



The pandemic stunted a wide swath of Nevada’s economy, but one industry that proved resilient throughout the pandemic years was construction. Buoyed by strong housing demand, the industry has been a bright spot in the state’s economic recovery, regaining its lost jobs sooner than most industries and continuing to grow and surpass pre-pandemic levels.

The initial impact of the pandemic dealt a blow to Nevada’s construction industry, which lost 6.5 percent of employment in one month in April 2020. However, unlike most other statewide industries, construction started to recover immediately and recovered all of the lost jobs within a year. The recovery curve has continued since then, with construction employment topping out at 102,500 in May 2022, a 10-year high. The Northern Nevada construction industry was leading the recent rebound, with the latest job total of 21,200 being 11.0 percent higher than the peak in 2019. In Southern Nevada, construction employment climbed to 73,800 positions in May 2022, surpassing the October 2019 peak for the first time.

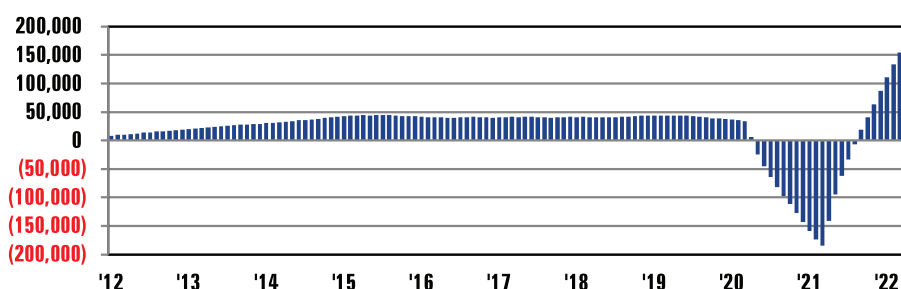
The growth in construction employment has been fueled by a booming housing market and strong demand for new homes. Nevada homebuilders ramped up production throughout the pandemic to meet that demand, and in the 12 months through April 2022, the number of new home permits issued in the state totaled 24,283, 27.2 percent higher than the pre-pandemic high of 19,044 and the

highest total since 2008. The bulk of new home construction has occurred in Southern Nevada, where 16,981 new home permits were issued in the 12 months through April 2022 to outpace the pre-pandemic total by 36.7 percent. In Northern Nevada, 5,830 new home permits had been issued over the prior year, 7.5 percent higher than the pre-pandemic level.

The increase in housing permits was consistent both with broader growth and demand indicators rising throughout the pandemic. Driver’s license surrenders, an indicator of population growth, have returned to pre-pandemic levels in Clark County, with the latest trailing 12-month figures exceeding their respective 2019 peak by 2.1 percent. On the supply side of the housing equation, falling vacancy rates illustrate that rising demand is outpacing available places to live. In Nevada, the share of vacant units in the rental market fell from 5.8 percent in 2019 to 4.6 in 2021, both of which were below the respective national averages of 6.8 percent and 6.1 percent. The homeowner vacancy rate fell even further, moving from 2.0 percent in 2019 to 0.7 percent in 2021. Declining vacancy rates

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NEVADA EMPLOYMENT GROWTH
TRAILING 12-MONTH AVERAGES



Economic Briefing

JUNE 2022

ISSUE SIX | VOLUME SIXTEEN

MONTHLY Employment Indicators

Nevada Employment		May-22
Current Period	Prev. Period	Same Period Prev. Yr.
1,452,400	1,442,800	1,352,500
GROWTH RATE	0.7% ▲	7.4% ▲

Nevada Private Average Weekly Hours Worked		Apr-22
Current Period	Prev. Period	Same Period Prev. Yr.
35.0	34.9	35.6
GROWTH RATE	0.3% ▲	-1.7% ▼

Nevada Unemployment Rate		May-22
Current Period	Prev. Period	Same Period Prev. Yr.
4.9%	5.0%	7.8%
GROWTH RATE	-0.1% ▼	-2.9% ▼

TRAILING 12-MONTH Employment Indicators

Nevada Employment ⁽¹⁾		May-22
Current Period	Prev. Period	Same Period Prev. Yr.
1,416,625	1,408,300	1,283,250
GROWTH RATE	0.6% ▲	10.4% ▲

Nevada Private Average Weekly Hours Worked ⁽¹⁾		Apr-22
Current Period	Prev. Period	Same Period Prev. Yr.
35.0	35.0	34.8
GROWTH RATE	-0.1% ▼	0.3% ▲

Nevada Unemployment Rate ⁽¹⁾		May-22
Current Period	Prev. Period	Same Period Prev. Yr.
5.6%	5.8%	11.9%
GROWTH RATE	-0.2% ▼	-6.3% ▼

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

Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
2,634	2,263	2,156
GROWTH RATE	16.4% ▲	22.2% ▲

Nevada Taxable Retail Sales

Mar-22

Current Period	Prev. Period	Same Period Prev. Yr.
\$7,532,362,962	\$5,944,746,441	\$6,591,071,112
GROWTH RATE	26.7% ▲	14.3% ▲

Nevada Gross Gaming Revenue

Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
\$1,128,480,917	\$1,355,193,788	\$1,039,358,922
GROWTH RATE	-16.7% ▼	8.6% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
4,583,344	4,640,498	3,154,086
GROWTH RATE	-1.2% ▼	45.3% ▲

Clark/Washoe County Visitor Volume

Apr-22

Current Period	Prev. Period	Same Period Prev. Yr.
3,893,076	3,887,721	2,991,222
GROWTH RATE	0.1% ▲	30.2% ▲

Nevada New Business Creation

Q4 '21

Current Period	Prev. Period	Same Period Prev. Yr.
2,544	3,438	2,608
GROWTH RATE	-26.0% ▼	-2.5% ▼

Nevada Housing Price Index

(Q1 1991 = 100)

Q1 '22

Current Period	Prev. Period	Same Period Prev. Yr.
393.8	374.6	315.0
GROWTH RATE	5.1% ▲	25.0% ▲

Clark County Office Market Vacancy Rate

Q1 '22

Current Period	Prev. Period	Same Period Prev. Yr.
15.5%	16.0%	16.2%
GROWTH RATE	-0.5% ▼	-0.7% ▼

Nevada Hotel/Motel Occupancy

Q4 '21

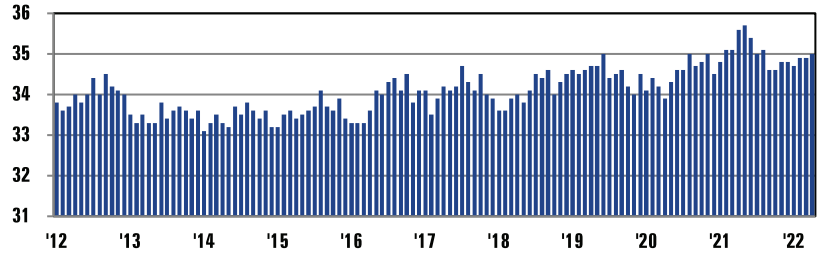
Current Period	Prev. Period	Same Period Prev. Yr.
71.5%	72.2%	40.4%
GROWTH RATE	-0.7% ▼	31.1% ▲

State of Nevada Personal Income

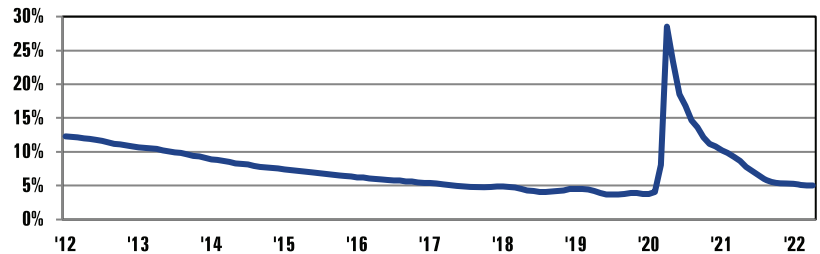
Q4 '21

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% ▲

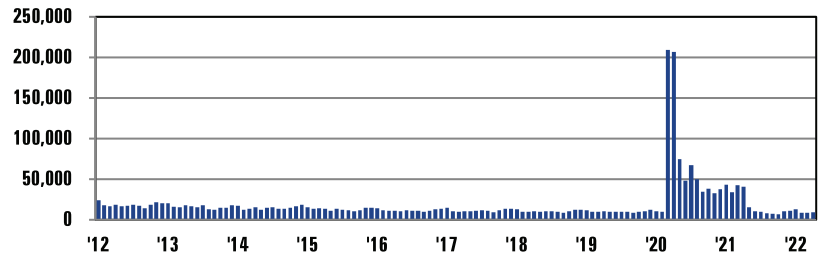
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



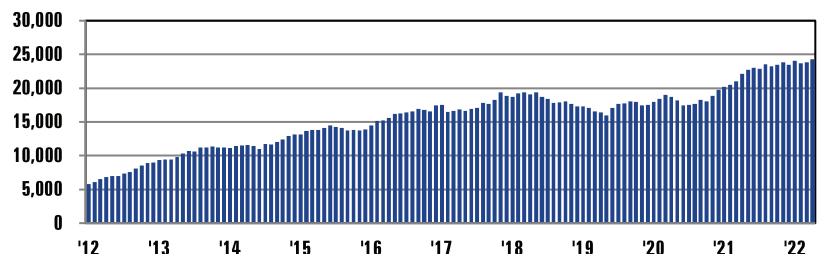
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



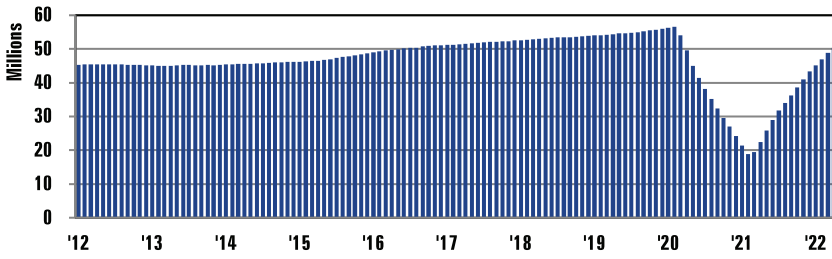
NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES



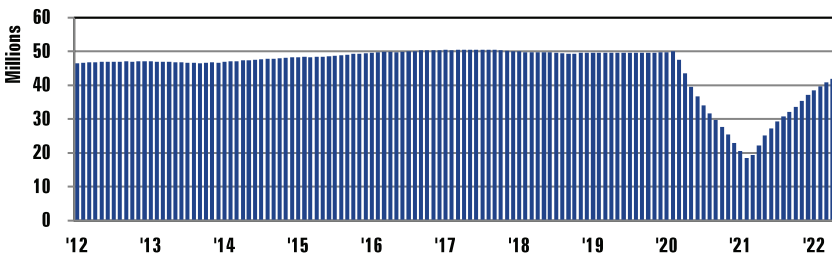
NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



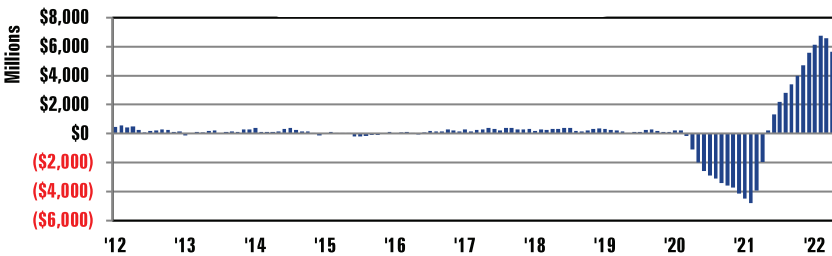
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS
TRAILING 12-MONTH TOTALS



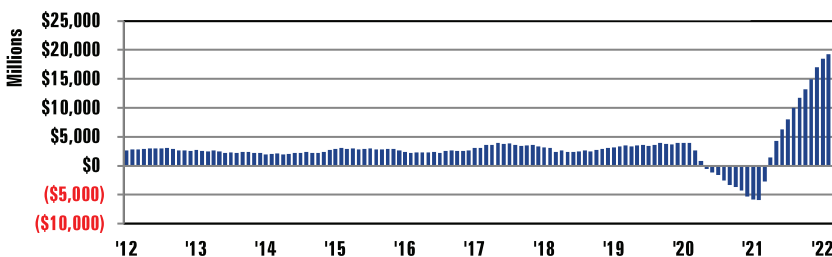
CLARK/WASHOE COUNTY VISITOR VOLUME
TRAILING 12-MONTH TOTALS



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 ⁽²⁾

		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 ⁽²⁾

		Apr-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
24,283	23,805	22,106	
GROWTH RATE	2.0% ▲	9.8% ▲	

Nevada Taxable Retail Sales ⁽²⁾

		Mar-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$79,718,611,456	\$78,777,319,606	\$61,509,380,667	
GROWTH RATE	1.2% ▲	29.6% ▲	

Nevada Gross Gaming Revenue ⁽²⁾

		Apr-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$14,464,561,144	\$14,375,439,149	\$8,813,420,436	
GROWTH RATE	0.6% ▲	64.1% ▲	

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

		Apr-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
50,246,167	48,816,909	22,482,358	
GROWTH RATE	2.9% ▲	123.5% ▲	

Clark/Washoe County Visitor Volume ⁽²⁾

		Apr-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
41,820,754	40,918,900	22,155,777	
GROWTH RATE	2.2% ▲	88.8% ▲	

Nevada New Business Creation ⁽²⁾

		Q4 '21	
Current Period	Prev. Period	Same Period	Prev. Yr.
7,974	8,038	5,190	
GROWTH RATE	-0.8% ▼	53.6% ▲	

Nevada Housing Price Index ⁽¹⁾

		Q1 '22	
<i>(Q1 1991 = 100)</i>			
Current Period	Prev. Period	Same Period	Prev. Yr.
367.0	347.3	297.8	
GROWTH RATE	5.7% ▲	23.2% ▲	

Clark County Office Market Vacancy Rate ⁽¹⁾

		Q1 '22	
Current Period	Prev. Period	Same Period	Prev. Yr.
16.0%	16.2%	15.7%	
GROWTH RATE	-0.2% ▼	0.3% ▲	

Nevada Hotel/Motel Occupancy ⁽¹⁾

		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 ⁽²⁾

		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.

« Continued From Cover

and the consistent inflow of new residents suggest that demand for new residential construction will remain elevated.

Nevada’s construction surge has included activity in the commercial segment. During the pandemic, large-scale projects helped sustain construction employment. Projects completed in 2020 or 2021 included Allegiant Stadium, Resorts World Las Vegas and the Las Vegas Convention Center expansion, which combined for more than \$8 billion in total construction costs. Ongoing projects such as the \$1.8 billion MSG Sphere and the \$3.1 billion Fountainsbleau in Southern Nevada and the \$1.0 billion expansion of the Apple Data Center in Northern Nevada are continuing to support construction activity and employment.

The rebound of Nevada’s construction industry played an important role in stabilizing the state’s economy through the pandemic, and it will be integral to meeting current and future demand for housing and growth as new residents flow into the state. The near-term outlook for the housing industry could hinge on the Federal Reserve’s strategy of interest rate increases to rein in the highest inflation in four decades. Mortgage rates have rapidly climbed in 2022 and begun to cool the housing market; however, that cooling is bringing the market closer to a normalized environment. In terms of the broader economy, the Federal Reserve is attempting to engineer a “soft landing” for the economy that brings inflation down without starting a recession, and its decisions in the coming months will be closely watched in relation to their effects on employment, inflation and other key economic indicators.

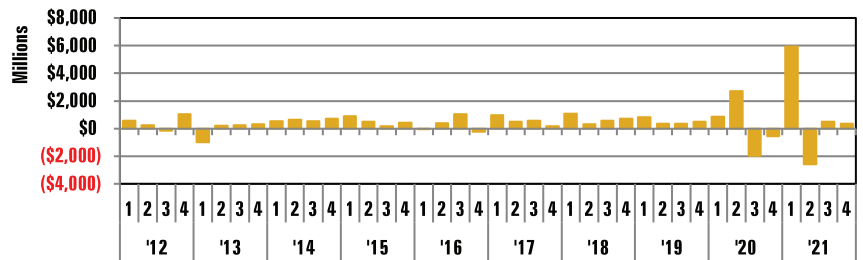
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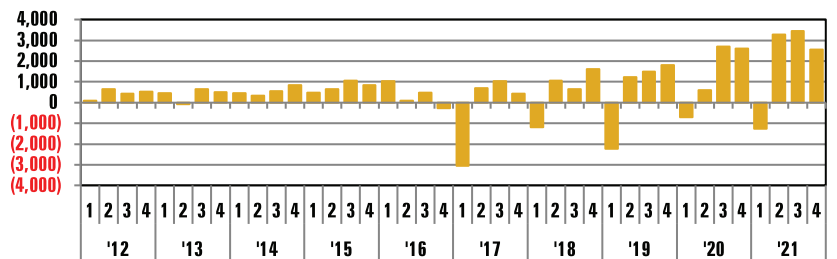
appliedanalysis.com

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.

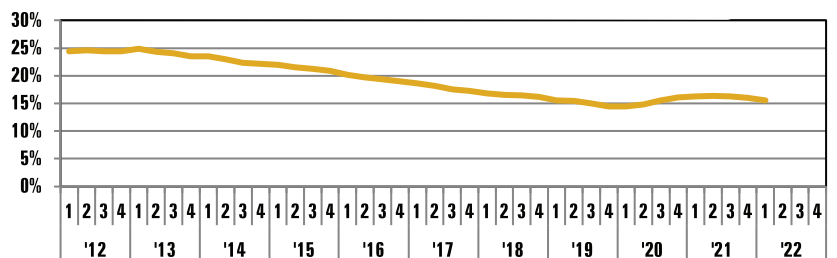
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES

