Economic measures in Nevada were solid in the first half of 2018. Job growth ranked third, boosted by gains in the key leisure and hospitality sector. Job growth allowed the unemployment rate to drift down in spite of increased labor force participation. A strong pace of in-migration fueled housing demand and pushed home price appreciation higher despite a high per-capita pace of homebuilding.

Nevada was one of the few states that saw a small decline in its banks' average return on assets ratio since year-end 2017, even though the ratio remained highly ranked. The decline was mostly due to weaker net interest margins and lower noninterest income ratios, partially offset by tax reform effects. On-balance sheet liquidity strengthened year-over-year but slipped from atypically high levels at year-end 2017. Nonperforming assets and risk-based capital metrics continued to be among the strongest in the nation.

**Key Economic Metrics**  
(ranking #1 = highest in the nation)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Rank</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year-over-Year Job Growth: 3.1%</td>
<td>#3</td>
<td>3.1%</td>
</tr>
<tr>
<td>Year-over-Year Home Price Growth: 13.4%</td>
<td>#1</td>
<td>13.4%</td>
</tr>
<tr>
<td>Unemployment: 4.7%</td>
<td>#4</td>
<td>4.7%</td>
</tr>
<tr>
<td>Single Family Permits / 1,000 Residents: 4.4</td>
<td>#7</td>
<td>4.4</td>
</tr>
</tbody>
</table>

*The opinions expressed in this publication are those of the authors. Opinions are intended only for informational purposes, and are not formal opinions of, nor binding on, the Federal Reserve Bank of San Francisco or the Board of Governors of the Federal Reserve System.*
Banks at a Glance: Nevada

Key Banking Metrics (averages across banks; ranking #1 = highest in the nation)

Year to Date Return on Average Assets: 1.42%
Rank: #3

Year-over-Year Net Loan Growth: 5.9%
Rank: #31

Nonperforming Assets / Total Assets: 0.39%
Rank: #43

Total Risk-Based Capital Ratio: 21.1%
Rank: #2

CRE Concentration: 216%
Rank: #8

Securities and Liquid Invest. / Total Assets: 32.6%
Rank: #7

Net income / average assets, adjusted for S-Corps, annualized

90+ days past due + nonaccruals + other real estate owned / total assets

Total nonowner-occupied commercial real estate / total capital (data first available in 2009)

Liquid investments = cash, due from balances, interest bearing bank balances, and Fed funds sold and securities purchased under agreements to resell

Source: Call Report data for commercial banks based upon headquarters location. Averages are calculated on a “trimmed” basis by removing the highest 10% and lowest 10% of ratio values prior to averaging to prevent distortion from outliers. All charts display quarterly data, except for return on average assets which displays the same quarter in each year. Growth rates are not adjusted for mergers. Graphics and data exclude “De Novo” banks (banks less than five years old). As of the latest period, the count of banks included in these statistics were 10 for the state and 4,794 for the nation.

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