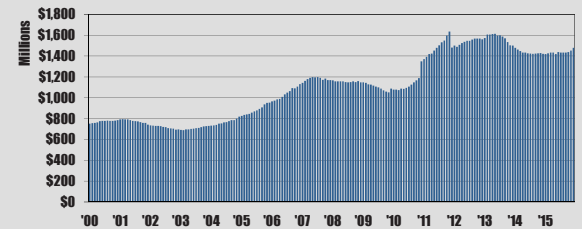
Nevada's strengthening labor market sparked a surge in wage growth as employers have raised pay to attract and retain workers. Although average weekly hours remained flat at 33.6 (+0.5 percent) over the year, average weekly wages climbed 5.2 percent to \$736.92. Nevada's wage growth rate in 2015 led the nation and more than doubled the average U.S. rate of 2.4 percent.

Improving job prospects, rising pay and growing home values in Nevada contributed to rising consumer confidence. Statewide taxable retail sales, the primary measure of consumer spending, grew by 5.5 percent to a record \$51.7 billion in 2015. Annual retail sales in Elko County grew 4.1 percent to \$1.5 billion last year, which remained below peak levels reported in mid-2013.

**Elko County Employment Growth**  
Trailing 12-Months



**Elko County Taxable Retail Sales**  
Trailing 12-Months



**Elko County Unemployment Rate**



	Most Recent Data Available	Indicator Values			Growth Rate	
		Current Period	Prior Period	Prior Year	vs. Prior Period	vs. Prior Year
Elko County Employment	Dec-15	25,820	25,786	26,345	0.1% ▲	-2.0% ▼
Elko County Labor Force	Dec-15	27,183	27,112	27,674	0.3% ▲	-1.8% ▼
Elko County Unemployment Rate	Dec-15	5.0%	4.9%	4.8%	0.1% ▲	0.2% ▲
Nevada Initial Unemployment Insurance Claims	Dec-15	14,528	14,111	18,122	3.0% ▲	-19.8% ▼
Nevada Private Average Weekly Hours Worked	Dec-15	33.4	33.9	33.2	-1.5% ▼	0.6% ▲
Elko County Number of Private Business Establishments	Q3 '15	1,331	1,321	1,319	0.8% ▲	0.9% ▲
Elko County Private Sector Total Wages	Q3 '15	\$209,151,211	\$200,587,640	\$227,269,489	4.3% ▲	-8.0% ▼
Elko County Taxable Retail Sales	Dec-15	\$152,136,321	\$126,027,039	\$125,729,951	20.7% ▲	21.0% ▲
Elko County Gross Gaming Revenues	Jan-16	\$21,544,166	\$19,311,633	\$21,274,447	11.6% ▲	1.3% ▲
Nevada Housing Price Index (Q1 1991 = 100)	Q3 '15	194.0	187.9	172.6	3.2% ▲	12.4% ▲

## MINING UPDATE

Barrick Gold recently announced a major expansion of operations that includes a \$1.5 billion investment in three Nevada mines. The largest investment of \$1 billion will be made to develop an underground mine at Goldrush, a new deposit near Elko. When it comes online in 2021, the mine is expected to produce 440,000 ounces of gold a year.

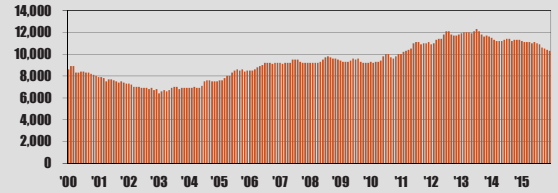
At the Turquoise Ridge mine near Winnemucca, Barrick will invest up to \$325 million to add a third shaft that will boost annual gold production from 280,000 ounces to 500,000 ounces. Barrick owns a 75 percent interest in the Turquoise Ridge mine. Additionally, the company announced a \$153 million investment to extend the Cortez Hills mine deeper underground. When finished, the expansion would increase production by 300,000 ounces per year.

Barrick's announcement comes as the gold mining industry continues through a steady decline phase. The U.S. monthly price of gold in December 2015 dropped to \$1,060 per ounce, its lowest point since October 2009. The latest gold price represents a 12.1 percent decline from a year earlier and a 41.6 percent tumble from the August 2011 peak of \$1,814 per ounce.

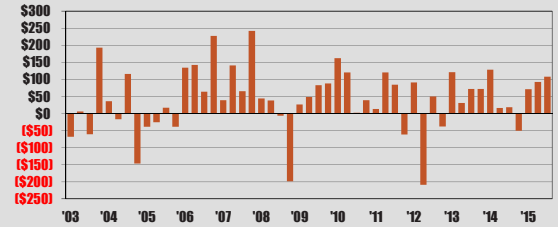
Metal ore mining employment in Nevada generally tracks gold prices. In line with the falling gold price, monthly employment in December 2015 dipped to 10,300, an 8.8-percent drop from the prior year and the lowest mark since March 2011. At the July 2013 peak, metal ore mining employed 12,300 workers in Nevada.

While the number of metal ore mining employees has declined, the amount of money they are earning has climbed. In the third quarter of 2015 (latest data available), average weekly wages increased to \$1,804, a 6.8-percent improvement from the prior year, and total quarterly wages reached \$264.1 million, a 5.6-percent increase over the same period.

### Nevada Metal Ore Mining Employment



### Growth in Nevada Metal Ore Mining Average Weekly Wages



### US Price of Gold



	Most Recent Data Available	Indicator Values			Growth Rate	
		Current Period	Prior Period	Prior Year	Vs. Prior Period	Vs. Prior Year
United States Price of Gold	Dec-15	\$1,060	\$1,062	\$1,206	-0.2% ▼	-12.1% ▼
Nevada Gold Production (Troy Ounces)	2014	4,940,541	5,436,430	5,436,430	-9.1% ▼	-9.1% ▼
Elko County Gold Production (Troy Ounces)	2014	571,926	588,753	588,753	-2.9% ▼	-2.9% ▼
Nevada Metal Ore Mining Employment	Dec-15	10,300	10,400	11,300	-1.0% ▼	-8.8% ▼
Elko County Metal Ore Mining Employment	2014	2,665	1,754	1,754	51.9% ▲	51.9% ▲
Nevada Metal Ore Mining Average Weekly Wages	Q3 '15	\$1,804	\$1,732	\$1,696	4.2% ▲	6.4% ▲
Nevada Metal Ore Mining Total Wages	Q3 '15	\$264,083,619	\$253,208,158	\$250,028,530	4.3% ▲	5.6% ▲
Nevada Mining Gross State Product	2014	\$6,431,000,000	\$7,193,000,000	\$7,193,000,000	-10.6% ▼	-10.6% ▼
Nevada Mining and Support Taxable Retail Sales	Dec-15	\$254,677,111	\$253,062,213	\$309,744,318	0.6% ▲	-17.8% ▼
Nevada Net Proceeds of Minerals Tax Paid	2015	\$50,756,000	\$26,221,970	\$26,221,970	93.6% ▲	93.6% ▲