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NEVADA GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

ECONOMIST CALL

MEETING HIGHLIGHTS

July, 09 2026

Nevada's labor market remains a relative strength, with the state leading the nation in job growth for 11 consecutive months through May. Employment growth remained near 2%, while unemployment edged down to 5.2%. Recent growth has been particularly strong in professional and business services, up roughly 6% over the year, while leisure and hospitality employment remains comparatively flat. Labor force participation declined modestly, warranting continued monitoring.

Tourism indicators were mixed but generally resilient. Las Vegas visitor volume and room demand increased about 2% year over year in May, supported by conventions and major events. Average room rates reached a May record of $210, approximately 6% above the prior year. Washoe County visitor volume and room demand increased 15% to 18%. However, Harry Reid International Airport passenger volume declined about 8%, while increased California border traffic suggests some substitution toward drive travel

Gaming industry profitability faces pressure from softer room and gaming activity and higher operating costs. Fiscal year 2025 net income declined approximately $905 million, or 34.8%, with renovations temporarily removing rooms from inventory contributing to the decline. Licensees also reported rising payroll and operating expenses.

Consumer conditions remain mixed. Inflation has recently outpaced average hourly earnings growth, creating pressure on discretionary spending, while travel intentions remain relatively healthy, particularly among higher-income households.

CONSENSUS FORECASTS

UNEMPLOYMENT RATE

The current Statewide unemployment rate stands at 5.2% as of May 2026. The consensus is that the unemployment rate will be 5.3% by June 2026, increase to 5.4% by December 2026 and back down to 5.3% in June 2027.

JOB GROWTH

As of May 2025, Statewide employment stands 1.9% up from May 2025. Year-over-year job growth was expected to be up 0.5% in June 2026, and down to 0.3% year-over-year (YOY) growth by December 2026 before landing flat at 0.4% by June 2027.

VISITOR VOLUME GROWTH

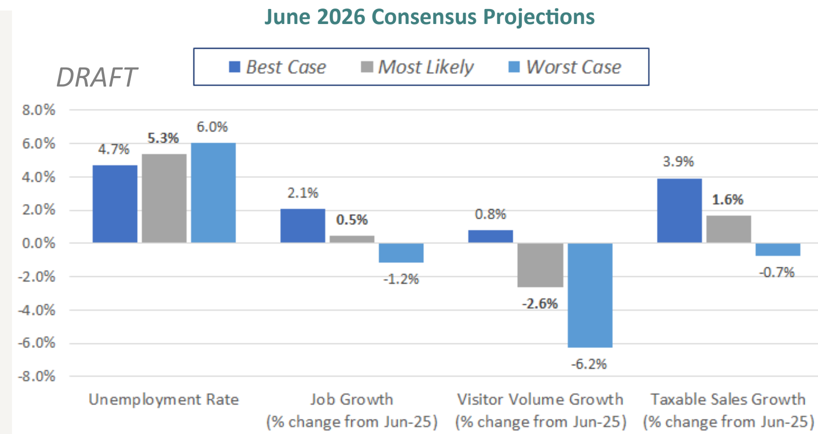
Statewide visitor volume is measured as a 12-month moving average (12MMA) to account for seasonality. Visitation was down -4.1% over the year as of Mar '26. Year-over-year growth was expected to be -1.8% in June 2026 as well, then up 1.0% by December 2026 and up 1.7% in June 2027.

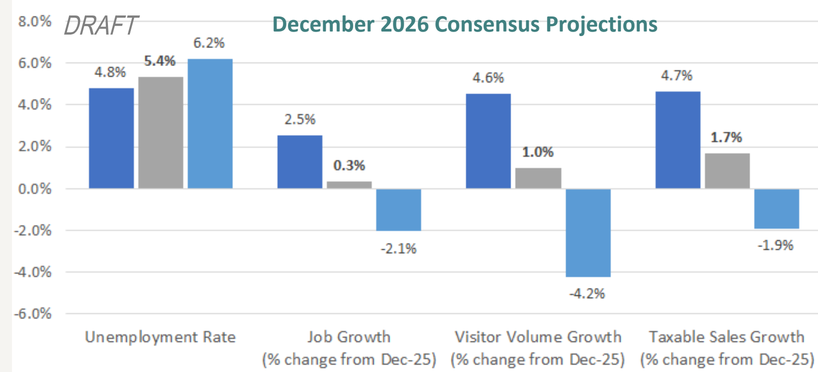
TAXABLE SALES GROWTH

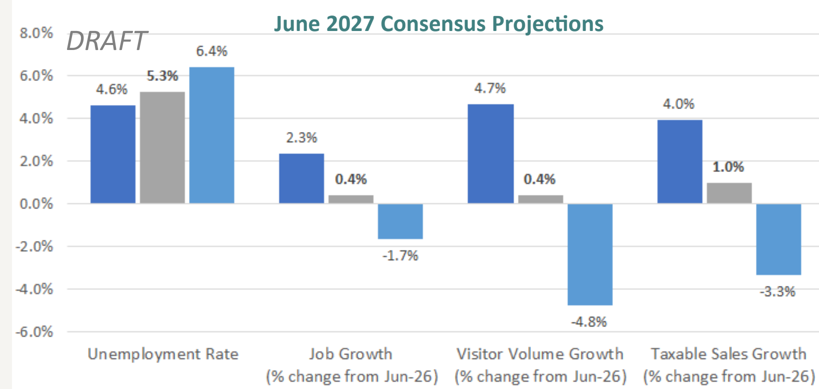
As of May '26 Taxable Sales were up 6.9% YOY using a 12MMA.The consensus projection for taxable sales show increase of 1.0% year over year by June 2026 and down to 1.7% in December 2026, and back down 1.0% in June 2027.

ADDITIONAL ESTIMATES

To account for uncertainty, best case and worst-case scenarios are also estimated. The "most likely" scenarios are the primary projections for June 2026, December 2026, and June 2027.







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.