

# Humboldt Economic Index

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Professor Erick Eschker, Director  
Jonathan Juarez, Assistant Editor  
Isaiah Oliver, Assistant Analyst

June 2025

## Retail and Real Estate Dip as Consumers Pull Back

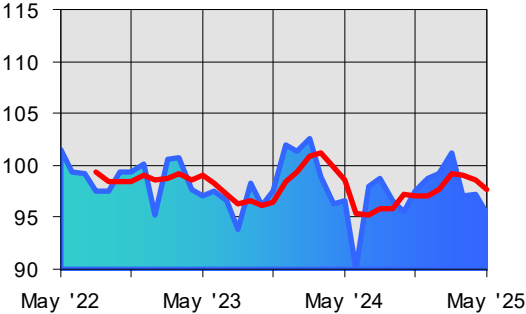
The Composite Index decreased 1.8 percent from last month's value of 97.2 to the current value of 95.4. The Composite is also down 1.1 percent from this time last year. All indicators are down in May.

The Index of Home Sales fell 7.2 percent this month and is 4.2 percent higher than this time last year. Median home prices in Humboldt County rose from \$436,195 to \$470,000 over the past month. Mortgage rates climbed recently, with the average 30-year fixed rate mortgage at 6.89 percent and the average 15-year fixed rate mortgage at 6.03 percent.

Leading indicators are mixed. While Building permits are down and Unemployment Claims are up, Help Wanted ads are up. Fewer permits and rising unemployment claims predict less economic activity in the future, but more help wanted ads predicts more activity.

The unemployment rates remain unchanged for the most part across the board with exception of the County rate. Humboldt County's rate rose 0.1 points

Composite Index



to 4.8 percent, while California's rate remained at 5.3 percent. The national seasonally adjusted unemployment rate also remained unchanged at 4.2 percent.

Average gas prices have begun to cool down from their recent climb, observing price decreases in most regions. Eureka's average gas price fell 24 cents to a new price of \$5.28.

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	95.4	-1.8	-1.1	4.7	-9.9
Home Sales	105.5	-7.2	4.2	39.4	-6.6
Retail Sales	140.5	-0.3	1.7	-9.3	-17.0
Hospitality	83.9	-6.9	-16.2	37.8	-8.3
Electricity	82.9	-1.7	-2.0	-20.7	-28.3
Employment	107.2	-0.1	1.7	9.5	-1.5
Lumber*	19.6				
Manufacturing**	151.1				

\* 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

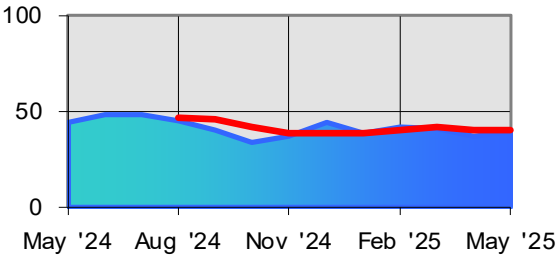
The Index tracks four leading indicators to get a sense of the direction that the county economy may take in the near future. The leading indexes are (1) number of initial claims for unemployment insurance, (2) building permits, and (3) help wanted advertising.

Leading Indicators		
Unemployment Claims	Building Permits	Help Wanted Advertising
13.1%	-40.4%	-14.1%
* Change from prior month. All values are seasonally adjusted.		

Key Statistics			
Median Home Price*	Monthly Rent**	Mortgage Rate†	Unemployment Rate‡
\$470,000	\$2,250	6.89%	4.8%
* 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** rose 6.6 percent over the month for a new Index value of 39.3. At this time last year, unemployment claims were at an index value of 44.4, 11.7 percent higher than present day. The 4-month moving average rose from 39.74 to 39.83.

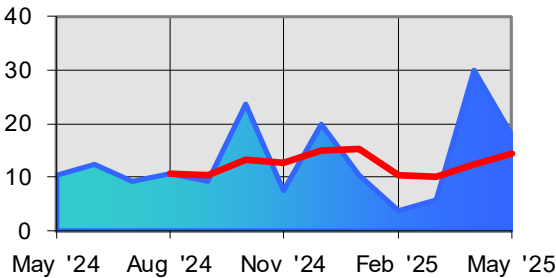
Index of Claims for Unemployment Insurance



**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.

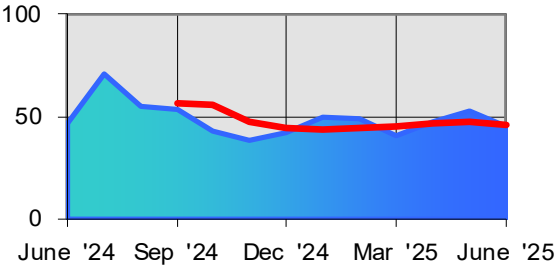
**Building Permits** decreased 40.4 percent over the month to an index value of 17.8, this is 71.4 percent higher than the value from last year. The 4-month moving average is now at 14.32, 14.8 percent higher than last month's value of 12.5.

Index of Building Permits Issued



**Help Wanted Advertising** rose to a value of 52.4, an increase of 11 percent from last month's value. Year-to-year, the index has fallen 22 percent from 66.9. The 4-month moving average rose by 2 percent from last month's value of 46.4 to a value of 47.2.

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 decreased 8.1 percent to a value of 105.5, which is 4.3 percent higher than this time last year. The county's median home price for the past month rose to a value of \$470,000, \$33,805 higher than last month's median. The county's median home price at this time last year was \$460,000.

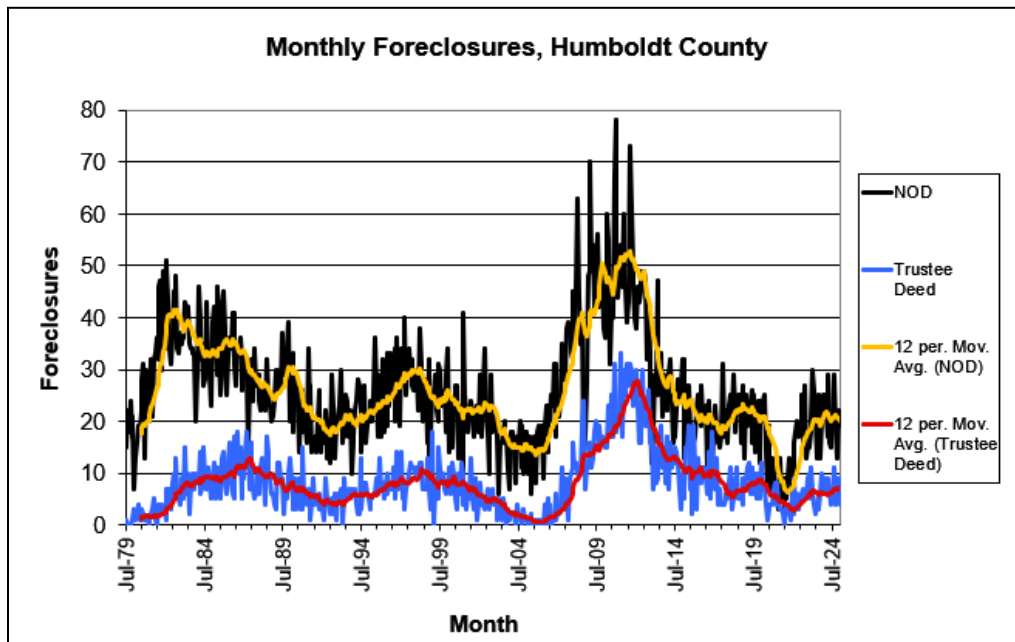
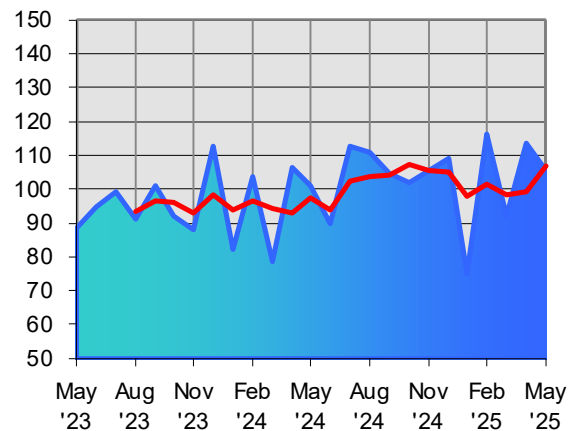
The S&P Case-Shiller Home Price Indices note "Home prices had a slight decrease in May" in their most recent report. National Home Price NSA Index, covering all nine U.S. census divisions, reported a 2.3% annual return for May, down from a 2.7% annual gain in the previous month. The 10-City Composite saw an annual increase of 3.4%, down from a 4.1% annual increase in the previous month. The 20-City Composite posted a year-over-year increase of 2.8%, down from a 3.4% increase in the previous month.

Nicholas Godec, CFA, CAIA, CIPM, Head of Fixed Income Tradables & Commodities at S&P Dow Jones Indices, notes "May's data continued the year's slow unwind of price momentum, with annual gains narrowing for a fourth consecutive month, National home prices were just 2.3% higher than a year ago, the smallest increase since July 2023, and nearly

all of that gain occurred in the most recent six months. The spring market lifted prices modestly, but not enough to suggest sustained acceleration". 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.

Mortgage rates decreased this month. According to Freddie Mac, the average 30-year fixed-rate mortgage is now 6.89 percent, and the average 15 year fixed-rate mortgage is 6.03 percent for the week ending May 29, 2025. The rates for a 30-year and 15-year fixed mortgage last year at this time were 7.03 and 6.36 respectively.

Home Sales Index



# The Index – Individual Sectors

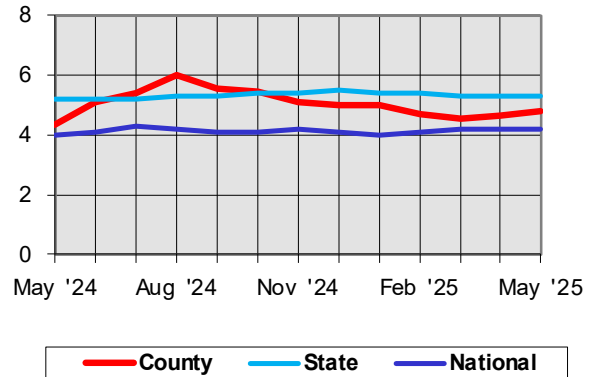
## Total County Employment

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

Total County Employment fell 0.1 percent this month to an index value of 107.2. The seasonally adjusted unemployment rate for Humboldt County rose 0.1 points to 4.8 percent. The seasonally adjusted national unemployment rate remained unchanged at 4.2 percent. The Labor Department's May statistics state that national employment added 139,000 nonfarm payroll jobs, and the unemployment rate was unchanged at 4.2 percent. National employment rose in health care, leisure and hospitality, social assistance. Employment declined in the federal government. Health care added 62,000 jobs in May, leisure and hospitality added 48,000 jobs, social assistance added 16,000 jobs in May, while government employment fell by 22,000 jobs. Employment showed little

change over the month in other major industries, including mining, quarrying, and oil and gas extraction; construction; manufacturing; wholesale trade; retail trade; transportation and warehousing, information; financial activities, professional and business services; and other services.

### 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.

Hospitality decreased 6.2 percent this month to a current value of 83.9. May's index value also represents a 16.3 percent decrease over this time last year. The 4-month moving average is also down 3.9 percent over last month with a current value of 87.5.

## Gasoline Prices

California's gas price are beginning to fall from a consecutive month to month climb at the start of the year. California saw a fall of 17 cents to \$4.56 in July. Northern California's average decreased by 19 cents to \$4.86. While Eureka's average gas price per gallon fell 24 cents to a new price of \$5.28.

FOX KTVU News reports "The state excise tax on each gallon of gas increased by 1.6 cents due to inflation.

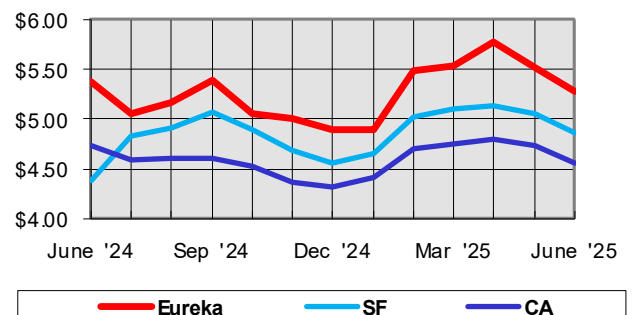
\*California's aggressive carbon fuel reduction efforts may or may not lead to a larger hike. The state's collection on each gallon of gas has risen slightly. But with crude oil prices currently dropping, that tax increase might not be noticeable yet."

### Gas Prices

Prices as of 7/ 1/ 2025	Average price*	Change from previous month
Eureka	\$5.28	-\$0.24
Northern California	\$4.86	-\$0.19
California	\$4.56	-\$0.17

\* Current average price per gallon of self-serve regular unleaded gasoline as reported by the American Automobile Association monthly gas survey ([www.csaa.com](http://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 remained constant at 2,100 according to the Employment Development Department.

The Institute for Supply Management reported that economic activity in the manufacturing sector contracted in May. The PMI registered at 48.5 percent in May, a decrease of 0.2 percentage points from April's 48.7 percent. Only seven of the eighteen manufacturing industries reporting growth in May were Plastics & Rubber Products; Nonmetallic Mineral Products; Petroleum & Coal Products; Furniture & Related Products; Electrical Equipment, Appliances & Components; Fabricated Metal Products; and Machinery. New export orders were down 3.0 percentage points in May, for a new index value of 40.1 percent, it now registered as the 3<sup>rd</sup> month of contraction after the month of February's marginal expansion in new export orders. Susan Spence, MBA, Chair of the Institute for Supply Management® (ISM®) Manufacturing Business Survey Committee states, "In May, U.S. manufacturing activity slipped further into contraction after expanding only marginally in February. Contraction in most of the indexes that measure demand and output have slowed, while inputs have started to weaken".

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 May, the Electricity Index fell 1.5 percent to a new value of 82.9. The current value is 1.7 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 decreased by 3.9 percent to a current value of 141.0, a 2.6 percent increase when compared to this time last year. The 4-month moving average for this index fell 1.1 percent to a current value of 151.6.

On the national scale, Consumer Confidence saw a significant rebound in the month of May, up 12.3 points for a current index value of 98.0. The Expectations Index also improved significantly 17.4 points to a value of 72.8, while the Present Situation Index rose 4.8 points to a current value of 135.9. Stephanie Guichard, Senior Economist, Global Indicators at The Conference Board, says "Consumer confidence has stabilized since May, rebounding from April's plunge, but remains below last year's heady levels."

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

## 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

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**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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Freddie Mac - Humboldt Association of Realtors  
Institute for Supply Management – FOX KTVU News  
The Eureka Consumer Price Index (CPI)

Layout & Design: Matt Hawk

**Contact Info:** Erick Eschker can be contacted at [ee3@humboldt.edu](mailto:ee3@humboldt.edu)

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

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