

MEETING HIGHLIGHTS

Jan 09, 2025

- With the new year, brings with it a new administration in the White House. Rhetoric from the campaign has made forecasting difficult as there is a lot of uncertainty in the markets. Normal economic trends are being blurred amidst geo-political events and administrative rule. Manufacturing sector is often tied to international affairs, and therefore industry seems to be in a "wait and see" mode.
- As uncertainty pervades, we saw the 10-year Treasury yield rise to levels last seen in October 2023. This could indicate positive economic growth, but it's important to note that several wealth managements firms are predicting bond volatility throughout 2025, making economic indicators difficult to rely on.
- Job gains in Nevada have been declining since June of 2024. In November, year-over-year job growth has dropped from number one to number forty-eight in the nation; however, because of the high growth in the first half of 2024, Nevada is rounding out the year as the ninth fastest growing stat in the US.
- For November, visitor volume was flat in both Las Vegas and Reno markets; however, the average daily rate for hotel stays dropped from \$250 to \$198, which is a significant decline. This is likely attributable to the fact that the inaugural Formula 1 race in 2023 drew significantly more international interest than in 2024, which was expected.
- The impact of the Formula 1 race in November 2024 causes gaming revenue comparisons year-over-year for November to be difficult as statewide gaming win is down 4.21% YOY, while still exceeding \$1.3 Billion. Overall, the Gaming industry continues to be healthy in November.

CONSENSUS FORECASTS

UNEMPLOYMENT RATE

The current Statewide unemployment rate stands at 5.8% as of Nov 2024. The consensus is that the unemployment rate will decline to 5.6% by December 2024, remain flat at 5.9% by June 2025 and increase to 5.6% in June 2025.

JOB GROWTH

As of Nov 2024, Statewide employment stands 0.5% above Nov 2023. Year-over-year job growth is expected to increase to 2.6% in December 2024, and moderate to 2.5% 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 0.6% over the year since Nov 2023. Year-over-year growth is expected to be 2.8% in December 2024, then to 2.6% by June 2025 and 1.0% in December 2025.

TAXABLE SALES GROWTH

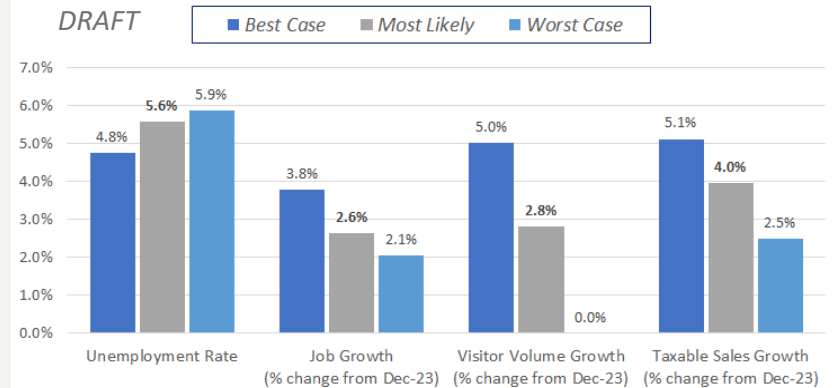
The consensus projection for taxable sales shows growth of 4.0% year over year by December 2024 and then to 2.6% in June 2025, and then back up to 3.1% in December 2025.

ADDITIONAL ESTIMATES

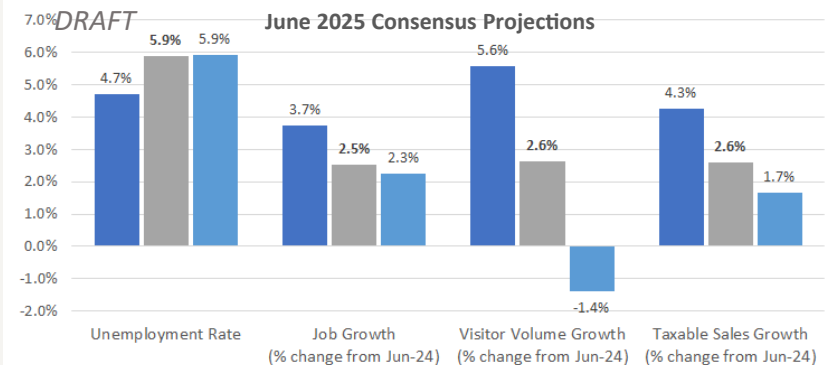
To account for uncertainty, best case and worst-case scenarios are also estimated. The "most likely" scenarios are the primary projections for December 2024, June 2025, and December 2025.

December 2024 Consensus Projections

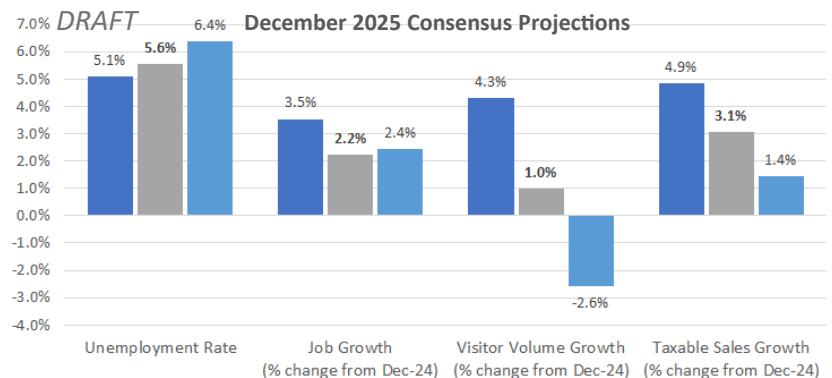
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All charts are labeled "DRAFT" due to changing conditions.

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.