



As a heavily tourism-dependent economy, Southern Nevada is often placed in a perilous position when consumer discretionary spending falls during times of recession. To mitigate the impact economic downturns can have on the region and the state, business and community leaders have turned towards economic diversification to build a more resilient economy. Increasingly, these efforts have focused on the manufacturing industry.

To date, this focus on manufacturing has delivered results across the state. Tesla's \$5 billion lithium-ion battery manufacturing facility in the Reno-Sparks area has energized the Northern Nevada economy since opening in 2016. In Southern Nevada, Haas Automation, the world's leader in making computer-controlled machines for manufacturers, is building a \$327 million manufacturing facility in Henderson that will eventually support over 1,400 high-wage jobs; Ball Metal recently announced a \$176 million investment in North Las Vegas for an aluminum product manufacturing facility; and Sunshine Minting, a leading manufacturer of products for the minting industry, expanded its operation in 2017 to 100 employees with plans to add an additional 200 jobs over the next five years. These and other manufacturing investments have nearly doubled the industry's contribution to Nevada's gross domestic product since the end of the Great Recession. Further, Nevada's manufacturing sector employment has added 26,800 jobs and manufacturing's share of total employment has increased by 31.8 percent over this period.

Nevada's manufacturing industry has proven its resilience in the face of economic headwinds. At the peak of the COVID-19

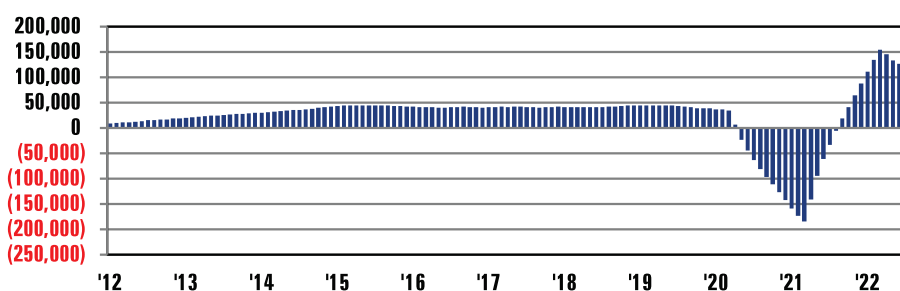
pandemic in May 2020, total employment fell 22.8 percent statewide and 26.5 percent in Southern Nevada. Total employment did not fully recover until April 2022 statewide and May 2022 in Southern Nevada. In comparison, manufacturing employment retained a greater share of jobs and recovered more quickly. Statewide manufacturing employment fell by 10.3 percent and fully recovered to pre-pandemic levels by March 2021, while Southern Nevada's manufacturing employment fell by 14.4 percent and recovered by December 2021. To add perspective, leisure and hospitality employment fell 58.1 and 57.2 percent statewide and in Southern Nevada, respectively, from February to May 2020, and it has yet to fully recover to pre-pandemic levels.

The continued focus on manufacturing growth has translated to a 76.2 percent increase in employment among the top five occupations in the manufacturing industry in Southern Nevada since the end of the Great Recession. In 2021, the average wage among those top five manufacturing occupations was \$28.62 per hour, 25.6 percent higher than the average in Clark County.

Serious developable land hurdles lie ahead for manufacturing's continued growth

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NEVADA EMPLOYMENT GROWTH TRAILING 12-MONTH AVERAGES



Economic Briefing

AUGUST 2022

ISSUE EIGHT | VOLUME SIXTEEN

MONTHLY Employment Indicators

Nevada Employment		Jul-22
Current Period	Prev. Period	Same Period Prev. Yr.
1,457,000	1,454,500	1,381,600
GROWTH RATE	0.2% ▲	5.5% ▲

Nevada Private Average Weekly Hours Worked		Jul-22
Current Period	Prev. Period	Same Period Prev. Yr.
34.9	35.1	35.0
GROWTH RATE	-0.6% ▼	-0.3% ▼

Nevada Unemployment Rate		Jul-22
Current Period	Prev. Period	Same Period Prev. Yr.
4.4%	4.7%	6.6%
GROWTH RATE	-0.3% ▼	-2.2% ▼

TRAILING 12-MONTH Employment Indicators

Nevada Employment ⁽¹⁾		Jul-22
Current Period	Prev. Period	Same Period Prev. Yr.
1,430,492	1,424,208	1,310,283
GROWTH RATE	0.4% ▲	9.2% ▲

Nevada Private Average Weekly Hours Worked ⁽¹⁾		Jul-22
Current Period	Prev. Period	Same Period Prev. Yr.
34.9	34.9	35.1
GROWTH RATE	0.0% ◆	-0.5% ▼

Nevada Unemployment Rate ⁽¹⁾		Jul-22
Current Period	Prev. Period	Same Period Prev. Yr.
5.2%	5.3%	10.2%
GROWTH RATE	-0.1% ▼	-5.0% ▼

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

Jun-22

Current Period	Prev. Period	Same Period Prev. Yr.
8,489	7,968	10,248
GROWTH RATE	6.5% ▲	-17.2% ▼

Nevada Residential Housing Units Permitted

Jun-22

Current Period	Prev. Period	Same Period Prev. Yr.
1,938	1,641	1,770
GROWTH RATE	18.1% ▲	9.5% ▲

Nevada Taxable Retail Sales

May-22

Current Period	Prev. Period	Same Period Prev. Yr.
\$7,152,490,261	\$7,045,431,634	\$6,299,002,257
GROWTH RATE	1.5% ▲	13.5% ▲

Nevada Gross Gaming Revenue

Jun-22

Current Period	Prev. Period	Same Period Prev. Yr.
\$1,277,068,155	\$1,300,066,171	\$1,181,821,147
GROWTH RATE	-1.8% ▼	8.1% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Jun-22

Current Period	Prev. Period	Same Period Prev. Yr.
5,067,595	4,929,864	4,207,929
GROWTH RATE	2.8% ▲	20.4% ▲

Clark/Washoe County Visitor Volume

Jun-22

Current Period	Prev. Period	Same Period Prev. Yr.
3,873,356	3,963,463	3,461,234
GROWTH RATE	-2.3% ▼	11.9% ▲

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

Q1 '22

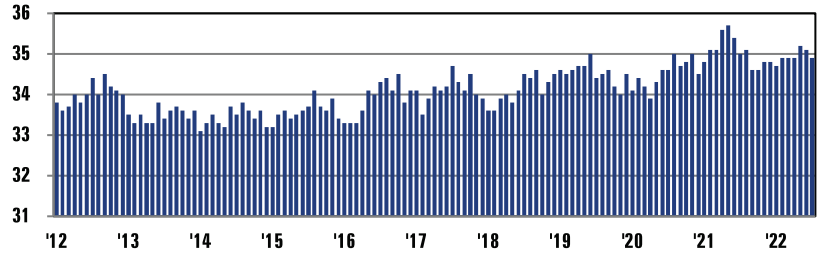
Current Period	Prev. Period	Same Period Prev. Yr.
66.1%	71.5%	43.8%
GROWTH RATE	-5.4% ▼	22.3% ▲

State of Nevada Personal Income

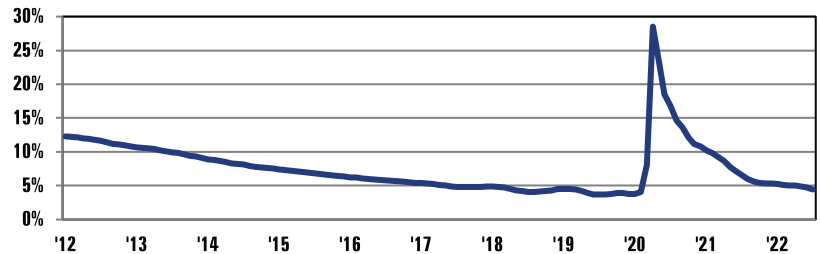
Q1 '22

Current Period	Prev. Period	Same Period Prev. Yr.
\$46,263,325,000	\$45,571,625,000	\$47,380,625,000
GROWTH RATE	1.5% ▲	-2.4% ▼

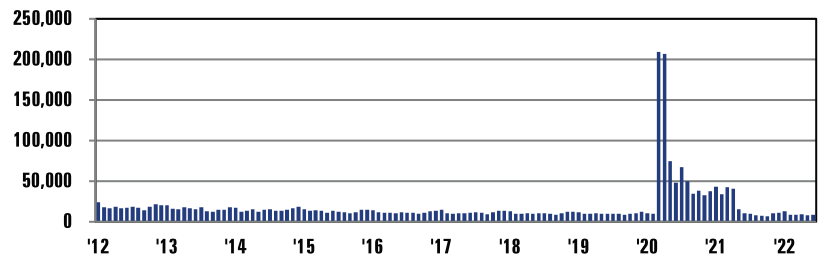
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



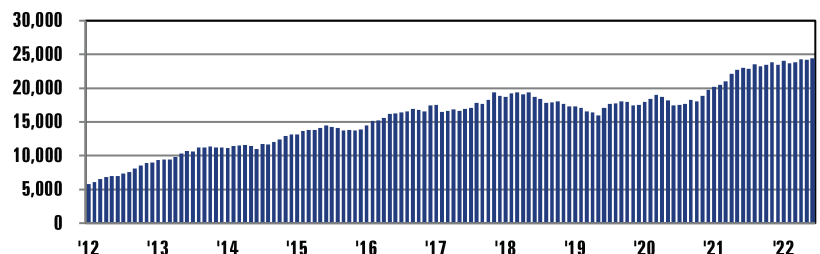
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



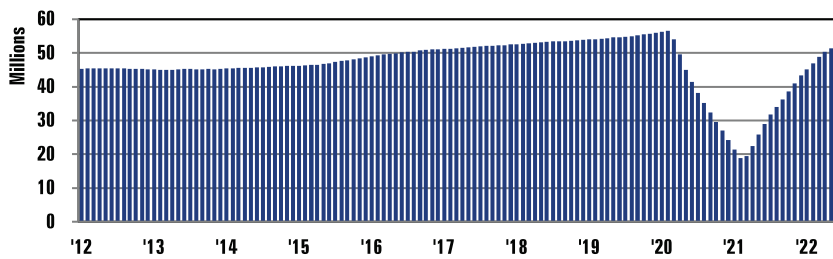
NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES



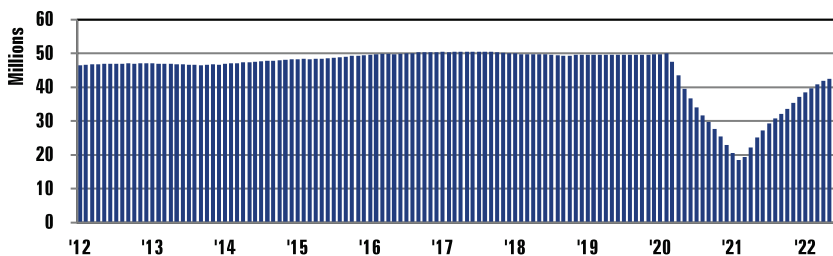
NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



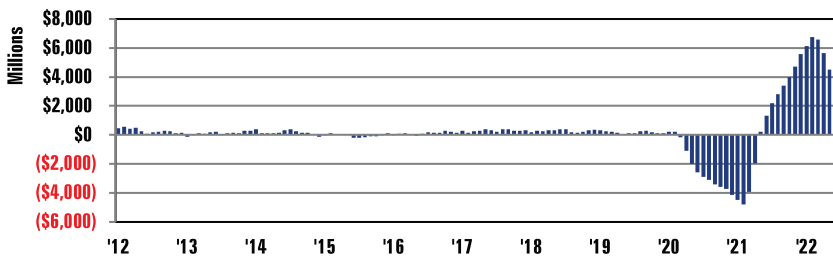
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS TRAILING 12-MONTH TOTALS



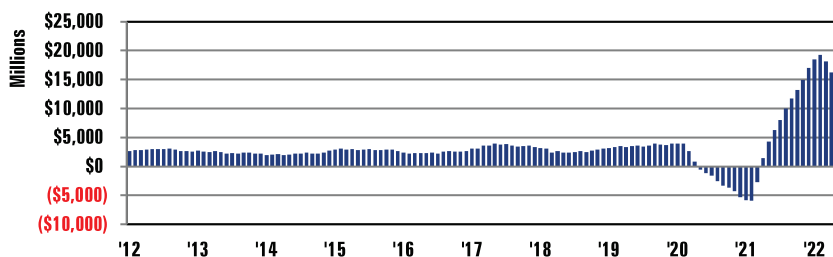
CLARK/WASHOE COUNTY VISITOR VOLUME TRAILING 12-MONTH TOTALS



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-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
106,002	107,761	444,430	
GROWTH RATE	-1.6% ▼	-76.1% ▼	

Nevada Residential Housing Units Permitted ⁽²⁾

		Jun-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
24,380	24,212	23,029	
GROWTH RATE	0.7% ▲	5.9% ▲	

Nevada Taxable Retail Sales ⁽²⁾

		May-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$81,276,050,078	\$80,422,562,074	\$66,074,983,419	
GROWTH RATE	1.1% ▲	23.0% ▲	

Nevada Gross Gaming Revenue ⁽²⁾

		Jun-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$14,629,979,871	\$14,534,732,863	\$10,652,333,570	
GROWTH RATE	0.7% ▲	37.3% ▲	

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

		Jun-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
52,211,912	51,352,256	28,932,038	
GROWTH RATE	1.7% ▲	80.5% ▲	

Clark/Washoe County Visitor Volume ⁽²⁾

		Jun-22	
Current Period	Prev. Period	Same Period	Prev. Yr.
42,878,151	42,466,029	27,246,646	
GROWTH RATE	1.0% ▲	57.4% ▲	

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⁾

		Q1 '22	
Current Period	Prev. Period	Same Period	Prev. Yr.
69.5%	64.0%	36.4%	
GROWTH RATE	5.5% ▲	33.1% ▲	

State of Nevada Personal Income ⁽²⁾

		Q1 '22	
Current Period	Prev. Period	Same Period	Prev. Yr.
\$185,053,300,000	\$182,286,500,000	\$189,522,500,000	
GROWTH RATE	1.5% ▲	-2.4% ▼	

« Continued From Cover

in Southern Nevada. A recent study of available lands in Southern Nevada suggests an estimated 11 years of property remains for future development. New manufacturing operations often require significant acreage, with recently announced manufacturing facilities ranging from 12,000 square feet to 2.3 million square feet, according to the Las Vegas Global Economic Alliance.

Steps are being taken in the near term that could potentially mitigate the shortage of developable land. Legislation introduced in 2021 by Nevada Senator Catherine Cortez-Masto, the Southern Nevada Economic Development and Conservation Act, would transfer thousands of developable acres from federal control to Clark County. The county is also exploring an expansion of its Multiple Species Habitat Conservation Plan that would potentially provide more runway for future development needs. In addition, Southern Nevada is one of 60 finalists to secure tens of millions of dollars in federal grants through the Build Back Better Regional Challenge. Southern Nevada’s proposal would strengthen the region’s advanced manufacturing industry through infrastructure improvements, site development and expanded training opportunities, among other projects. Combined with other regional efforts to promote sustainable economic development, growth in the manufacturing industry can continue to support Southern Nevada’s economic diversification efforts through the 2020s and beyond.

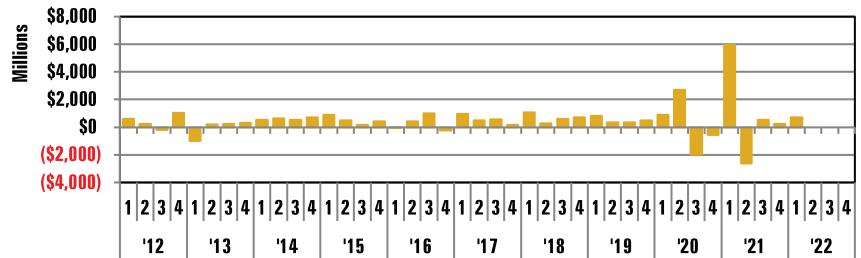
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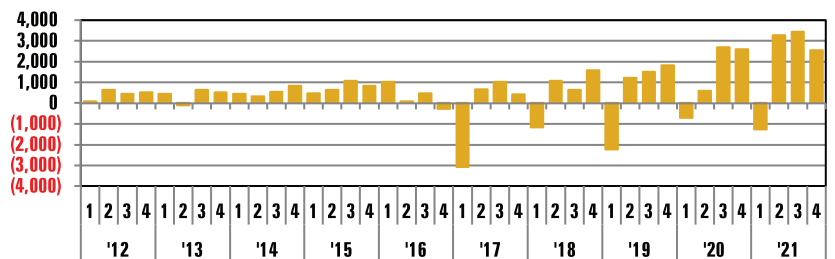
appliedanalysis.com

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.

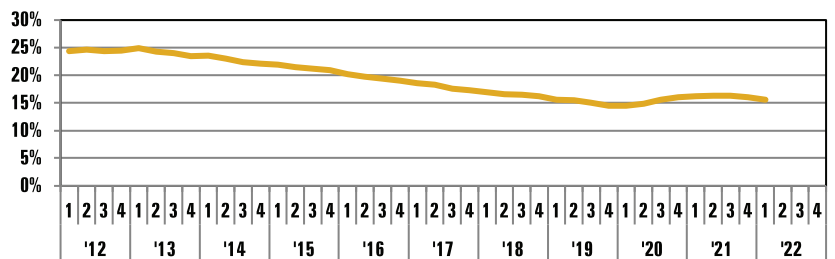
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES

