

Humboldt Economic Index

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September 2025



Economic Slowdown Continues

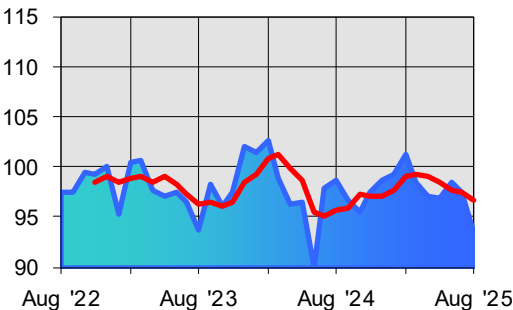
The Composite Index decreased 4.0 percent from last month's value of 97.4 to the current value of 93.5. The Composite is also down 5.2 percent from this time last year. All indicators are down this past month.

The Index of Home Sales fell 12.9 percent this month; in addition, it is 2.7 percent lower than this time last year. Median home prices in Humboldt County fell from \$449,775 to \$420,000 over the past month. Mortgage rates slightly fell, with the average 30-year fixed rate mortgage at 6.56 percent and the average 15-year fixed rate mortgage at 5.69 percent.

Leading indicators are mixed, signaling ambiguity for the future economy. A decline in Unemployment Claims, along with a decline in Help Wanted Ads and Building Permits, suggest uncertain economic conditions ahead.

Unemployment rates showed mixed movement this month. Humboldt County's seasonally adjusted rate rose by 0.1 points to 6.1 percent, while the state rate rose by 0.1 now at 5.5 percent. Nationally, the seasonally adjusted unemployment rate edged up

Composite Index



slightly by 0.1 points to 4.3 percent. Meanwhile, total employment in the county fell by 0.1 percent, bringing the index down to 103.9.

Gas prices across California continue their previous climb in October, with most regions experiencing slight increases in October. The statewide average rose by 3 cents, reaching \$4.63. In Northern California, prices saw a modest 5-cent drop, averaging \$4.76. However, Eureka experienced a small decrease of 1 cent, bringing its 2025 average to \$5.14.

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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	93.5	-4.0	-5.2	-8.1	-10.4
Home Sales	107.7	-12.9	-2.7	-31.0	-5.2
Retail Sales	141.0	-3.5	-17.1	-9.8	-14.8
Hospitality	84.1	-7.7	1.5	-3.6	-9.3
Electricity	76.4	-9.5	-10.3	-28.7	-30.9
Employment	103.9	-0.1	0.7	3.9	-3.4
Lumber*	19.6				
Manufacturing**	92.4				

* 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

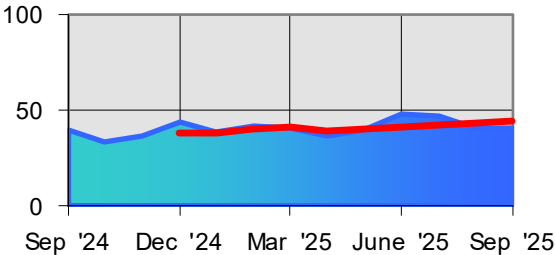
The Index tracks four leading indicators to get a sense of the direction that the county economy may take in the near future. The leading indexes are (1) number of initial claims for unemployment insurance, (2) building permits, and (3) help wanted advertising.

Leading Indicators		
Unemployment Claims	Building Permits	Help Wanted Advertising
0.2%	-26.1%	-0.6%
* Change from prior month. All values are seasonally adjusted.		

Key Statistics			
Median Home Price*	Monthly Rent**	Mortgage Rate†	Unemployment Rate‡
\$420,000	\$2,193	6.75%	6.1%
* 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 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 declined by 11.6 percent this month, bringing the index down to 41.3. Compared to the same time last year, when the index stood at 44.9, claims are 11.6 percent lower. The 4-month moving average increased by 2.6 percent, rising from 42.9 to 44.0.

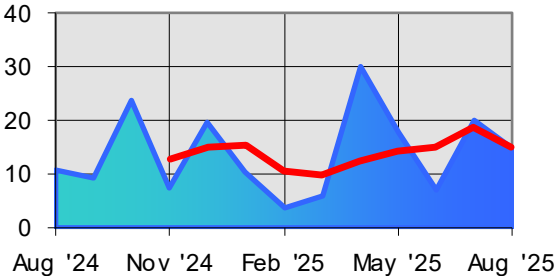
Index of Claims for Unemployment Insurance



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.

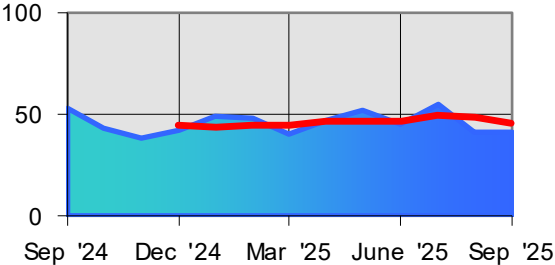
Building Permits fell by 26.1 percent, reaching an index value of 14.7, down from 20.0 last month. Compared to the same month last year, the index rose 37.5 percent. The 4-month moving average decreased to 14.9, which is 20.3 percent lower than last month's 18.6.

Index of Building Permits Issued



Help Wanted Advertising decreased to 41.4 this month, marking a 24.1 percent fall from last month. Additionally, compared to the same time last year, the index is down 24.8 percent. The 4-month moving average also went down, falling 2.9 percent from 49.8 to 48.3.

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 12.9 percent to a value of 107.7, which is also 2.7 percent lower than this time last year. The county's median home price for the past month fell to a value of \$420,000, \$29,775 lower than last month's median. The county's median home price at this time last year was \$429,950.

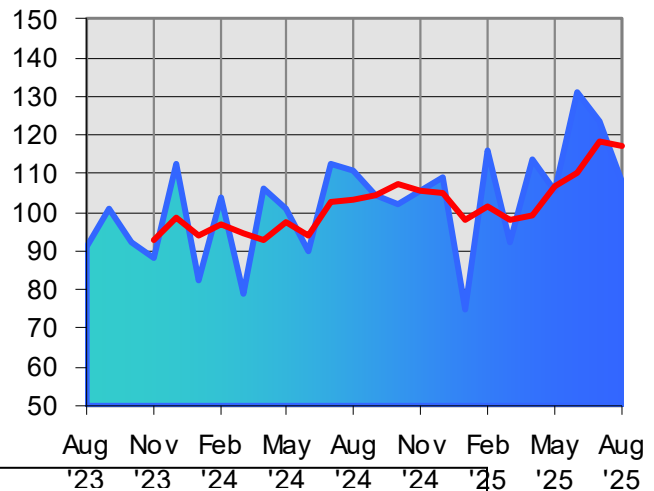
The latest report from the S&P Case-Shiller Home Price Indices highlights continued growth, with the 20-City Composite, 10-City Composite, and National Index showing increases of 1.7%, 1.8%, and 2.3%, respectively. However, in real terms, housing wealth declined, as the national gain of 1.7% in July was outpaced by the 2.7% rise in consumer prices. Additionally, 15 out of the 20 major metropolitan areas experienced month-to-month declines in July, signaling a widespread cooling trend, even during the peak of the buying season.

Nicholas Godec, CFA, CAIA, CIPM, Head of Fixed Income Tradables & Commodities at S&P Dow Jones Indices, noted that July's data shows a clear slowdown in the housing market, with growth now aligning more closely with inflation. He believes the era of 15-20% annual price increases is over, and while this means s

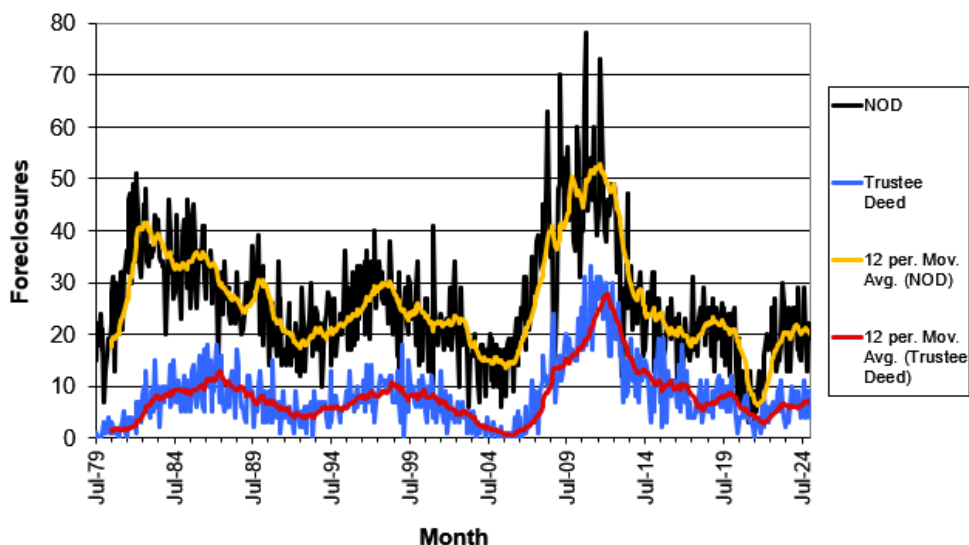
lower wealth gains for homeowners, it signals a healthier, more sustainable market. Godec highlighted regional performance differences as another sign of normalization, with stronger local economies outpacing overvalued markets. In short, the market is shifting from rapid growth to stability, which may be disappointing to some sellers but ultimately creates a more balanced foundation for the future.

Mortgage rates decreased this month. According to Freddie Mac, the average 30-year fixed-rate mortgage is now 6.56 percent, and the average 15 year fixed-rate mortgage is 5.69 percent for the week ending August 28, 2025. The rates for a 30-year and 15-year fixed mortgage last year at this time were 6.35 and 5.51 respectively.

Home Sales Index



Monthly Foreclosures, Humboldt County



Source: Humboldt Economic Index and Humboldt County Recorder

The Index – Individual Sectors

Total County Employment

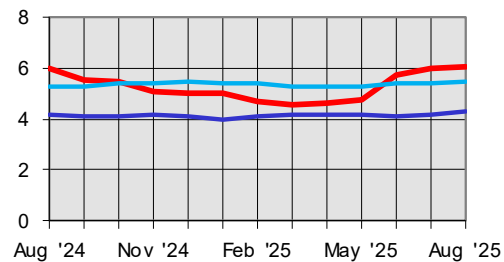
The Index value of the employment sector is based on seasonally adjusted total employment as reported by the Employment Development Department.

Total employment in the county declined by 0.1 percent this month, bringing the index down to 103.9. Humboldt County's seasonally adjusted unemployment rate increased by 0.1 percentage points to 6.1 percent. Nationally, the seasonally adjusted unemployment rate rose slightly by 0.1 points to 4.3 percent, and the state unemployment rate rose by 0.1 points to 5.5 percent.

The Labor Department's August statistics state that national employment added 22,000 nonfarm payroll jobs, and the unemployment rate was slightly changed at 4.3 percent. National employment rose in health care and social assistance. Employment continues to decline in the federal government and in mining, quarrying, and oil and gas extraction. Health care employment

added 31,000 jobs, social assistance added 16,000 jobs, in August, while government employment fell by 15,000 jobs and mining, quarrying, and oil and gas extraction declined by 6,000 jobs. Employment showed little change over the month in other major industries, including construction; manufacturing; wholesale trade; retail trade; transportation and warehousing; information; financial activities; professional and business services; leisure and hospitality; 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 fell 7.7 percent this month to a current value of 84.1. August's index value also represents a 1.5 percent increase over this time last year. The 4-month moving average is also down 1.7 percent over last month with a current value of 91.2.

Gasoline Prices

California's gas prices continue their slight rise in October, increasing by 3 cents to reach \$4.63. In Northern California, prices went down by 5 cents, averaging \$4.76. In Eureka, gas prices fell by 1 cent during the month, bringing the 2025 average to \$5.14.

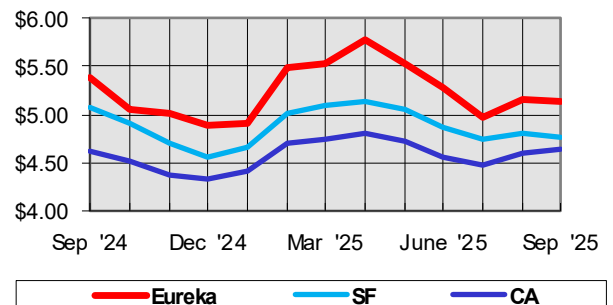
The San Jose Mercury News reports The Chevron refinery fire in El Segundo, over 350 miles from the Bay Area, is expected to cause a spike in gas prices across California. The fire temporarily shut down one of the state's busiest refineries, disrupting an already limited fuel supply. Experts warn this could lead to a sharp increase in prices, starting in Southern California and affecting the entire state. Severin Borenstein, an energy expert at UC Berkeley, said the disruption could result in a "price shock," especially due to California's unique gasoline blend requirements. GasBuddy estimates prices could rise by as much as 95 cents per gallon.

Gas Prices

Prices as of 10/ 1/ 2025	Average price*	Change from previous month
Eureka	\$5.14	-\$0.01
Northern California	\$4.76	-\$0.05
California	\$4.63	\$0.03

* 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 Humboldt County manufacturing employment remained constant at 2,100 according to the Employment Development Department.

The Institute for Supply Management reported that U.S. manufacturing activity contracted in August for the sixth straight month, with the PMI slightly increasing to 48.7%, up from 48% in July. This follows a brief two-month expansion after 26 consecutive months of decline. Only two of the 18 manufacturing industries, Nonmetallic Mineral Products and Plastics & Rubber Products, reported growth. New export orders also increased slightly to 47.6%, marking the sixth straight month of contraction. In August, industries such as Nonmetallic Mineral Products, Electrical Equipment, Appliances & Components, and Machinery saw growth in export orders. The PMI reflects manufacturing managers' expectations for near-term business conditions.

In August, the manufacturing sector saw broad weakness, with export orders declining in 8 industries. Key sectors impacted included Wood Products, Apparel, Leather & Allied Products, and Paper Products. Additionally, seven industries reported no change in export orders, reflecting continued sluggish demand.

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 August, the Electricity Index fell 9.5 percent to a new value of 76.4. The current value is 10.3 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 fell 3.5 percent to a current value of 141.0, a 17.1 percent decline when compared to this time last year. The 4-month moving average for this index remained constant to a current value of 143.0.

Nationally, consumer confidence declined by 1.3 points in August to 97.4, down from a revised 98.7 in July, continuing a period of modest fluctuation. The Present Situation Index, reflecting views on current business and labor conditions, fell by 1.6 points to 131.2. Meanwhile, the Expectations Index, tracking short-term outlooks for income, business, and jobs, decreased by 1.2 points to 74.8, staying below the recession-warning threshold of 80 for the sixth consecutive month. Preliminary data was collected through August 20, 2025.

Consumer confidence in August softened slightly but remained in line with levels seen over the past few months, according to The Conference Board's Stephanie Guichard. While optimism about future business conditions improved, views on job availability continued to decline for the eighth straight month, signaling ongoing concerns about the labor market. Despite this, stronger expectations for business conditions helped offset some of the pessimism.

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 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.

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■ ■ ■ *realize human potential*

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