

Humboldt Economic Index

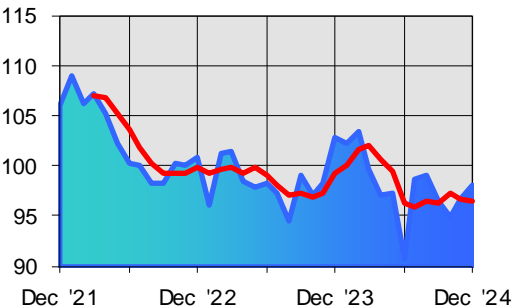
January 2025

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Index Rises led by Electricity Sector

Composite Index



The Composite Index increased 1.5 percent from last month to the current value of 98.0. The Composite is down 4.7 percent from this time last year. Hospitality, All sectors are up this month except for Retail.

The Index of Home Sales rose 3.4 percent this month but is 3.1 percent lower than this time last year. Median home prices in Humboldt County fell to \$428,675 from \$450,000 over the past month. The average 30-year fixed rate mortgage is 6.95 percent.

Leading indicators are mixed. Unemployment claims are up, which predicts future economic slowing. However, building permits and help wanted advertising are also up.

The Humboldt County unemployment rate dropped 0.1 points to 5.0 percent, while California's rate rose 1 point to 5.1 percent. The national seasonally adjusted unemployment rate

dropped 1 point to 4.1 percent. The average gas price in Eureka is essentially unchanged at \$4.90. Northern California saw a 10-cent rise in average gas prices and now stands at \$4.65, while the state average rose 9 cents to \$4.41.

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Jonathan Juarez, Assistant Editor
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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	98.0	1.5	-4.7	-7.9	-8.0
Home Sales	109.1	3.4	-3.1	-3.1	-6.0
Retail Sales	145.5	-0.4	-1.7	-10.7	-14.8
Hospitality	81.5	2.7	-15.8	-6.1	-8.1
Electricity	94.6	4.4	-3.5	-16.0	-25.0
Employment	106.5	1.1	-3.6	-5.8	-1.2
Lumber*	19.6				
Manufacturing**	140.8				

* 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

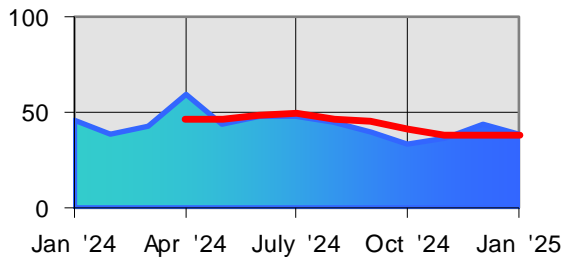
The Index tracks four leading indicators to get a sense of the direction that the county economy may take in the near future. The leading indexes are (1) number of initial claims for unemployment insurance, (2) building permits, and (3) help wanted advertising.

Leading Indicators		
Unemployment Claims	Building Permits	Help Wanted Advertising
19.5%	166.5%	10.3%
* Change from prior month. All values are seasonally adjusted.		

Key Statistics			
Median Home Price*	Monthly Rent**	Mortgage Rate†	Unemployment Rate‡
\$428,675	\$2,142	6.95%	5.0%
* 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 Craigslist. † 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 increased 19.5 percent to a new Index value of 43.8. The Unemployment Claims Index was 43.1 in December 2023, 1.7 percent lower than the present value. The 4-month moving average fell 0.7 percent to 38.4.

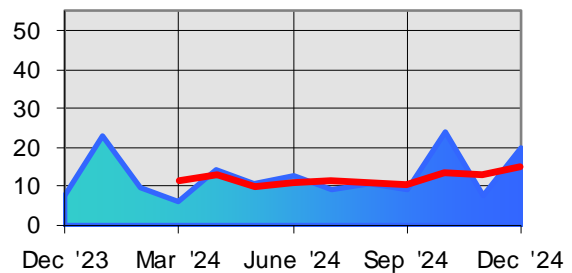
Index of Claims for Unemployment Insurance



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.

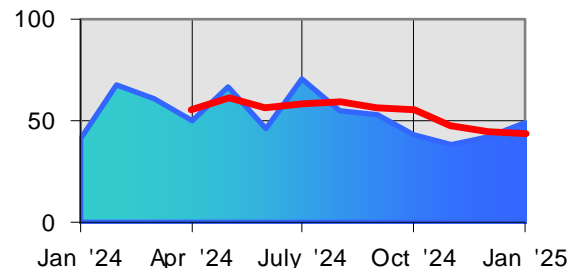
Building Permits rose 166.5 percent to a new index value of 19.8. The current value is 166.7 percent higher than the December 2023 value.

Index of Building Permits Issued



Help Wanted Advertising stands at an Index value of 42.3, up 10.3 percent from last month. The three-month moving average is at 41.3, down 8.3 percent from the previous moving average. In December there were 174 unique job postings on Craigslist.

Index of Help Wanted Advertising



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 for December 2024 stands at an Index value of 109.1. The new median home price as of December 2024 is \$428,675.

The S&P Case-Shiller Home Price Indices, a national index of housing prices, is calculated monthly using a 3-month moving average and published with a two-month lag. Within the Case-Shiller Index are composites of 10 and 20 cities that the Index considers representative of the national housing market, as well as the National Index.

The S&P Case-Shiller Home Price Indices saw a slightly higher year-over-year gain in December compared to November. The 10-City and 20-City Composites reported year-over-year gains of 5.1 percent and 4.7 percent, respectively. The National Index reported a 3.9 percent annual gain over the same period. After seasonal adjustment, the U.S. National, 20-City, and 10-City Composite Indices all posted a month-over-month increase of 0.5%.

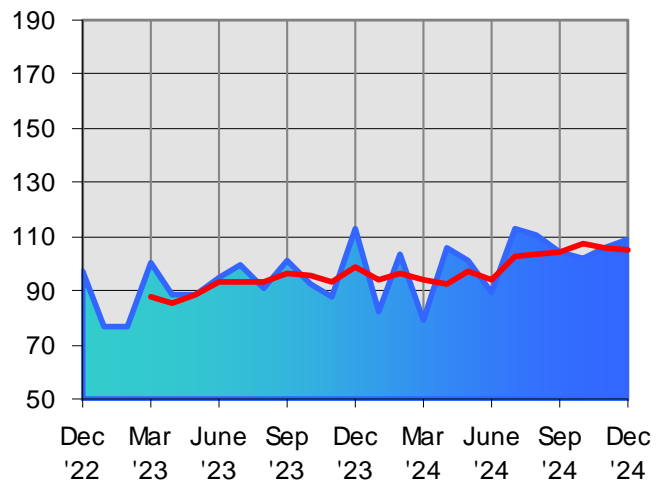
Brian D. Luke, CFA, Head of Commodities, Real & Digital Assets, notes, "It has been five years since the Covid-19 outbreak took hold of the global economy, sparking unprecedented volatility, massive fiscal and monetary stimulus, and a housing market that responded to

national migratory changes in how we work and where we live.

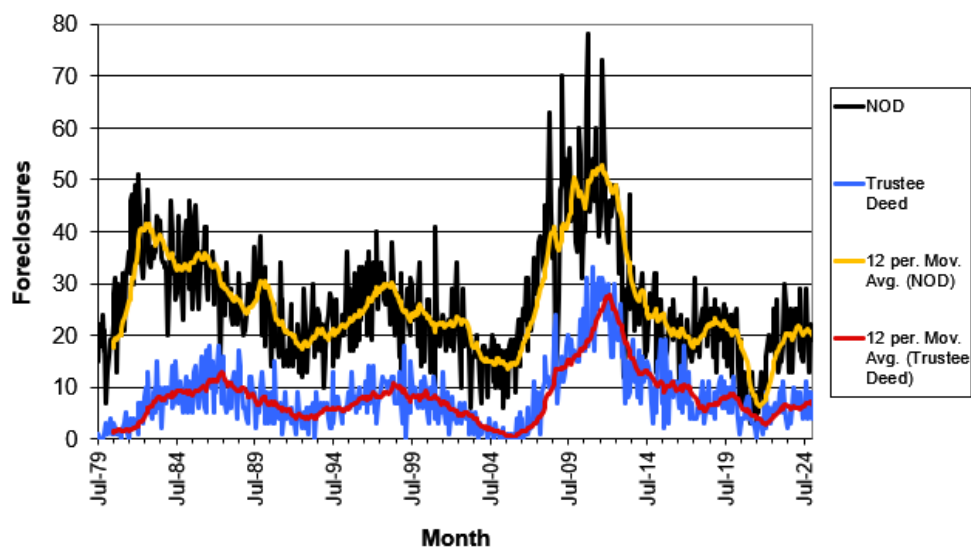
"National home prices have risen by 8.8% annually since 2020, led by markets in Florida, North Carolina, Southern California, and Arizona. While our National Index continues to trend above inflation, we are a few years removed from peak home price appreciation of 18.9% observed in 2021 and are seeing below-trend growth over the history of the index."

The Freddie Mac index indicated that, as of December 26, the 30-year fixed-rate mortgage rose to 6.85 from 6.69 at the beginning of the month. The 15-year fixed-rate mortgage similarly rose to 6.00 from 5.96.

Home Sales Index, Humboldt County



Monthly Foreclosures, Humboldt County



Source: Humboldt Economic Index and Humboldt County Recorder

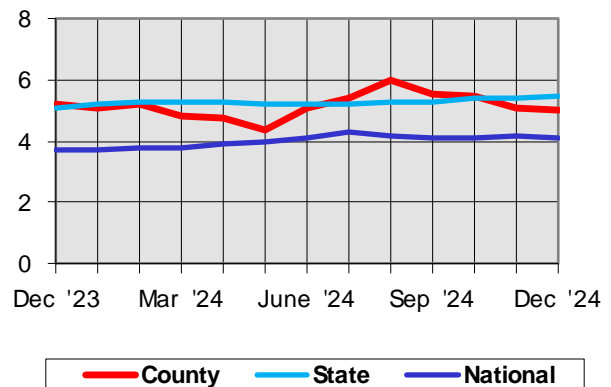
The Index – Individual Sectors

Total County Employment

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

The Total County Employment Index increased 1.1 percent to a value of 106.5. The Humboldt County unemployment rate dropped 0.1 points to 5.0 percent, while California's rate rose 1 point to 5.1 percent. The national seasonally adjusted unemployment dropped 1 point to 4.1 percent.

Unemployment Percentage Rates



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.

The Hospitality Index remained at a value of 87.7 since August. This month's index value represents a 6.8 percent decrease from this time last year. The 4-month moving average fell 1.4 percent to a current value of 90.7.

Gasoline Prices

California gas prices increased from to \$4.41 in January. Northern California's average increased to \$4.65. Eureka's average gas price per gallon increased to \$4.90.

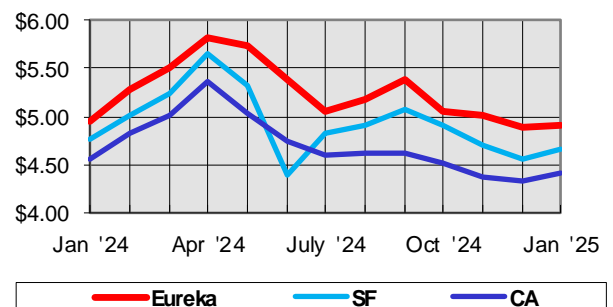
Reports from late October indicate continuously falling prices at the pumps. Many experts point to Israel's failure to target Iranian oil refineries and shipment centers as the cause for this. Across the Pacific Northwest, averages are the lowest they have been in the calendar year or almost reaching those record lows. Nationally, the price for crude oil has fallen below the \$70/barrel benchmark. "Gas prices are falling in most states this week, driven by lower crude oil prices and the usual seasonal factors of lower demand and less expensive winter-blend fuel. AAA expects pump prices to keep dropping if crude prices remain low," says Marie Dodds, public affairs director for AAA Oregon/Idaho.

Gas Prices

Prices as of 2/ 5/ 2025	Average price*	Change from previous month
Eureka	\$4.90	\$0.01
Northern California	\$4.65	\$0.09
California	\$4.41	\$0.09

* 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



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 Humboldt County manufacturing employment fell by 100 to 2,100 according to the Employment Development Department.

The Institute for Supply Management reported that September saw economic activity in the manufacturing sector grow for the sixteenth consecutive month, while the overall economy grew for the 64th consecutive month. The PMI registered at 56.6 percent, a decrease of 2.4 percentage points from August's 59 percent. Fifteen of the eighteen manufacturing industries are reporting growth in August including Wood Products, Furniture and Related Products, Paper Products, and Food, Beverage & Tobacco Products. Though new export orders were down 1.5 points in September, for a new index value of 53.5 percent, it still registered as the 22nd consecutive month of expansion in new export orders. Seven industries reported growth in new export orders in September, including Wood Products and Food, Beverage & Tobacco Products, while Paper 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 December, the Electricity Index rose 4.4 percent to a new value of 94.6.

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 dropped 0.4 percent to a current value of 145.5.

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 Composite Index. The Lumber Index averaged 19.6 in 2014, the last full year of data. 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.

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

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