



A Positive Outlook

Betting on Nevada

There is no shortage of positive news for Nevada's economy these days, which is certainly more than welcome, given where the state's economic fortunes sat not all that long ago. Statewide annual employment growth is first in the nation, a spot Nevada has held for seven consecutive months, and for 19 of the past 36 months. The unemployment rate is as low as it was in the early 2000s. Personal income annual growth ranked third in the country, while average weekly wage growth is second fastest in the United States.

In many ways, Nevada is once again one of the most prolific economies in the nation—a typical position for the state throughout much the past half century. Like much of that history, people from around the nation and the world are voting with their feet and moving to the Silver State in search of economic opportunities and a better quality of life. As a result, Nevada recorded the fastest-growing population in 2018, improving upon second-place rankings in 2016 and 2017.

The state's return to economic vitality is even more impressive given the depths it reached during the economic downturn. I won't recount that history here, but many skeptics then believed Nevada would never recover. The fact that our state proved the skeptics wrong is a testament to our resiliency and our ability to rebound, but it should be remembered that the economic success did not happen by accident. Driving Nevada's history of economic growth and development success are the decisions and actions of leaders in public agencies and private enterprise who, to use a gambling metaphor, bet on ourselves and walked away a winner.

Many of the seeds of Nevada's current economic success were planted years ago amid varying degrees of uncertainty. There are too many examples to cover them all here, but I'll highlight a few of the boldest bets that have paid off. In 2009, McCarran International Airport moved forward with building Terminal 3 despite calls to wait. Today, the new terminal helped the airport surpass a record 50 million passengers over the most recent 12-month period. Shortly after Terminal 3 opened in 2012, MGM Resorts International and AEG announced plans to build T-Mobile Arena. Today, the facility is home to the NHL's Vegas Golden Knights and is booked solid with concerts, boxing matches and other events that made it the highest-grossing arena in the nation in 2018.

In Northern Nevada, perhaps nothing has transformed the regional economy more than the 2014 agreement with electric vehicle maker Tesla to build its Gigafactory to manufacture batteries. The state's incentive package had its share of critics at the time. Today, the facility has exceeded targets for employment and investment, and the Gigafactory has helped pave the way for billions more dollars in regional investment by Silicon Valley giants such as Apple, Google and Amazon.



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These decisions continued a tradition of bold moves that have helped transform and reinvent Nevada's economy decade after decade. That transformation continues today, thanks to a new round of bets that are poised to strengthen the state economy, including ongoing investments in the Las Vegas Stadium and the Las Vegas Convention Center, and significant private capital commitments behind the Resorts World Las Vegas and Circa Resort & Casino projects.

Years from now, these investments, along with others that haven't even been conceived of yet, will be playing roles in the state's economic success story. Nevada won't always lead the nation in economic growth, but thanks to a history of betting on ourselves, our economy is stronger, more diverse and more resilient, making it better positioned to weather the ups and downs of the business cycle.

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