



While labor markets remain in a recovery phase due to the COVID-19 pandemic, many Americans have found new opportunities to work for themselves, invest in their futures or pursue personal passions by starting their own businesses at the most rapid pace on record. According to the U.S. Census Bureau's Business Formation Statistics, new business applications have surged to record highs across the country – and Nevada has been no exception.

Economic Briefing

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In the Silver State, a record-setting 67,600 business applications were submitted during 2021. The year's figure dwarfed historical levels, standing 60.1 percent above 2019's 42,200 applications and 66.3 percent above the 40,600 annual average over the prior decade. The story was identical across the United States, as the nation reported a record-high 5.4 million business applications in 2021 – nearly double the 2010-2019 annual average of 2.8 million and 53.4 percent higher than the 3.5 million reported in 2019. For both Nevada and the nation, seven out of the top 10 months for business applications were in 2021, underscoring the rapid expansion of new business formation during the year.

The lion's share of business applications was projected to be non-employer businesses – an umbrella term for various categories of self-employment. Among the 2021 applications, the Census Bureau projected that nearly 4,700 new businesses in Nevada, approximately 7.0 percent of total applications, will become employer businesses over the

next year. That number is consistent with the national figure of 7.1 percent. For both the state and nation, the share of applications projected to become employer businesses has steadily fallen over recent years. In 2019, 7.7 percent and 8.2 percent of Nevada and U.S. business applications, respectively, were projected to form employer businesses. Both figures remained substantially below their peaks of 11.3 percent for Nevada and 14.8 percent for the United States set in 2004, signaling an increasing shift toward self-employment that has accelerated since the pandemic.

Importantly, the elevated levels of business applications in the Silver State do not appear to be driven by population growth. On a per-capita basis, the rate of business applications in Nevada grew from 13.7 applications per 1,000 residents in 2019 to 21.5 applications per 1,000 residents in 2021, a rise that moderately outpaced the increase for the nation. Nationally, the rate of business applications grew 51.7 percent from 10.7 applications per 1,000 residents in 2019 to

MONTHLY

Employment Indicators

Nevada Employment		Dec-21
Current Period	Prev. Period	Same Period Prev. Yr.
1,381,900	1,380,900	1,287,300
GROWTH RATE	0.1% ▲	7.3% ▲

Nevada Private Average Weekly Hours Worked		Dec-21
Current Period	Prev. Period	Same Period Prev. Yr.
34.9	34.8	34.5
GROWTH RATE	0.3% ▲	1.2% ▲

Nevada Unemployment Rate		Dec-21
Current Period	Prev. Period	Same Period Prev. Yr.
6.4%	6.9%	8.2%
GROWTH RATE	-0.5% ▼	-1.8% ▼

TRAILING 12-MONTH

Employment Indicators

Nevada Employment ⁽¹⁾		Dec-21
Current Period	Prev. Period	Same Period Prev. Yr.
1,332,867	1,324,983	1,274,425
GROWTH RATE	0.6% ▲	4.6% ▲

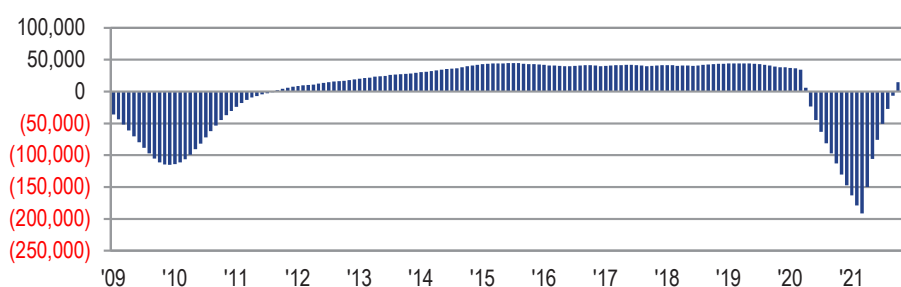
Nevada Private Average Weekly Hours Worked ⁽¹⁾		Dec-21
Current Period	Prev. Period	Same Period Prev. Yr.
35.0	35.0	34.5
GROWTH RATE	0.0% ◆	1.5% ▲

Nevada Unemployment Rate ⁽¹⁾		Dec-21
Current Period	Prev. Period	Same Period Prev. Yr.
7.7%	7.8%	13.0%
GROWTH RATE	-0.1% ▼	-5.3% ▼

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

Dec-21

Current Period	Prev. Period	Same Period Prev. Yr.
10,762	10,087	37,310
GROWTH RATE	6.7% ▲	-71.2% ▼

Nevada Residential Housing Units Permitted

Nov-21

Current Period	Prev. Period	Same Period Prev. Yr.
2,266	1,770	1,943
GROWTH RATE	28.0% ▲	16.6% ▲

Nevada Taxable Retail Sales

Oct-21

Current Period	Prev. Period	Same Period Prev. Yr.
\$6,622,542,010	\$6,825,232,997	\$5,227,428,642
GROWTH RATE	-3.0% ▼	26.7% ▲

Nevada Gross Gaming Revenue

Nov-21

Current Period	Prev. Period	Same Period Prev. Yr.
\$1,321,624,724	\$1,221,390,578	\$771,178,057
GROWTH RATE	8.2% ▲	71.4% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Nov-21

Current Period	Prev. Period	Same Period Prev. Yr.
4,312,197	4,532,031	1,955,686
GROWTH RATE	-4.9% ▼	120.5% ▲

Clark/Washoe County Visitor Volume

Nov-21

Current Period	Prev. Period	Same Period Prev. Yr.
3,490,618	3,815,946	1,811,469
GROWTH RATE	-8.5% ▼	92.7% ▲

Nevada New Business Creation

Q2 '21

Current Period	Prev. Period	Same Period Prev. Yr.
2,544	2,351	957
GROWTH RATE	8.2% ▲	165.8% ▲

Nevada Housing Price Index

(Q1 1991 = 100)

Q3 '21

Current Period	Prev. Period	Same Period Prev. Yr.
365.6	342.0	295.0
GROWTH RATE	6.9% ▲	23.9% ▲

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

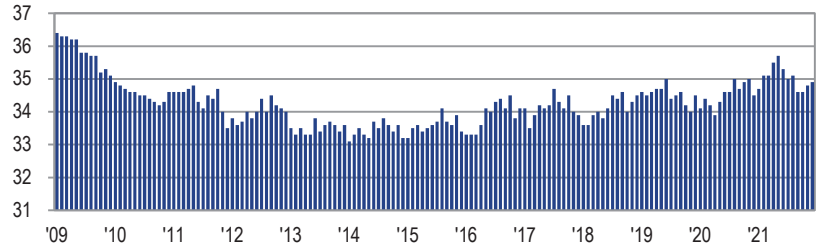
Current Period	Prev. Period	Same Period Prev. Yr.
68.3%	43.9%	15.0%
GROWTH RATE	24.4% ▲	53.3% ▲

State of Nevada Personal Income

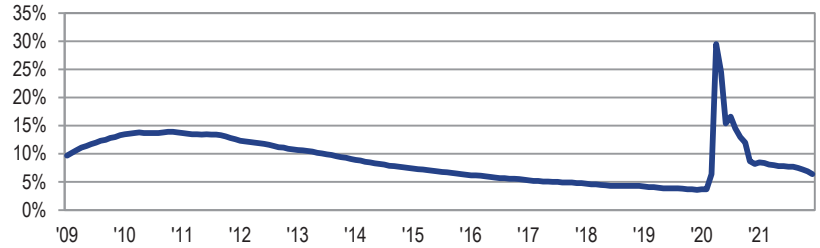
Q3 '21

Current Period	Prev. Period	Same Period Prev. Yr.
\$44,944,225,000	\$44,777,450,000	\$42,031,775,000
GROWTH RATE	0.4% ▲	6.9% ▲

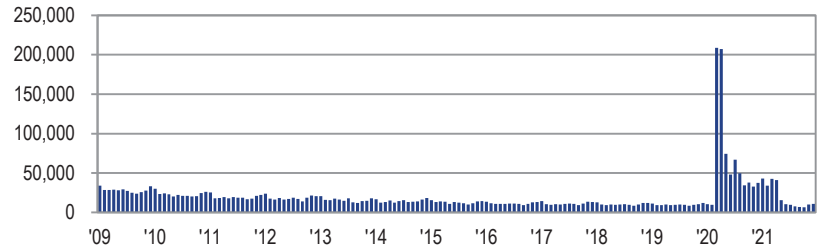
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



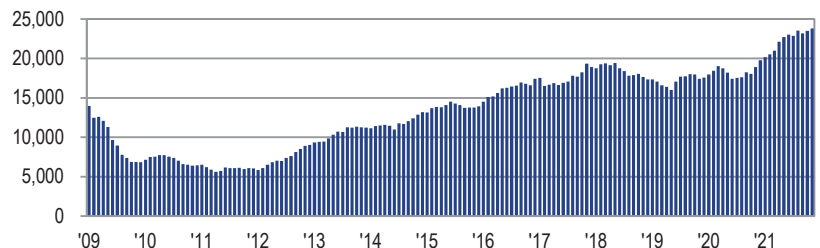
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



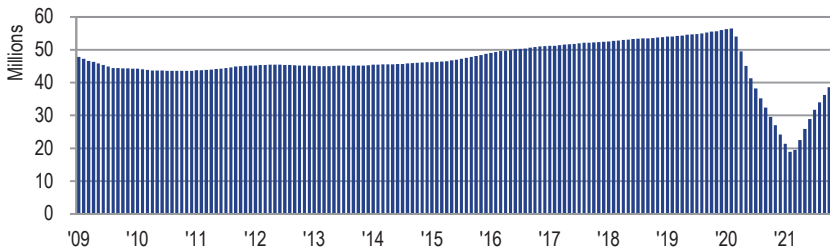
NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES



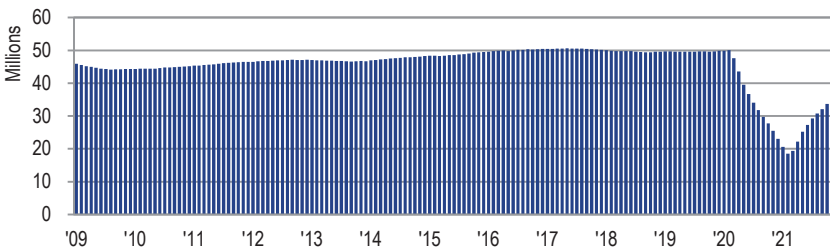
NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



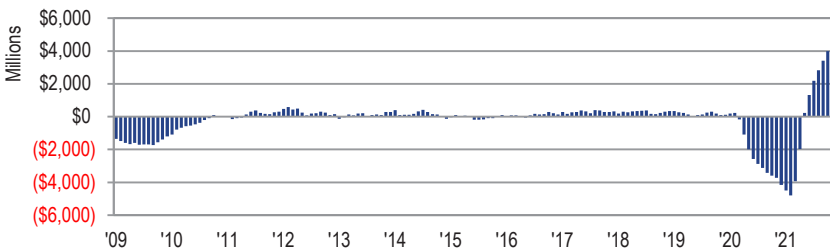
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS
TRAILING 12-MONTH TOTALS



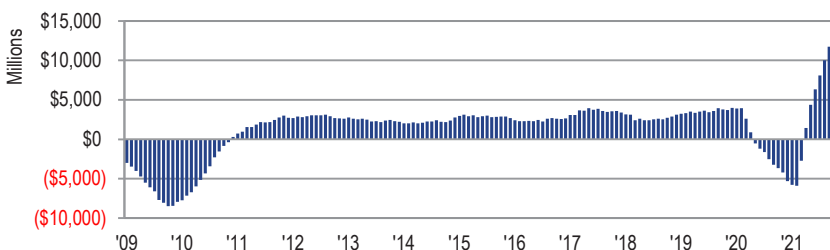
CLARK/WASHOE COUNTY VISITOR VOLUME
TRAILING 12-MONTH TOTALS



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-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
237,814	264,362	817,163	
GROWTH RATE	-10.0% ▼	-70.9% ▼	

Nevada Residential Housing Units Permitted ⁽²⁾

		Nov-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
23,800	23,477	18,897	
GROWTH RATE	1.4% ▲	25.9% ▲	

Nevada Taxable Retail Sales ⁽²⁾

		Oct-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$73,514,341,532	\$72,119,228,164	\$60,232,968,615	
GROWTH RATE	1.9% ▲	22.1% ▲	

Nevada Gross Gaming Revenue ⁽²⁾

		Nov-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$12,963,515,986	\$12,413,069,319	\$8,246,580,841	
GROWTH RATE	4.4% ▲	57.2% ▲	

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

		Nov-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
40,955,802	38,599,291	27,014,391	
GROWTH RATE	6.1% ▲	51.6% ▲	

Clark/Washoe County Visitor Volume ⁽²⁾

		Nov-21	
Current Period	Prev. Period	Same Period	Prev. Yr.
35,336,154	33,657,005	25,487,933	
GROWTH RATE	5.0% ▲	38.6% ▲	

Nevada New Business Creation ⁽²⁾

		Q2 '21	
Current Period	Prev. Period	Same Period	Prev. Yr.
7,999	6,412	3,427	
GROWTH RATE	24.8% ▲	133.4% ▲	

Nevada Housing Price Index ⁽¹⁾

		Q3 '21	
<i>(Q1 1991 = 100)</i>			
Current Period	Prev. Period	Same Period	Prev. Yr.
331.7	314.0	283.7	
GROWTH RATE	5.6% ▲	16.9% ▲	

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⁾

		Q3 '21	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$178,504,350,000	\$175,591,900,000	\$167,325,450,000	
GROWTH RATE	1.7% ▲	6.7% ▲	

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

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16.2 applications per 1,000 residents in 2021. In both years, Nevada had the nation's seventh-highest per-capita rate of business applications.

A significant driver for the surge in business applications has been broad, nationwide economic factors and trends stemming from the COVID-19 pandemic. The culmination of widespread job losses early in the pandemic, expanded incomes from federal stimulus and unemployment insurance programs, sustained public health concerns and record-low interest rates have created an environment ripe for would-be entrepreneurs. For many Americans, the disparate impacts of the pandemic have also caused a realignment of work-life priorities and led toward self-employment. For instance, a November 2021 analysis from Pew Research Center reported that recent national gains in self-employment were predominantly driven by women. The overall self-employed population increased by just 0.9 percent between 2019 and 2021, while the self-employed female population grew by 4.3 percent – nearly five times the overall rate.

The surge in Nevada's business applications has helped boost the number of private business establishments to all-time highs. Since the end of 2019, the state added nearly 8,500 private businesses, raising the statewide total to a record 91,900 in the second quarter of 2021. New businesses are an important piece of the nation's dynamic economy, as they are key providers of employment growth and innovation, making the recent business formation trend a source of optimism for the future of Nevada's economy and the opportunities ahead.

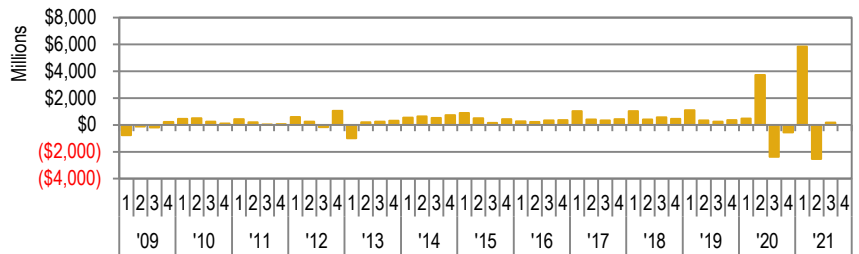
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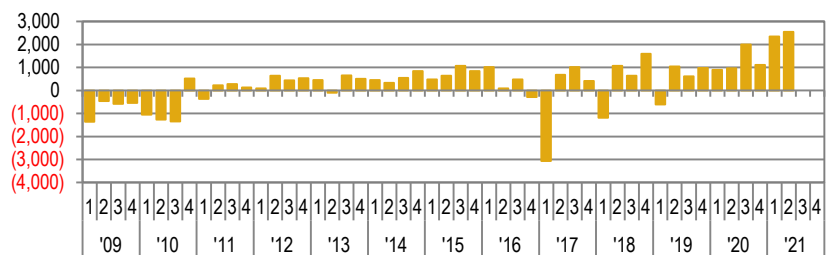
appliedanalysis.com

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.

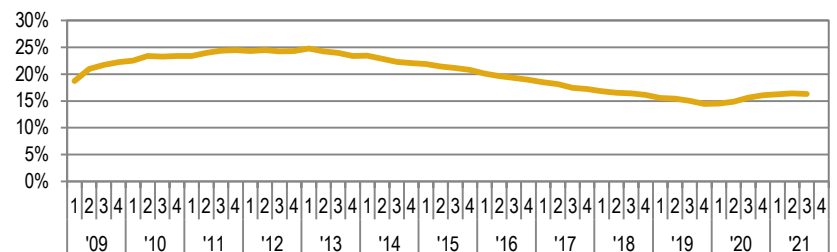
NEVADA PERSONAL INCOME GROWTH QUARTER-OVER-QUARTER



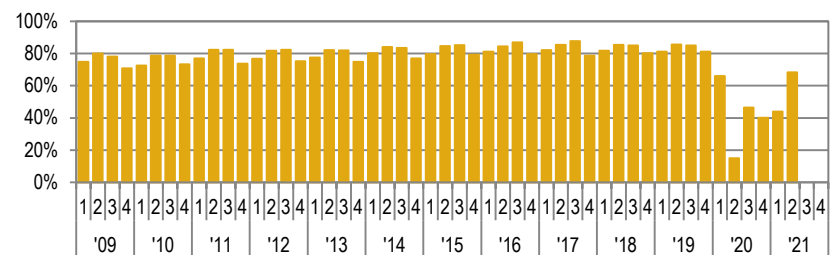
NEVADA NEW BUSINESS CREATION QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY QUARTERLY SERIES



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