



ECONOMIC UPDATE

Nevada's economy continues to show solid growth, although various metrics indicate that growth is slowing compared to previous years. Year-over-year employment growth in Nevada dropped to 2.2 percent in October 2019, the first time the growth rate has slipped below 3 percent since March 2018 when it registered 2.9 percent. Elko County has recorded nearly identical employment growth over the past year, with a year-over-year increase of 2.1 percent in October. Elko County's growth comes amid a much tighter labor market, however, as the county's unemployment rate measured 2.7 percent in October compared to the statewide rate of 4.1 percent. Elko County's unemployment rate is a record-low for the county and marks just the second time that Elko has recorded sub-3 percent unemployment rates in consecutive months since measurement began in 1990.

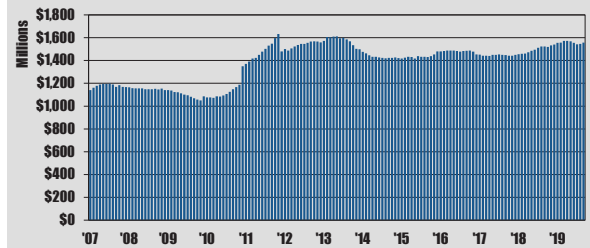
The tight labor market in Nevada has contributed to rising wages throughout the state, including Elko County. During the second quarter of 2019, weekly wages in Elko County averaged \$1,014, an increase of 4.6 percent from the same period in 2018. Both the wage level and annual growth exceeded statewide figures, with second quarter wages averaging \$961 per week after increasing 3.3 percent year-over-year. The increase in average wages, combined with greater overall employment, has led to consistent growth for the total wages earned in Elko County, which in the second quarter of 2019 measured \$252.6 million, 6.4 percent more than the prior year. The trailing four-quarter total of Elko County wages shows even greater growth of 7.3 percent.

While wages and incomes continue to rise in Elko County, measures of consumer spending have shown more modest growth or even stagnation. Elko County's trailing 12-month total of taxable retail sales grew just 2.3 percent year-over-year through September 2019, compared to 6.6 percent growth statewide. Gross gaming revenue in Elko County registered growth of 4.4 percent for the 12 months ending in October 2019, well above the statewide growth rate of 1.6 percent but a significant slowdown from 2018 when growth rates were consistently above 7 percent. Statewide housing prices, once leading the nation in the rate of appreciation, have also shown a significant slowdown in growth as sales volume has decreased and many have been priced out of the market. For the third quarter of 2019, the Federal Housing Finance Agency's Home Price Index for Nevada showed year-over-year growth of 5 percent; during the third quarter of 2018 this growth rate was 14.8 percent.

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	Oct-19	26,754	26,486	26,194	1.0% ▲	2.1% ▲
Elko County Labor Force	Oct-19	27,510	27,231	27,035	1.0% ▲	1.8% ▲
Elko County Unemployment Rate	Oct-19	2.7%	2.7%	3.1%	0.0% ●	-0.4% ▼
Nevada Initial Unemployment Insurance Claims	Oct-19	9,735	8,441	9,903	15.3% ▲	-1.7% ▼
Nevada Private Average Weekly Hours Worked	Oct-19	34.4	34.7	34.0	-0.9% ▼	1.2% ▲
Elko County Number of Private Business Establishments	Q2 '19	1,290	1,267	1,256	1.8% ▲	2.7% ▲
Elko County Private Sector Total Wages	Q2 '19	\$252,635,476	\$254,979,268	\$237,366,328	-0.9% ▼	6.4% ▲
Elko County Taxable Retail Sales	Sep-19	\$136,129,190	\$141,454,187	\$123,878,426	-3.8% ▼	9.9% ▲
Elko County Gross Gaming Revenues	Oct-19	\$25,164,282	\$27,381,497	\$25,376,140	-8.1% ▼	-0.8% ▼
Nevada Housing Price Index (Q1 1991 = 100)	Q3 '19	274.7	273.6	261.7	0.4% ▲	5.0% ▲

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.





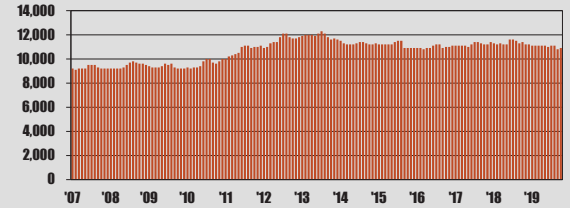
# MINING AND AGRICULTURE UPDATE

The price of gold remains elevated, providing a boon to Nevada's numerous mining operations. Gold averaged roughly \$1,472 per ounce in November 2019, down slightly from averages of \$1,495 in October and \$1,510 in September but still good for 20.9 percent growth year-over-year. Taxable retail sales in the state related to mining continue to show better-than-average growth, with the trailing 12-month total through September 2019 measuring \$284.7 million, an increase of 9.3 percent from the prior year.

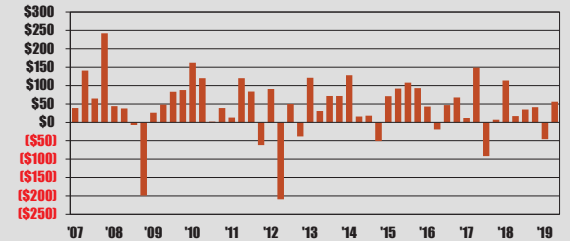
Nevada Gold Mines Limited, the new joint venture between Barrick Gold and Newmont Goldcorp, became official in July 2019 and reported its first combined financial statements at the end of the third quarter. The joint venture reported gold production of 535,000 ounces, representing the combined production of the Carlin, Cortez, Turquoise Ridge, Phoenix and Long Canyon mines.

In other industry news, Maptek, an international leader in technical services for the mining industry, recently opened a new office in Elko to better serve the high concentration of mining operations in Northern Nevada. Maptek provides a number of services and software applications for mining exploration and operation, and currently works at nearly 50 mine sites in Northern Nevada. The office is just Maptek's second location in the United States and reflects Northern Nevada's important position in the global mining industry and the region's positive economic outlook.

### 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	Nov-19	\$1,472	\$1,495	\$1,218	-1.5% ▼	20.9% ▲
Nevada Metal Ore Mining Employment	Oct-19	10,900	10,800	11,400	0.9% ▲	-4.4% ▼
Nevada Gold Production (Metric Tons)	2018	173.59	175.47	175.47	-1.1% ▼	-1.1% ▼
Elko County Metal Ore Mining Employment	Q2 '19	1,073	1,093	1,284	-1.8% ▼	-16.4% ▼
Nevada Metal Ore Mining Average Weekly Wages	Q2 '19	\$1,935	\$2,259	\$1,879	-14.3% ▼	3.0% ▲
Nevada Metal Ore Mining Total Wages	Q2 '19	\$278,921,388	\$328,472,708	\$276,482,856	-15.1% ▼	0.9% ▲
Nevada Mining and Support Taxable Retail Sales (TTM)	Sep-19	\$284,721,672	\$283,071,807	\$260,505,864	0.6% ▲	9.3% ▲
Elko County Cattle Ranching and Farming Total Wages	Q2 '19	\$2,908,688	\$1,495,602	\$1,549,192	94.5% ▲	87.8% ▲
Nevada Cattle Inventory (Including Calves)	2019	470,000	465,000	465,000	1.1% ▲	1.1% ▲
Nevada Price of Hay (Per Ton)	Oct-19	\$179.00	\$170.00	\$175.00	5.3% ▲	2.3% ▲



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The quarterly Elko Economic Briefing is available online at [NevadaSmallBusiness.com](http://NevadaSmallBusiness.com).  
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