



For yet another month, Nevada's topline employment figures moved in a positive direction. Total employment grew for the 10th consecutive month, while the state's unemployment rate dipped to the lowest level since March 2020. These indicators show Nevada is well on its way toward returning to pre-COVID-19 conditions, but they miss an important element of the economic recovery. Although statewide employment climbed and the unemployment rate trended downward, the state's labor force participation rate remained relatively stagnant and depressed from levels exhibited prior to the COVID-19 recession.

Compared to the traditional unemployment rate, the labor force participation rate provides a more accurate reflection of the potential workforce, as it accounts for adults who are not in the labor force. These adults may have retired, are in college, have become discouraged and given up on trying to find a job or a host of other reasons. The traditional unemployment rate only counts the currently employed and the unemployed who are actively seeking work.

In October 2021, Nevada's labor force participation rate stood at 61.0 percent. While that was an improvement from the 58.0 percent in May 2020 during the early months of the COVID-19 pandemic, it remained well below pre-pandemic levels and even lagged the 62.0 percent from October 2020. Before the pandemic, Nevada's labor force participation rate surpassed 65 percent amid a three-year upward trend. The gap in participation rate from then to today equates to 99,000 fewer potential workers in the labor force.

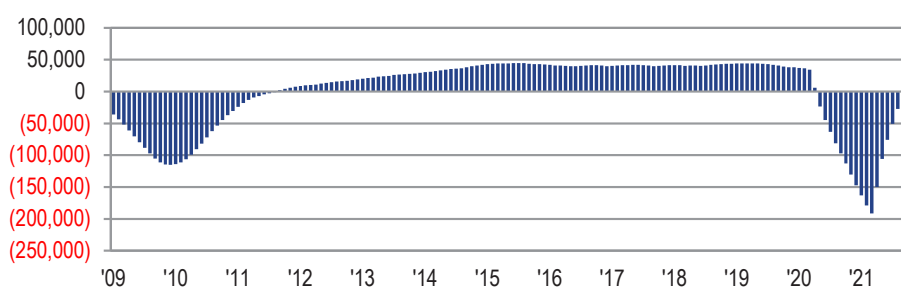
The COVID-19 pandemic and related recession affected Nevada's labor force

participation rate more significantly than the rest of the country. Nationally, the labor force participation rate was 61.8 percent in October 2021, resting 1.5 percentage points below the October 2019 level. Generally speaking, the national participation rate remained closer to pre-pandemic levels because it did not fall as much in the early months of the pandemic, when Nevada suffered a 7.4 percentage point reduction in the labor force participation rate, more than double the 3.3 percentage point reduction for the United States.

In the big picture, the national labor force participation rate has been gradually falling for decades – on average 0.2 percentage points per year – primarily due to older Americans exiting the labor force as they retired. The pandemic exacerbated that trend and introduced other factors that reduced the labor force. On the macro level, the decline in Nevada's labor force participation rate was largely the result of significant disruptions in its core tourism economy, and it remains suppressed as employment in the leisure and hospitality industry remained 20 percent below

Continued on Back Cover >>

NEVADA EMPLOYMENT GROWTH TRAILING 12-MONTH AVERAGES



Economic Briefing

NOVEMBER 2021

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MONTHLY Employment Indicators

Nevada Employment		Oct-21
Current Period	Prev. Period	Same Period Prev. Yr.
1,376,200	1,358,300	1,280,100
GROWTH RATE	1.3% ▲	7.5% ▲

Nevada Private Average Weekly Hours Worked		Oct-21
Current Period	Prev. Period	Same Period Prev. Yr.
34.7	34.6	34.9
GROWTH RATE	0.3% ▲	-0.6% ▼

Nevada Unemployment Rate		Oct-21
Current Period	Prev. Period	Same Period Prev. Yr.
7.3%	7.5%	12.0%
GROWTH RATE	-0.2% ▼	-4.7% ▼

TRAILING 12-MONTH Employment Indicators

Nevada Employment ⁽¹⁾		Oct-21
Current Period	Prev. Period	Same Period Prev. Yr.
1,317,100	1,309,092	1,302,192
GROWTH RATE	0.6% ▲	1.1% ▲

Nevada Private Average Weekly Hours Worked ⁽¹⁾		Oct-21
Current Period	Prev. Period	Same Period Prev. Yr.
35.0	35.0	34.4
GROWTH RATE	0.0% ◆	1.7% ▲

Nevada Unemployment Rate ⁽¹⁾		Oct-21
Current Period	Prev. Period	Same Period Prev. Yr.
8.0%	8.4%	12.2%
GROWTH RATE	-0.4% ▼	-4.2% ▼

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

Oct-21

Current Period	Prev. Period	Same Period Prev. Yr.
6,538	6,852	37,891
GROWTH RATE	-4.6% ▼	-82.7% ▼

Nevada Residential Housing Units Permitted

Sep-21

Current Period	Prev. Period	Same Period Prev. Yr.
1,666	2,182	2,006
GROWTH RATE	-23.6% ▼	-16.9% ▼

Nevada Taxable Retail Sales

Aug-21

Current Period	Prev. Period	Same Period Prev. Yr.
\$6,302,412,792	\$6,513,146,350	\$4,877,175,697
GROWTH RATE	-3.2% ▼	29.2% ▲

Nevada Gross Gaming Revenue

Sep-21

Current Period	Prev. Period	Same Period Prev. Yr.
\$1,158,168,180	\$1,165,720,607	\$820,980,906
GROWTH RATE	-0.6% ▼	41.1% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Sep-21

Current Period	Prev. Period	Same Period Prev. Yr.
4,080,553	4,175,787	1,869,916
GROWTH RATE	-2.3% ▼	118.2% ▲

Clark/Washoe County Visitor Volume

Sep-21

Current Period	Prev. Period	Same Period Prev. Yr.
3,383,500	3,457,154	2,093,817
GROWTH RATE	-2.1% ▼	61.6% ▲

Nevada New Business Creation

Q1 '21

Current Period	Prev. Period	Same Period Prev. Yr.
2,351	1,104	893
GROWTH RATE	113.0% ▲	163.3% ▲

Nevada Housing Price Index

(Q1 1991 = 100)

Q2 '21

Current Period	Prev. Period	Same Period Prev. Yr.
341.5	316.1	284.8
GROWTH RATE	8.0% ▲	19.9% ▲

Clark County Office Market Vacancy Rate

Q3 '21

Current Period	Prev. Period	Same Period Prev. Yr.
16.3%	16.4%	15.6%
GROWTH RATE	-0.1% ▼	0.7% ▲

Nevada Hotel/Motel Occupancy

Q2 '21

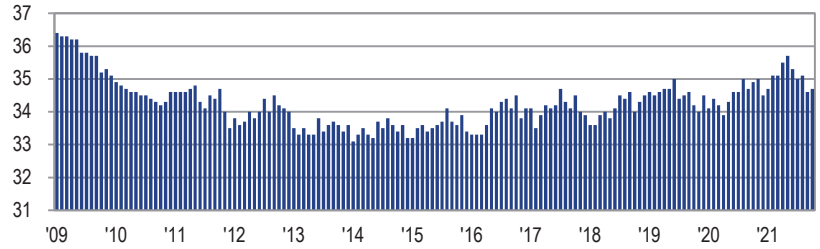
Current Period	Prev. Period	Same Period Prev. Yr.
68.3%	43.9%	15.0%
GROWTH RATE	24.4% ▲	53.3% ▲

State of Nevada Personal Income

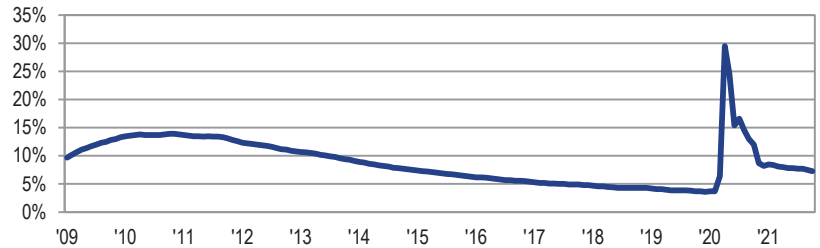
Q2 '21

Current Period	Prev. Period	Same Period Prev. Yr.
\$44,161,850,000	\$47,265,200,000	\$44,408,675,000
GROWTH RATE	-6.6% ▼	-0.6% ▼

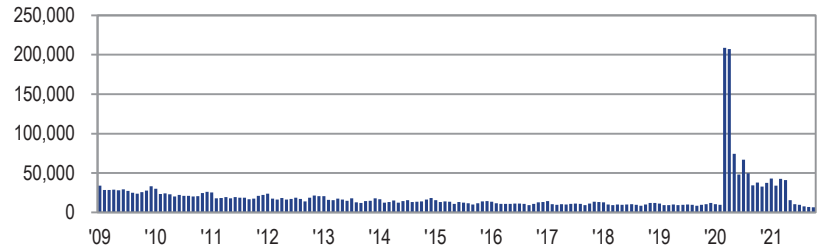
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



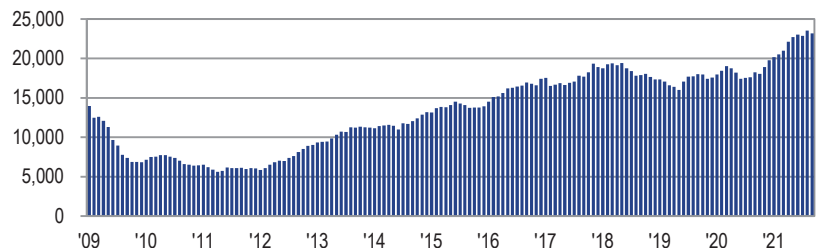
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



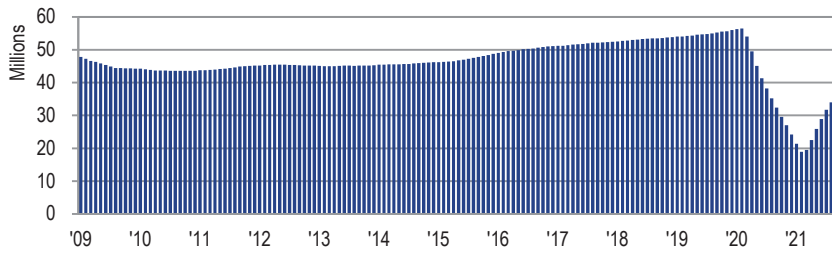
NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES



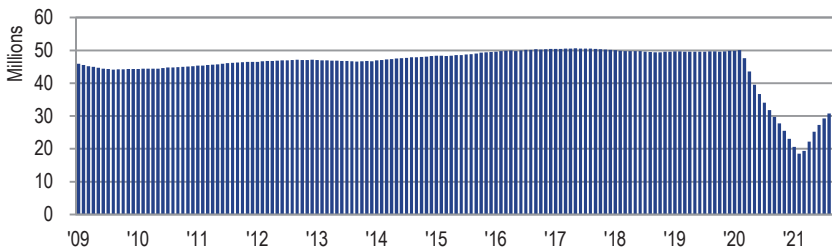
NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



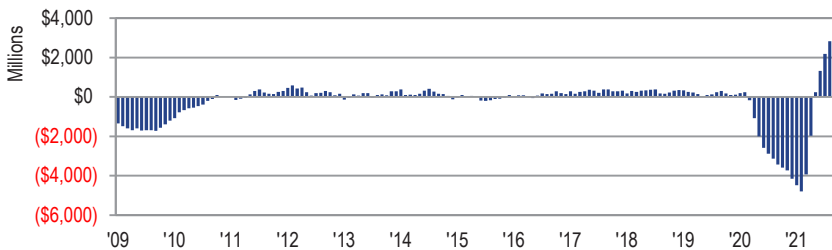
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS
TRAILING 12-MONTH TOTALS



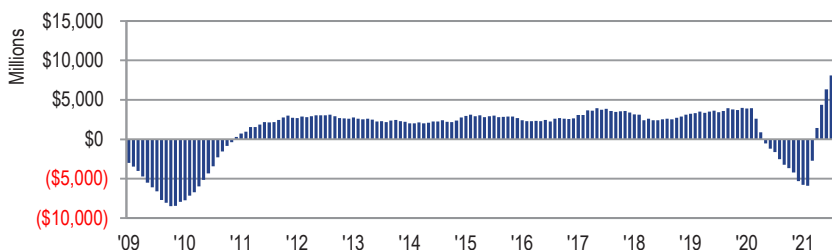
CLARK/WASHOE COUNTY VISITOR VOLUME
TRAILING 12-MONTH TOTALS



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⁾

		Oct-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
286,888	318,241	769,723	
GROWTH RATE	-9.9% ▼	-62.7% ▼	

Nevada Residential Housing Units Permitted ⁽²⁾

		Sep-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
23,190	23,530	18,257	
GROWTH RATE	-1.4% ▼	27.0% ▲	

Nevada Taxable Retail Sales ⁽²⁾

		Aug-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$70,639,745,975	\$69,214,508,880	\$60,602,457,842	
GROWTH RATE	2.1% ▲	16.6% ▲	

Nevada Gross Gaming Revenue ⁽²⁾

		Sep-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$12,012,173,803	\$11,674,986,529	\$8,612,600,730	
GROWTH RATE	2.9% ▲	39.5% ▲	

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

		Sep-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
36,222,252	34,011,615	32,390,925	
GROWTH RATE	6.5% ▲	11.8% ▲	

Clark/Washoe County Visitor Volume ⁽²⁾

		Sep-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
32,084,850	30,795,167	29,770,746	
GROWTH RATE	4.2% ▲	7.8% ▲	

Nevada New Business Creation ⁽²⁾

		Q1 '21	
Current Period	Prev. Period	Same Period	Prev. Yr.
6,412	4,954	3,508	
GROWTH RATE	29.4% ▲	82.8% ▲	

Nevada Housing Price Index ⁽¹⁾

		Q2 '21	
<i>(Q1 1991 = 100)</i>			
Current Period	Prev. Period	Same Period	Prev. Yr.
314.0	299.8	278.8	
GROWTH RATE	4.7% ▲	12.6% ▲	

Clark County Office Market Vacancy Rate ⁽¹⁾

		Q3 '21	
Current Period	Prev. Period	Same Period	Prev. Yr.
16.3%	16.1%	14.8%	
GROWTH RATE	0.2% ▲	1.5% ▲	

Nevada Hotel/Motel Occupancy ⁽¹⁾

		Q2 '21	
Current Period	Prev. Period	Same Period	Prev. Yr.
49.7%	36.4%	61.8%	
GROWTH RATE	13.3% ▲	-12.1% ▼	

State of Nevada Personal Income ⁽²⁾

		Q2 '21	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$174,928,225,000	\$175,175,050,000	\$165,138,800,000	
GROWTH RATE	-0.1% ▼	5.9% ▲	

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

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pre-pandemic levels. On a micro level, the reasons for staying on the labor sidelines differ based upon the circumstances of individual Nevadans.

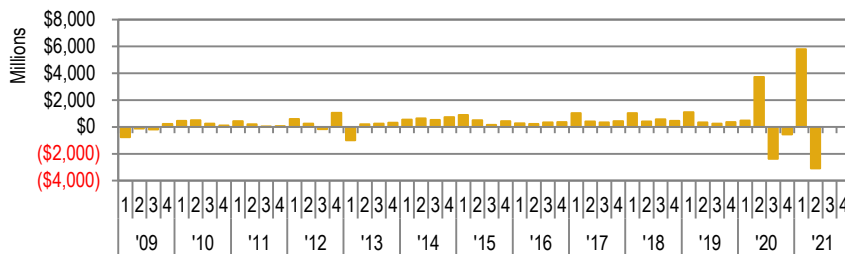
According to the U.S. Census Bureau’s Household Pulse Survey, the most significant reason Nevadans were not working was retirement. In October 2021, 44.8 percent of those not working were retired, which was 8.0 percentage points higher than in October 2020. The second most significant reason was sickness (not COVID-related) or disability, accounting for 8.6 percent of those not working – 1.5 percentage points more than a year before. The next two reasons were caring for children not in school (6.2 percent) and not wanting to be employed at this time (5.0 percent). Those reasons were fairly consistent from the previous October, being up 0.2 percentage points and 0.4 percentage points, respectively. The largest annual reduction was in the share of Nevadans not working because of COVID-related layoffs, furloughs or business closures. In October 2021, only 7.8 percent reported those as reasons, a third of the 23.3 percent in October 2020.

Overall, while the Nevada labor market has made significant strides over recent months, some aspects of the market remain sluggish to recover. The state’s labor force participation rate remains dramatically below 2019 levels. It will be important to evaluate whether the current participation trends are an artifact of the pandemic or reflect an underlying structural change that will affect longer-term employment trends and the trajectory of the ongoing economic recovery.

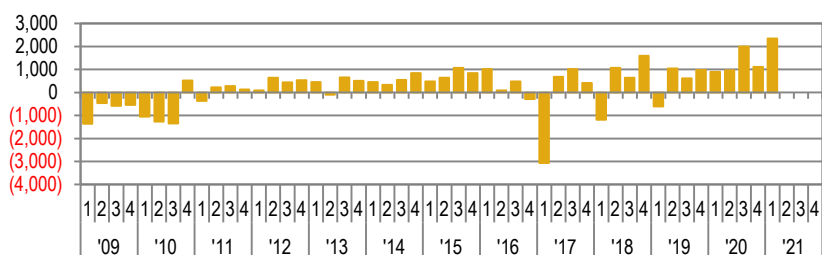


Methodology: Applied Analysis (“AA”) was retained by Nevada State Bank to summarize and analyze a series of key economic indicators on a recurring basis. Relevant data were obtained from AA’s internal databases as well as national, regional and local data providers, including, without limitation, state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

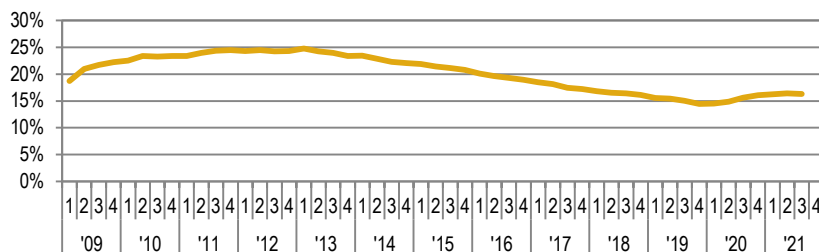
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES

