



As the country has emerged from the COVID-19 pandemic, the recovery of the national economy has been largely positive. However, one unwanted side effect of the rapid economic bounce back has been an environment that pushed inflation to its highest level in 40 years. Now, after decades as an afterthought, inflation is top of mind for U.S. households, businesses and public officials.

Through the 2010s, inflation had been kept in check, hovering at or below the Federal Reserve target of 2 percent. The COVID-19 pandemic and related response pushed inflation under 1 percent as demand for many goods and services plummeted. At the same time, an unprecedented array of federal aid packages injected \$4.5 trillion into the U.S. economy via household stimulus payments, enhanced unemployment benefits, business payroll support and other programs. That aid helped keep the national economy afloat and turn the corner toward recovery sooner, but it also played a role in today's high inflationary environment.

The inflation rate began its climb in mid-2021 as the national economy began to emerge from the depths of the pandemic. The early inflationary rise was due in part to the suppressed pricing environment of 2020, though pent-up consumer demand coupled with a surplus of household income and supply-chain constraints soon pushed inflation past 5 percent. The inflation rate stabilized near 5.4 percent through the summer before jumping past 6 percent in October, reaching 7 percent in December and peaking at 8.5 percent in March before dipping to 8.3 percent in April, the latest

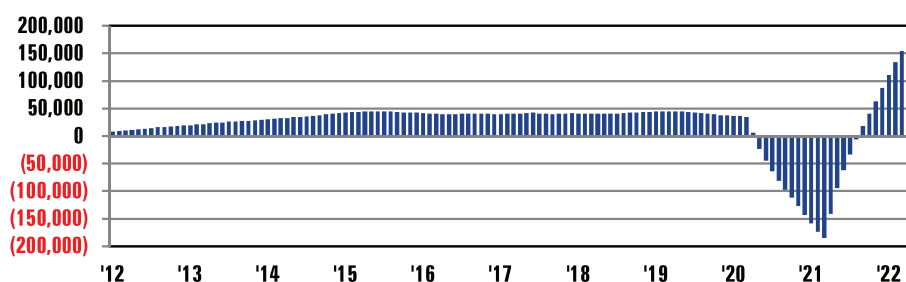
month of data. The last time inflation passed 8 percent was in the early 1980s during a period of hyperinflation that peaked at nearly 15 percent.

While consumer demand related to federal pandemic aid has been mostly exhausted, demand remains strong as jobs are plentiful and wages climb in an ultra-competitive labor market. Many Americans have watched their net worth rise over the past two years due to the hot housing market and, until recently, the stock market. Many homeowners also reduced their mortgage payments by refinancing to take advantage of record-low interest rates during that time, freeing up even more cash to spend in the economy.

The other side of the inflation equation is supply. Unprecedented consumer demand has fueled inflation, but so have supply constraints. Most notably, the new and used vehicle markets have been large contributors to inflation as ongoing computer chip shortages have limited new car inventories while fueling demand in the used car market. More recently, the near-global ban on Russian gasoline imports after the invasion of Ukraine has cut worldwide gas supplies and contributed to price increases at the pump.

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## NEVADA EMPLOYMENT GROWTH TRAILING 12-MONTH AVERAGES



# Economic Briefing

MAY 2022

ISSUE FIVE | VOLUME SIXTEEN

## MONTHLY Employment Indicators

### Nevada Employment Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
1,445,100	1,432,600	1,333,300
GROWTH RATE	0.9% ▲	8.4% ▲

### Nevada Private Average Weekly Hours Worked Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
35.0	34.9	35.1
GROWTH RATE	0.3% ▲	-0.3% ▼

### Nevada Unemployment Rate Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
5.0%	5.0%	8.6%
GROWTH RATE	0.0% ◆	-3.6% ▼

## TRAILING 12-MONTH Employment Indicators

### Nevada Employment<sup>(1)</sup> Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
1,408,492	1,399,175	1,262,767
GROWTH RATE	0.7% ▲	11.5% ▲

### Nevada Private Average Weekly Hours Worked<sup>(1)</sup> Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
35.0	35.0	34.7
GROWTH RATE	0.0% ◆	0.9% ▲

### Nevada Unemployment Rate<sup>(1)</sup> Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
5.8%	6.1%	13.2%
GROWTH RATE	-0.3% ▼	-7.1% ▼

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**

Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
8,866	8,055	40,858
GROWTH RATE	10.1% ▲	-78.3% ▼

**Nevada Residential Housing Units Permitted**

Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
2,263	1,833	2,184
GROWTH RATE	23.5% ▲	3.6% ▲

**Nevada Taxable Retail Sales**

Feb-22

Current Period	Prev. Period	Same Period Prev. Yr.
\$5,944,746,441	\$6,099,768,083	\$4,921,529,502
GROWTH RATE	-2.5% ▼	20.8% ▲

**Nevada Gross Gaming Revenue**

Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
\$1,355,229,902	\$1,113,124,537	\$1,068,515,073
GROWTH RATE	21.8% ▲	26.8% ▲

**Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers**

Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
4,640,498	3,654,300	3,154,086
GROWTH RATE	27.0% ▲	47.1% ▲

**Clark/Washoe County Visitor Volume**

Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
3,887,721	3,060,963	2,991,222
GROWTH RATE	27.0% ▲	30.0% ▲

**Nevada New Business Creation**

Q3 '21

Current Period	Prev. Period	Same Period Prev. Yr.
2,454	3,328	2,702
GROWTH RATE	-26.3% ▼	-9.2% ▼

**Nevada Housing Price Index**

(Q1 1991 = 100)

Q4 '21

Current Period	Prev. Period	Same Period Prev. Yr.
373.3	361.1	303.4
GROWTH RATE	3.4% ▲	23.0% ▲

**Clark County Office Market**

**Vacancy Rate**

Q4 '21

Current Period	Prev. Period	Same Period Prev. Yr.
16.0%	16.3%	16.1%
GROWTH RATE	-0.3% ▼	-0.1% ▼

**Nevada Hotel/Motel Occupancy**

Q4 '21

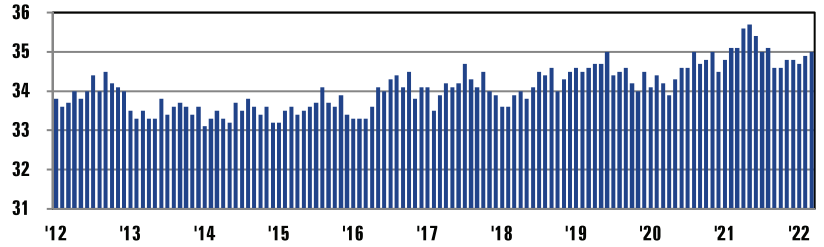
Current Period	Prev. Period	Same Period Prev. Yr.
71.5%	72.2%	40.4%
GROWTH RATE	-0.7% ▼	31.1% ▲

**State of Nevada Personal Income**

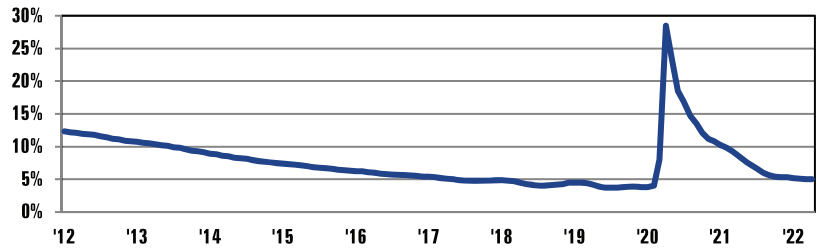
Q4 '21

Current Period	Prev. Period	Same Period Prev. Yr.
\$45,646,550,000	\$45,300,450,000	\$41,427,525,000
GROWTH RATE	0.8% ▲	10.2% ▲

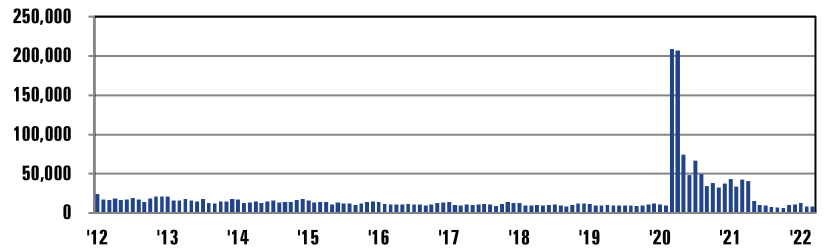
**NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED**  
MONTHLY SERIES



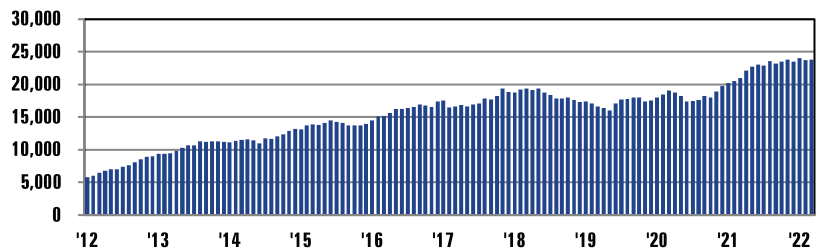
**NEVADA UNEMPLOYMENT RATE**  
MONTHLY SERIES



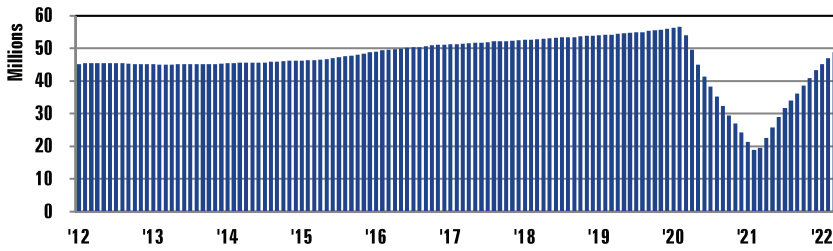
**NEVADA UNEMPLOYMENT INSURANCE CLAIMS**  
MONTHLY SERIES



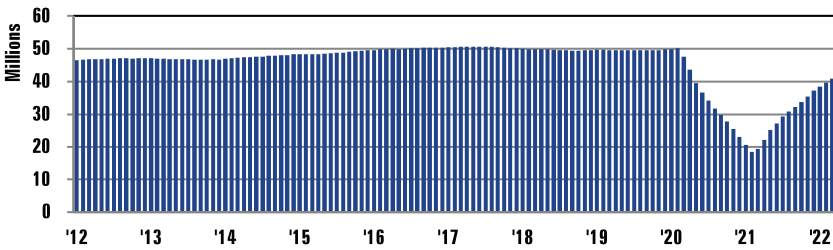
**NEVADA RESIDENTIAL UNITS PERMITTED**  
TRAILING 12-MONTH TOTALS



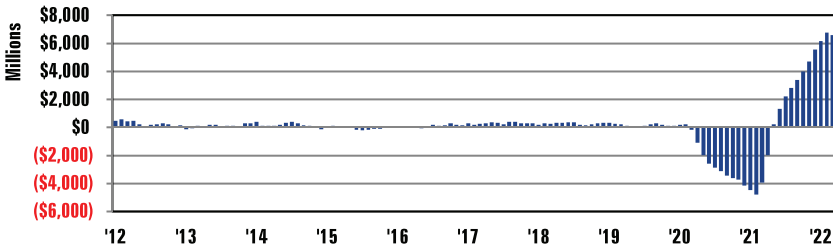
**LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS**  
TRAILING 12-MONTH TOTALS



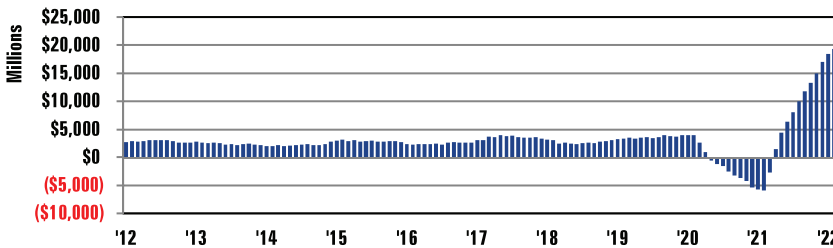
**CLARK/WASHOE COUNTY VISITOR VOLUME**  
TRAILING 12-MONTH TOTALS



**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** <sup>(2)</sup>

Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
115,194	147,186	541,109
GROWTH RATE	-21.7% ▼	-78.7% ▼

**Nevada Residential Housing Units Permitted** <sup>(2)</sup>

Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
23,805	23,726	147,186
GROWTH RATE	0.3% ▲	13.5% ▲

**Nevada Taxable Retail Sales** <sup>(2)</sup>

Feb-22

Current Period	Prev. Period	Same Period Prev. Yr.
\$78,777,319,606	\$77,754,102,667	\$59,449,465,393
GROWTH RATE	1.3% ▲	32.5% ▲

**Nevada Gross Gaming Revenue** <sup>(2)</sup>

Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
\$14,375,479,058	\$14,088,764,230	\$7,777,727,220
GROWTH RATE	2.0% ▲	84.8% ▲

**Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers** <sup>(2)</sup>

Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
48,816,909	47,004,821	19,498,007
GROWTH RATE	3.9% ▲	150.4% ▲

**Clark/Washoe County Visitor Volume** <sup>(2)</sup>

Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
40,918,900	39,664,407	19,334,305
GROWTH RATE	3.2% ▲	111.6% ▲

**Nevada New Business Creation** <sup>(2)</sup>

Q3 '21

Current Period	Prev. Period	Same Period Prev. Yr.
8,319	8,567	4,390
GROWTH RATE	-2.9% ▼	89.5% ▲

**Nevada Housing Price Index** <sup>(1)</sup>

(Q1 1991 = 100)

Q4 '21

Current Period	Prev. Period	Same Period Prev. Yr.
347.5	330.1	289.3
GROWTH RATE	5.3% ▲	20.1% ▲

**Clark County Office Market Vacancy Rate** <sup>(1)</sup>

Q4 '21

Current Period	Prev. Period	Same Period Prev. Yr.
16.2%	16.2%	15.2%
GROWTH RATE	0.0% ◊	1.0% ▲

**Nevada Hotel/Motel Occupancy** <sup>(1)</sup>

Q4 '21

Current Period	Prev. Period	Same Period Prev. Yr.
64.0%	56.2%	42.0%
GROWTH RATE	7.8% ▲	22.0% ▲

**State of Nevada Personal Income** <sup>(2)</sup>

Q4 '21

Current Period	Prev. Period	Same Period Prev. Yr.
\$182,586,200,000	\$181,201,800,000	\$165,710,100,000
GROWTH RATE	0.8% ▲	10.2% ▲

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

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The Federal Reserve has taken steps to bring inflation under control by raising interest rates. Raising the cost of borrowing money reduces demand from consumers to buy and businesses to expand, thus easing inflationary pressures on the demand side. The Federal Reserve has already raised rates twice this year, including its largest increase in two decades, and it has indicated more increases will come in the months ahead.

By incrementally raising interest rates, the Federal Reserve is attempting to cool the economy and bring inflation under control while avoiding an overcorrection that increases unemployment and triggers a recession. A contributing challenge is that the Federal Reserve cannot address the ongoing supply-side drivers of inflation, which are likely to persist to some degree.

A nationwide economic slowdown could be problematic for Nevada. The Silver State’s economy has made significant progress in its post-pandemic recovery, but it lags most of the country. Nevada’s unemployment rate stood at 5.0 percent in April, the second-highest in the nation and considerably higher than the 3.8 percent before the pandemic. A cooling national economy could lead to rising unemployment. However, one factor in Nevada’s favor is that in March there were 1.7 job openings for every unemployed worker, suggesting some capacity to increase employment even if overall demand slows.

How the Federal Reserve navigates the inflationary environment could have significant implications for the state and national economies and will warrant close attention in the coming months.

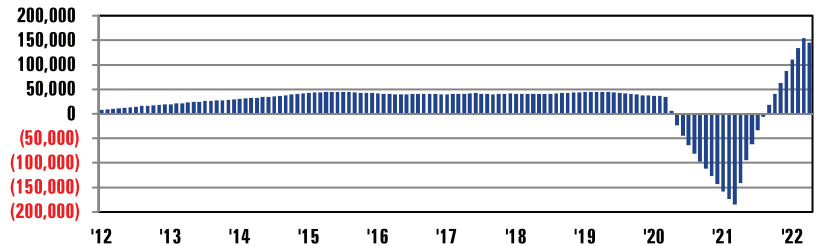
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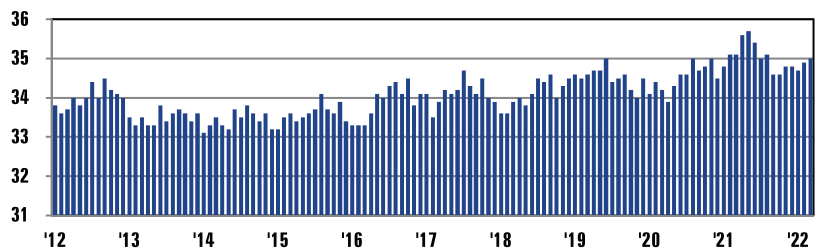
appliedanalysis.com

**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.

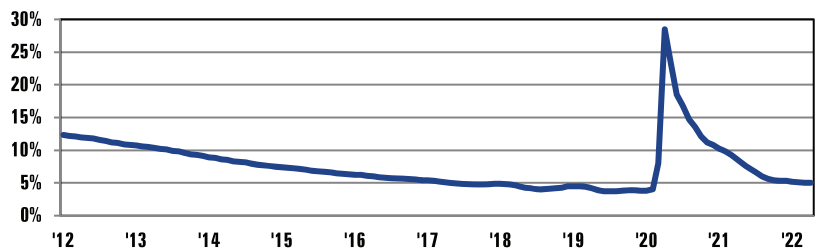
**NEVADA PERSONAL INCOME GROWTH**  
QUARTER-OVER-QUARTER



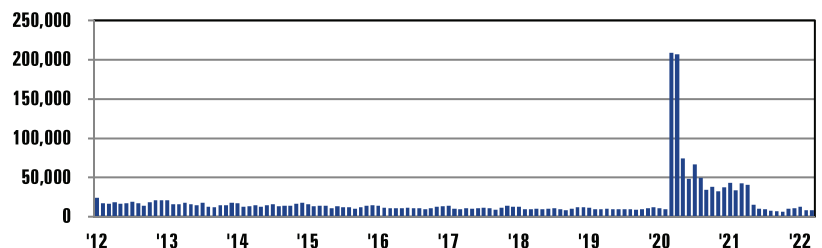
**NEVADA NEW BUSINESS CREATION**  
QUARTER-OVER-QUARTER



**LAS VEGAS OFFICE MARKET VACANCY RATE**  
QUARTERLY SERIES



**NEVADA HOTEL/MOTEL OCCUPANCY**  
QUARTERLY SERIES



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