

Humboldt Economic Index

December 2024

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Manufacturing Makes a Comeback

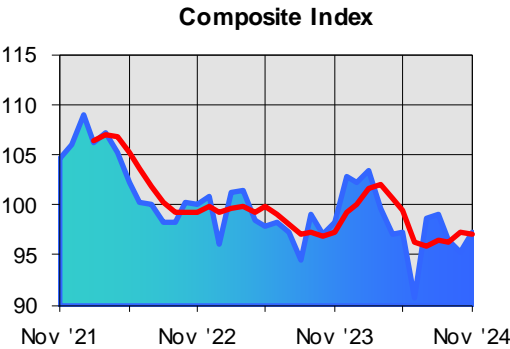
The Composite Index increased 2.0 percent from last month's value to the current value of 97.2. The Composite is also down 1.2 percent from this time last year. Home, Retail and Energy are all up this month, while Employment and Hospitality saw declines in November.

The Index of Home Sales rose 3.6 percent this month and is 20 percent higher than this time last year, with median home prices in Humboldt County rising from \$435,000 to \$450,000 over the past month. Mortgage rates dropped recently, with the average 30-year fixed rate mortgage at 6.81 percent and the average 15-year fixed rate mortgage at 6.10 percent.

Leading indicators are mixed with unemployment claims climbing up while help wanted advertising and building permits are down.

The unemployment rates are down across the board. Humboldt County's rate dropped 0.3 points to 5.1 percent, while California's rate saw no change and remains at 5.4 percent. The national seasonally adjusted unemployment rate rose 0.1 points to 4.2 percent.

Average gas prices continue their recent slide, seeing steep declines in



most regions. Eureka's average gas price is the lowest it has been all of 2024, falling 2 cents to a new price of \$4.89. Northern California saw a 3 cent decline in average gas prices and now stands at \$4.56, while the state average dropped 1 cent to a 2024 low of \$4.32.

The Humboldt Economic Index is produced by the Economics Department at Cal Poly Humboldt University. It measures changes in the local economy using data from local businesses and organizations. The data are compiled into a seasonally adjusted Index that shows changes relative to the base month (January 1994). The composite Index is a weighted combination of six individual sectors of the local economy. The current Index is based on the most recently available data, which is generally data from the previous month.

Composite & Sectors					
		Percent change from			
Index	Value***	Last Month	One Year ago****	Five Years ago****	Ten Years ago****
Composite	97.2	2.0	-1.2	-9.6	-4.7
Home Sales	105.5	3.6	20.0	-26.8	1.1
Retail Sales	150.1	6.6	4.5	-6.5	-13.2
Hospitality	79.4	-6.1	-19.8	-9.7	-26.7
Electricity	90.6	10.2	-5.8	-16.6	-32.3
Employment	105.4	-0.1	0.2	-6.1	8.2
Lumber*	26.3				
Manufacturing**	158.9				
* Formerly "manufacturing"					
** Niche, non-lumber manufacturing. Not a component of the overall composite.					
*** These values are adjusted to remove seasonal fluctuation. The base month is January 1994 (January 2013 for manufacturing) with an Index value of 100.					
**** The percent change from the same month one, five and ten years ago.					

The Index – Leading Indicators

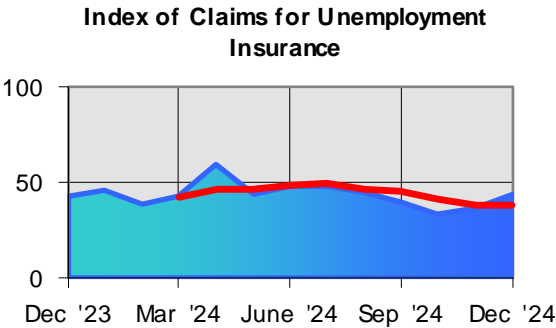
Leading Indicators

The Index tracks four leading indicators to get a sense of the direction that the county economy may take in the near future. The leading indexes are (1) unfilled orders for manufactured goods, (2) number of initial claims for unemployment insurance, (3) building permits, and (4) help wanted advertising.

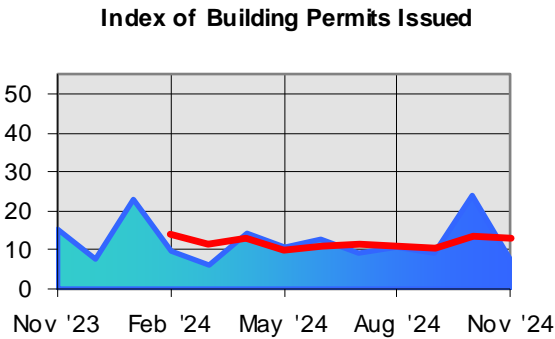
Leading Indicators		
Unemployment Claims	Building Permits	Help Wanted Advertising
19.5%	-68.7%	10.3%
* Change from prior month. All values are seasonally adjusted.		

Key Statistics			
Median Home Price*	Monthly Rent**	Mortgage Rate†	Unemployment Rate‡
\$450,000	\$2,191	6.75%	5.1%
* The Humboldt Association of Realtors provides home price data. MLS is not responsible for accuracy of information. The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the Participant. The Service does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information.			
** Average rent on 2, 3 and 4 bedroom houses listed in the Times Standard.			
† 30-year owner occupied conforming conventional fixed rate provided by Umpqua Bank.			
‡ Seasonally adjusted Humboldt County unemployment rate is based on non-seasonally adjusted preliminary EDD data.			

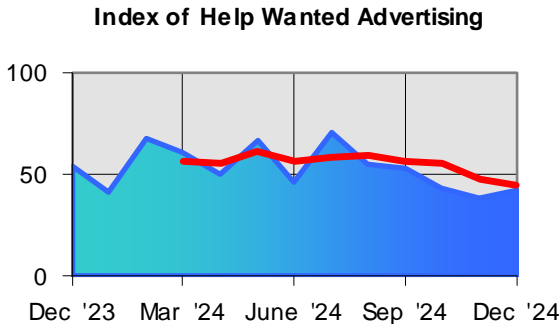
Unemployment Claims rose 19.5 percent over the month for a new Index value of 43.8.



Building Permits declined 68.7 percent to an index value of 7.4, down from last month's value of 23.7. The 4-month moving average is now at 12.8, 0.5 percent below last month's value of 13.2.



Help Wanted Advertising dropped to a value of 42.3, an increase of 10.3 percent from last month's value. Year-to-year, the index has fallen 22 percent. The 4-month moving average also fell – down 8.1 percent from last month's value of 55.7 to a value of 47.6.



Graphs Explanation: The blue area represents the seasonally adjusted Index of Unemployment Claims above. The red line shows the four-month moving average which attempts to demonstrate the overall trend in the data with less monthly volatility.

The Index – Individual Sectors

Home Sales

The Index value of the home sales sector is based on the number of new and existing homes sold in Humboldt County each month as recorded by the Humboldt Association of Realtors.

The Humboldt County Home Sales Index increased 4.3 percent to a value of 105.5, which is also 20 points higher than this time last year. The county's median home price for the past month rose, to a value of \$450,000, \$15,000 higher than last month's median. The county's median home price at this time last year was \$440,000.

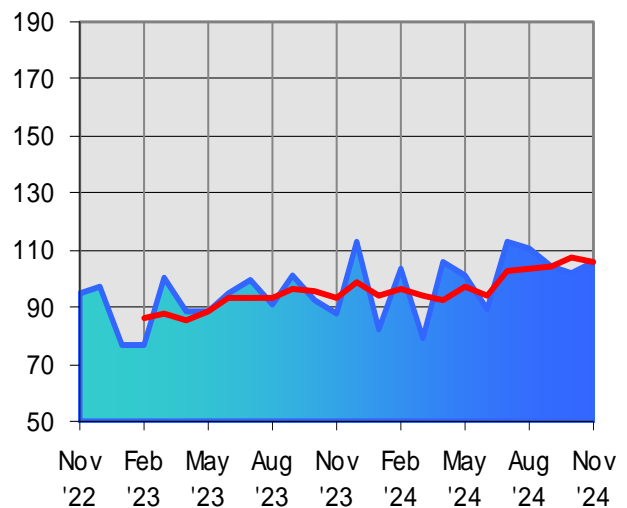
The S&P Case-Shiller Home Price Indices note a "slight increase in prices" in their most recent report. The 10-City Composite reported growths of 4.9 percent and 20-City Composite reported growths of 4.3 percent each over the 12-month period, and the monthly National Index saw a 3.8 percent increase over the same period. In the month of November, both the national index and 20-City Composite saw a -0.1% decline while the 10-City Composite remain unchanged. After seasonal adjustment, the U.S. National, 20-City, and 10-City Composite Indices all posted a month-over-month increase of 0.4%.

Brian D. Luke, CFA, Head of Commodities, Real & Digital Assets, notes, "With the exception of pockets of above-trend performance, national home prices are trending below historical averages. Despite below-trend growth, our National Index hit its 18th

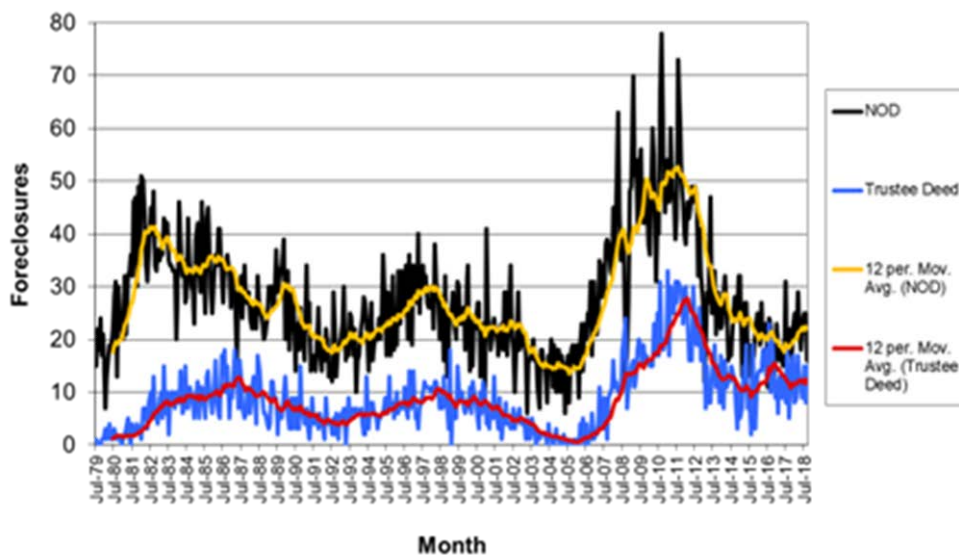
consecutive all-time high on a seasonally adjusted basis. Except for Tampa, all markets rose monthly with seasonal adjustment. With New York leading the nation for the seventh consecutive month and U.S. banks reporting strong Q4 earnings, this could set the Big Apple up as we close out the year."

Mortgage rates decreased this month. According to Freddie Mac, the average 30-year fixed-rate mortgage is now 6.81 percent, and the average 15-year fixed-rate mortgage is 6.10 percent for the week ending November 27, 2024. The rates for a 30-year and 15-year fixed mortgage last year at this time were 7.22 and 6.56 respectively.

Home Sales Index, Humboldt County



Monthly Foreclosures, Humboldt County



Source: Humboldt Economic Index and Humboldt County Recorder

The Index – Individual Sectors

Total County Employment

The Index value of the employment sector is based on seasonally adjusted total employment as reported by the Employment Development Department.

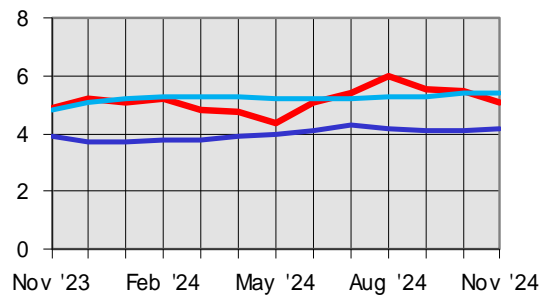
Total County Employment remained slightly stable with a 0.1 percent decrease this month to an index value of 105.4. The seasonally adjusted unemployment rate for Humboldt County fell 0.3 points to 5.1 percent. The seasonally adjusted national unemployment rate was up 0.1 points, now reporting at 4.2 percent.

The Employment Development Department of California indicated in its November statistics that Humboldt County's labor force saw no increases remaining at a total of 61,400. Statewide, the seasonally adjusted employment totals increase to 3,316,000, with the unemployment rate at a seasonally adjusted 5.3 percent.

The Labor Department's November statistics state that total nonfarm payroll employment rose by

227,000 in November. Total employment in healthcare rose by 54,000, leisure and hospitality rose by 53,000, government added 33,000 jobs, and transportation rose by 32,000. Retail trade lost 28,000 jobs. Employment showed little or no change over the month in other major industries, including mining, quarrying, and oil and gas extraction; construction; wholesale trade; transportation and warehousing; information; financial activities; professional and business services; and other services.

Unemployment Rate



Hospitality

The Index value of the hospitality sector is based on seasonally adjusted average occupancy each month at a cross section of local hotels, motels and inns.

Hospitality climbed 6.1 percent this month to a current value of 79.4. November's index value also represents a 19.8-percent decrease over this time last year. The 4-month moving average is also down 3.1 percent over last month with a current value of 82.3.

Gasoline Prices

California's gas prices dropped another 5 cents to \$4.32 in January, the lowest price this year. Northern California prices fell 13 cents to \$4.56. Eureka gas prices fell 12 cents in January to a new year 2025 low average of \$4.89.

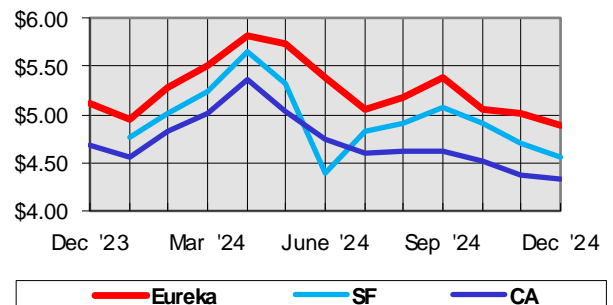
The California Globe reports that California is imposing a carbon gas tax that will rise to 47 cents this year. In 2026, the carbon tax will be 52 cents and keep increasing each year. In July the Globe reported that the California Governor, Legislature and State Air Resources Board were working hand in glove to restrict the availability of oil and gas and increase the cost of gas at the pump so severely, middle class and working-class drivers will be making choices between groceries and fuel for the car.

Gas Prices

Prices as of 1/ 21/ 2025	Average price*	Change from previous month
Eureka	\$4.89	-\$0.12
Northern California	\$4.56	-\$0.13
California	\$4.32	-\$0.05

* Current average price per gallon of self-serve regular unleaded gasoline as reported by the American Automobile Association monthly gas survey (www.csaa.com).

Gasoline Prices



The Index – Individual Sectors

Manufacturing

The index value of this sector is based on a combination of production and employment for a variety of niche manufacturers and is adjusted to account for normal seasonal variations.

Overall manufacturing employment increased according to the Employment Development Department.

The Institute for Supply Management reported that November saw economic activity in the manufacturing sector contracted in November for the eighth consecutive month and the 24th time in the last 25 months. The PMI registered at 48.4 percent, a increase of 1.9 percentage points from October's 46.5 percent. Food, Beverage & Tobacco Products; Computer & Electronic Products; and Electrical Equipment, Appliance & Components are among the three manufacturing industries reporting growth in November. New export orders were up 3.2 points in November, for a new index value of 48.7 percent, it still registered as the 6th consecutive month of expansion in new export orders. Five industries reported growth in new export orders in November Textile Mills; Computer & Electronic Products; Food, Beverage & Tobacco Products; Machinery; and Miscellaneous Manufacturing, while Nonmetallic Mineral Products; Primary Metals; Transportation Equipment; Fabricated Metal Products; and Chemical Products saw a decrease in new export orders. The PMI (Producing Managers Index) is based on the number of manufacturing supply managers who expect business conditions to improve in the near future.

This is the first new sector of the Index and was created after listening to local economic development agencies. For a detailed description please visit our [Special Projects page](#).

Since the manufacturing index is so new, and since we do not have much data to create precise seasonal indices, we do not include manufacturing in the overall composite Index. As the amount of data collected grows, we will feel more confident in our monthly seasonal estimates and add niche manufacturing. Lumber-based manufacturing, which was one of the original sectors of the Index, continues to be part of the overall composite Index.

Electricity Consumption

The Index value of this sector is based on seasonally adjusted kilowatt-hours of electricity consumed each month in Humboldt County. Electricity consumption is a somewhat mixed or ambiguous indicator that usually correlates with economic activity. However, increases in energy efficiency and conservation reduce the sector's index value, while not necessarily indicating a decline in economic activity.

In November, the Electricity Index rose 10.2 percent to a new value of 90.6. The current value is 5.8 percent lower than the value for this time last year.

Retail Sales

The Index value for the retail sales sector is based on the seasonally adjusted dollar value of sales each month from a cross section of local retail businesses.

The Retail Sales Index rose 6.6 percent to a current value of 150.1, a 4.5-percent increase when compared to this time last year. The 4-month moving average for this index remained unchanged to a current value of 151.8.

On the national scale, Consumer Confidence increased in November, up 2.1 points for a current index value of 111.7. The Expectations Index rose 0.4 points to a value of 92.3, while the Present Situation Index rose 4.8 points to a current value of 140.9. Dana M. Peterson, Chief Economist at The Conference Board, says "November's increase was mainly driven by more positive consumer assessments of the present situation, particularly regarding the labor market...October, consumers were also substantially more optimistic about future job availability, which reached its highest level in almost three years." The Consumer Confidence Index is the average of The Present Situation and The Expectations Index and is a barometer of the health of the U.S. economy from the perspective of the consumer.

Lumber Manufacturing

Lumber Manufacturing is suspended from the Index until we can obtain a sufficient number of data providers. This sector is 12% of the overall Index, and the last reported amount was 29.2 in March 2015. The index value of this sector is based on a combination of major county lumber companies and is adjusted to account for normal seasonal variations.

The Index

Explanatory Note: We have been tracking economic activity since January 1994. The Composite Index at the beginning of this report is a weighted average of each of the six sectors described above. Each sectoral index, and the composite index, started at a value of 100 in 1994. Thus if the retail sectoral index value is currently 150, that means that (inflation-adjusted) retail sales among the firms that report data to us are 50 percent higher than in January 1994. We also seasonally adjust each sector, and the composite index, to correct for "normal" seasonal variation in the data, such as wet season vs. dry season, and so trends in the seasonally adjusted composite index provide a better indication of underlying growth and fundamental change in the economy. Each month's report reflects the most recent data available, which is usually from the previous month. For example, the "August 2006" report reflects mostly data from July 2006. As is common, our initial report is preliminary, and as we receive final data we revise our reports accordingly.

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■ ■ ■ *realize human potential*

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Institute for Supply Management – California Globe

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<https://www.humboldt.edu/economic-index>

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