

MEETING HIGHLIGHTS

January, 08 2026

Nevada's unemployment rate declined slightly to 5.2%, remaining among the highest in the nation. Job growth is positive but very slow. Construction employment fell more than 7% year-over-year. Despite job losses, construction wages rose rapidly, suggesting tightening labor supply.

Firms have largely absorbed tariff-related costs through reduced profit margins to date. Concerns around this not being sustainable, with a higher likelihood that costs begin flowing through to consumers by mid-2026.

Ongoing economic uncertainty, high interest rates, and higher input costs are contributing to more cautious behavior by firms, particularly in construction and commercial real estate, which have already translated into slower project starts and delayed investment decisions. This too has been seen in spaces around Tech Hub projects around critical minerals falling by the wayside.

Southern Nevada visitation declined sharply, with Las Vegas visitor volume down approximately 7% year-over-year, comparable in scale to Great Recession-era declines. Room demand and air traffic also fell, while hotel operators have been more resistant to large price cuts than in prior downturns.

Looking ahead, 2026 tourism prospects are mixed: a strong convention calendar and potential spillover from the World Cup support upside, while weak consumer sentiment and recession concerns pose downside risk.

Recession risk is elevated, but to what depth and duration are difficult to project due to geopolitical uncertainty. Large scale investments in AI with promises of future profits may also play a part in how significant an economic downturn may be.

CONSENSUS FORECASTS

UNEMPLOYMENT RATE

The current Statewide unemployment rate stands at 5.2% as of Nov 2025. The consensus is that the unemployment rate will be 5.6% by December 2025, remaining at 5.6% by June 2026 and an increase to 5.9% in December 2026.

JOB GROWTH

As of Nov 2025, Statewide employment stands 0.2% above Nov 2024. Year-over-year job growth is expected to be up 0.6% in December 2025, and up 0.8% year-over-year (YOY) growth by June 2026 before landing flat at 0.1% by December 2026.

VISITOR VOLUME GROWTH

Statewide visitor volume is measured as a 12-month moving average (12MMA) to account for seasonality. Visitation was down -5.4% over the year as of Sept '25. Year-over-year growth is expected to be -1.7% in December 2025 as well, then -1.4% by June 2026 and flat at -0.2% in December 2026.

TAXABLE SALES GROWTH

As of Sept '25 Taxable Sales were down -1.5% YOY using a 12MMA. The consensus projection for taxable sales shows decline at 0.4% year over year by December 2025 and flat 0.1% in June 2026, and then up 0.5% in December 2026.

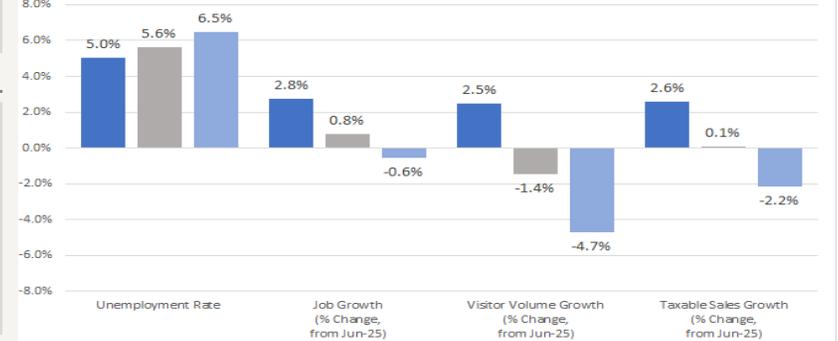
ADDITIONAL ESTIMATES

To account for uncertainty, best case and worst-case scenarios are also estimated. The "most likely" scenarios are the primary projections for December 2025, June 2026, and December 2026.

December 2025 Consensus Projections



June 2026 Consensus Projections



December 2026 Consensus Projections



All charts are labeled "DRAFT" due to changing conditions.

The unemployment rate and job growth are seasonally adjusted, while visitor volume and taxable sales are measured as 12-month moving averages to account for expected seasonal variation.