



Nevada's transition into Phase 2 of the Nevada United: Roadmap to Recovery reopening plan in late May was announced as COVID-19 cases and hospitalizations trended downward. In the weeks that followed, businesses large and small reopened across the state and once again welcomed customers through their doors. The effects of the reopened economy were evident in key economic indicators for June 2020 as laid off workers returned to their jobs and boosted employment significantly.

Economic Briefing

JULY 2020

ISSUE SEVEN | VOLUME FOURTEEN

Increasing business activity in June 2020 was reflected in positive employment trends across Nevada during the month. The statewide seasonally adjusted unemployment rate improved significantly, declining from 25.3 percent in May 2020 to 15.0 percent in June 2020. The improvement moved Nevada from having the highest unemployment rate in the nation to the fourth-highest. Nevada's improvement in unemployment rate equated to the addition of 100,000 jobs in June 2020, an unprecedented gain for a single month. However, those new jobs only partially offset the 280,000 jobs lost through April, and total employment remained 148,000 jobs below February 2020 levels.

The leisure and hospitality sector accounted for a majority of the job gains in June 2020, adding 74,100 positions over the month as many of the state's major resort-casino properties reopened to guests. Leisure and hospitality employment still registered 52,000 fewer jobs than in February 2020. Other notable employment gains were reported by the retail trade sector (+14,400) and professional and business services sector (+10,400).

Unemployment insurance claims mirrored the positive trend in employment through June 2020. Initial weekly claims for state unemployment benefits hovered near 11,000 during the month, a fraction of the 92,300 weekly claims filed in mid-March. Initial claims only reflect new layoffs. The measure of ongoing joblessness, continued claims, remained near 300,000 throughout June 2020, with a low of 287,000 at the end of the month representing a notable improvement from the May 2020 weekly peak of 369,000. Through the first two weeks of July 2020, however, both initial and continued claims ticked up slightly, suggesting Nevada employment trends may be moderating amid rising public health concerns and related business restrictions.

The increased employment and other positive signs for the economy were accompanied by rising caseloads and hospitalizations due to COVID-19 infections. As confirmed cases continued to grow, additional public health measures were implemented that could affect the prospects for additional job growth in coming months. Following a four-week rise in cases,

MONTHLY Employment Indicators

Nevada Employment		Jun-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,269,700	1,169,700	1,414,500
GROWTH RATE	8.5% ▲	-10.2% ▼

Nevada Private Average Weekly Hours Worked		Jun-20
Current Period	Prev. Period	Same Period Prev. Yr.
34.5	34.3	35.0
GROWTH RATE	0.6% ▲	-1.4% ▼

Nevada Unemployment Rate		Jun-20
Current Period	Prev. Period	Same Period Prev. Yr.
15.0%	25.3%	3.9%
GROWTH RATE	-10.3% ▼	11.1% ▲

TRAILING 12-MONTH Employment Indicators

Nevada Employment ⁽¹⁾		Jun-20
Current Period	Prev. Period	Same Period Prev. Yr.
1,363,933	1,376,000	1,404,517
GROWTH RATE	-0.9% ▼	-2.9% ▼

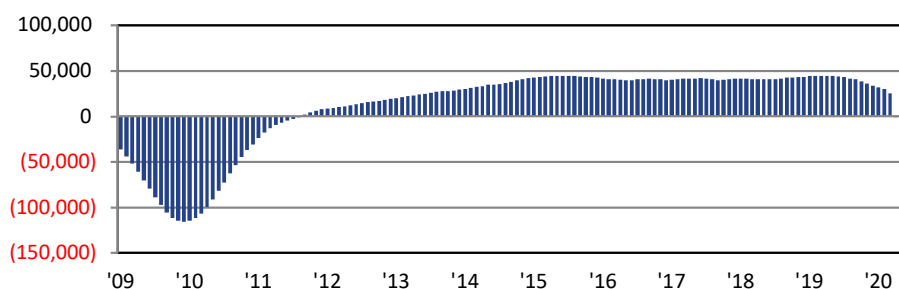
Nevada Private Average Weekly Hours Worked ⁽¹⁾		Jun-20
Current Period	Prev. Period	Same Period Prev. Yr.
34.3	34.3	34.5
GROWTH RATE	-0.1% ▼	-0.7% ▼

Nevada Unemployment Rate ⁽¹⁾		Jun-20
Current Period	Prev. Period	Same Period Prev. Yr.
8.9%	8.0%	4.2%
GROWTH RATE	0.9% ▲	4.7% ▲

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

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NEVADA EMPLOYMENT GROWTH TRAILING 12-MONTH AVERAGES



MONTHLY & QUARTERLY
Economic Indicator Series

Nevada Initial Unemployment Insurance Claims

Jun-20

Current Period	Prev. Period	Same Period Prev. Yr.
47,859	74,469	9,456
GROWTH RATE	-35.7% ▼	406.1% ▲

Nevada Residential Housing Units Permitted

May-20

Current Period	Prev. Period	Same Period Prev. Yr.
1,122	1,032	1,673
GROWTH RATE	8.7% ▲	-32.9% ▼

Nevada Taxable Retail Sales

Apr-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$3,670,368,962	\$4,531,155,838	\$5,176,462,594
GROWTH RATE	-19.0% ▼	-29.1% ▼

Nevada Gross Gaming Revenue

May-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$5,808,507	\$3,647,455	\$981,766,859
GROWTH RATE	59.2% ▲	-99.4% ▼

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

May-20

Current Period	Prev. Period	Same Period Prev. Yr.
437,727	169,981	4,938,817
GROWTH RATE	157.5% ▲	-91.1% ▼

Clark/Washoe County Visitor Volume

May-20

Current Period	Prev. Period	Same Period Prev. Yr.
246,409	169,750	4,322,630
GROWTH RATE	45.2% ▲	-94.3% ▼

Nevada New Business Creation

Q4 '19

Current Period	Prev. Period	Same Period Prev. Yr.
1,247	1,584	1,597
GROWTH RATE	-21.3% ▼	-21.9% ▼

Nevada Housing Price Index

(Q1 1991 = 100)

Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
281.6	274.9	270.7
GROWTH RATE	2.5% ▲	4.1% ▲

Clark County Office Market

Vacancy Rate

Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
14.4%	14.4%	15.5%
GROWTH RATE	0.0% ◀	-1.1% ▼

Nevada Hotel/Motel Occupancy

Q4 '19

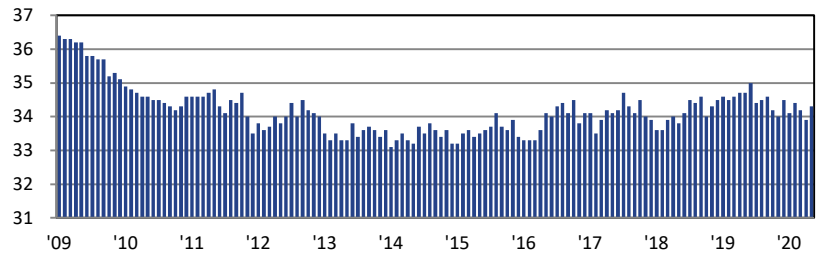
Current Period	Prev. Period	Same Period Prev. Yr.
81.3%	85.0%	80.2%
GROWTH RATE	-3.7% ▼	1.1% ▲

State of Nevada Personal Income

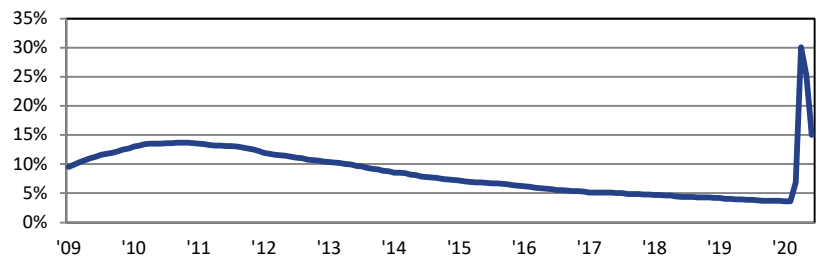
Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
\$39,969,400,000	\$39,871,525,000	\$38,571,575,000
GROWTH RATE	0.2% ▲	3.6% ▲

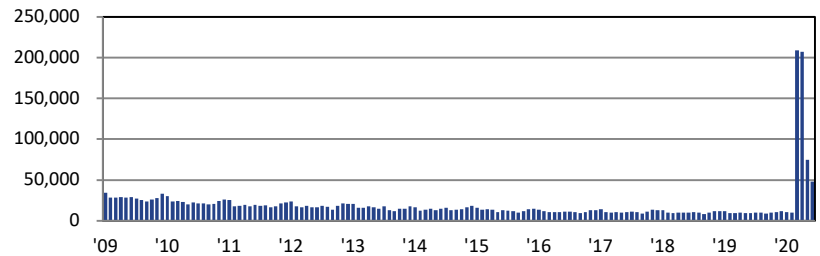
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



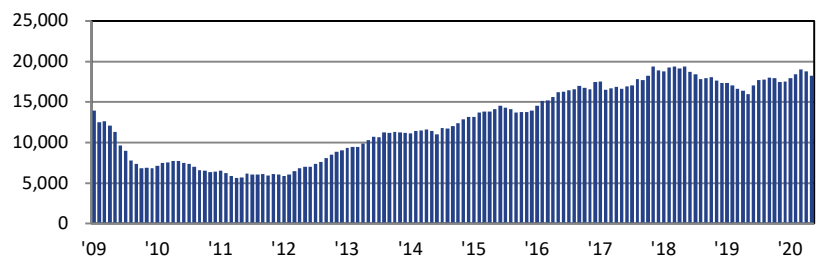
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES

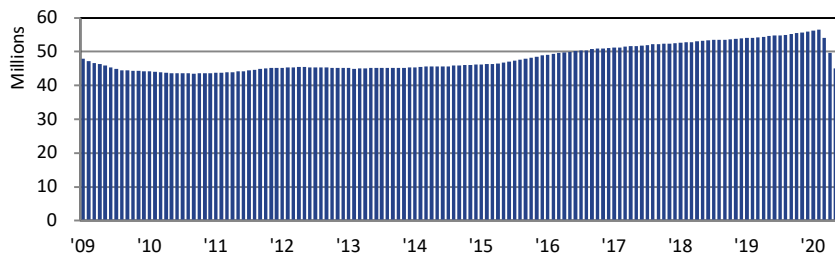


NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



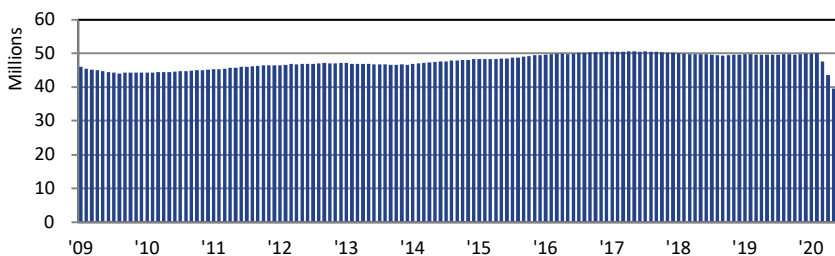
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS

TRAILING 12-MONTH TOTALS



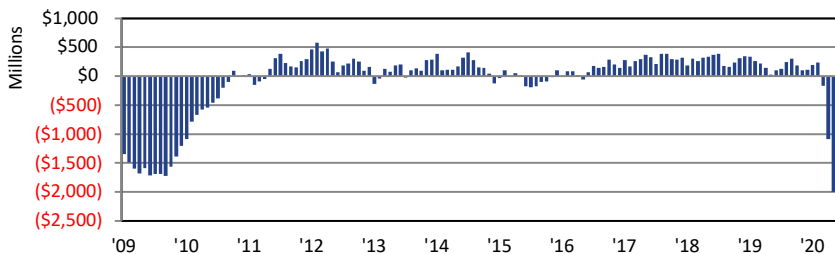
CLARK/WASHOE COUNTY VISITOR VOLUME

TRAILING 12-MONTH TOTALS



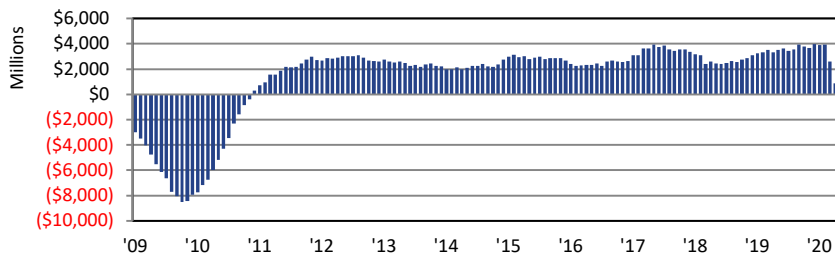
GROWTH IN NEVADA GROSS GAMING REVENUE

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⁾ Jun-20

Current Period	Prev. Period	Same Period Prev. Yr.
618,902	580,499	121,250
GROWTH RATE	6.6% ▲	410.4% ▲

Nevada Residential Housing

Units Permitted ⁽²⁾ May-20

Current Period	Prev. Period	Same Period Prev. Yr.
18,215	18,766	15,999
GROWTH RATE	-2.9% ▼	13.9% ▲

Nevada Taxable Retail Sales ⁽²⁾

Apr-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$62,733,396,472	\$64,239,490,104	\$61,852,722,775
GROWTH RATE	-2.3% ▼	1.4% ▲

Nevada Gross Gaming Revenue ⁽²⁾

May-20

Current Period	Prev. Period	Same Period Prev. Yr.
\$9,802,173,656	\$10,778,132,008	\$11,799,623,030
GROWTH RATE	-9.1% ▼	-16.9% ▼

Las Vegas/Reno-Tahoe

Enplaned and Deplaned Passengers ⁽²⁾ May-20

Current Period	Prev. Period	Same Period Prev. Yr.
45,047,993	49,549,083	54,611,111
GROWTH RATE	-9.1% ▼	-17.5% ▼

Clark/Washoe County Visitor Volume ⁽²⁾

May-20

Current Period	Prev. Period	Same Period Prev. Yr.
39,508,028	43,584,249	49,626,705
GROWTH RATE	-9.4% ▼	-20.4% ▼

Nevada New Business Creation ⁽²⁾

Q4 '19

Current Period	Prev. Period	Same Period Prev. Yr.
2,394	2,744	2,128
GROWTH RATE	-12.8% ▼	12.5% ▲

Nevada Housing Price Index ⁽¹⁾

(Q1 1991 = 100) Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
276.1	273.4	262.6
GROWTH RATE	1.0% ▲	5.1% ▲

Clark County Office

Market Vacancy Rate ⁽¹⁾ Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
14.8%	15.1%	16.1%
GROWTH RATE	-0.3% ▼	-1.3% ▼

Nevada Hotel/Motel Occupancy ⁽¹⁾

Q4 '19

Current Period	Prev. Period	Same Period Prev. Yr.
83.3%	83.0%	83.1%
GROWTH RATE	0.3% ▲	0.2% ▲

State of Nevada Personal Income ⁽²⁾

Q1 '20

Current Period	Prev. Period	Same Period Prev. Yr.
\$159,877,600,000	\$159,486,100,000	\$154,286,300,000
GROWTH RATE	0.2% ▲	3.6% ▲

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

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Governor Steve Sisolak on June 24 ordered mandatory face coverings in most public indoor spaces. Two weeks later, he ordered the closure of bars and limits on restaurant dining parties in counties with rising COVID-19 caseloads, which included Clark, Washoe and five other counties. The effects of these measures and the continued prevalence of COVID-19 cases could become evident in employment data through the summer as businesses and consumers adjust to the shifting public health landscape.

Another major potential economic shift hinges on the \$600 per week in additional payments for unemployed Nevadans under the federal CARES Act. Through mid-July, payments under the Federal Pandemic Unemployment Compensation Program have totaled \$2.8 billion, averaging \$273 million a week over the past month. Those payments are set to expire after July 25, ending a significant source of income for tens of thousands of Nevadans. Congress has discussed extending the program in some capacity as part of a new federal aid package in Washington, D.C., though many potential aspects of new legislation, including additional household stimulus payments, remained under consideration.

The reopening of K-12 schools throughout the state could also have implications for Nevada families and their ability to work, adding another potential impact on the statewide economy in the months ahead. That impact is currently among the many unknowns surrounding the coronavirus' spread and the economy's recovery. Early progress in getting ahead of the virus was cause for optimism just two months ago, but what has transpired since then serves as a reminder that the road to economic stability in Nevada will rely on the state's ability to address public health concerns.

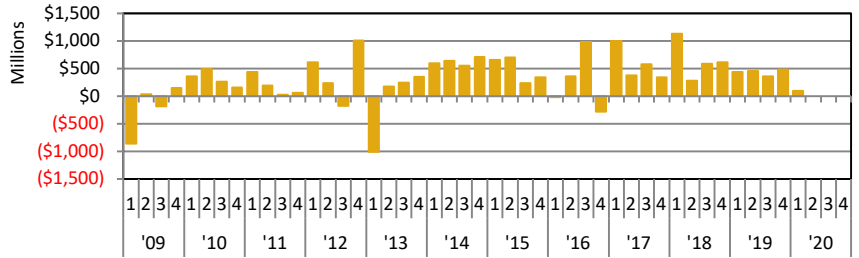
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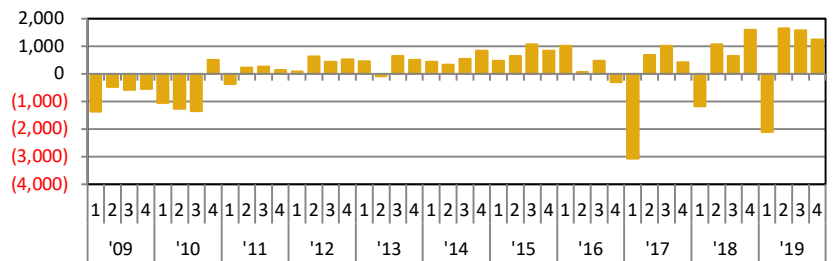
appliedanalysis.com

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.

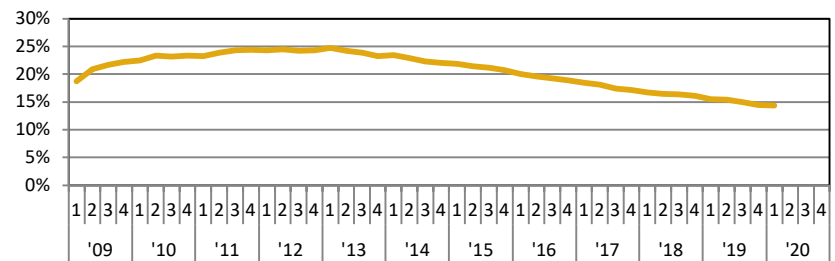
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



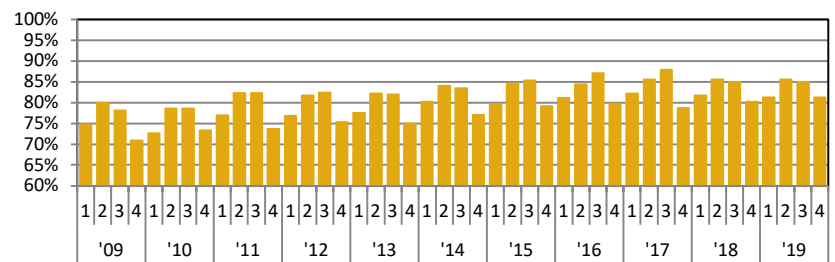
NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES



NEVADA STATE BANK
THE DOOR TO YOUR FUTURE