

## ECONOMIC UPDATE

Like most of the state, Elko County's economy continued to grow in the second quarter of 2019. Long-term employment continues to trend upward, with trailing 12-month average employment growing by 0.6 percent in April 2019. The unemployment rate decreased to 2.9 percent, down from 3.1 percent at the same time last year. Elko County's unemployment rate remains one of the lowest in the state, and it is significantly lower than Nevada's overall unemployment rate of 3.6 percent.

Total wages earned by Elko County workers increased significantly over the past year, despite employment remaining somewhat flat. In the fourth quarter of 2018, private industry workers in Elko County collectively earned \$250.8 million in wages and salaries, 6.4 percent more than during the fourth quarter of 2017. Total annual private wages earned in Elko County were up 6.8 percent in 2018.

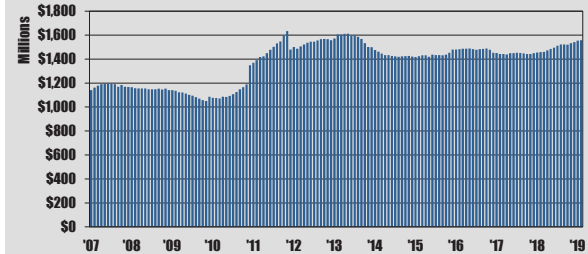
Consumer spending has grown in concert with this rise in income. Taxable retail sales in Elko County for March 2019 grew by 11.0 percent year over year, and the trailing 12-month total increased 7.1 percent from the prior year. By comparison, statewide taxable retail sales increased 6.0 percent over the past 12 months. Gross gaming revenue in Elko County has also outpaced the statewide growth rate, increasing 5.0 percent to \$302.4 million over the 12 months through April 2019. Statewide gaming revenue over the same period increased by just 1.2 percent. As wages rise and disposable income increases, these measures should continue to show positive growth.

Elko County's gaming market has been noticed, as Maverick Gaming recently completed the acquisition of three Elko casinos from Navegante Gaming & Hospitality. The casinos involved in the sale are the Red Lion Casino, Gold Country Casino and the High Desert Inn.

**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
<b>Elko County Employment</b>	Apr-19	25,929	26,020	25,963	-0.3% ▼	-0.1% ▼
<b>Elko County Labor Force</b>	Apr-19	26,706	26,836	26,798	-0.5% ▼	-0.3% ▼
<b>Elko County Unemployment Rate</b>	Apr-19	2.9%	3.0%	3.1%	-0.1% ▼	-0.2% ▼
<b>Nevada Initial Unemployment Insurance Claims</b>	Apr-19	10,080	9,387	9,983	7.4% ▲	1.0% ▲
<b>Nevada Private Average Weekly Hours Worked</b>	Apr-19	34.6	34.6	34.0	0.0% ●	1.8% ▲
<b>Elko County Private Business Establishments</b>	Q4 '18	1,284	1,268	1,290	1.3% ▲	-0.5% ▼
<b>Elko County Private Sector Total Wages</b>	Q4 '18	\$250,821,636	\$235,890,416	\$235,842,482	6.3% ▲	6.4% ▲
<b>Elko County Taxable Retail Sales</b>	Mar-19	\$143,896,352	\$108,936,173	\$129,601,533	32.1% ▲	11.0% ▲
<b>Elko County Gross Gaming Revenues</b>	Apr-19	\$25,363,177	\$30,014,668	\$25,383,777	-15.5% ▼	-0.1% ▼
<b>Nevada Housing Price Index (Q1 1991 = 100)</b>	Q1 '19	272.8	266.0	246.6	2.6% ▲	10.6% ▲

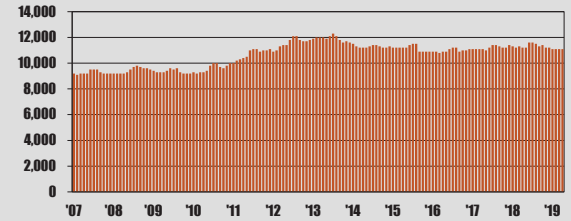
Applied Analysis ("AA") was retained by Nevada State Bank to summarize and analyze a series of key economic indicators on a recurring basis. Relevant data were obtained from AA's internal databases as well as national, regional and local data providers, including, without limitation, state and local 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.

## MINING AND AGRICULTURE UPDATE

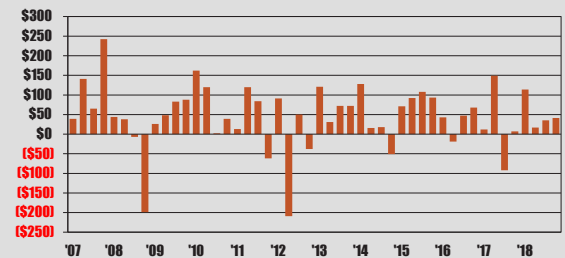
Employment growth in the mining industry has continued to outpace overall employment growth in Elko County. On a trailing four-quarter average basis, mining employment in Elko County grew by 3.1 percent from the fourth quarter of 2017 to the fourth quarter of 2018, compared to overall employment growth of 0.6 percent. Over the same period, total mining wages in Elko County rose by 5.0 percent, outpacing the statewide mining wage growth rate of 3.7 percent. Two of Elko County's other noteworthy industries, cattle ranching and farming, have experienced relatively flat employment and wage growth during the same timeframe. On a trailing four-quarter basis, employment in those industries was down 0.9 percent while total wages were up 1.3 percent.

The Nevada Gold Mines joint venture between Barrick Gold Corp. and Newmont Goldcorp Corp. announced earlier in the year has already had an impact on the local community, with a round of layoffs that meant 58 people were laid off, most of whom were based in Elko County. Another 120 people were laid off earlier in the year at Newmont's Carlin, Nevada operations due to a slide at a pit and cost impacts at another open pit mine. In other local mining industry news, Newcrest Mining completed the comment period for its proposed one-year exploration drilling program in Jarbidge in northern Elko County. The program would lead to the construction of 15 drilling sites. Another mining company, Canada-based Contact Gold Corp., is beginning an exploration and drilling program at the Pony Creek gold property in the Pinion Range in western Elko County.

**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	Apr-19	\$1,286	\$1,301	\$1,322	-1.1% ▼	-2.7% ▼
Nevada Metal Ore Mining Employment	Apr-19	11,100	11,100	11,200	0.0% ●	-0.9% ▼
Elko County Metal Ore Mining Employment	Q4 '18	1,135	1,270	1,236	-10.6% ▼	-8.2% ▼
Nevada Metal Ore Mining Average Weekly Wages	Q4 '18	\$1,878	\$1,794	\$1,837	4.7% ▲	2.2% ▲
Nevada Metal Ore Mining Total Wages	Q4 '18	\$273,243,461	\$266,761,272	\$268,907,099	2.4% ▲	1.6% ▲
Nevada Mining and Support Taxable Retail Sales	Feb-19	\$281,836,632	\$280,643,350	\$255,727,311	0.4% ▲	10.2% ▲
Elko County Cattle Ranching and Farming Total Wages	Q4 '18	\$1,647,734	\$1,548,471	\$1,742,637	6.4% ▲	-5.4% ▼
Nevada Cattle Inventory (Including Calves)	2018	465,000	445,000	445,000	4.5% ▲	4.5% ▲
Nevada Cattle Total Value (Including Calves)	2017	\$511,750,000	\$635,100,000	\$635,100,000	-19.4% ▼	-19.4% ▼
Nevada Price of Hay (Per Ton)	Apr-19	\$180.00	\$180.00	\$177.00	0.0% ●	1.7% ▲

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