

## MEETING HIGHLIGHTS

### Sept 12, 2024

- The Housing Progress Report for 2023 highlights the Wells Fargo Housing Opportunity Index, which essentially tracks home affordability by region. The index reported an all-time low for Las Vegas MSA, meaning housing is becoming less affordable. This can be attributed to growing demand for housing, with low inventory and high mortgage rates.
- Nevada tax revenue for fiscal year 2024, remained relatively flat overall; but with increases in excise taxes and insurance premium taxes, while taxes on items like cigarettes declined. We also see real estate transfer taxes increase for the year.
- Nevada's story continues to be one of higher unemployment due to an increasing labor force, not job losses. However, July saw slower net job growth with a loss of nearly 4,000 in the Accommodations and Food Service sectors, being offset with increases in other industry sectors, netting to a positive growth rate for the month. A large percentage of the Accommodations and Food Service jobs was due to the closure of a long-standing casino in Las Vegas.
- Visitation was down in both Las Vegas and Reno, resulting in room demand being down 1.5% and 4% respectively. Las Vegas year over year decline can be attributed to having 1 fewer weekend than a year prior as well as some non-typical external factors, but Reno's decline appears to be trending downward as July represents 13 out of the last 19 months in decline. Gaming Revenue also saw a year over year decline for the same reasons, despite being the 41st consecutive month recording over \$1Billion in monthly gaming win for the state.

## CONSENSUS FORECASTS

### UNEMPLOYMENT RATE

The current Statewide unemployment rate stands at 5.4% as of July 2024. The consensus expectation is that the unemployment rate will decline to 5.1% by December 2024, remain flat at 5.1% by June 2025 and increase to 5.6% in June 2025.

### JOB GROWTH

As of July 2024, Statewide employment stands 3.2% above July 2023. Year-over-year job growth is expected to decline to 2.9% in December 2024, and further moderate to 2.7% year-over-year growth by June 2025 before going down to 2.2% growth in December 2025.

### VISITOR VOLUME GROWTH

Statewide visitor volume is measured as a 12-month moving average (12MMA) to account for seasonality. Visitation was up 1.7% over the year since July 2023. Year-over-year growth is expected to be 2.9% in December 2024, then to 2.1% by June 2025 and 1.0% in December 2025.

### TAXABLE SALES GROWTH

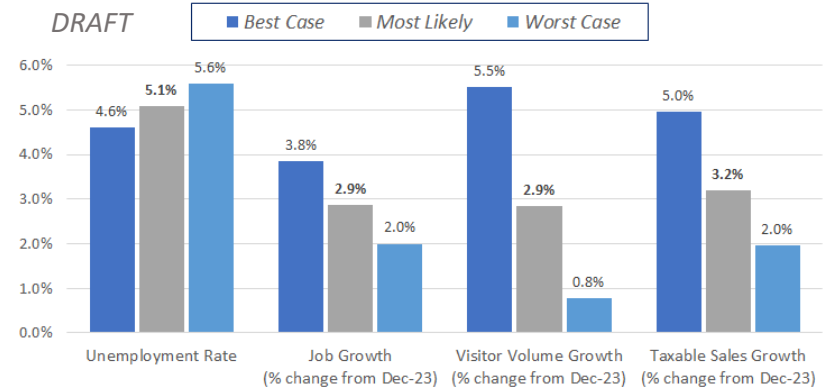
Taxable sales are also projected as a 12MMA, which was up 3.2% over the year in May. The consensus projection shows growth of 3.2% year over year by December 2024 and then to 2.6% in June 2025, and then back up to 3.1% in December 2025.

### 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 2024, June 2025, and December 2025.

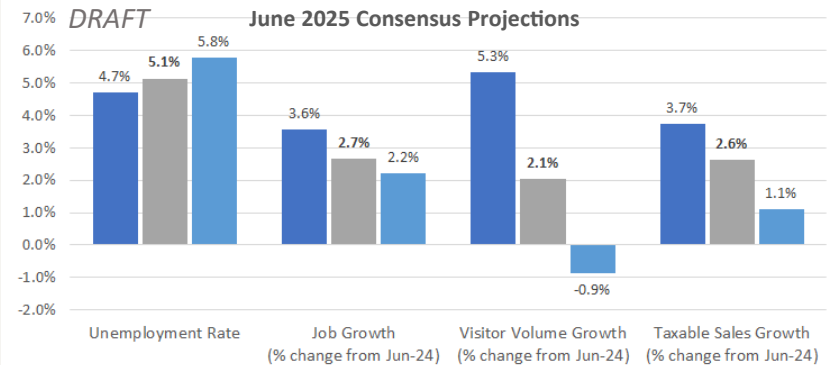
### December 2024 Consensus Projections

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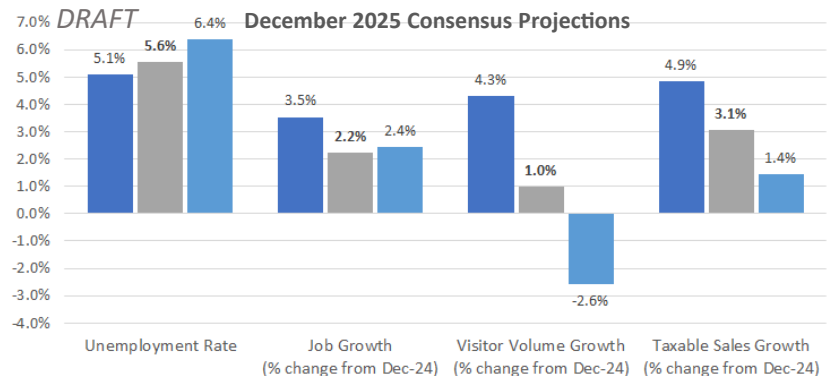
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### June 2025 Consensus Projections



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### December 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.