

The leisure and hospitality industry is the most important sector in Nevada, as it directly employs one out of every four workers across the state and generates nearly 20 percent of all worker wages. Given the tourism industry's critical importance to the economic health of the state, its record-breaking performance in 2016 signals a positive year of growth and stability for both the industry and the overall economy of Nevada.

Las Vegas closed the year with an all-time high in visitation with 42.9 million visitors, which eclipsed the previous record of 42.3 million in 2015. Roughly 600,000 more visitors came to Las Vegas in 2016, marking the third consecutive year with a new visitation record for the region. Total visitation to Las Vegas received a significant boost from the convention segment. The year closed with more than 6.3 million trade show attendees, a new record that eclipsed the previous high of 6.2 million set in 2007. The rise in convention attendance coincided with strong growth in the number of conventions held. In the 12 months through November 2016 (latest data available), the number of trade shows in Las Vegas climbed to 22,130, up 6.0 percent from the previous year.

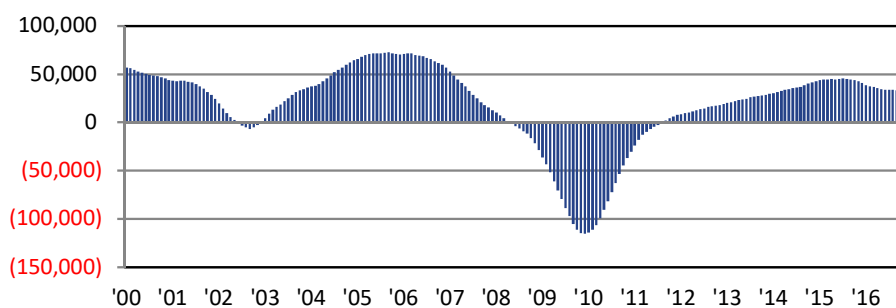
The positive trend for Southern Nevada visitation is evident in air and ground transportation data for incoming traffic to

the region. The annual passenger count at McCarran International Airport climbed by 2.3 million passengers to 47.4 million in the 12 months through November 2016 (latest data available). If year-end passenger totals reflect the 5.1 percent annual growth rate to date, the airport will approach, and could surpass, the annual passenger record of 47.7 million set in 2007. Auto traffic into Southern Nevada set a record of its own, with annual average daily traffic counts on Interstate 15 at the Nevada-California border rising to 45,300 in November 2016. That figure represented a 2.2 percent increase over the prior year and reflects ongoing strength in the Southern California visitor segment, which accounts for 25 percent of annual visitation to Las Vegas.

In conjunction with the growth in annual visitation, the average daily room rate in the Las Vegas area rose to \$125.28 in the 12 months through November 2016,

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NEVADA EMPLOYMENT GROWTH TRAILING 12-MONTH AVERAGES



Economic Briefing

JANUARY 2017

ISSUE ONE | VOLUME TEN

MONTHLY Employment Indicators

Nevada Employment		Nov-16
Current Period	Prev. Period	Same Period Prev. Yr.
1,311,500	1,305,900	1,276,900
GROWTH RATE	0.4% ▲	2.7% ▲

Nevada Private Average Weekly Hours Worked		Nov-16
Current Period	Prev. Period	Same Period Prev. Yr.
33.5	34.5	33.9
GROWTH RATE	-2.9% ▼	-1.2% ▼

Nevada Unemployment Rate		Nov-16
Current Period	Prev. Period	Same Period Prev. Yr.
5.2%	5.5%	6.4%
GROWTH RATE	-0.3% ▼	-1.2% ▼

TRAILING 12-MONTH Employment Indicators

Nevada Employment ⁽¹⁾		Nov-16
Current Period	Prev. Period	Same Period Prev. Yr.
1,287,017	1,284,133	1,255,150
GROWTH RATE	0.2% ▲	2.5% ▲

Nevada Private Average Weekly Hours Worked ⁽¹⁾		Nov-16
Current Period	Prev. Period	Same Period Prev. Yr.
33.8	33.8	33.6
GROWTH RATE	-0.1% ▼	0.6% ▲

Nevada Unemployment Rate ⁽¹⁾		Nov-16
Current Period	Prev. Period	Same Period Prev. Yr.
6.0%	6.1%	6.8%
GROWTH RATE	-0.1% ▼	-0.8% ▼

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

MONTHLY & QUARTERLY
Economic Indicator Series

Nevada Initial Unemployment Insurance Claims

Nov-16

Current Period	Prev. Period	Same Period Prev. Yr.
12,850	10,795	14,111
GROWTH RATE	19.0% ▲	-8.9% ▼

Nevada Residential Housing Units Permitted

Sep-16

Current Period	Prev. Period	Same Period Prev. Yr.
1,013	1,056	729
GROWTH RATE	-4.1% ▼	39.0% ▲

Nevada Taxable Retail Sales

Oct-16

Current Period	Prev. Period	Same Period Prev. Yr.
\$4,440,092,377	\$4,759,350,990	\$4,308,841,903
GROWTH RATE	-6.7% ▼	3.0% ▲

Nevada Gross Gaming Revenue

Nov-16

Current Period	Prev. Period	Same Period Prev. Yr.
\$930,424,600	\$986,084,800	\$944,346,453
GROWTH RATE	-5.6% ▼	-1.5% ▼

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Nov-16

Current Period	Prev. Period	Same Period Prev. Yr.
4,135,477	4,582,432	3,993,249
GROWTH RATE	-9.8% ▼	3.6% ▲

Clark/Washoe County Visitor Volume

Oct-16

Current Period	Prev. Period	Same Period Prev. Yr.
4,458,564	4,388,400	4,482,068
GROWTH RATE	1.6% ▲	-0.5% ▼

Nevada New Business Creation

Q1 '16

Current Period	Prev. Period	Same Period Prev. Yr.
1,589	883	596
GROWTH RATE	80.0% ▲	166.6% ▲

Nevada Housing Price Index

(Q1 1991 = 100)

Q4 '15

Current Period	Prev. Period	Same Period Prev. Yr.
199.3	193.4	176.6
GROWTH RATE	3.0% ▲	12.8% ▲

Clark County Office Market

Vacancy Rate

Q3 '16

Current Period	Prev. Period	Same Period Prev. Yr.
20.5%	21.0%	22.4%
GROWTH RATE	-0.5% ▼	-1.9% ▼

Nevada Hotel/Motel Occupancy

Q1 '16

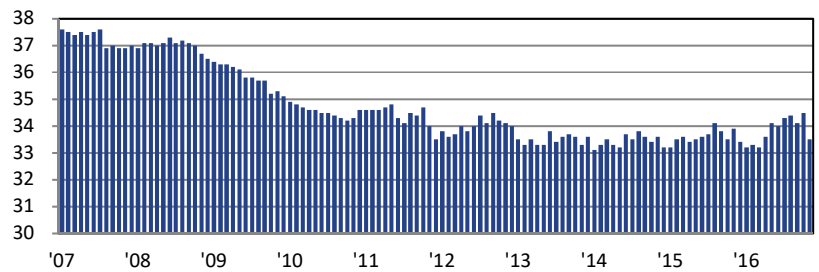
Current Period	Prev. Period	Same Period Prev. Yr.
80.9%	79.2%	79.6%
GROWTH RATE	1.7% ▲	1.3% ▲

State of Nevada Personal Income

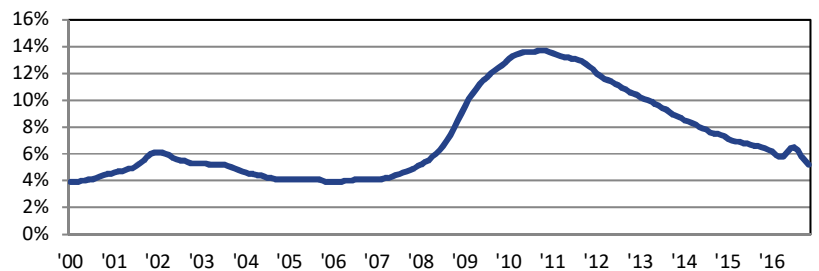
Q3 '16

Current Period	Prev. Period	Same Period Prev. Yr.
\$31,911,411,750	\$31,602,152,500	\$30,533,238,000
GROWTH RATE	1.0% ▲	4.5% ▲

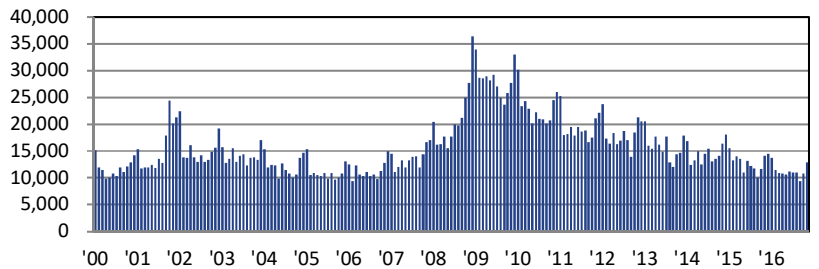
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



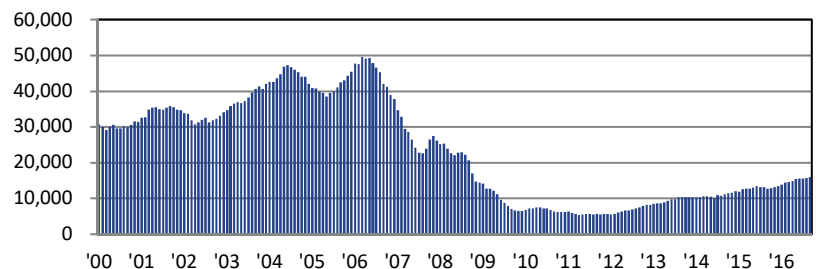
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



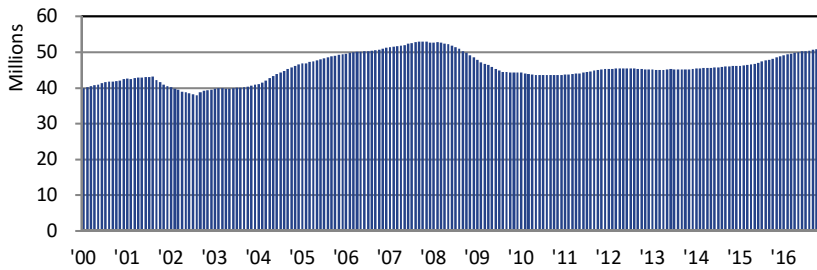
NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES



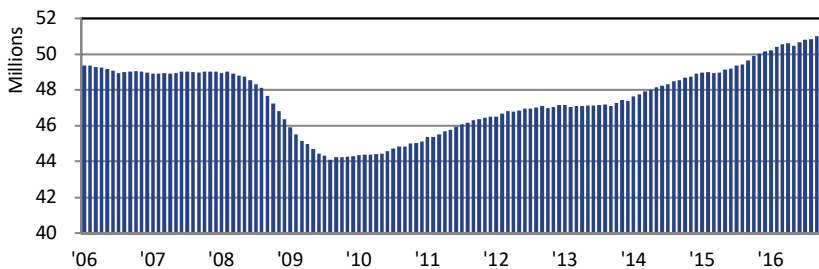
NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



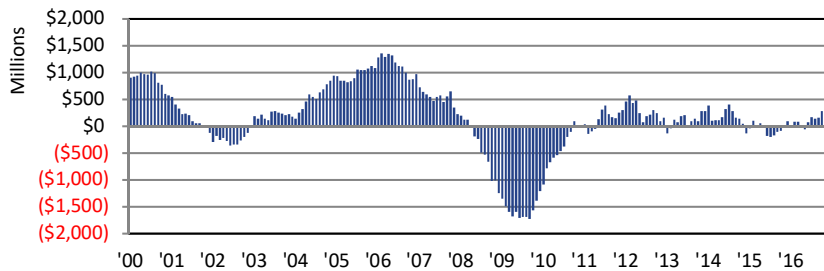
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS
TRAILING 12-MONTH TOTALS



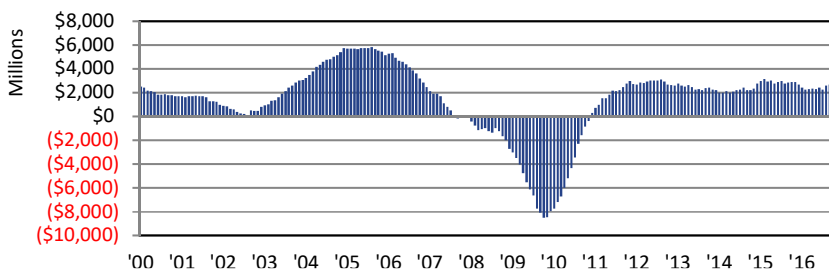
CLARK/WASHOE COUNTY VISITOR VOLUME
TRAILING 12-MONTH TOTALS



GROWTH IN NEVADA GROSS GAMING REVENUE
TRAILING 12-MONTH TOTALS



GROWTH IN NEVADA TAXABLE RETAIL SALES
TRAILING 12-MONTH TOTALS



TRAILING 12-MONTH
Economic Indicator Series

Nevada Initial Unemployment Insurance Claims ⁽²⁾

		Nov-16	
Current Period	Prev. Period	Same Period	Prev. Yr.
138,264	139,525	158,454	
GROWTH RATE	-0.9% ▼	-12.7% ▼	

Nevada Residential Housing Units Permitted ⁽²⁾

		Sep-16	
Current Period	Prev. Period	Same Period	Prev. Yr.
15,954	15,670	12,735	
GROWTH RATE	1.8% ▲	25.3% ▲	

Nevada Taxable Retail Sales ⁽²⁾

		Oct-16	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$53,799,863,794	\$53,668,613,320	\$51,201,987,139	
GROWTH RATE	0.2% ▲	5.1% ▲	

Nevada Gross Gaming Revenue ⁽²⁾

		Nov-16	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$11,284,030,234	\$11,297,952,087	\$11,082,916,070	
GROWTH RATE	-0.1% ▼	1.8% ▲	

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

		Nov-16	
Current Period	Prev. Period	Same Period	Prev. Yr.
51,033,599	50,891,371	48,499,188	
GROWTH RATE	0.3% ▲	5.2% ▲	

Clark/Washoe County Visitor Volume ⁽²⁾

		Oct-16	
Current Period	Prev. Period	Same Period	Prev. Yr.
50,971,990	50,995,494	49,891,873	
GROWTH RATE	0.0% ▼	2.2% ▲	

Nevada New Business Creation ⁽²⁾

		Q1 '16	
Current Period	Prev. Period	Same Period	Prev. Yr.
3,684	2,691	2,117	
GROWTH RATE	36.9% ▲	74.0% ▲	

Nevada Housing Price Index ⁽¹⁾

		Q4 '15	
<i>(Q1 1991 = 100)</i>			
Current Period	Prev. Period	Same Period	Prev. Yr.
191.1	185.4	170.8	
GROWTH RATE	3.1% ▲	11.9% ▲	

Clark County Office Market Vacancy Rate ⁽¹⁾

		Q3 '16	
Current Period	Prev. Period	Same Period	Prev. Yr.
21.3%	21.7%	22.7%	
GROWTH RATE	-0.4% ▼	-1.4% ▼	

Nevada Hotel/Motel Occupancy ⁽¹⁾

		Q1 '16	
Current Period	Prev. Period	Same Period	Prev. Yr.
82.5%	82.2%	81.0%	
GROWTH RATE	0.3% ▲	1.5% ▲	

State of Nevada Personal Income ⁽²⁾

		Q3 '16	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$127,645,647,000	\$126,408,610,000	\$122,132,952,000	
GROWTH RATE	1.0% ▲	4.5% ▲	

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

◀ Continued From Cover

an increase of 4.6 percent over the prior year. Meanwhile, the average hotel/motel occupancy rate improved by 1.3 percentage points over the same time frame. The 89.0 percent occupancy rate represents the highest year-end level since 2007.

Northern Nevada recorded similarly positive tourism trends. Total visitation climbed 3.8 percent to 4.9 million in the 12 months through November 2016. If that visitation growth trend continues through December, the annual total would mark the highest point since the 5.1 million visitors in 2007. Concurrently, the Reno-Tahoe International Airport recorded strong passenger growth in 2016, with the trailing 12-month total reaching 3.6 million in November 2016, a 6.6 percent improvement over the year. That annual growth rate would mark the best performance since 2004.

The rising tide of tourism across the state was reflected in climbing job numbers for the industry. Statewide leisure and hospitality employment climbed by 6,100 in the 12 months through November 2016, accounting for roughly one in six new jobs created during the year. In sum, 2016 marked another year of records for the statewide tourism sector and another year of positive growth for Nevada's core industry.

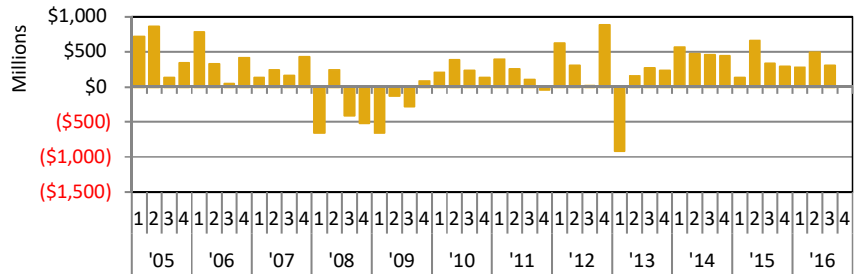
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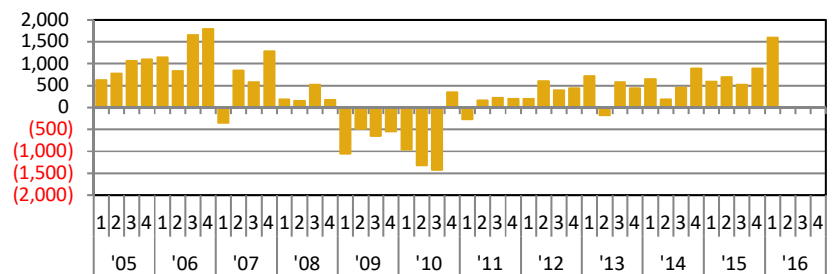
appliedanalysis.com

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.

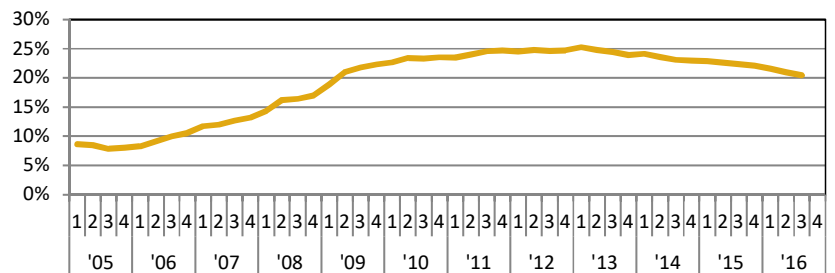
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



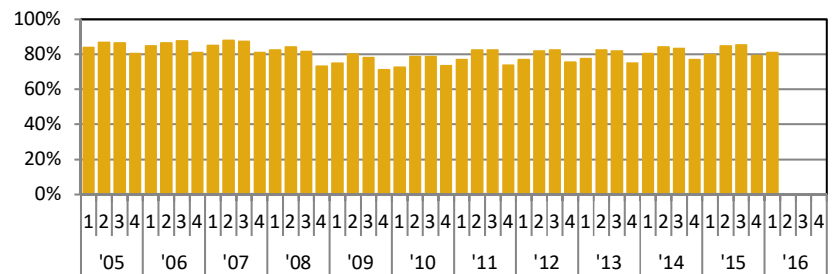
NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES



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