

Nevada's leisure and hospitality industry is the most important in the state as it employs nearly one out of every four workers in the state and pays out over 20 percent of all wages. Given the importance of the industry to the state economy, the health and outlook of the leisure and hospitality industry play key roles in the state economy as a whole.

The number of visitors to Southern Nevada declined slightly for the second consecutive year in 2018, dropping 0.2 percent from 42.2 million visitors in 2017 to 42.1 million in 2018. The Las Vegas Convention and Visitors Authority noted that Las Vegas's convention attendance also declined from 6.6 million in 2017 to 6.5 million in 2018, a decrease of 2.2 percent. A number of tradeshow rotated out of Las Vegas in 2018, including the CONEXPO-CON/AGG tradeshow in March, which contributed to the dip in convention attendance. These declines were reflected in the citywide occupancy rate, which declined by 0.5 percentage points from 88.7 percent in 2017 to 88.2 percent in 2018. The impact

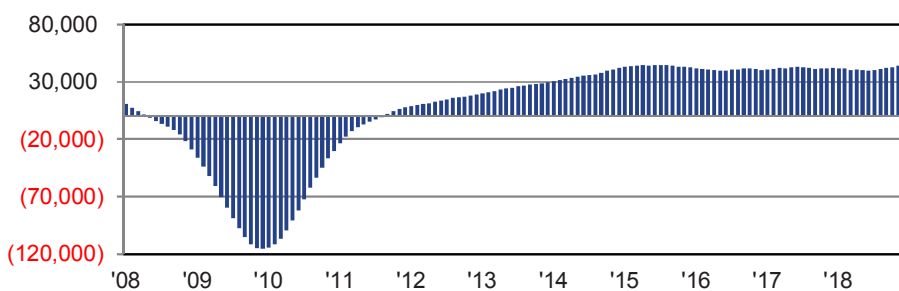
of decreased occupancy was softened by growth in the average daily room rate for hotels in the Las Vegas area, which increased from \$126.92 in 2017 to \$128.74 in 2018, an increase of 1.4 percent. The average daily room rate in 2018 was the second-highest rate in the 21st century and the highest rate since 2007. Growth in average daily room rates also drove increases in revenue per available room (RevPAR) in the Las Vegas area in 2018. Over the past year, RevPAR climbed from \$112.51 in 2017 to \$113.52 in 2018, an increase of 0.9 percent.

Despite the lack of growth in visitation, there were a number of significant improvements for Southern Nevada's tourism industry in 2018. McCarran International

Airport again set a record in passenger volume, recording an annual increase of 2.5 percent to 49.7 million passengers. Gross gaming revenue in Southern Nevada's two major tourist destinations, the Las Vegas Strip and Downtown Las Vegas, continued to grow in 2018, marking the third consecutive year both submarkets have experienced growth in gaming revenue. From 2017 to 2018, gaming revenue on the Las Vegas Strip increased by 2.0 percent from \$6.5 billion in 2017 to \$6.6 billion in 2018. Gaming revenue on the Strip reached its highest value since 2007, when it reached \$6.9 billion. Downtown Las Vegas gaming revenues grew for the fifth year in a row in 2018, increasing 3.0 percent from \$631 million in 2017 to \$650 million in

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NEVADA EMPLOYMENT GROWTH TRAILING 12-MONTH AVERAGES



Economic Briefing

FEBRUARY 2019

ISSUE TWO | VOLUME THIRTEEN

MONTHLY

Employment Indicators

Nevada Employment		Dec-18
Current Period	Prev. Period	Same Period Prev. Yr.
1,418,400	1,415,000	1,365,900
GROWTH RATE	0.2% ▲	3.8% ▲

Nevada Private Average Weekly Hours Worked		Dec-18
Current Period	Prev. Period	Same Period Prev. Yr.
34.8	34.3	33.9
GROWTH RATE	1.5% ▲	2.7% ▲

Nevada Unemployment Rate		Dec-18
Current Period	Prev. Period	Same Period Prev. Yr.
4.4%	4.4%	4.9%
GROWTH RATE	0.0% ◊	-0.5% ▼

TRAILING 12-MONTH

Employment Indicators

Nevada Employment ⁽¹⁾		Dec-18
Current Period	Prev. Period	Same Period Prev. Yr.
1,385,692	1,381,317	1,340,983
GROWTH RATE	0.3% ▲	3.3% ▲

Nevada Private Average Weekly Hours Worked ⁽¹⁾		Dec-18
Current Period	Prev. Period	Same Period Prev. Yr.
34.2	34.1	34.1
GROWTH RATE	0.2% ▲	0.1% ▲

Nevada Unemployment Rate ⁽¹⁾		Dec-18
Current Period	Prev. Period	Same Period Prev. Yr.
4.7%	4.7%	5.0%
GROWTH RATE	0.0% ◊	-0.3% ▼

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

Dec-18

Current Period	Prev. Period	Same Period Prev. Yr.
11,948	11,941	13,006
GROWTH RATE	0.1% ▲	-8.1% ▼

Nevada Residential Housing Units Permitted

Nov-18

Current Period	Prev. Period	Same Period Prev. Yr.
1,632	1,736	2,032
GROWTH RATE	-6.0% ▼	-19.7% ▼

Nevada Taxable Retail Sales

Nov-18

Current Period	Prev. Period	Same Period Prev. Yr.
\$5,111,430,721	\$5,102,487,212	\$4,711,001,404
GROWTH RATE	0.2% ▲	8.5% ▲

Nevada Gross Gaming Revenue

Dec-18

Current Period	Prev. Period	Same Period Prev. Yr.
\$999,664,756	\$967,168,500	\$960,233,574
GROWTH RATE	3.4% ▲	4.1% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Dec-18

Current Period	Prev. Period	Same Period Prev. Yr.
4,244,365	4,406,260	4,155,078
GROWTH RATE	-3.7% ▼	2.1% ▲

Clark/Washoe County Visitor Volume

Dec-18

Current Period	Prev. Period	Same Period Prev. Yr.
3,851,440	4,081,314	3,816,884
GROWTH RATE	-5.6% ▼	0.9% ▲

Nevada New Business Creation

Q3 '18

Current Period	Prev. Period	Same Period Prev. Yr.
642	1,136	492
GROWTH RATE	-43.5% ▼	30.5% ▲

Nevada Housing Price Index

(Q1 1991 = 100)

Q3 '18

Current Period	Prev. Period	Same Period Prev. Yr.
263.8	258.7	229.4
GROWTH RATE	2.0% ▲	15.0% ▲

Clark County Office Market Vacancy Rate

Q4 '18

Current Period	Prev. Period	Same Period Prev. Yr.
17.0%	17.2%	17.9%
GROWTH RATE	-0.2% ▼	-0.9% ▼

Nevada Hotel/Motel Occupancy

Q3 '18

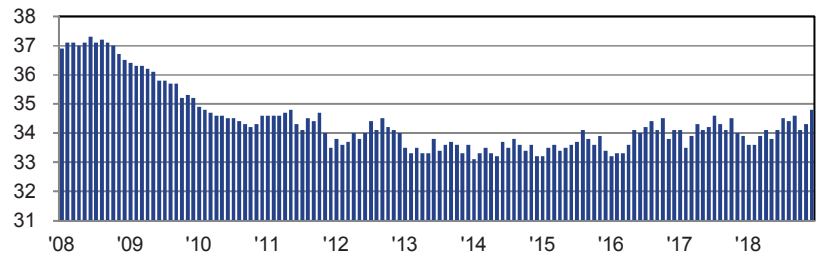
Current Period	Prev. Period	Same Period Prev. Yr.
85.0%	85.5%	87.8%
GROWTH RATE	-0.5% ▼	-2.8% ▼

State of Nevada Personal Income

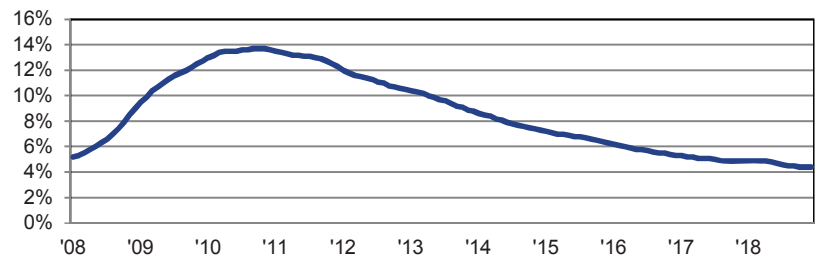
Q3 '18

Current Period	Prev. Period	Same Period Prev. Yr.
\$36,790,375,000	\$36,240,300,000	\$34,849,750,000
GROWTH RATE	1.5% ▲	5.6% ▲

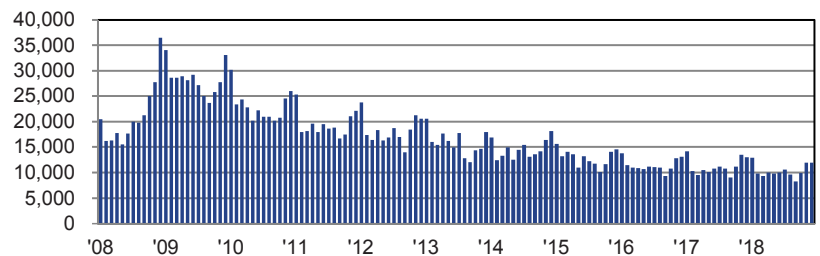
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



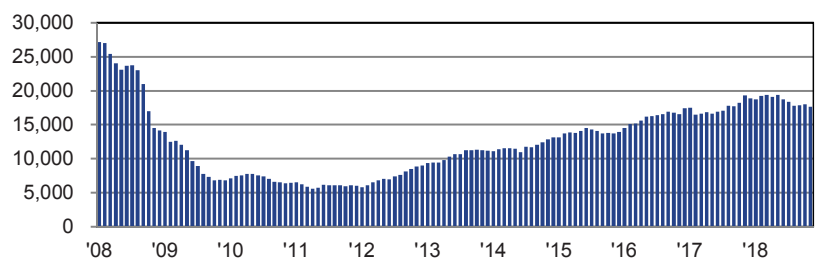
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



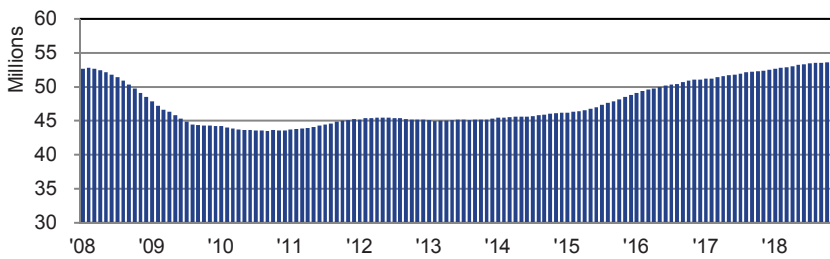
NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES



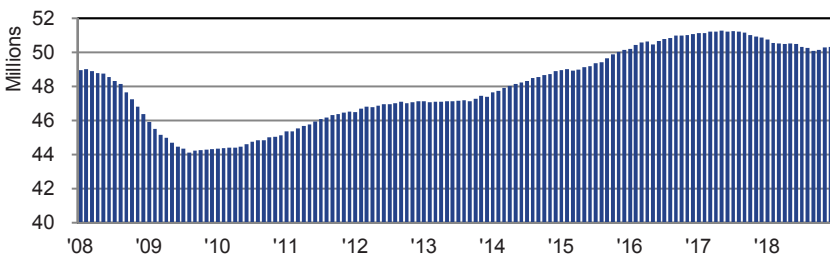
NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



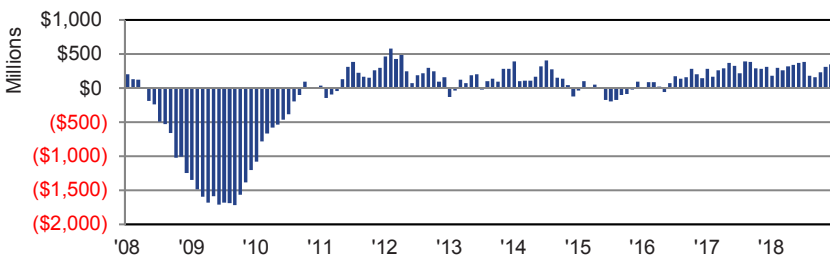
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS
TRAILING 12-MONTH TOTALS



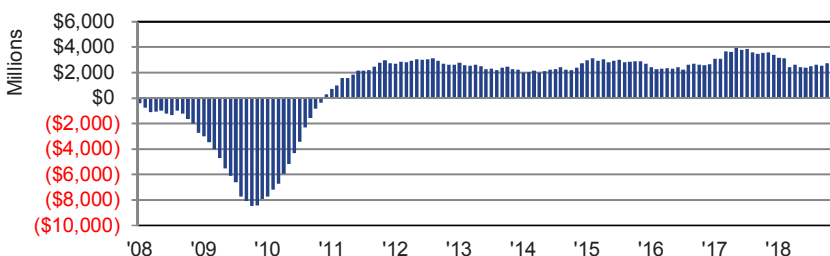
CLARK/WASHOE COUNTY VISITOR VOLUME
TRAILING 12-MONTH TOTALS



GROWTH IN NEVADA GROSS GAMING 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⁾

		Dec-18	
Current Period	Prev. Period	Same Period	Prev. Yr.
124,091	125,149	134,011	
GROWTH RATE	-0.8% ▼	-7.4% ▼	

Nevada Residential Housing Units Permitted ⁽²⁾

		Nov-18	
Current Period	Prev. Period	Same Period	Prev. Yr.
18,038	17,638	19,346	
GROWTH RATE	2.3% ▲	-6.8% ▼	

Nevada Taxable Retail Sales ⁽²⁾

		Nov-18	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$60,505,358,881	\$60,104,929,564	\$57,622,550,009	
GROWTH RATE	0.7% ▲	5.0% ▲	

Nevada Gross Gaming Revenue ⁽²⁾

		Dec-18	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$11,917,369,821	\$11,877,938,639	\$11,571,044,731	
GROWTH RATE	0.3% ▲	3.0% ▲	

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

		Dec-18	
Current Period	Prev. Period	Same Period	Prev. Yr.
53,928,621	53,839,334	52,507,666	
GROWTH RATE	0.2% ▲	2.7% ▲	

Clark/Washoe County Visitor Volume ⁽²⁾

		Dec-18	
Current Period	Prev. Period	Same Period	Prev. Yr.
50,314,709	50,280,153	50,859,720	
GROWTH RATE	0.1% ▲	-1.1% ▼	

Nevada New Business Creation ⁽²⁾

		Q3 '18	
Current Period	Prev. Period	Same Period	Prev. Yr.
332	294	-383	
GROWTH RATE	12.8% ▲	186.7% ▲	

Nevada Housing Price Index ⁽¹⁾

		Q3 '18	
<i>(Q1 1991 = 100)</i>			
Current Period	Prev. Period	Same Period	Prev. Yr.
252.5	243.9	220.3	
GROWTH RATE	3.5% ▲	14.6% ▲	

Clark County Office Market Vacancy Rate ⁽¹⁾

		Q4 '18	
Current Period	Prev. Period	Same Period	Prev. Yr.
17.3%	17.5%	18.5%	
GROWTH RATE	-0.2% ▼	-1.2% ▼	

Nevada Hotel/Motel Occupancy ⁽¹⁾

		Q3 '18	
Current Period	Prev. Period	Same Period	Prev. Yr.
82.8%	83.5%	83.8%	
GROWTH RATE	-0.6% ▼	-1.0% ▼	

State of Nevada Personal Income ⁽²⁾

		Q3 '18	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$147,161,500,000	\$144,961,200,000	\$139,399,000,000	
GROWTH RATE	1.5% ▲	5.6% ▲	

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

« Continued From Cover

2018. Gaming revenue in Downtown Las Vegas reached \$650 million for the first time since 2005, when casinos in Downtown generated \$655 million of gross gaming revenue.

New planned and under construction projects throughout Nevada suggest optimism about the future of tourism in the state. Such projects include Resorts World Las Vegas, The Drew, the Las Vegas Stadium, the MSG Sphere, and the Caesars FORUM conference center. Resorts World Las Vegas will add an additional 3,400 hotel rooms to the Strip and the Caesars FORUM will add 550,000 square feet of conference center space. Besides new construction projects, there are a number of renovation projects and expansions underway to existing facilities which are expected to attract and accommodate increased demand. In Southern Nevada, these projects include the expansion and renovation of the Las Vegas Convention Center as well as renovations to the Palms, the Hard Rock Hotel, the Stratosphere and the SLS.

These projects are slated for completion within the next two years and will position the Southern Nevada tourism industry for future growth and expansion.

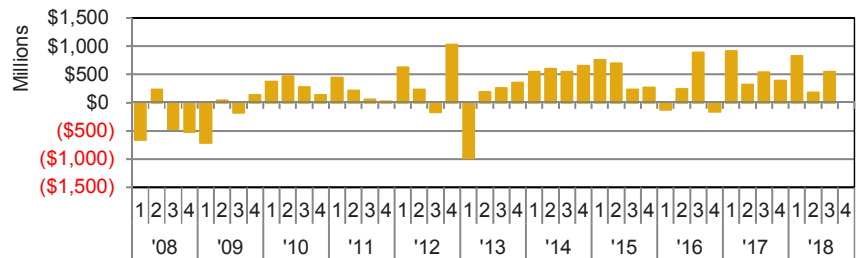
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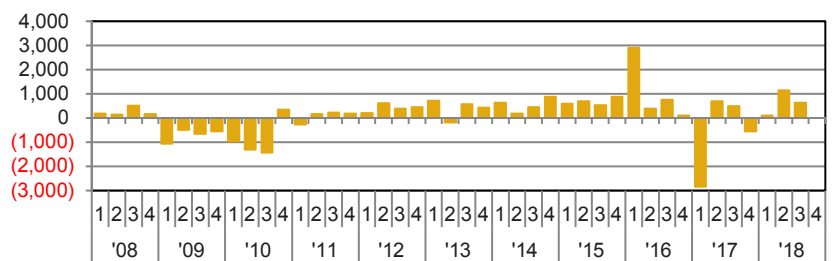
appliedanalysis.com

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.

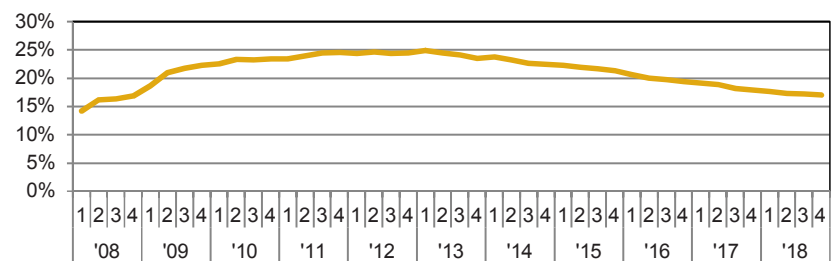
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



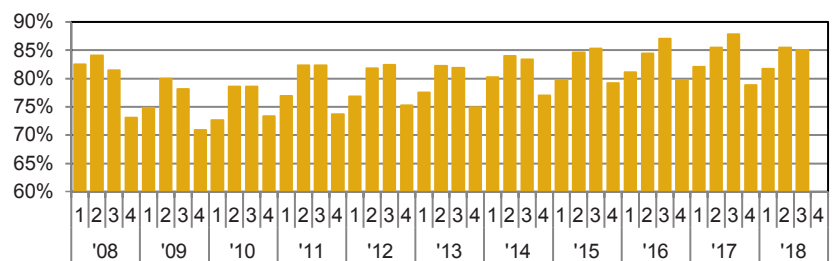
NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES



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