

MEETING HIGHLIGHTS May 9, 2024

- The national economy remains resilient with a low 3.9% unemployment rate, having added 175,000 jobs in April 2024, according to the Bureau of Labor Statistics. The Federal Reserve indicated they see no justification for lowering the Federal Funds Rate yet in 2024 as inflation has remained between 3% to 3.5%, which is higher than their target inflation rate of 2%.
- In Nevada, the labor force and job market continue to expand. In total, the State now has 137,200 more jobs than it did at the pre-pandemic peak. Nevada reports a 5.1% unemployment rate, which remains fairly constant as the labor force in Nevada seems to grow in lockstep with job growth. This means the unemployment rate remains elevated because of job-seekers, not job losers.
- Gaming revenue continues to outperform year over year, largely driven by the popularity of the table game Baccarat. The hold on Baccarat has been unusually high, and gaming outside of Baccarat has been largely flat, so the sustainability of continued year-over-year increases in gaming revenue is questionable.
- Additionally, the February Taxation Statistics report was strong as taxable sales were up 7.3% or \$6.9 Billion. Hosting the Superbowl in Las Vegas during the month of February saw a huge gain in Live Entertainment Tax (non-gaming), a roughly 463.6% increase year over year. Also Chinese New Year landed in February this year as well as it being a leap year with an extra day has also contributed to the gains seen in the month of February.

CONSENSUS FORECASTS

UNEMPLOYMENT RATE

The current Statewide unemployment rate stands at 5.1% as of April 2024. The consensus expectation is that the unemployment rate will decline to 5.0% by June, then further drop to 4.7% by December 2024 and 4.8% in June 2025.

JOB GROWTH

As of April 2024, Statewide employment stands 3.4% above April 2023. Year-over-year job growth is expected to decline to 3.2% in June, and further moderate to 2.8% year-over-year growth by December 2024 before ticking down to 2.3% growth in June 2025.

VISITOR VOLUME GROWTH

Statewide visitor volume is measured as a 12-month moving average (12MMA) to account for seasonality. Visitation was up 2.7% over the year through December 2023. Year-over-year growth is expected to be 4.2% in June 2024, then to 3.4% by December 2024 and 2.1% in June 2025.

TAXABLE SALES GROWTH

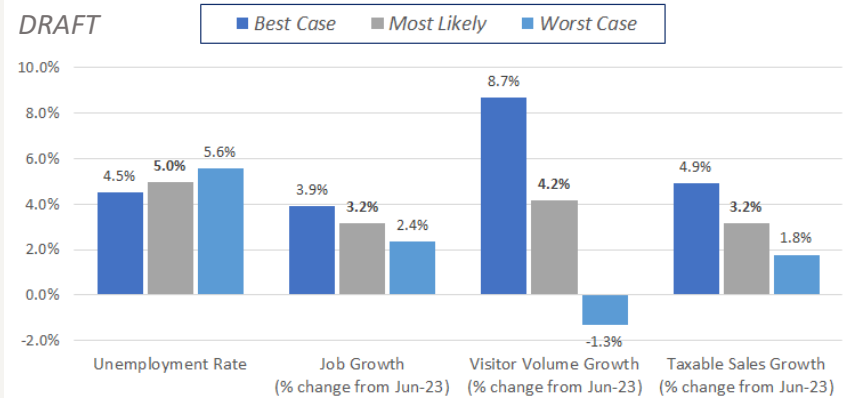
Taxable sales are also projected as a 12MMA, which was up 3.0% over the year in February. The consensus projection anticipates growth of 3.2% year over year by June 2024 and remain at growth rate of 3.0% in December 2024 to June 2025.

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 2023, June 2024, and December 2024.

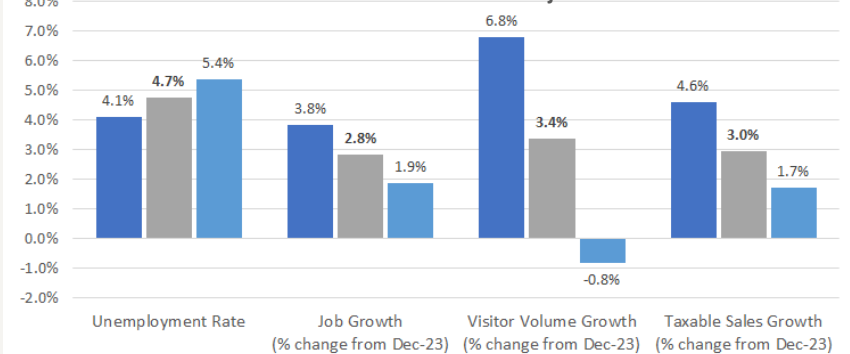
June 2024 Consensus Projections

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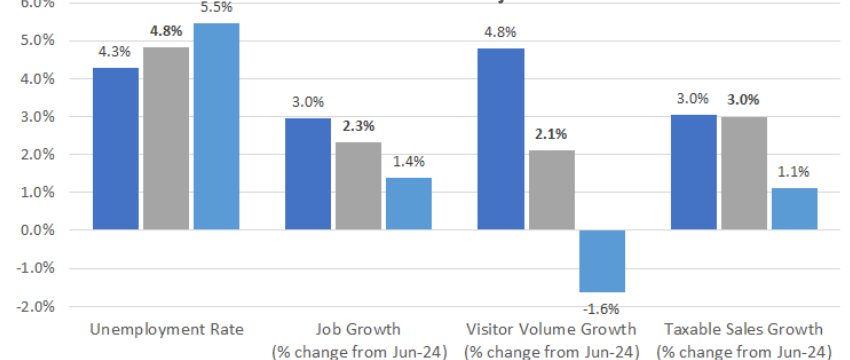
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December 2024 Consensus Projections



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June 2025 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.