

Humboldt Economic Index

July 2024

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Professor Erick Eschker, Director

Nick Salgado-Stanley, Assistant Editor

Isaiah Oliver, Assistant Analyst

Housing and Retail Sales Fall

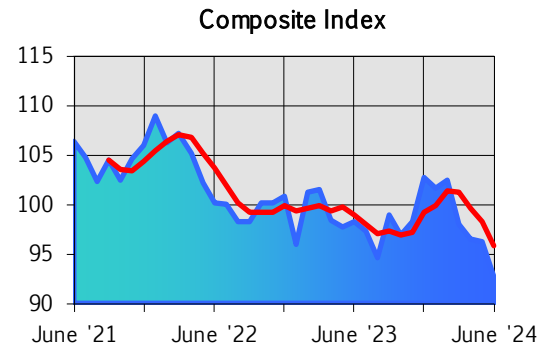
The Composite Index fell to 92.8, down 3.6 points from the previous month. The Composite Index is down 5.6 points from this time last year. This month all sectors fell except for hospitality.

The median home price is up \$32,000 to \$492,000.

Leading Indicators are mixed, with permits and help wanted ads up, and unemployment claims also up.

The seasonally adjusted unemployment rate in Humboldt County increased from 4.3 percent to 5.1 percent.

Eureka's average gas price per gallon decreased by 33 cents to \$5.05.



The Humboldt Economic Index is produced by the Economics Department at Humboldt State 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 | | | | | |
|---------------------|-------------|---------------------|------------------|--------------------|-------------------|
| Index | Value*** | Percent change from | | | |
| | | Last Month | One Year ago**** | Five Years ago**** | Ten Years ago**** |
| Composite | 92.8 | -3.6 | -5.6 | -11.4 | -5.2 |
| Home Sales | 89.7 | -11.4 | -5.4 | -25.0 | -11.2 |
| Retail Sales | 123.1 | -11.0 | -18.8 | -22.1 | -23.9 |
| Hospitality | 95.4 | 2.8 | -1.1 | 3.5 | 14.4 |
| Electricity | 82.3 | -2.8 | -8.7 | -20.0 | -28.9 |
| Employment | 104.2 | -1.1 | 0.5 | -5.8 | 7.1 |
| Lumber* | 26.3 | | | | |
| Manufacturing** | 152.0 | | | - | - |

* 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

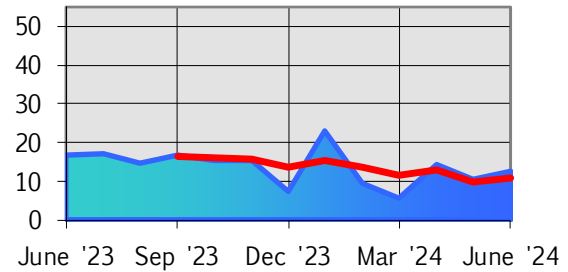
The Index tracks four leading indicators to get a sense of the direction that the county economy may take in the near future. The leading indexes are (1) unfilled orders for manufactured goods, (2) number of initial claims for unemployment insurance, (3) building permits, and (4) help wanted advertising.

| Leading Indicators | | | |
|----------------------------------------------------------------|---------------------|------------------|-------------------------|
| Manufacturing Orders | Unemployment Claims | Building Permits | Help Wanted Advertising |
| N/A | 0.3% | 20.4% | 52.8% |
| * Change from prior month. All values are seasonally adjusted. | | | |

| Key Statistics | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|--------------------|
| Median Home Price* | Monthly Rent** | Mortgage Rate† | Unemployment Rate‡ |
| \$492,000 | \$2,410 | 6.75% | 5.1% |
| <p>* 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.</p> <p>** Average rent on 2, 3 and 4 bedroom houses listed in the Times Standard.</p> <p>† 30-year owner occupied conforming conventional fixed rate provided by Umpqua Bank.</p> <p>‡ Seasonally adjusted Humboldt County unemployment rate is based on non-seasonally adjusted preliminary EDD data.</p> | | | |

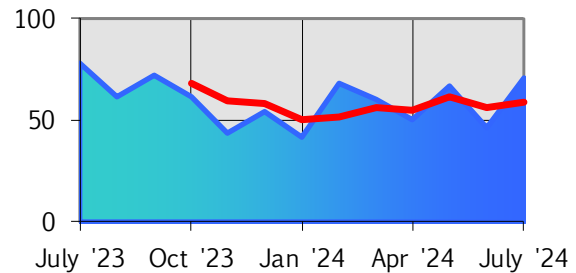
Building Permits increased from 10.4 to 12.5.

Index of Building Permits Issued



Help Wanted Advertising increased from 46.4 to 70.9.

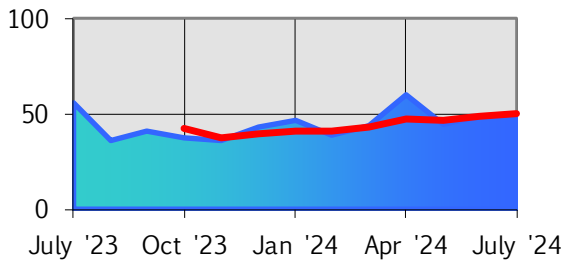
Index of Help Wanted Advertising



Manufacturing Orders are not available this month.

Unemployment Claims increased 0.3 points to a new Index value of 48.6.

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.

The Index – Individual Sectors

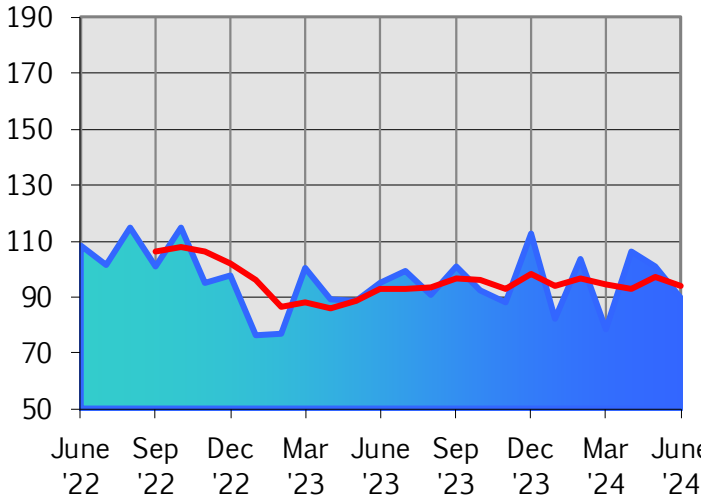
Home Sales

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.

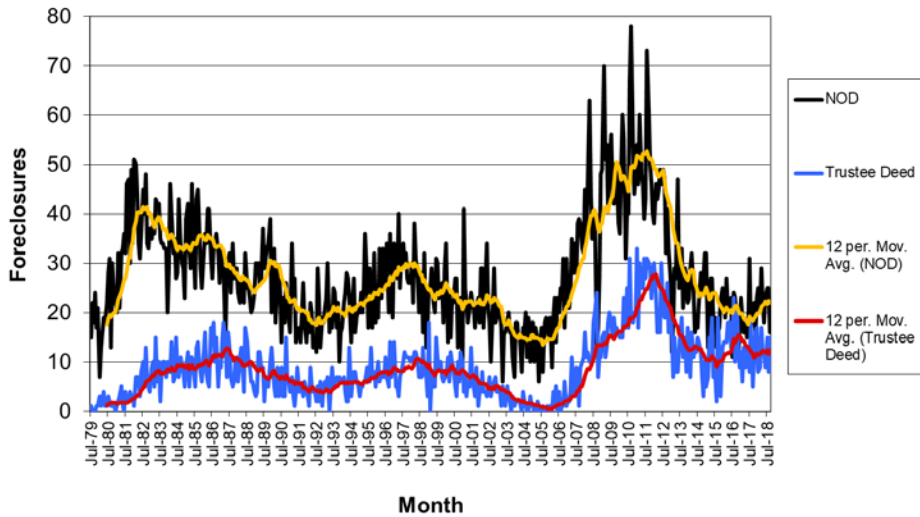
The Humboldt County Home Sales Index for June 2024 stands at an Index value of 89.7. The median home price is \$492,000.

According to Freddie Mac, the average 30-year fixed-rate mortgage is 6.75 percent.

Home Sales Index, Humboldt County



Monthly Foreclosures, Humboldt County



Source: Humboldt Economic Index and Humboldt County Recorder

The Index – Individual Sectors

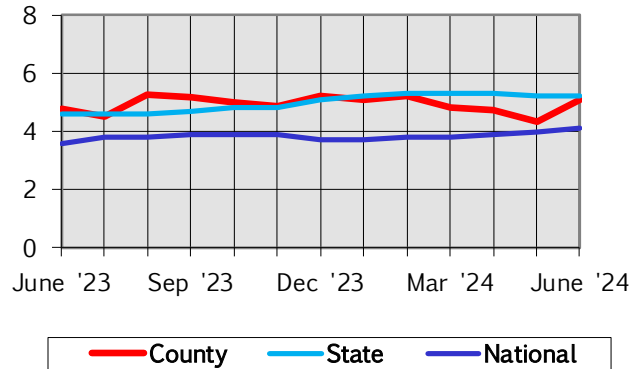
Total County Employment

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 decreased 1.2 points to a value of 104.2. The seasonally adjusted unemployment rate for Humboldt County decreased from 4.3 percent to 5.1 percent. The unemployment rate for California was unchanged at 4.2 percent. The national unemployment rate rose from 4.0 to 4.1 percent.

The Employment Development Department of California indicated that in June Humboldt County's preliminary estimate of total employment fell by 700 individuals to a total of 57,000.

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 increased in June to a new value of 95.4 from 92.7.

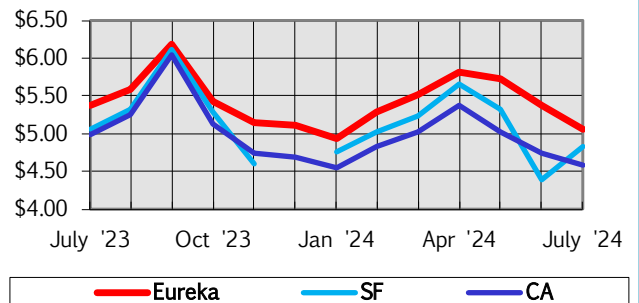
Gasoline Prices

California's average gas price fell slightly in July to \$4.59, a 15 cent decrease from the previous month. Northern California's average price increased 45 cents to a new average of \$4.83, while Eureka's average gas price fell by 33 cents to a new average of \$5.05.

| Gas Prices | | |
|-----------------------|----------------|----------------------------|
| Prices as of 8/1/2024 | Average price* | Change from previous month |
| Eureka | \$5.05 | -\$0.33 |
| Northern California | \$4.83 | \$0.45 |
| California | \$4.59 | -\$0.15 |

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

Manufacturing employment rose by 100 to 2,400 individuals, according to the Employment Development Department.

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. Because we collect our data for this sector quarterly, values are frequently estimated, and are revised when the quarterly data are received.

The Electricity Index fell in June to 82.3 from 84.6.

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 is reporting at a value of 123.1 for June, a drop of 15.1 points from the previous month.

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.

HUMBOLDT STATE UNIVERSITY

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The Conference Board - Employment Development Department (CA)
Freddie Mac - Humboldt Association of Realtors
Institute for Supply Management – CNBC

Layout & Design: Matt Hawk

Contact Info: Erick Eschker can be contacted at ee3@humboldt.edu

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