• Nevada’s economy accelerated through the end of 2018, adding jobs at the fastest rate in the nation due to strong professional/business services and construction hiring. The unemployment rate also declined despite robust labor force growth. Population growth supported home-price increases and single-family permitting at nearly double the national rates, although recent slowing may be due to declining affordability.

• Lower tax expenses, lower noninterest expenses, and negative provisions allowed Nevada’s banks to post the highest average profitability in the nation in 2018, despite narrower net interest margins and a drop in noninterest income ratios from 2017. High profitability helped banks maintain the second-highest average risk-based capital ratio in the nation and stable commercial real estate concentrations, despite a real estate-led jump in loan growth in the fourth quarter. Noncurrent loan ratios declined year-over-year across most loan categories, although the share of nonfarm-nonresidential real estate loans that was severely delinquent increased. Liquidity ratios continued to decline following a late-2017 jump as banks reduced their securities portfolios.

**Key Economic Metrics**

<table>
<thead>
<tr>
<th>Year-over-Year Job Growth: 3.7%</th>
<th>Unemployment: 4.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Rank: #1</td>
<td>State Rank: #9</td>
</tr>
</tbody>
</table>

**Year-over-Year Home Price Growth: 12.2%**

State Rank: #2

**Single Family Permits / 1,000 Residents: 4.2**

State Rank: #11
Key Banking Metrics (averages across banks; ranking #1 = highest in the nation)

Year to Date Return on Average Assets: 1.98%
State Rank: #1

Year-over-Year Net Loan Growth: 9.4%
State Rank: #5

Nonperforming Assets / Total Assets: 0.28%
State Rank: #47

Total Risk-Based Capital: 21.0%
State Rank: #2

CRE Concentration: 207%
State Rank: #8

Securities and Liquid Invest. / Total Assets: 30.0%
State Rank: #11

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 4,677 for the nation. Graphics and data exclude “De Novo” banks (banks less than five years old), credit card banks, and zero loan banks.

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