



# *THE TRUE VALUE OF AN ECONOMIST*

*An economist is someone who finds something that works in practice and wonders whether it would work in theory.*

*-- Anonymous*

# NEVADA'S PLACE ON THE GLOBE

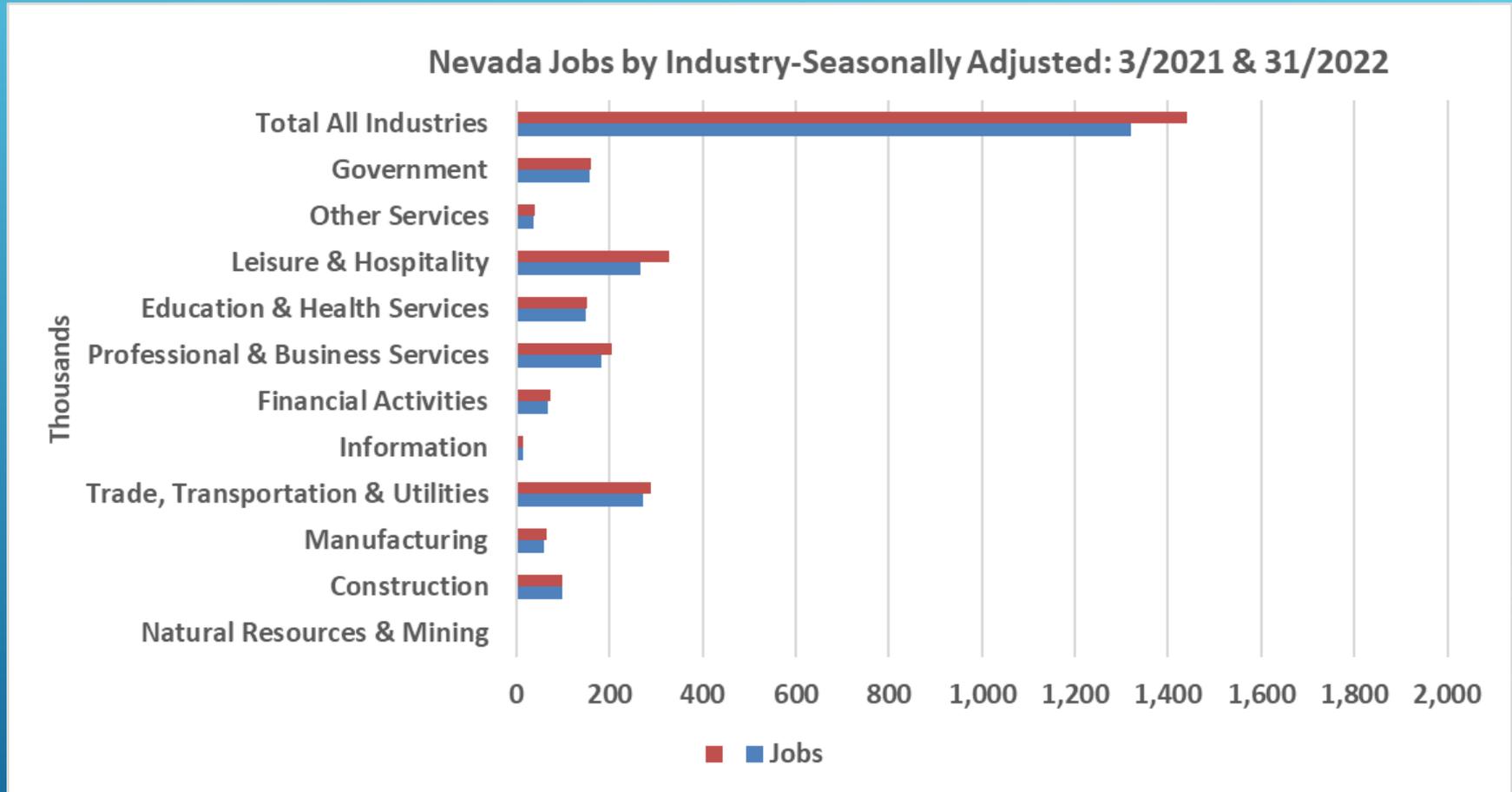


# NEVADA'S ECONOMY

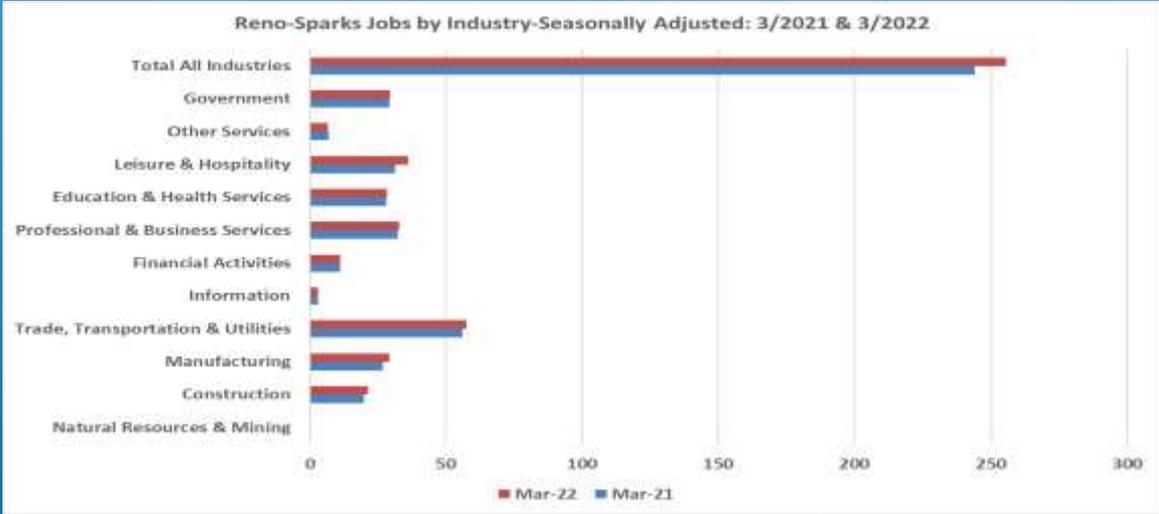
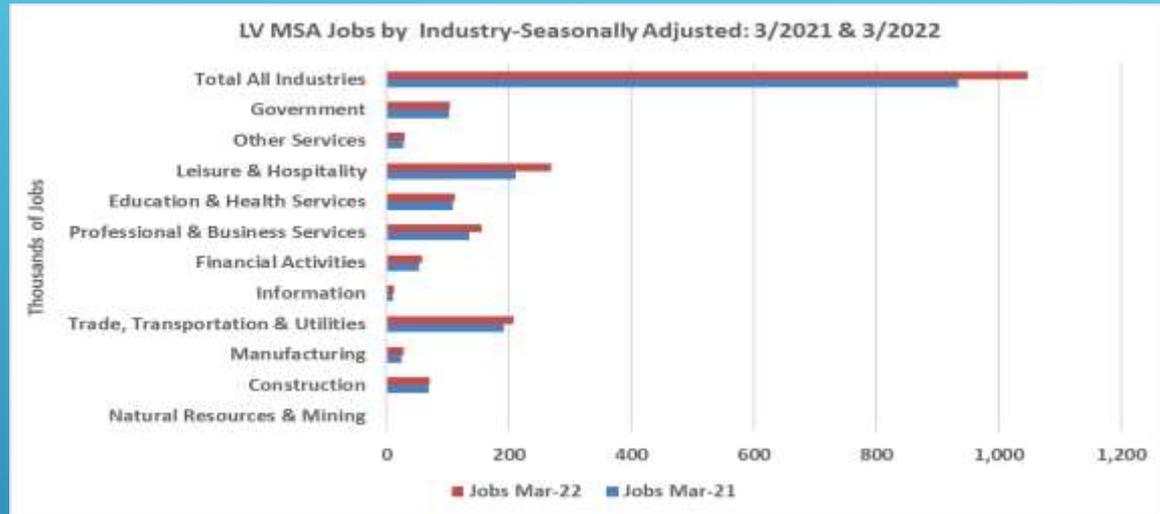


Source: First Financial

# NV Diversification Part 1.0: Top largest job sectors: L&H, TT&U & Prof. & Bus. Services

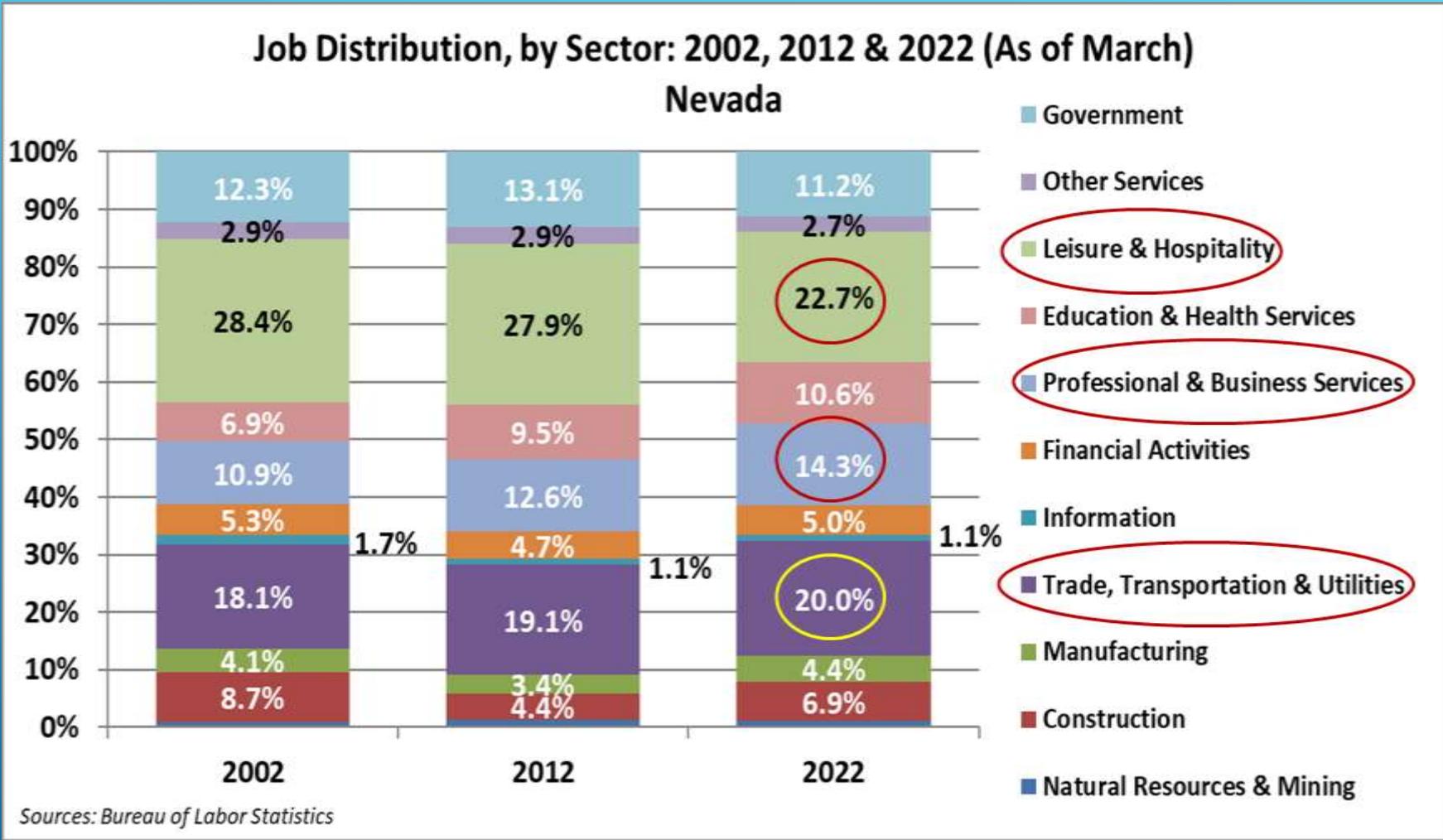


# LV & R-S Diversification #1.1: Top largest job sectors also: TT&U, L&H & Prof Services

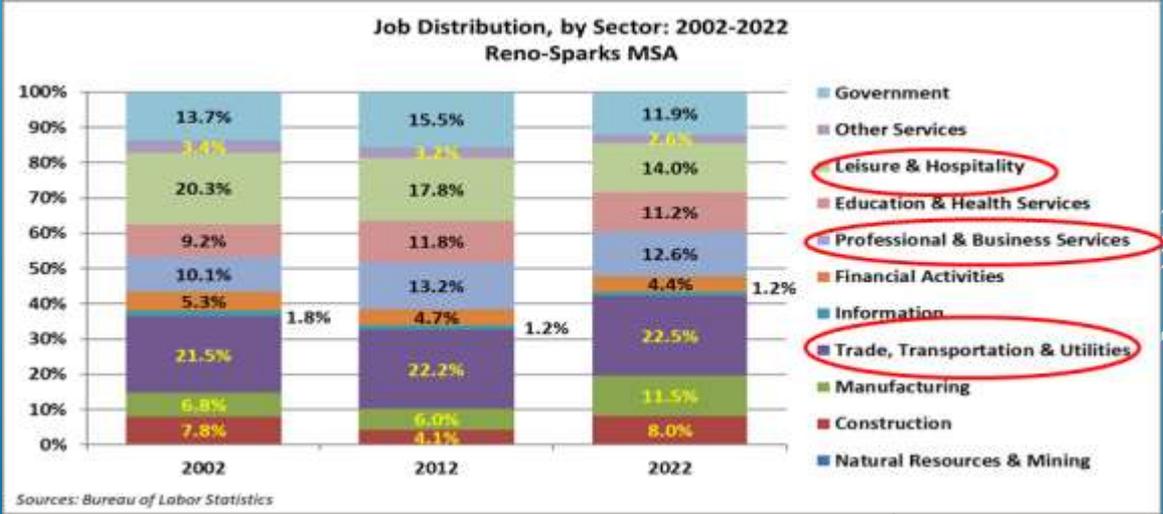
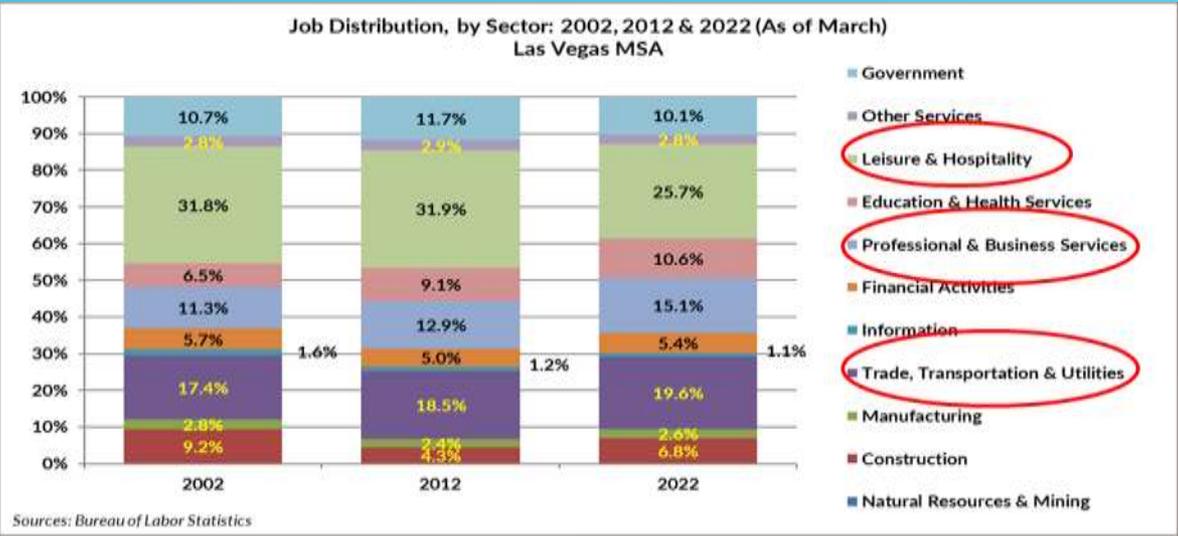


Source: Bureau of Labor Statistics

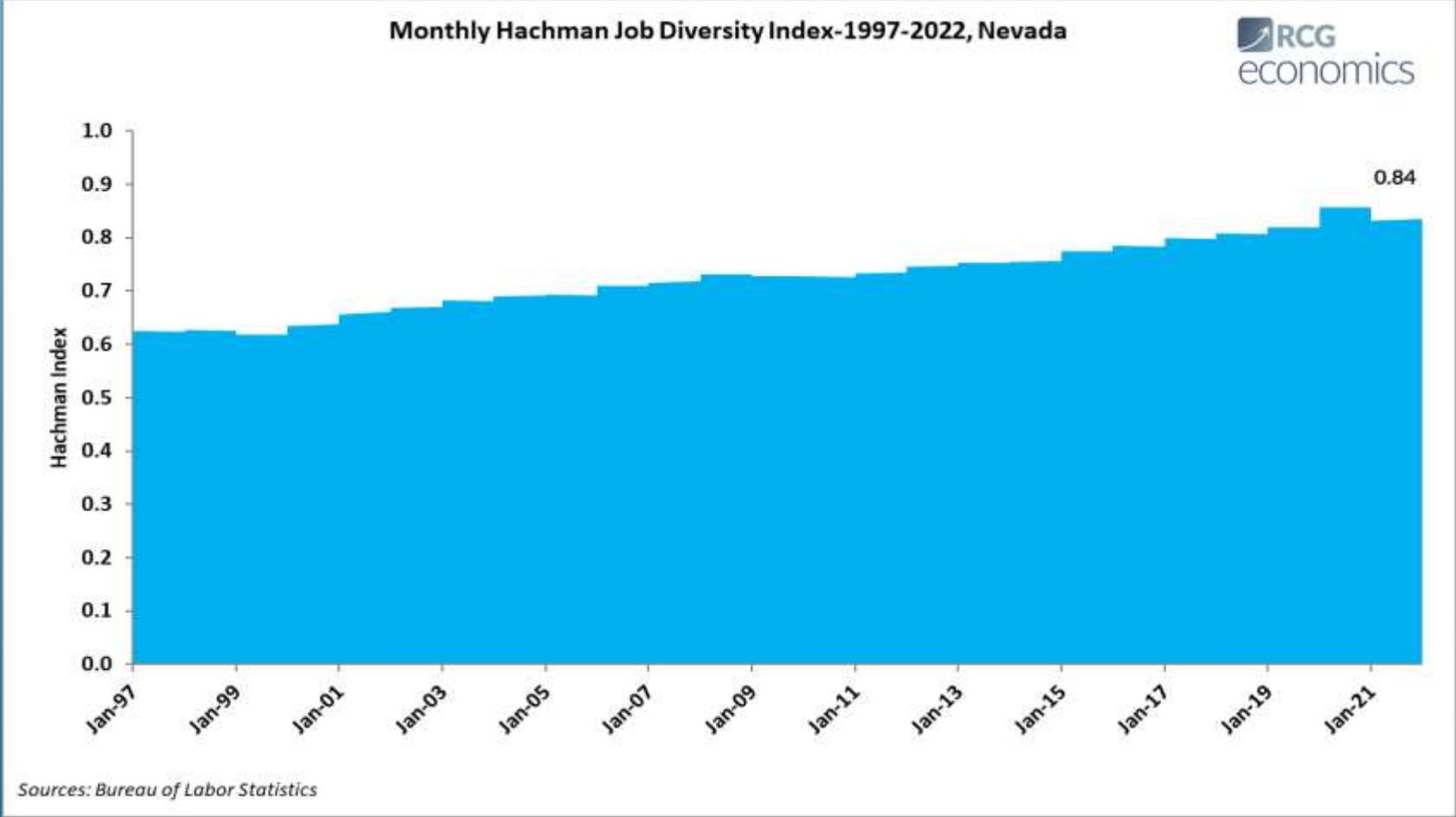
# NV Diversification Part 2.0: Top 3 largest job sectors % of total



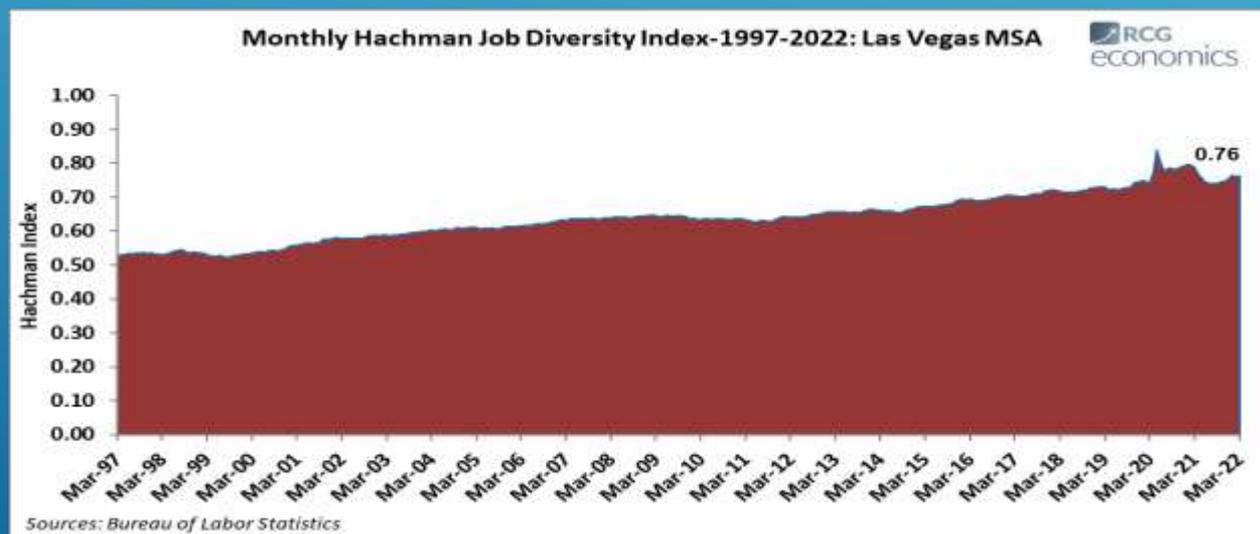
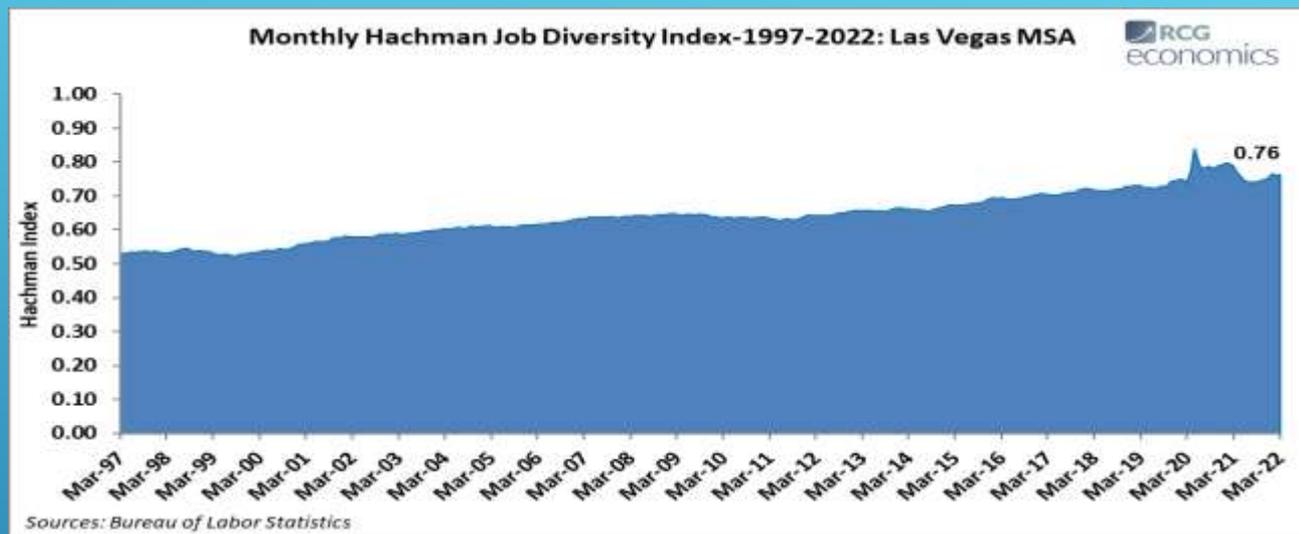
# LV & R-S Diversification #2.1: Top largest job sectors % of total



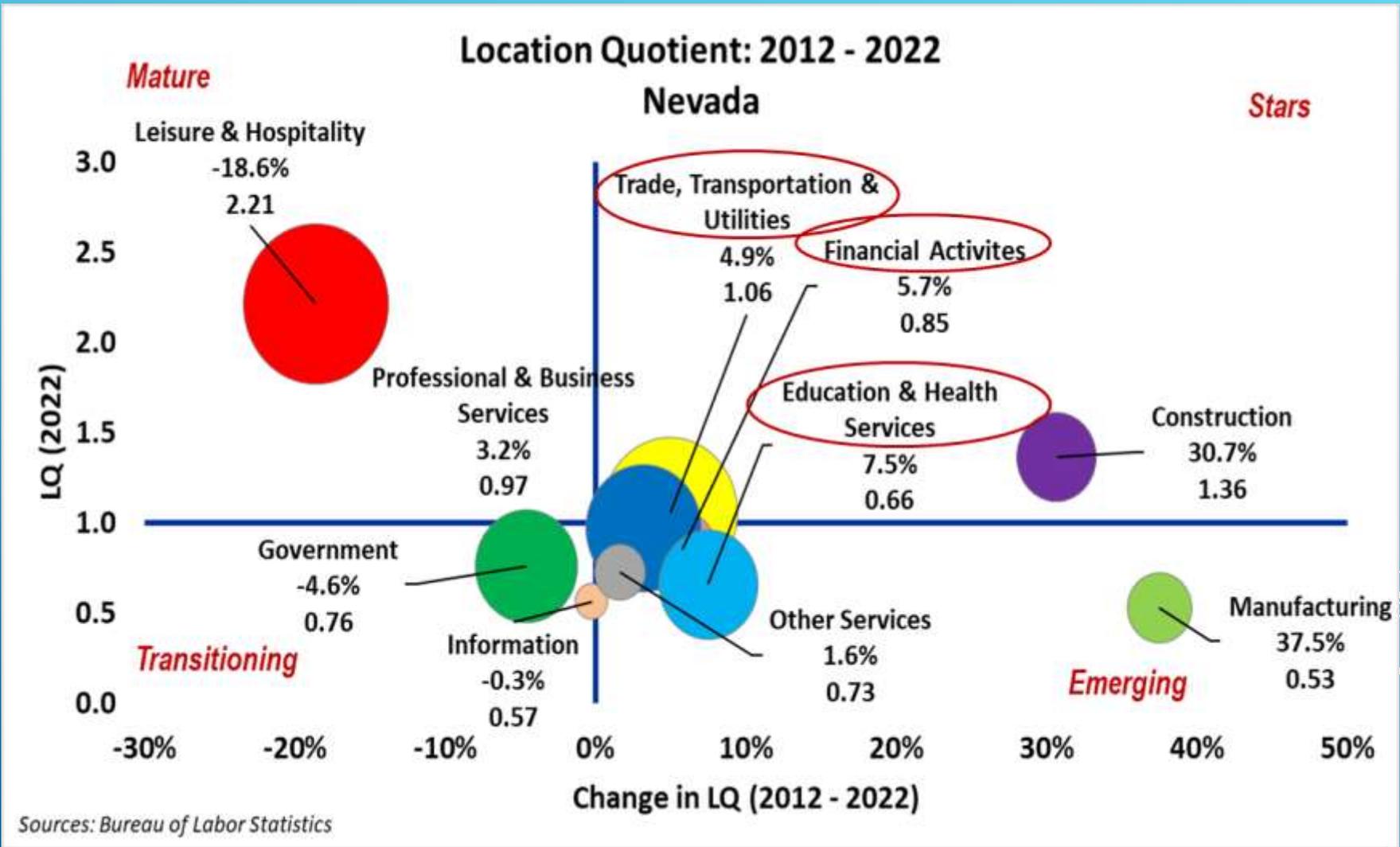
# NV Diversification Part 3.0: Nevada lags the U.S. (=1.00) & competing states; all above .90



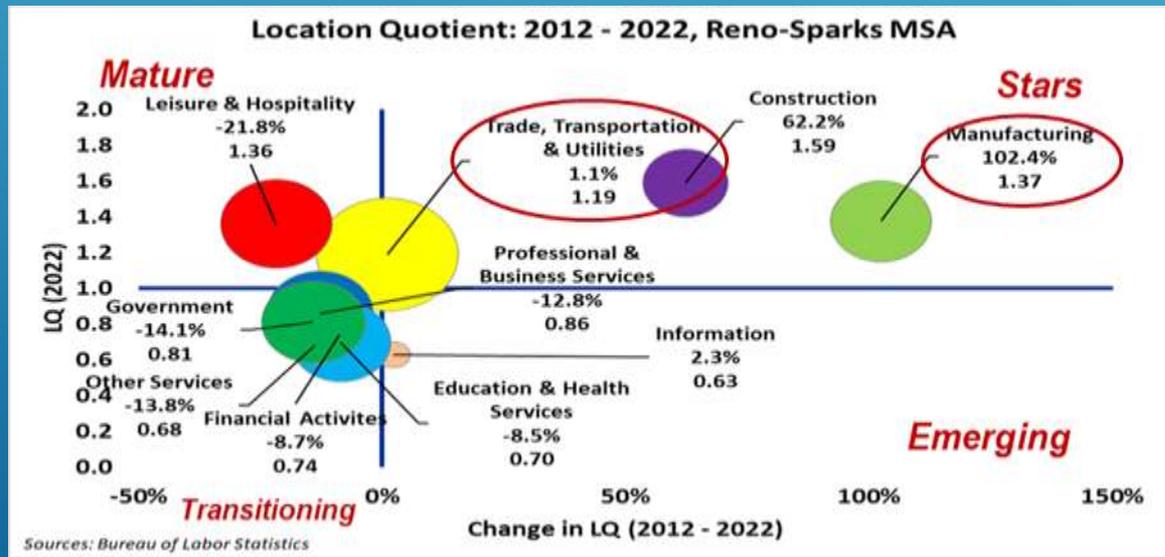
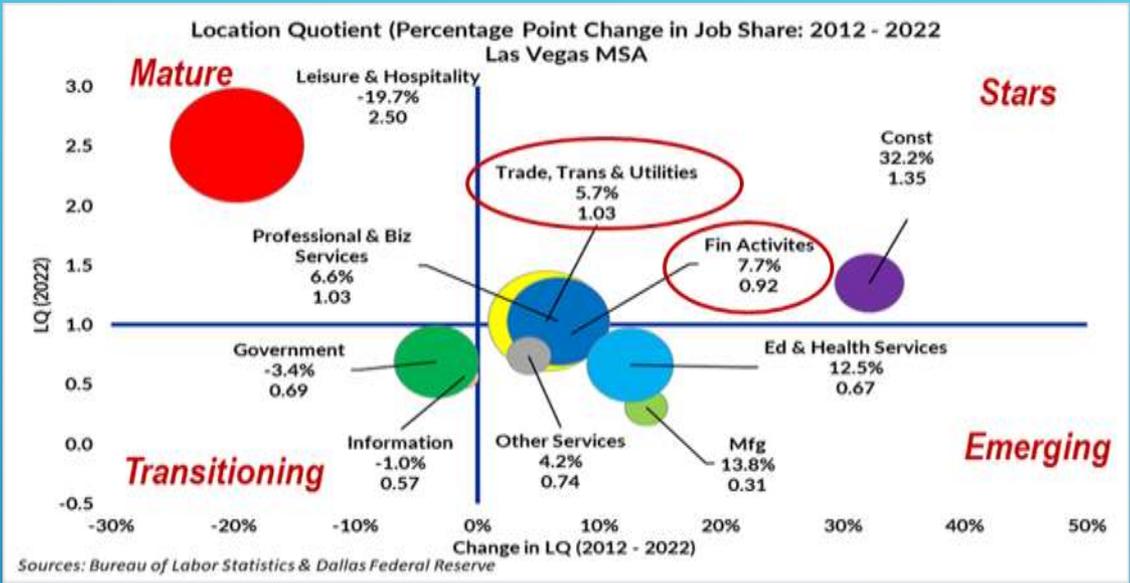
# LV & R-S Diversification Part 3.1: Las Vegas lowers Nevada's #; the bright spot Competing states are all above .90



# Diversification part 4.0: Look to the right, mainly upper right



# LV & R-S Diversification #4.1: look to the right



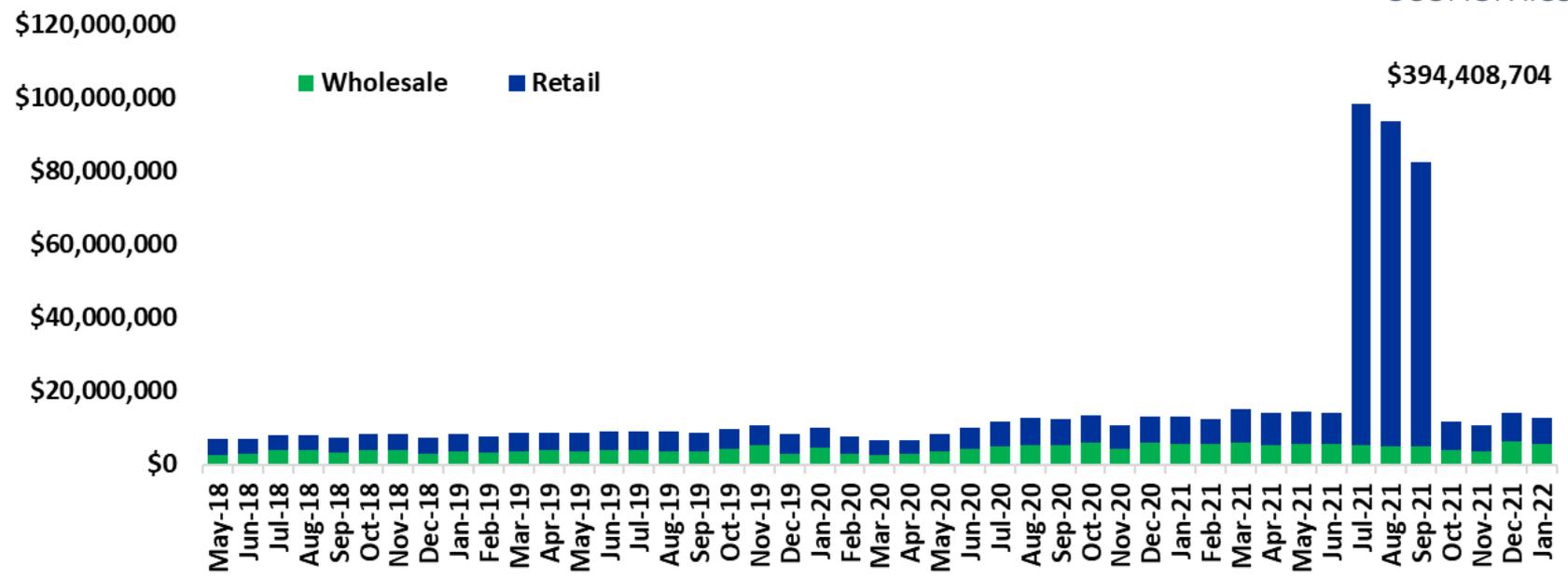
*LET'S PAUSE FOR....*



Source: Pixabay

# Pandemic closures & lots of cash were a boom for cannabis sales; it was fun while it lasted. Demand back to normal (Y-O-Y 2/2021-1/2022)

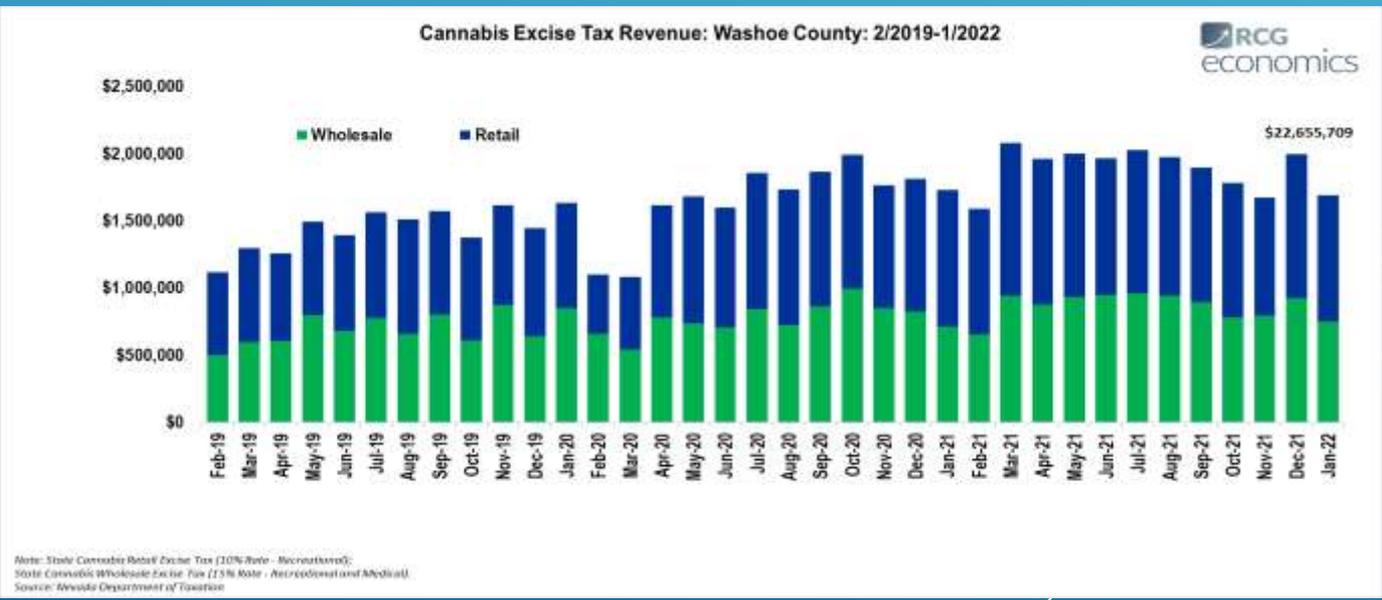
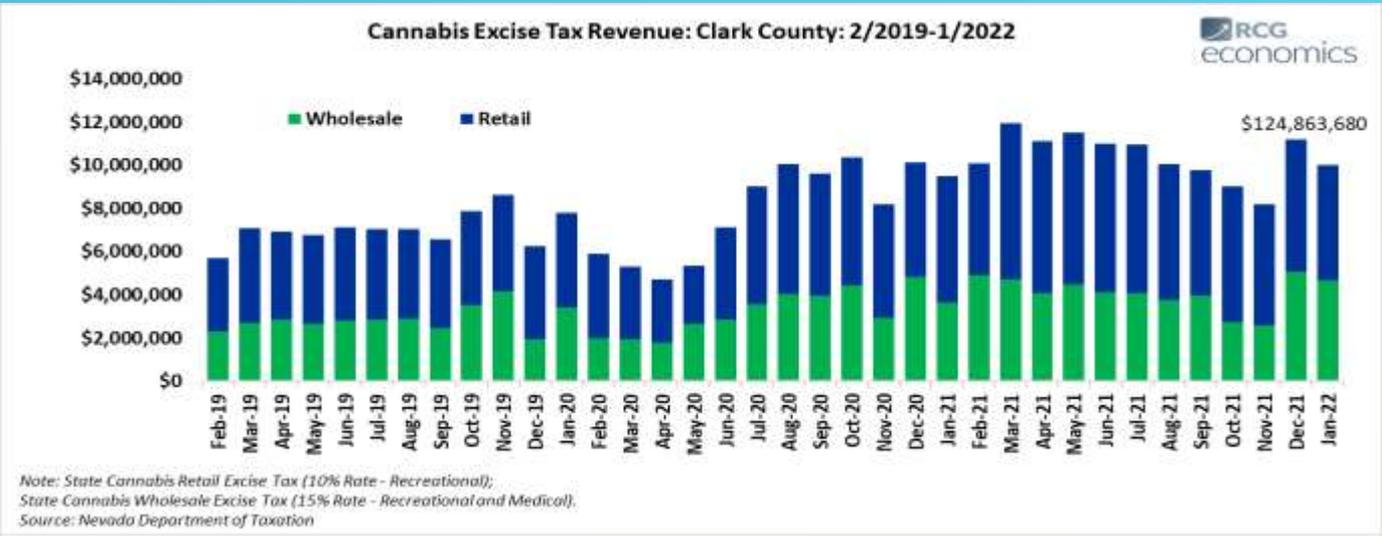
Cannabis Excise Tax Revenue, Nevada: 5/2018-1/2022



Note: State Marijuana Retail Excise Tax (10% Rate - Recreational);  
 State Marijuana Wholesale Excise Tax (15% Rate - Recreational and Medical).  
 Source: Nevada Department of Taxation



# Y-O-Y Clark & Washoe cannabis sales holding up; wonder why?



# 2022 NEVADA & MSA JOB MARKETS



Source: Picserver



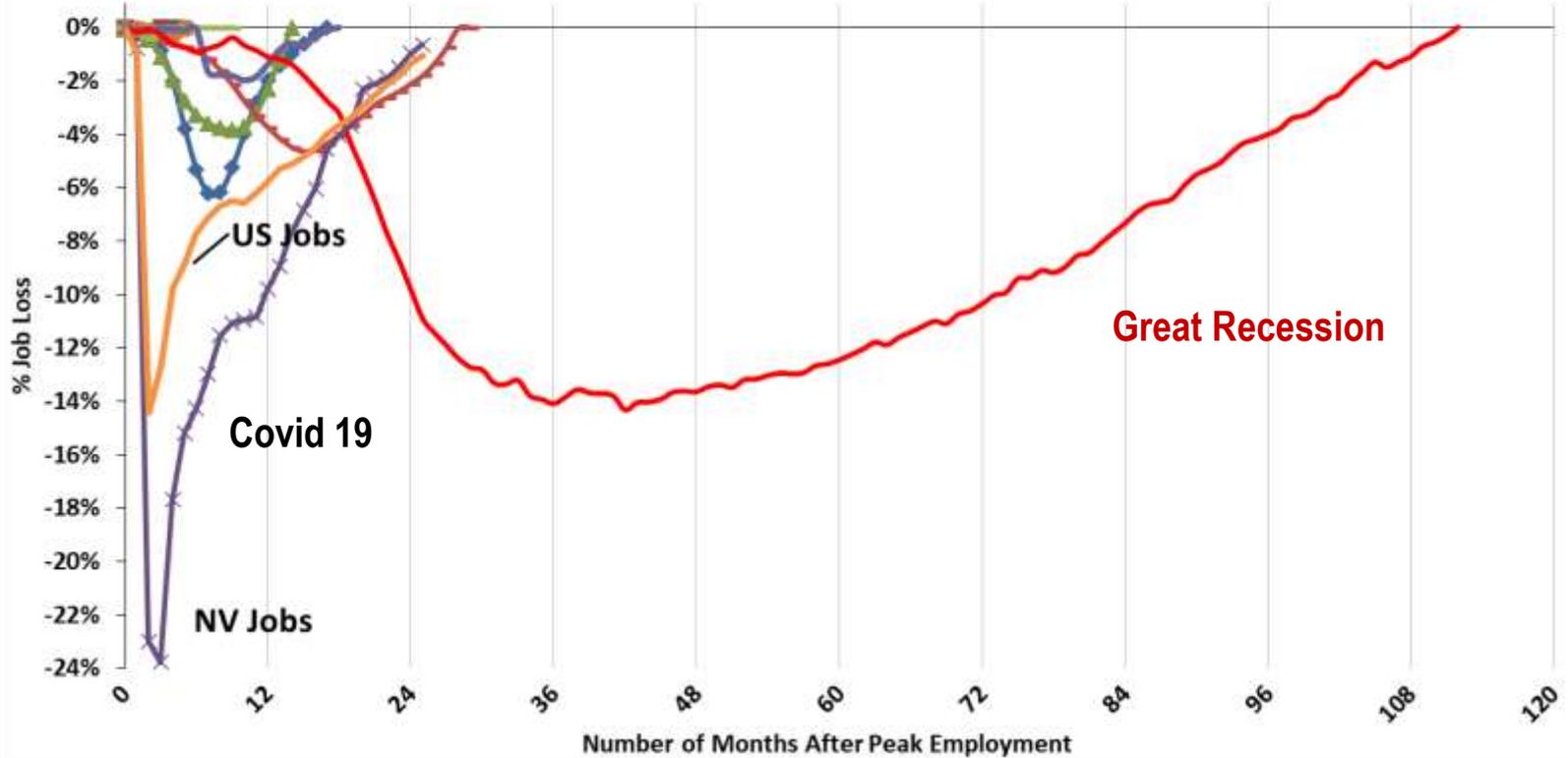
Source: Pix4free

# We're about to retire our "ugly chart" for Nevada...again

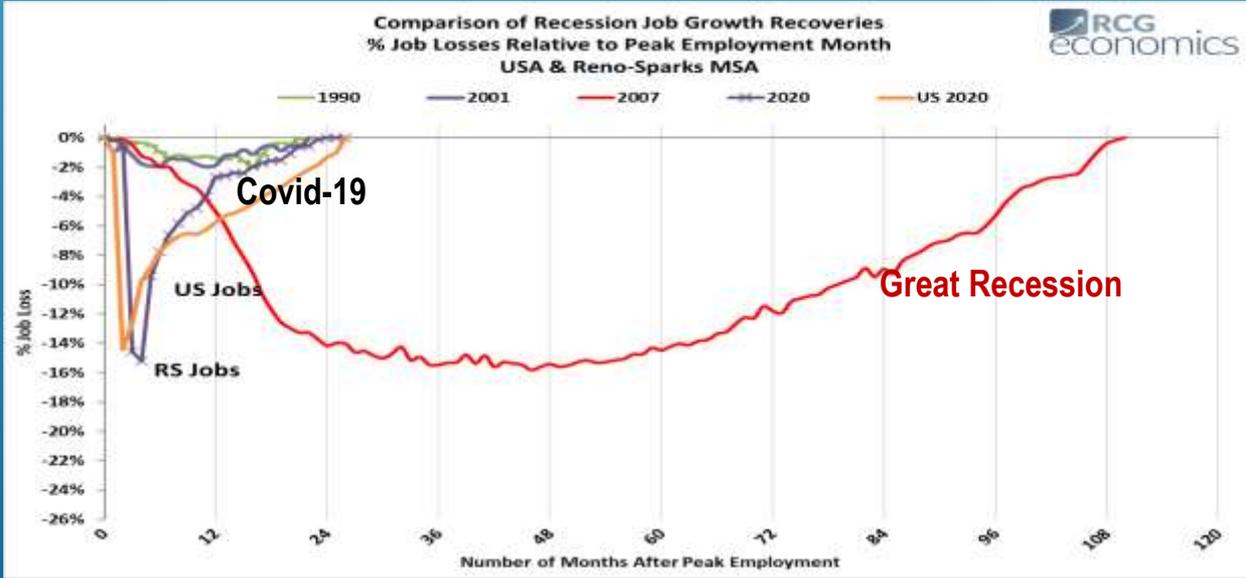
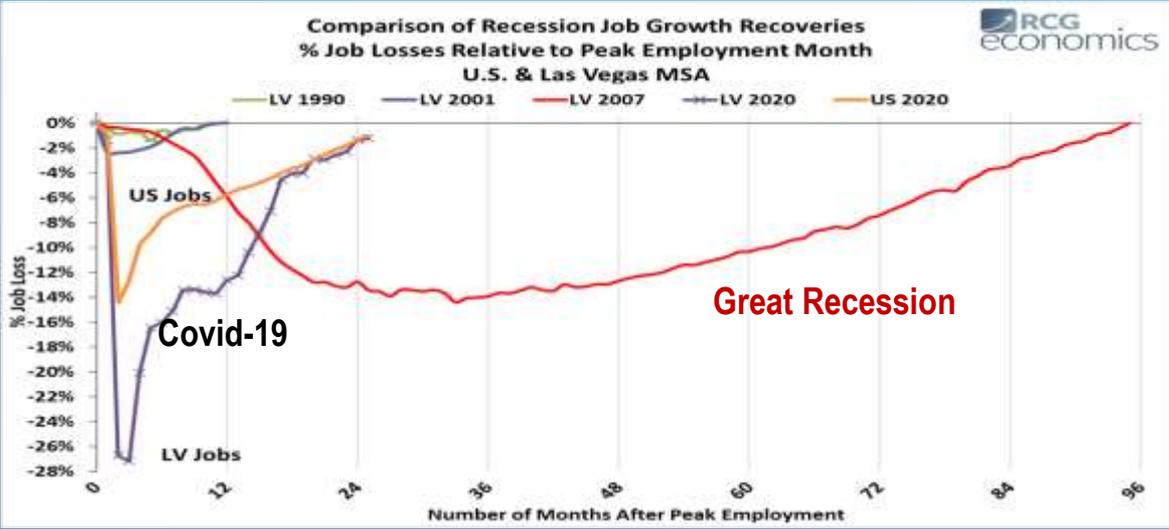


Comparison of Recession Job Growth Recoveries  
% Job Losses Relative to Peak Employment Month  
U.S. & Nevada (Updated 1/10/22)

- 1948
- 1953
- 1957
- 1969
- 1973
- 1980
- 1981
- 1990
- 2001
- 2007
- 2020
- US 2020



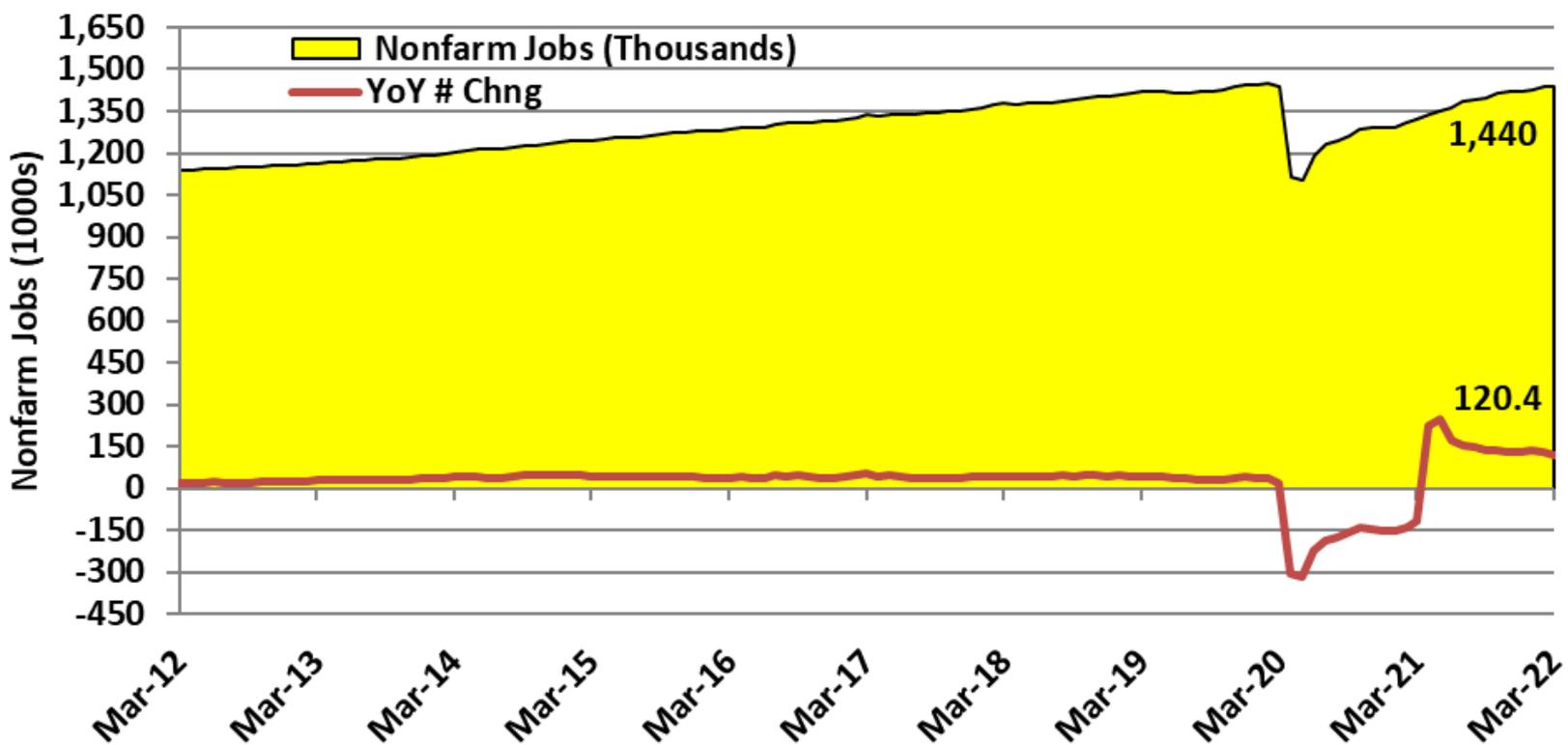
# Las Vegas' & Reno-Sparks' ugly charts also going away



Source: US Bureau of Labor, RCG

# Nevada jobs in March grew at a nice Y-O-Y clip of 120,400 jobs

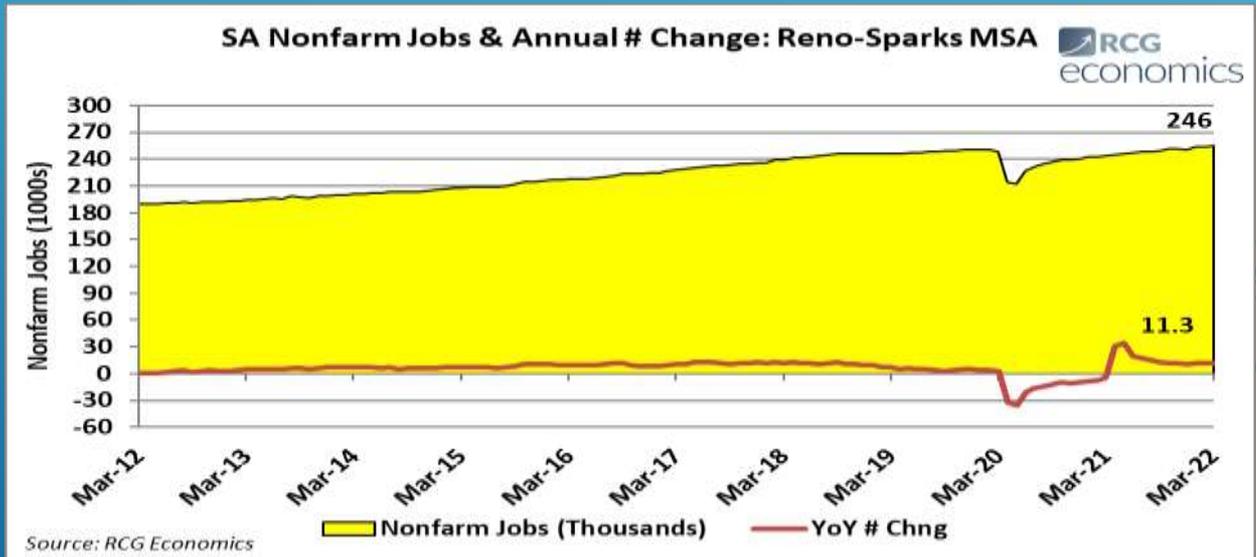
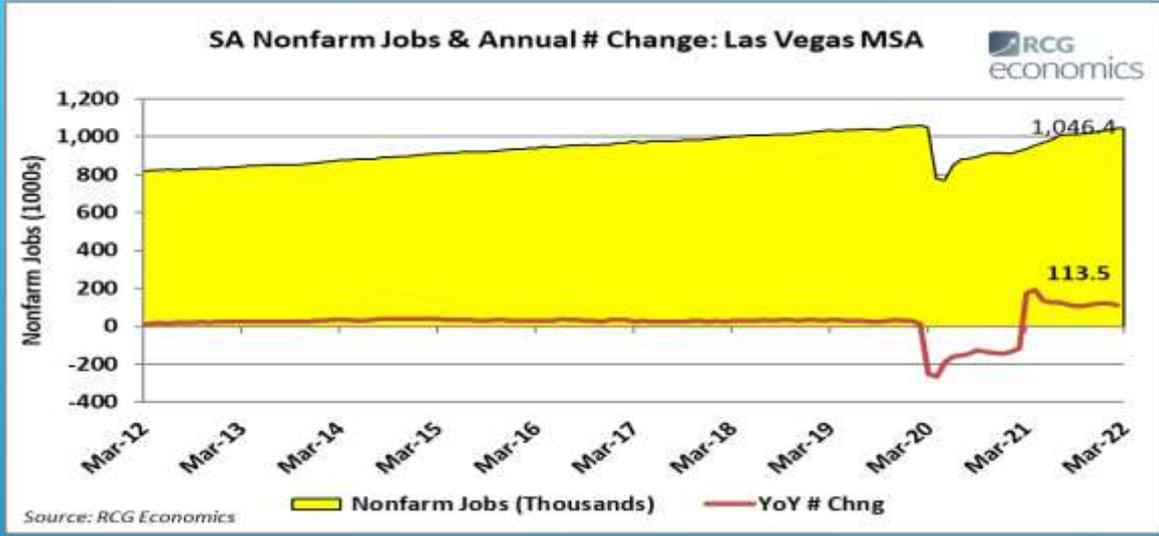
### SA Nonfarm Jobs & Annual # Change: Nevada



Source: RCG Economics

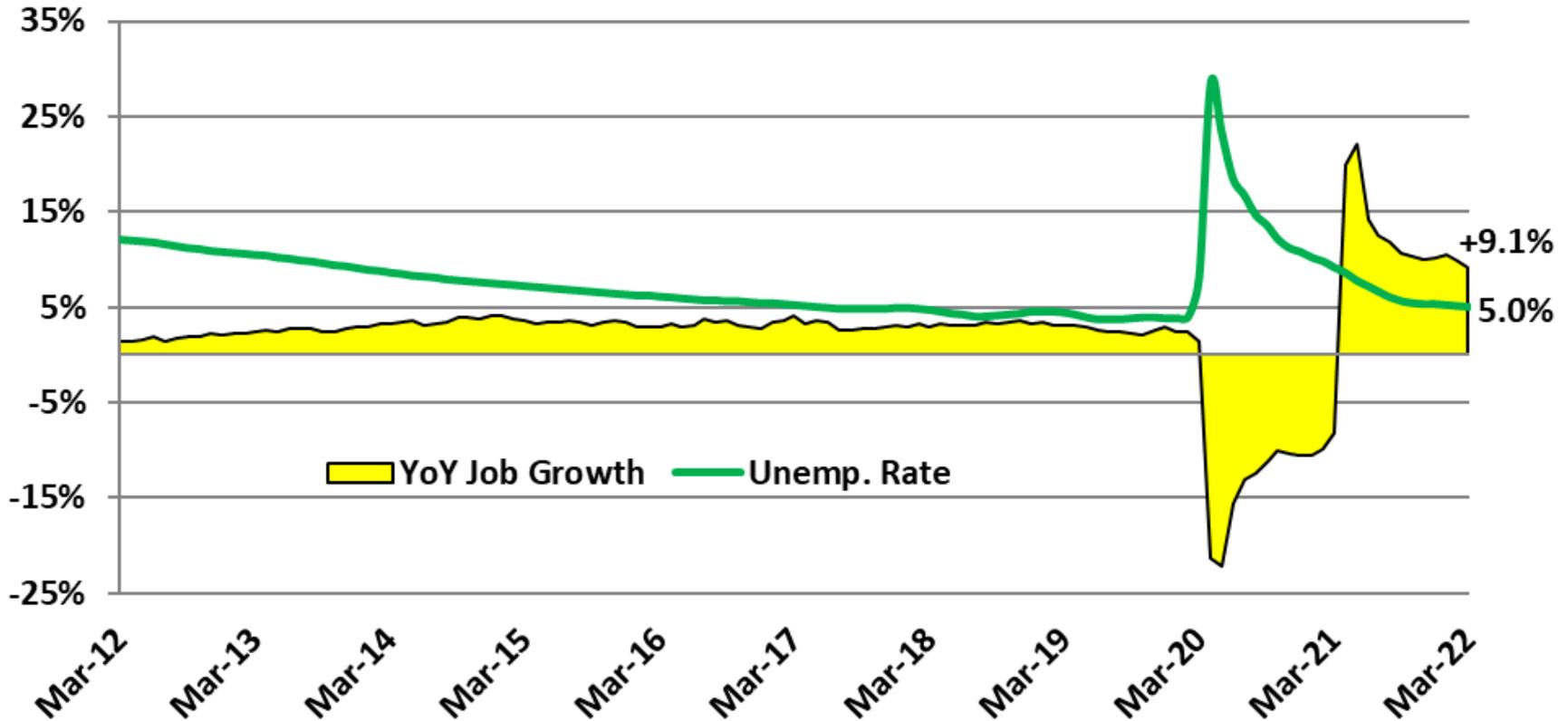


# Y-O-Y LV & R-S jobs in March grew nicely 113k & 11K jobs



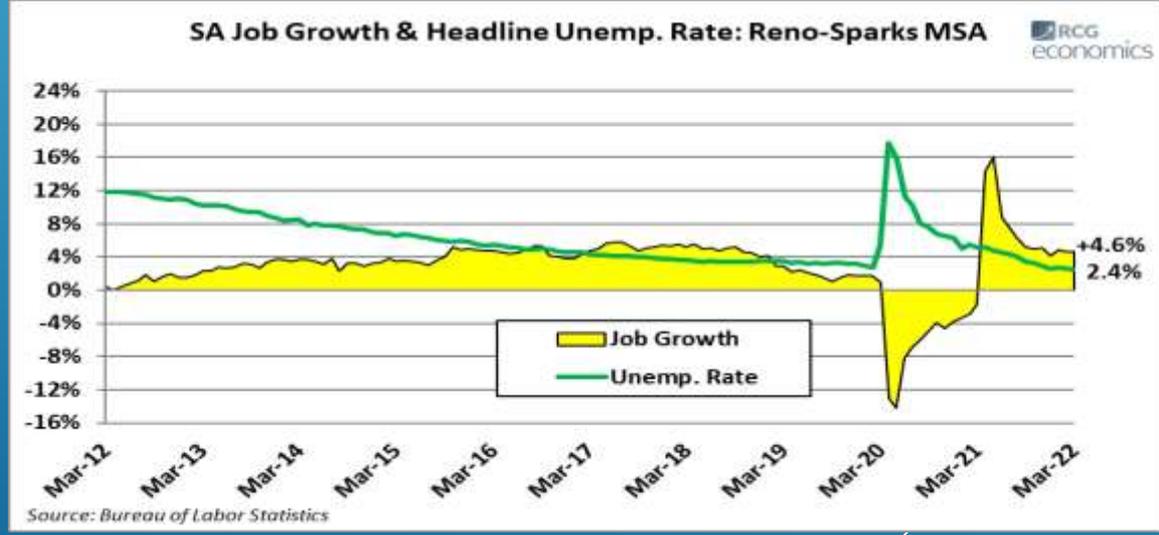
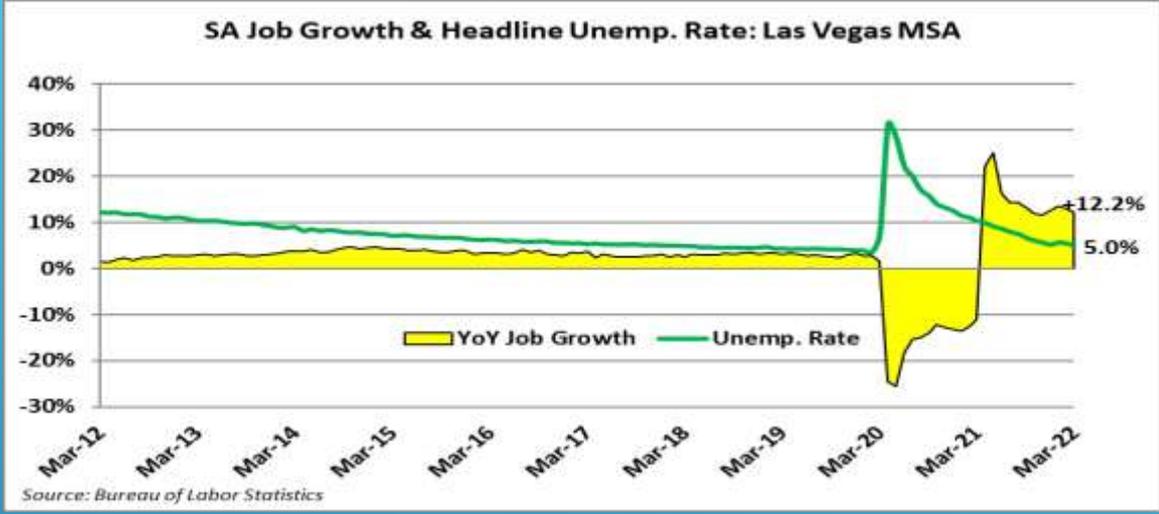
# Nevada's jobs growing at nice clip-9.1% Y-O-Y, but rate slowing. Unemployment rate hasn't been at 5% since early 2020

## SA Job Growth & Headline Unemp. Rate, Nevada

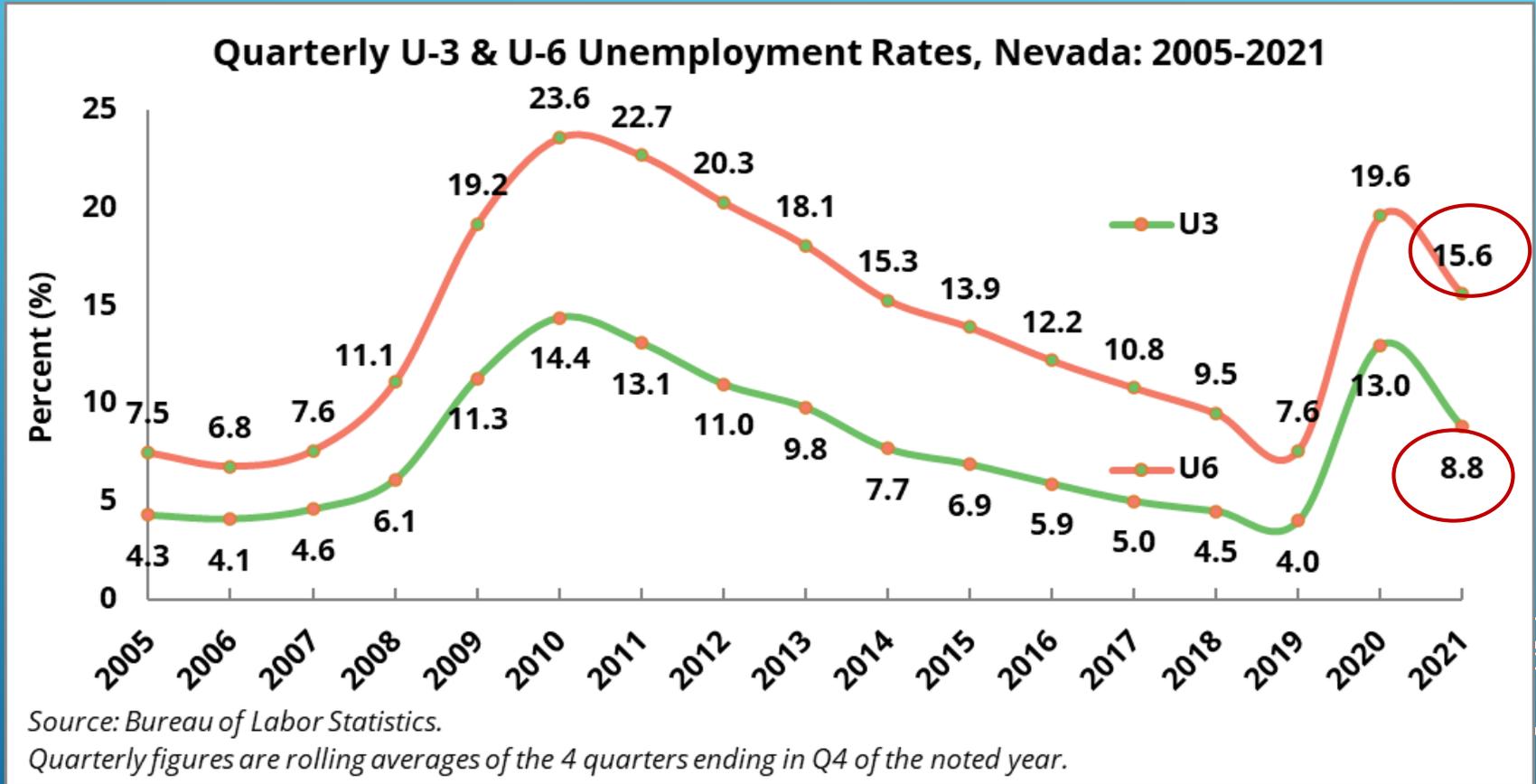


Source: Bureau of Labor Statistics

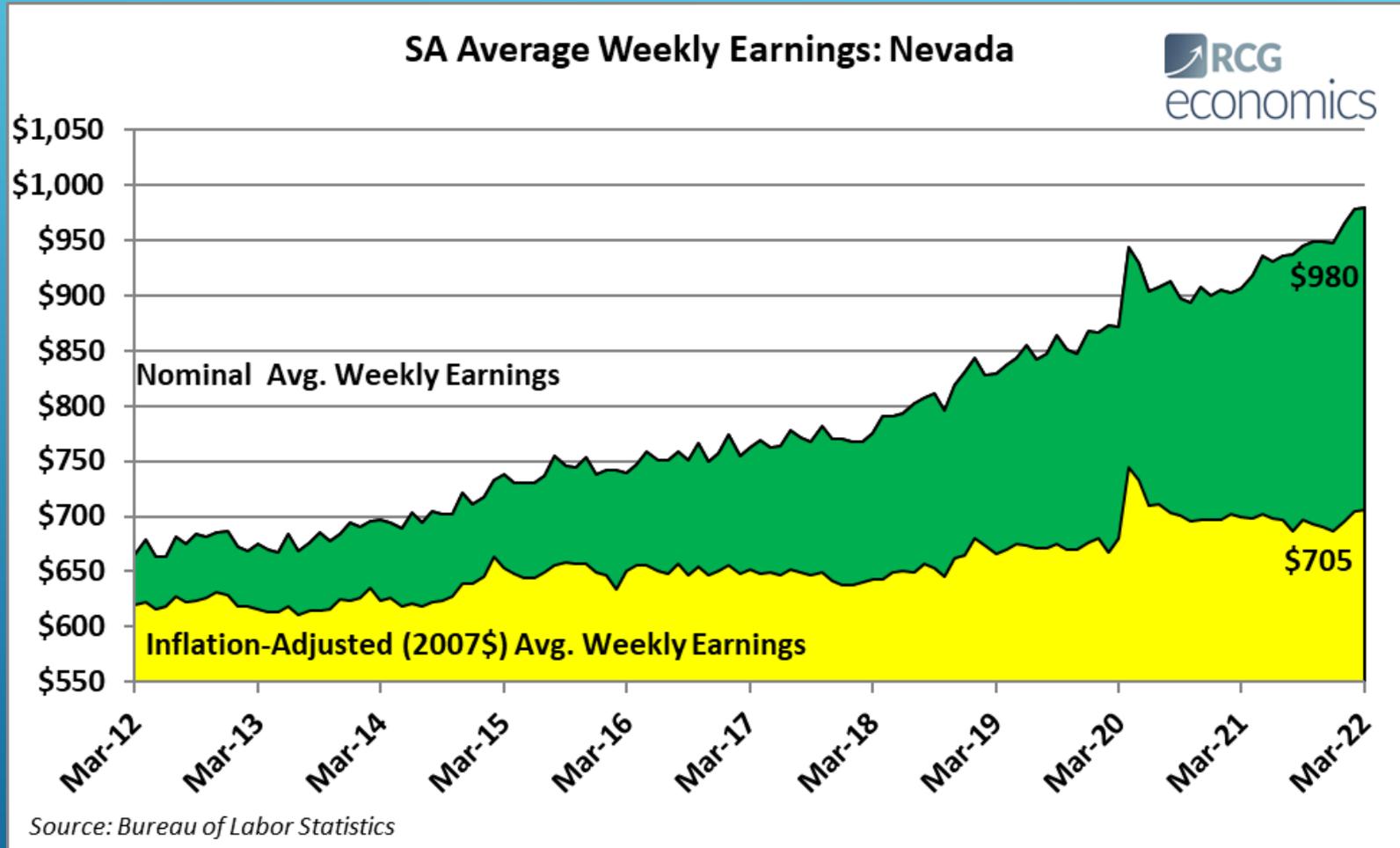
# Y-0-Y Vegas March job growth up 12% , Reno-Sparks up 4.6%. Vegas headline unemployment rate – 5% & Reno-Sparks 2.4%!



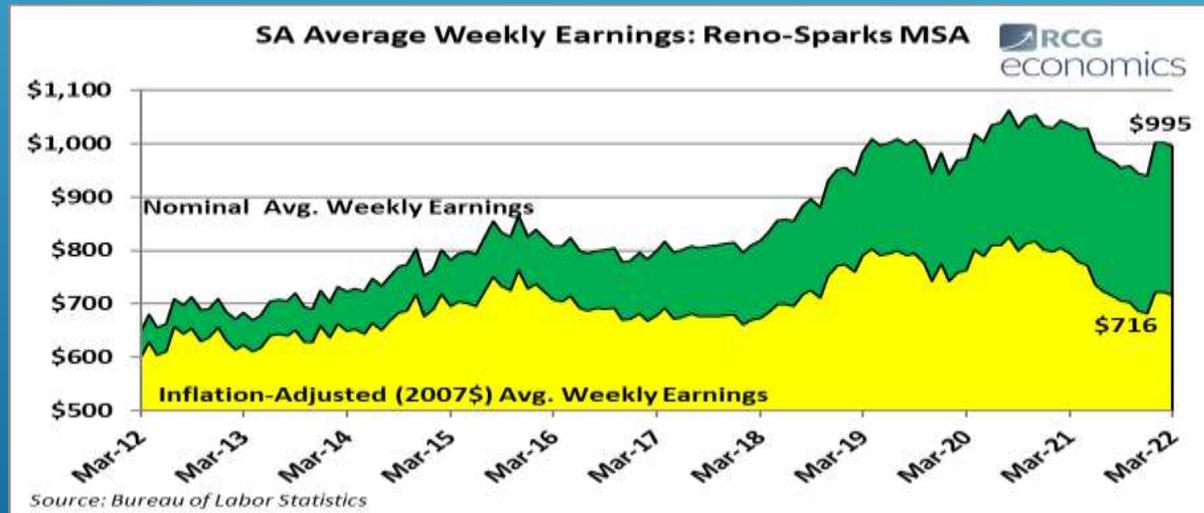
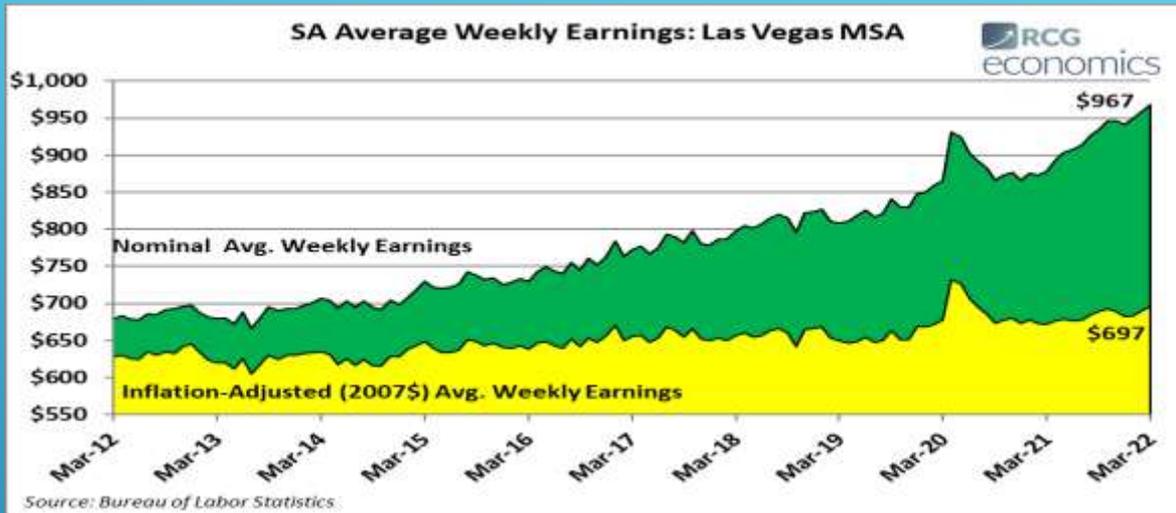
# The “real” unemployment rate is typically almost double the “headline” rate



# Despite “headline” wages rising, “real” wages still lagging other metrics; mostly because of Las Vegas



# LV & R-S: Despite wages rising, “real” metro wages still lagging other metrics

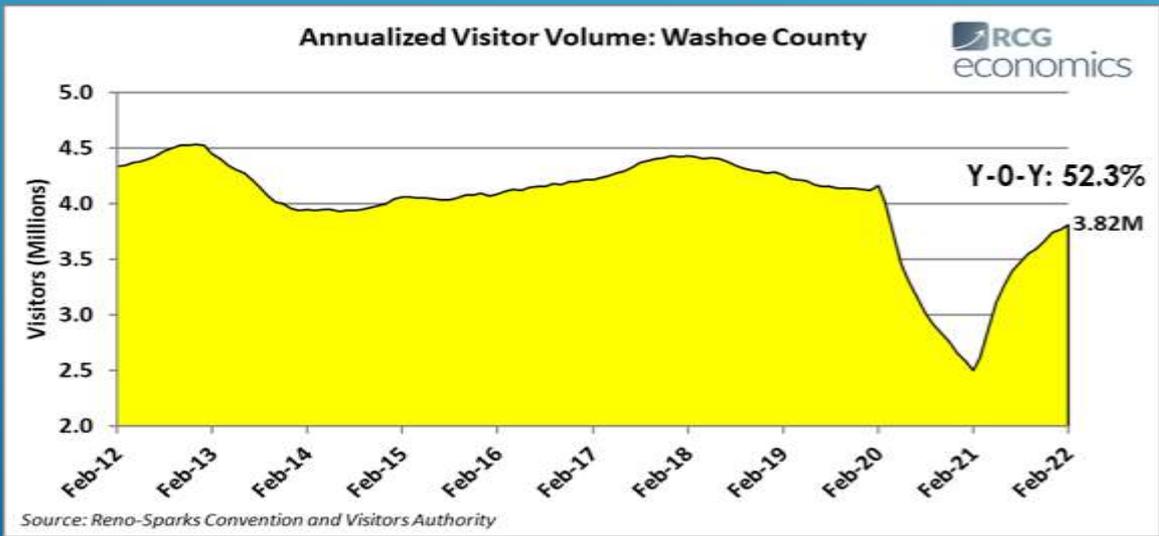
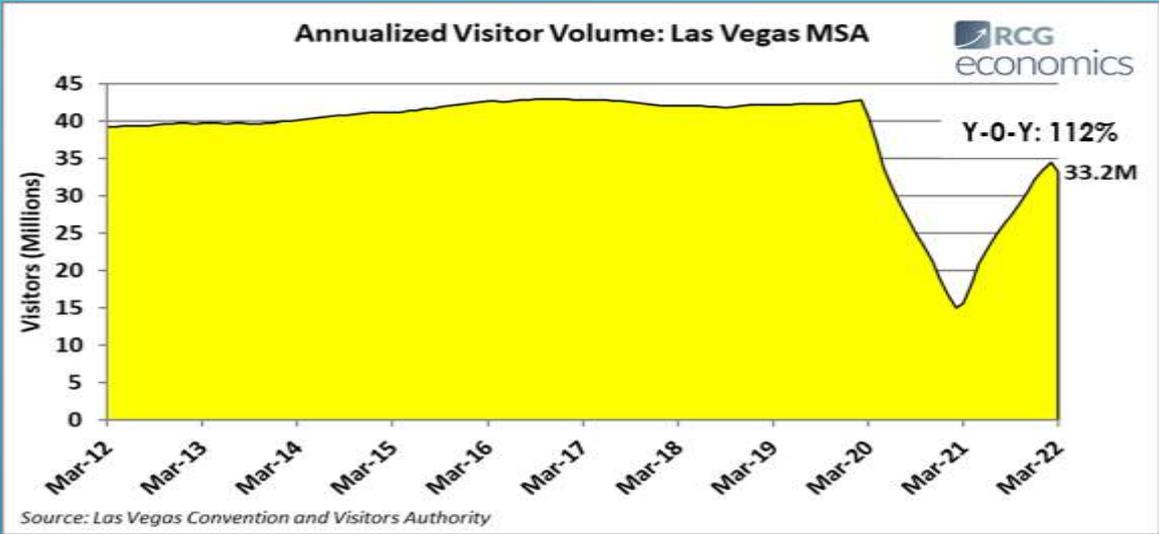


# *DRILLING DOWN TO LAS VEGAS & RENO-SPARKS MSA*

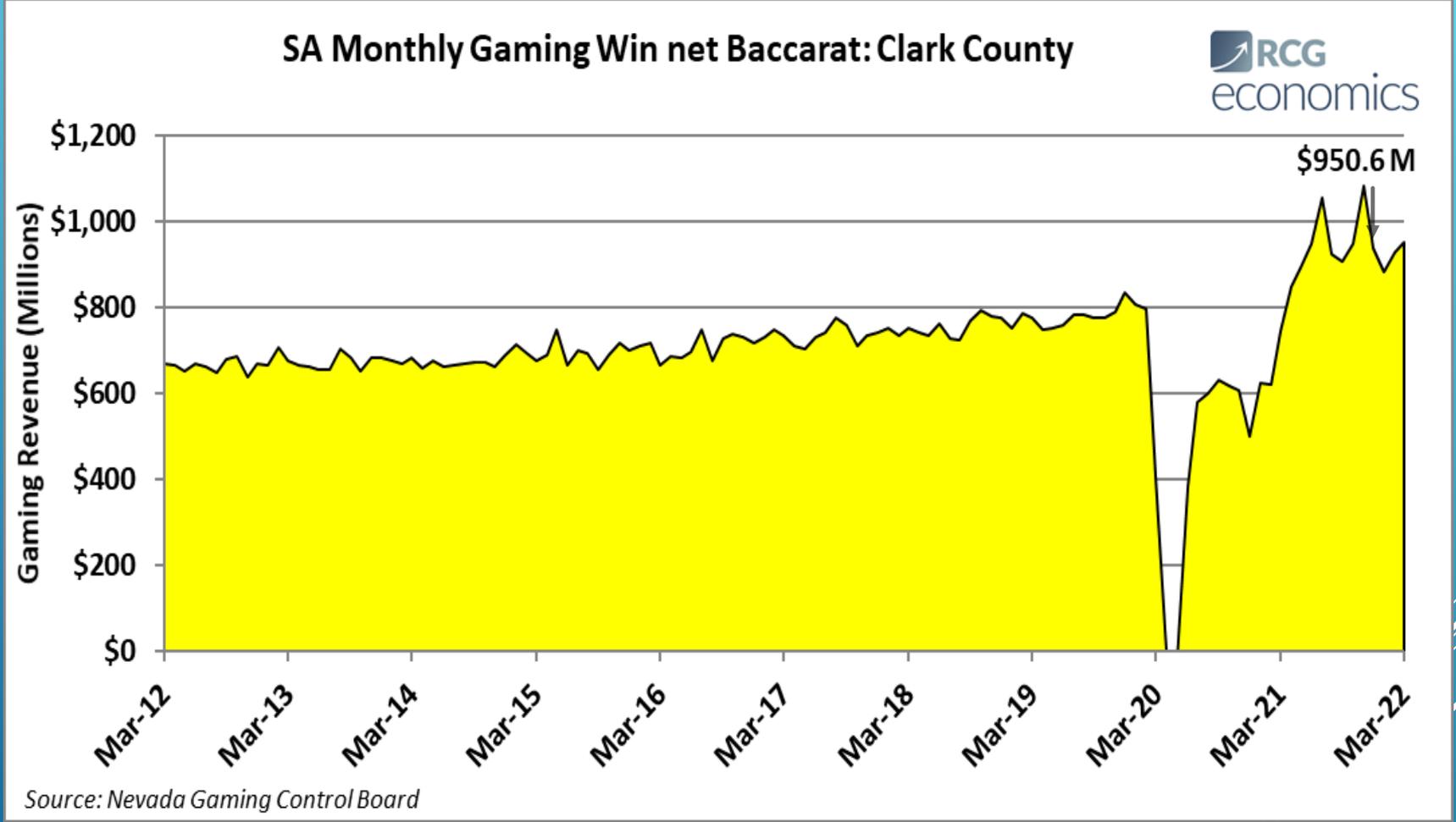


Source: Pix4free

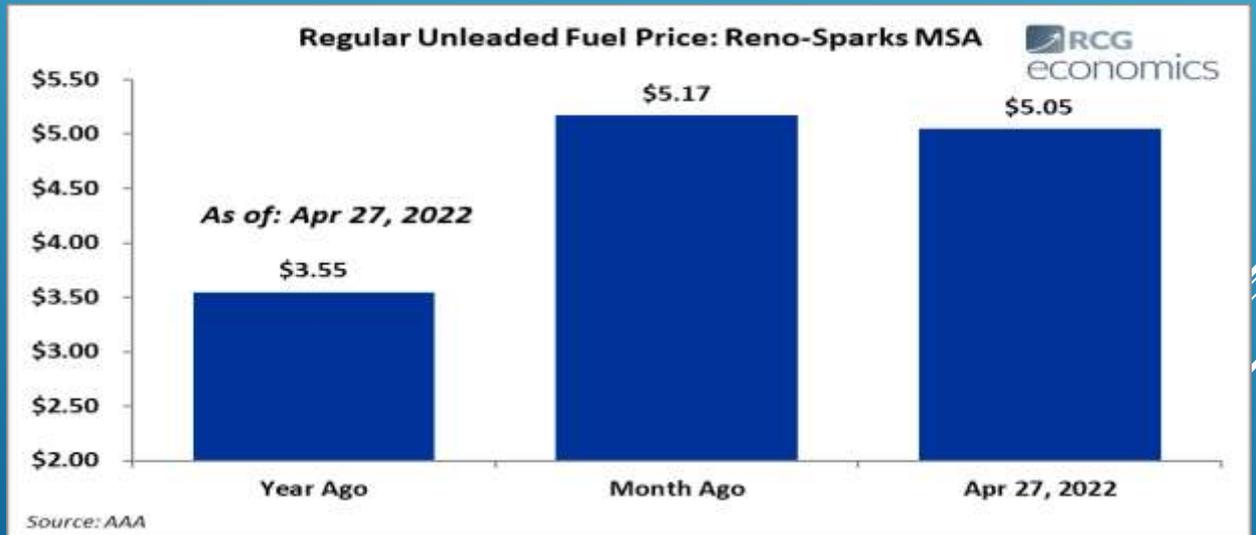
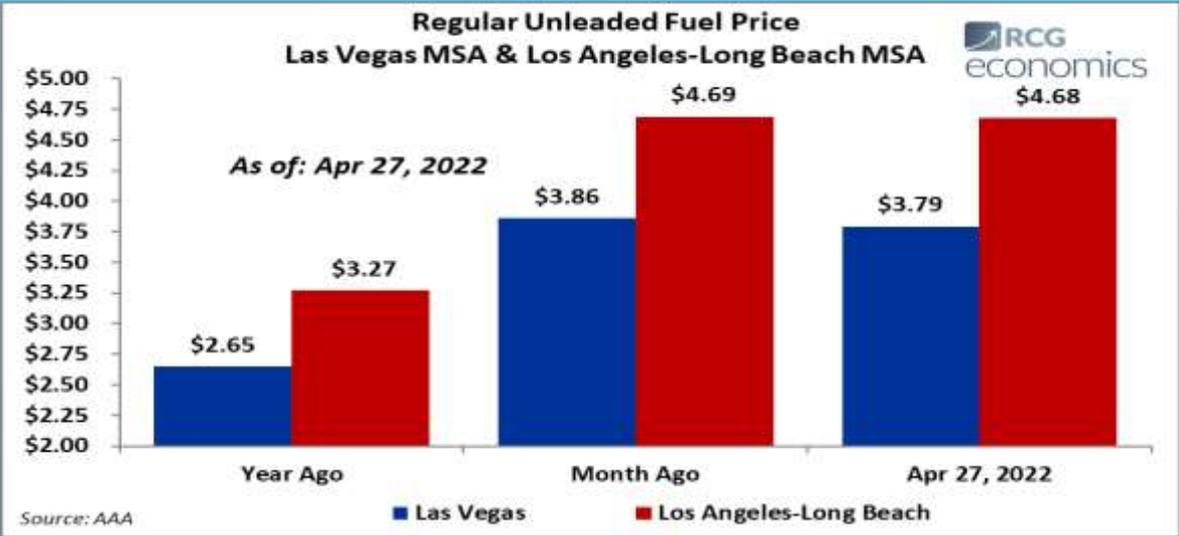
# ism #s have roared back but haven't reached pre-pandemic 2020 peak in Vegas & 2008 in Reno-Sparks



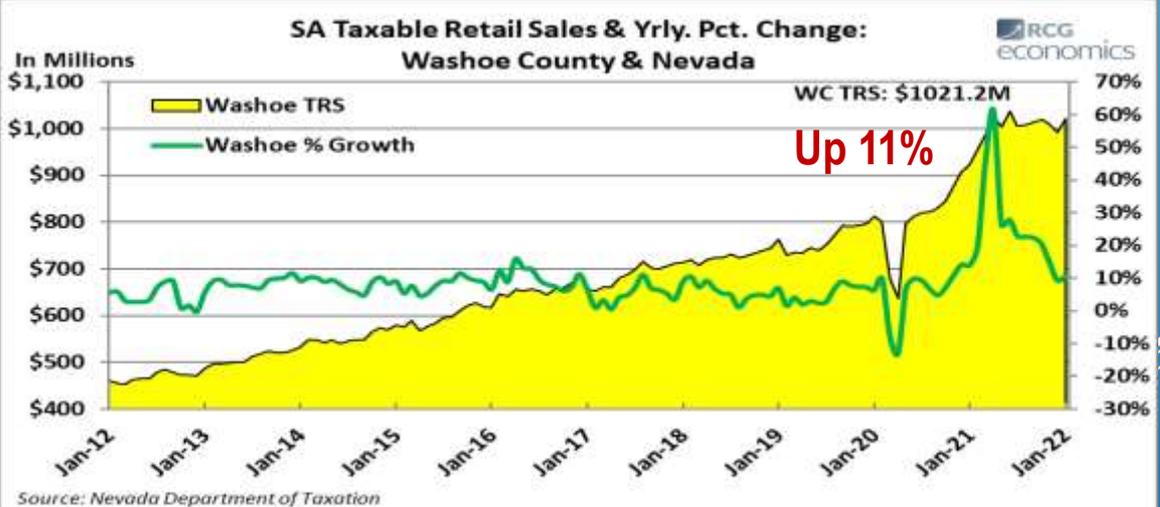
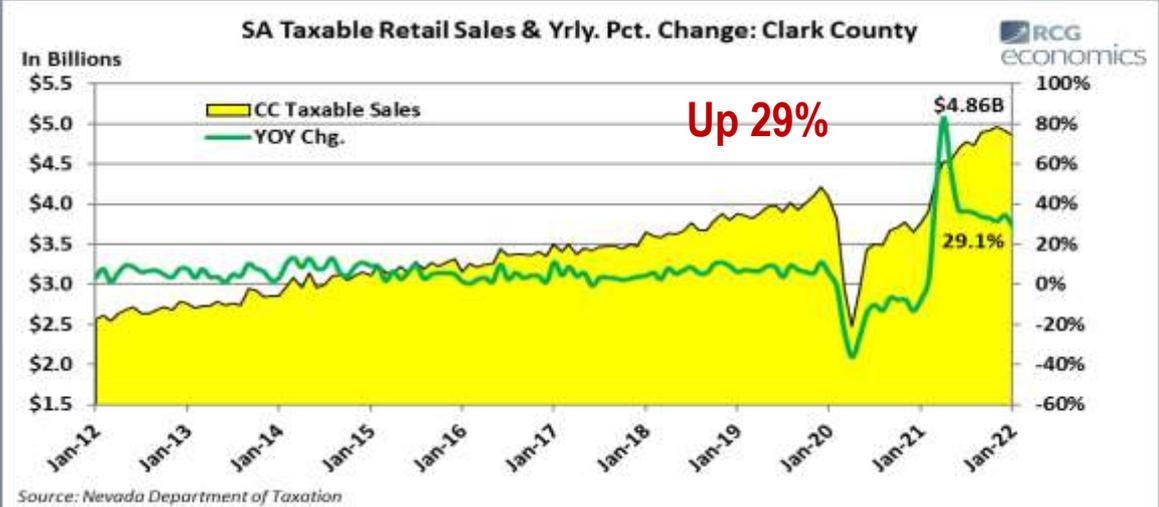
# Clark County gaming revenues at historic peaks, consumers flush with cash; American "religion"; the God-right to spend



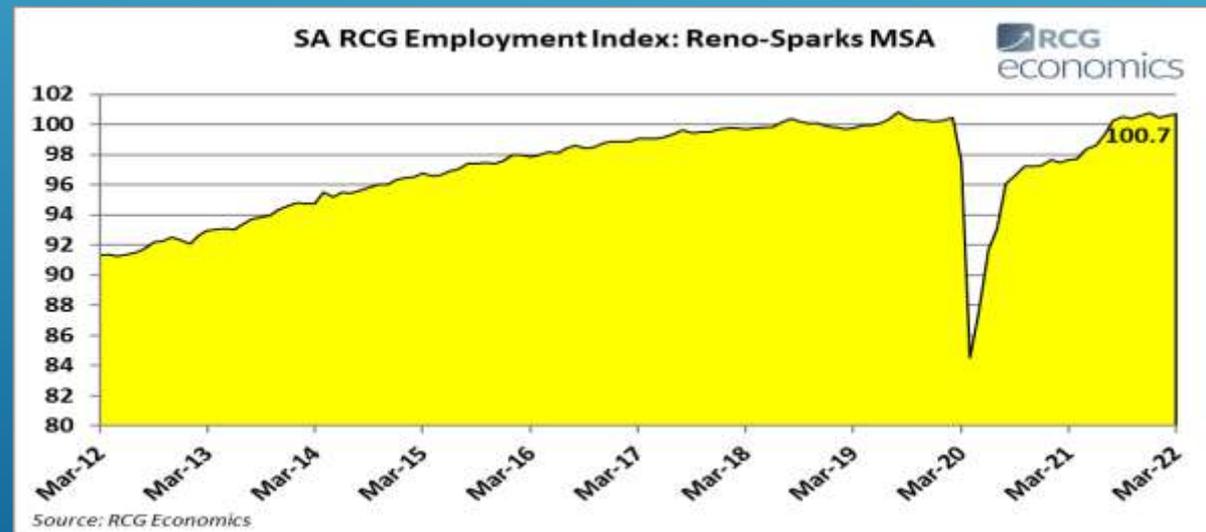
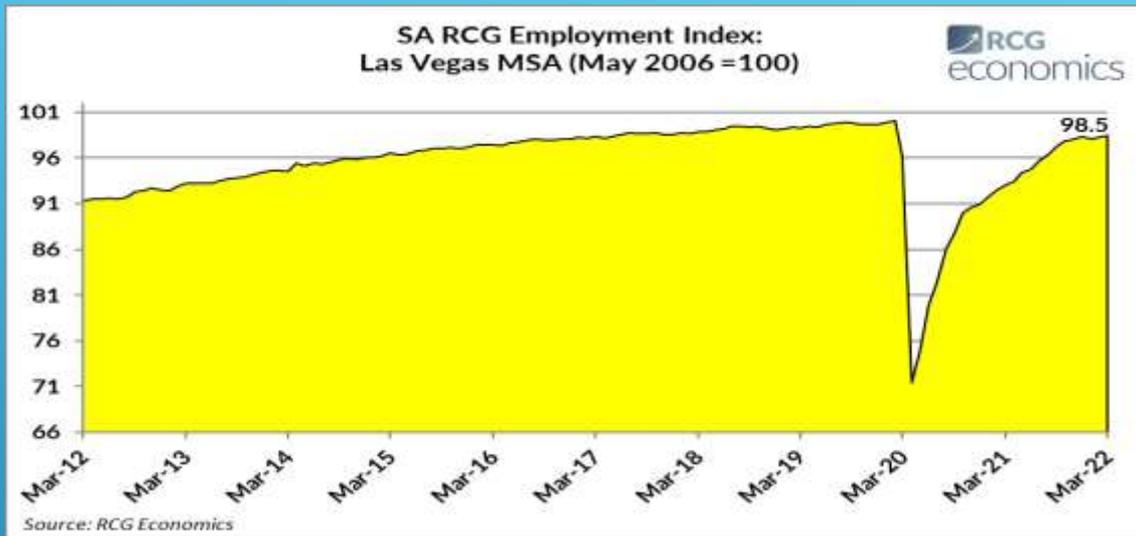
# Gas prices & uncertainty: Y-O-Y gasoline prices in LA & LV up 43%; Reno-Sparks up 42%



# Covid-19 also helped taxable sales in Clark & Washoe Counties as trillions of liquidity was injected in the U.S. economy



# LV & R-S employment indices also moving back to historic highs

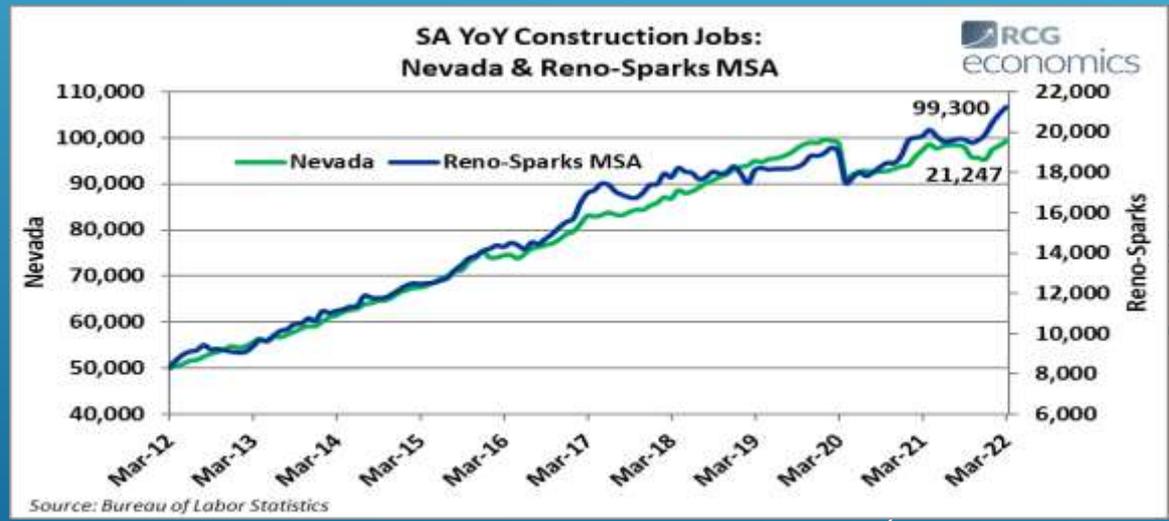
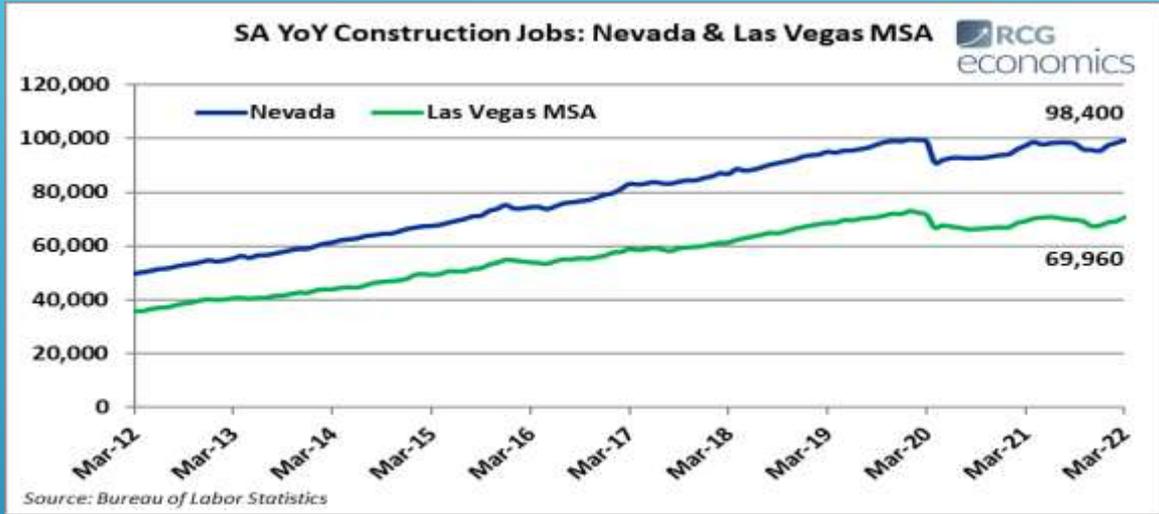


# *So How Is ONE OF NV'S FAVORITE INDUSTRIES DOING?*



Source: [imgflip.com](https://imgflip.com)

# Construction job growth stabilizing in Las Vegas but growing in Reno-Sparks



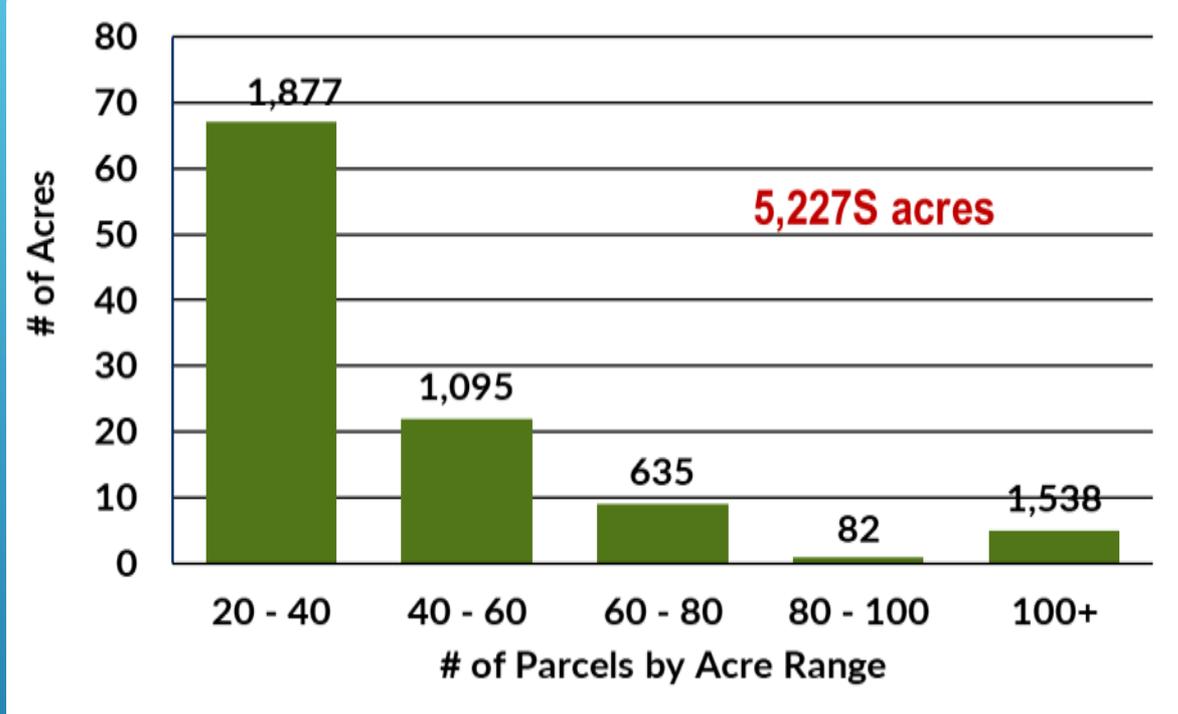
# *THE QUESTION OF LAND SUPPLY*



Source: Flickr

# Las Vegas Limiting Condition: Privately Owned acres (2020)

- Examining the tiers in detail:
  - No parcels ranked Tier 1. Tier 1 parcels have 16-20 points across the 10 ranking criteria
  - 36 parcels ranked Tier 2, with 11-15 points
  - 100 parcels ranked Tier 3, with 6-10 points
  - 24 parcels ranked Tier 4, with 0-5 points
- About 2,223 acres in Tier 2 parcels

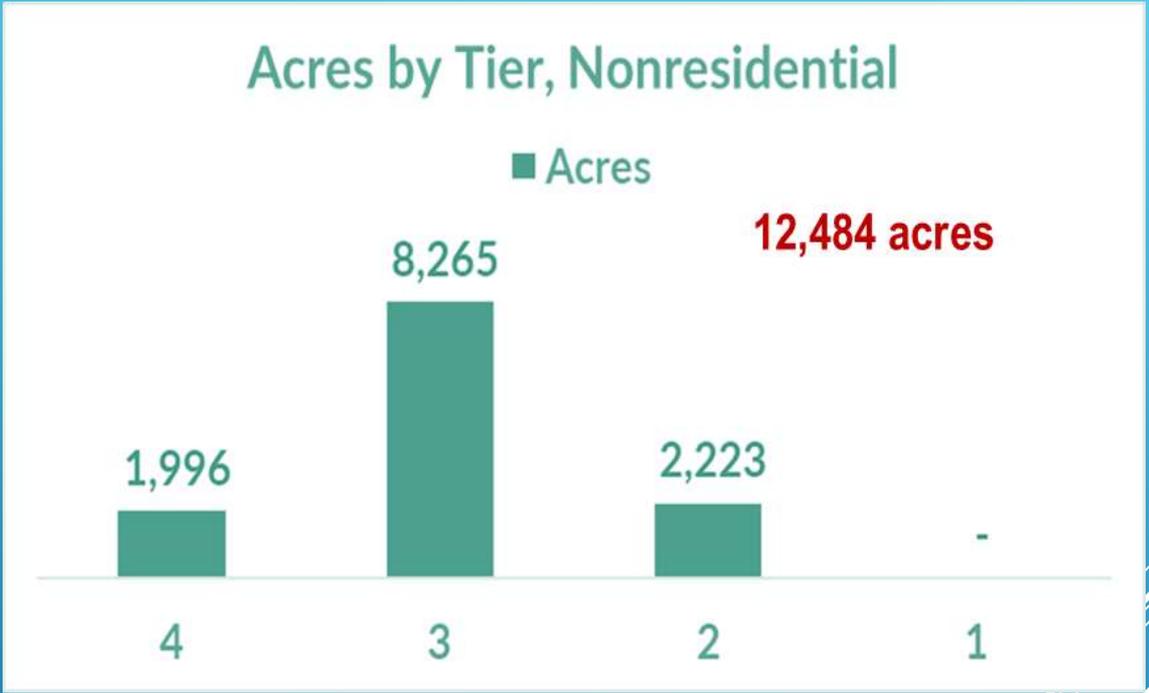


Source: So. Nevada Water Authority, RCG.

# Similar story in Reno-Sparks (2020)

## Examining the tiers in detail:

- No parcels ranked Tier 1. Tier 1 parcels have 16-20 points across the 10 ranking criteria
- 36 parcels ranked Tier 2, with 11-15 points
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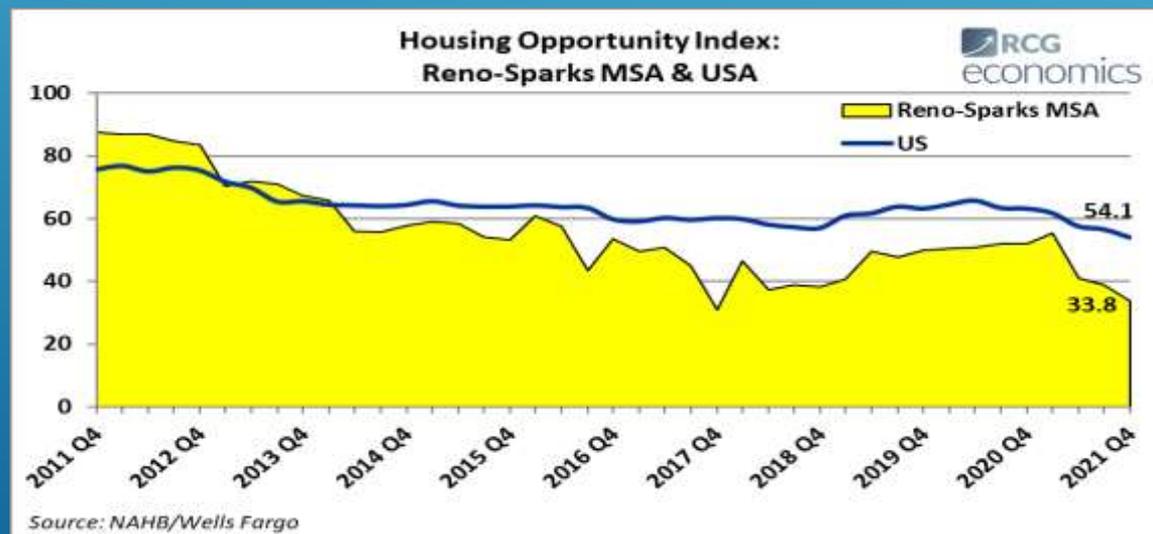
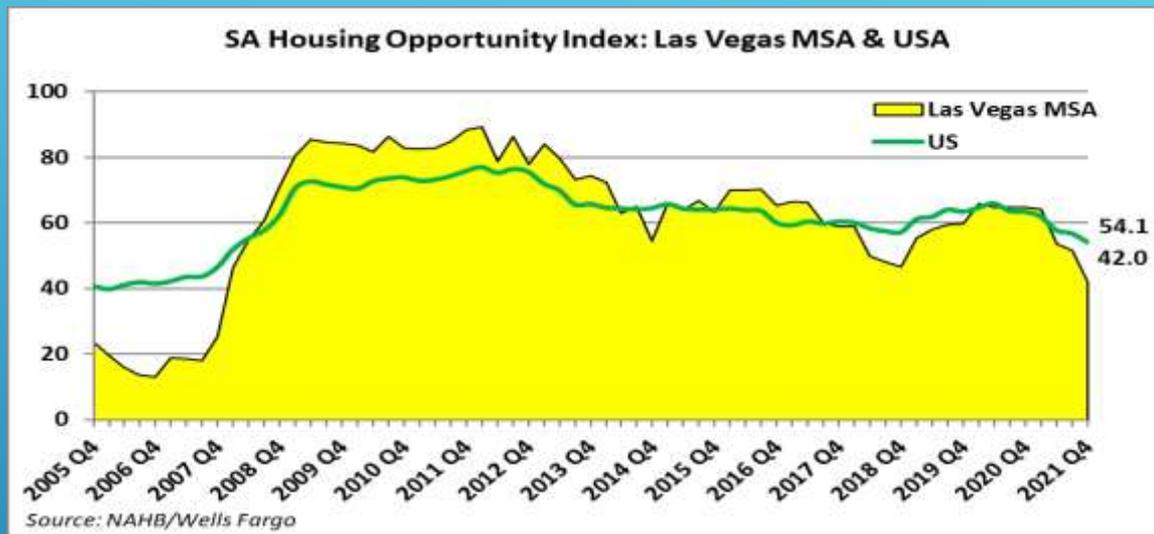
Source: TMRPA, RCG, Various Counties.

# *No. & So.'s NEVADA HOUSING MARKETS*



*Source: Pix4free.com*

# Vegas Y-O-Y affordability down -35%, R-S down 18%



# *WHAT SHOULD KEEP US ALL UP AT NIGHT*



Source: Pixabay.com

# *THE FOCUS SHOULD BE: THE BIG 9*

## ✓ Long Term Impact of:

1. *Artificial Intelligence, Automation & Robotics*
2. *Changing Infrastructure Needs*
3. *Covid Variants*
4. *Drought, Water Supply & Climate Change*
5. *Inflation Persistence*
6. *Land Supply Constraints*
7. *Shortage of Skilled Workforce*
8. *Supply Chain Disruptions*
9. *Wage Stagnation*

# *A FINAL THOUGHT ON ECONOMISTS*

*“The only thing more dangerous than an amateur economist is a professional economist.”*

*-- Berta's Law of Economics*

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# QUESTIONS?

**Contact:**

**John Restrepo**

**[jrestrepo@rcgecon.com](mailto:jrestrepo@rcgecon.com)**

**702-967-3188 ext. 101**

