

Humboldt Economic Index

March 2025

Our Sponsors:



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

Home Sales rising, will fuel follow?

This month we welcome Jonathan Juarez as Assistant Editor. Jonathan is double majoring in Economics and Data Science. That's a great combination!

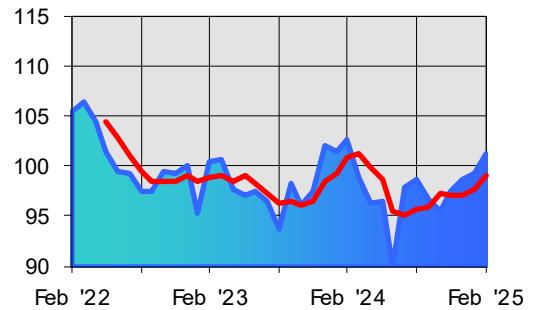
The Composite Index increased 2.0 percent from last month's value of 99.2 to the current value of 101.2. The Composite is also down 1.4 percent from this time last year. Home Sales, Employment, and Retail are all up this month, while Hospitality and Energy saw declines in March.

The Index of Home Sales rose 54.9 percent this month and is 12.1 percent higher than this time last year. Median home prices in Humboldt County rose from \$402,500 to \$430,000 over the past month. Mortgage rates climbed recently, with the average 30-year fixed rate mortgage at 6.79 percent and the average 15-year fixed rate mortgage at 6.11 percent.

Leading indicators are mixed. Unemployment claims are down, which predicts future economic growth, while building permits and help wanted advertising fell, which points toward future decline.

The unemployment rates are also mixed across the board. Humboldt

Composite Index



County's rate dropped 0.3 points to 4.7 percent, while California's rate remained unchanged at 5.4 percent. The national seasonally adjusted unemployment rate rose 0.1 points to 4.1 percent.

Average gas prices continue their recent climb, seeing gradual increases in most regions. Eureka's average gas price has risen 5-cent to a new price average of \$5.53. Northern California saw a 8-cent increase in average gas prices and now stands at \$5.10, while the state average increased 4 cents to a new price of \$4.75.

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

Index	Value***	Percent change from			
		Last Month	One Year ago****	Five Years ago****	Ten Years ago****
Composite	101.2	2.0	-1.4	-9.5	-5.4
Home Sales	116.2	54.9	12.1	-16.9	-11.9
Retail Sales	160.9	1.9	-1.4	-10.1	-11.3
Hospitality	92.6	-6.9	-10.1	-5.2	8.1
Electricity	88.4	-7.0	-6.3	-18.1	-18.7
Employment	107.5	1.0	0.5	-6.9	-0.9
Lumber*	19.6				
Manufacturing**	128.7				

* 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

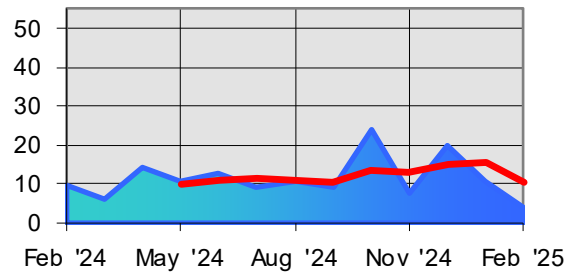
The Index tracks four leading indicators to get a sense of the direction that the county economy may take in the near future. The leading indexes are (1) number of initial claims for unemployment insurance, (2) building permits, and (3) help wanted advertising.

Leading Indicators		
Unemployment Claims	Building Permits	Help Wanted Advertising
-2.4%	-63.6%	-16.8%
* Change from prior month. All values are seasonally adjusted.		

Key Statistics			
Median Home Price*	Monthly Rent**	Mortgage Rate†	Unemployment Rate‡
\$430,000	\$2,116	6.95%	4.7%
<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 Craigslist.</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>			

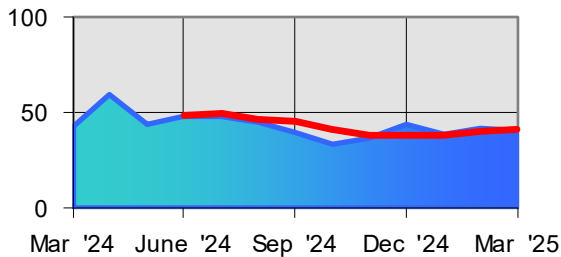
Building Permits declined 63.6 percent to an index value of 3.8, down from last month's value of 10.4. The 4-month moving average is now at 10.4, 5.0 percent below last month's value of 15.3.

Index of Building Permits Issued



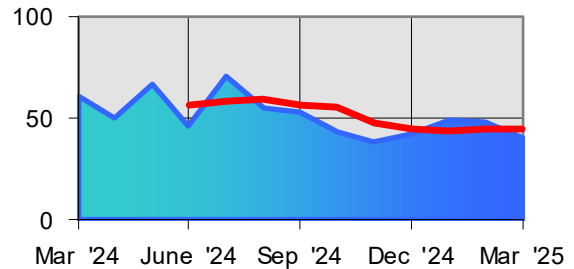
Unemployment Claims rose 8.3 percent over the month for a new Index value of 42.1. At this time last year, unemployment claims were at an index value of 39.0, 8.1 percent lower than present day. The 4-month moving average rose from 38.2 to 40.4.

Index of Claims for Unemployment Insurance



Help Wanted Advertising fell to a value of 48.7, a decrease of 1.6 percent from last month's value. Year-to-year, the index has fallen 28.3 percent. The 4-month moving average rose 1.4 percent from last month's value of 43.4 – to a value of 44.7.

Index of Help Wanted Advertising



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 a whopping 54.9 percent to a value of 116.2, which is also 12.1 percent higher than this time last year. The county’s median home price for the past month rose to a value of \$430,000, \$27,500 higher than last month’s median. The county’s median home price at this time last year was \$412,500.

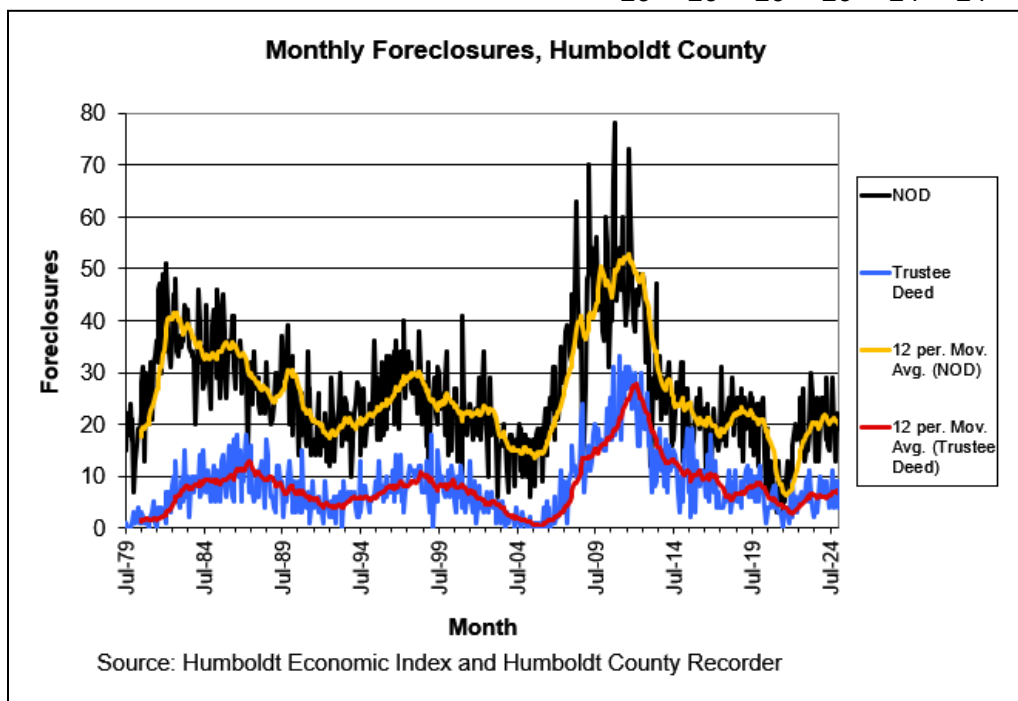
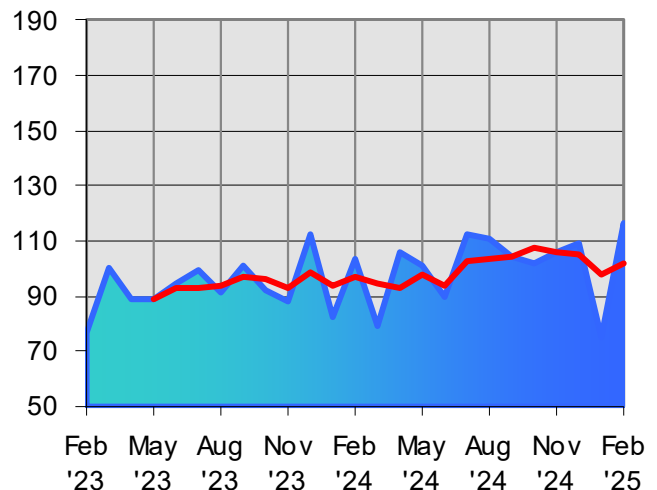
The S&P Case-Shiller Home Price Indices note a “significant slowdown in prices” in their most recent report. The 10-City and 20-City Composite reported growths of 6.7 percent each over the 12-month period, and the monthly National Index saw a 5.6 percent increase over the same period. Over the month of July, the National Index rose 0.5 percent, with both Composites gaining 0.6 percent that month. When measured against the June/July 2006 peaks, both Composites have seen an approximate peak-to-current decline of 16-17 percent.

David M. Blitzer, Chairman of the Index Committee at S&P Dow Jones Indices, notes the deceleration in home prices, but states “home prices continue to rise at two to three times the rate of inflation.” Blitzer also notes that an increase in new home sales in August – a figure the Home Price Indices do not track –

is a positive sign despite the recent slowdown in price gain. 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 increased this month. According to Freddie Mac, the average 30-year fixed-rate mortgage is now 4.19 percent, and the average 15-year fixed-rate mortgage is 3.36 percent for the week ending October 2, 2014. The rates for a 30-year and 15-year fixed mortgage last year at this time were 4.22 and 3.29 respectively.

Home Sales Index



The Index – Individual Sectors

Total County Employment

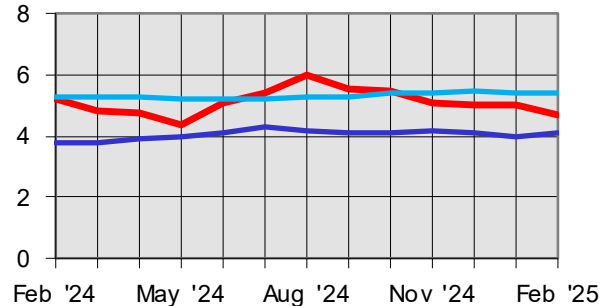
The Index value of the employment sector is based on seasonally adjusted total employment as reported by the Employment Development Department.

Total County Employment rose 1.0 percent this month to an index value of 107.5. The seasonally adjusted unemployment rate for Humboldt County fell 0.3 points to 4.7 percent. The seasonally adjusted national unemployment rate was up 0.1 points, now reporting at 4.1 percent.

The Labor Department's February statistics state that national employment added 151,000 nonfarm payroll jobs, and the unemployment rate slightly rose to 4.1 percent. National employment rose in health care, financial activities, transportation and warehousing, and social assistance. Employment declined in the Federal government. Health care added 52,000 jobs in February, financial activities added 21,000 jobs, Transportation and warehousing added over

18,000 jobs, and Social assistance added 11,000 jobs, while government employment fell by 10,000 jobs. Employment showed little change over the month in other major industries, including mining, quarrying, and oil and gas extraction; construction; manufacturing; wholesale trade; information; 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 declined 6.9 percent this month to a current value of 92.6. February's index value also represents a 10.1 percent decrease over this time last year. The 4-month moving average is also down 0.5 percent over last month with a current value of 93.7.

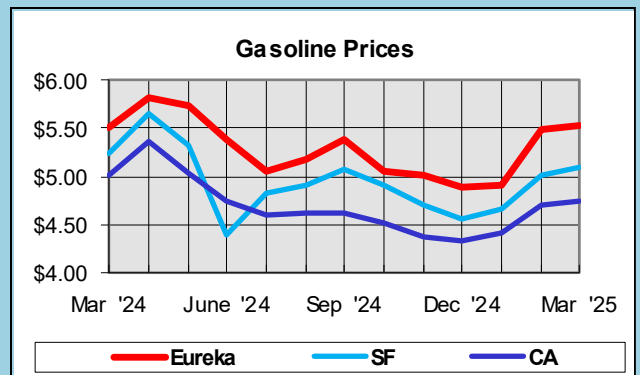
Gasoline Prices

California's gas prices continue to rise another 4 cents to \$4.75 in March. Northern California's average increased by 8 cents to \$5.10. While Eureka's average gas price per gallon rose 5 cents to a new price of \$5.53

The San Jose Mercury News reports that although gas prices are beginning to ease following the Martinez refinery explosion, the statewide supply remains tight as experts warn that suppliers are still struggling to meet overall demand. In the month of February gasoline prices jumped significantly higher in the Bay Area in the wake of an explosion and fire over the weekend that knocked an East Bay refinery offline. The incident at the Martinez Refining Co. plant in northern Contra Costa County halted operations at the refinery. Now the effects are starting to subside however side effects continue to linger as the Oil and energy industry experts say the Martinez refinery explosion caused a temporary spike in California gas prices, but ongoing factors like crude oil supply and environmental program funding are still influencing costs.

Gas Prices		
Prices as of 4/ 1/ 2025	Average price*	Change from previous month
Eureka	\$5.53	\$0.05
Northern California	\$5.10	\$0.08
California	\$4.75	\$0.04

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



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 expanded in February after 26 consecutive months of contraction. The PMI registered at 50.3 percent, a decrease of 0.6 percentage points from January's 50.9 percent. Six of the eighteen manufacturing industries are reporting growth in February including Plastics & Rubber Products; Wood Products; Paper Products; Miscellaneous Manufacturing; Fabricated Metal Products; and Transportation Equipment. New export orders were down 1.0 percentage points in February, for a new index value of 51.4 percent, it now registered as the 2nd consecutive month of expansion in new export orders. Four industries reported growth in new export orders in February, including Nonmetallic Mineral Products; Paper Products; Miscellaneous Manufacturing; and Computer & Electronic Products. 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 February, the Electricity Index fell 7.0 percent to a new value of 88.4. The current value is 6.3 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 rose 1.9 percent to a current value of 160.9, a 1.4 percent decline when compared to this time last year. The 4-month moving average for this index also rose 5.7 percent to a current value of 152.5.

On the national scale, Consumer Confidence dropped sharply in the month of February, down 7.0 points for a current index value of 98.3. The Expectations Index fell 9.3 points to a value of 72.9, while the Present Situation Index fell 3.4 points to a current value of 136.5. Stephanie Guichard, Senior Economist, Global Indicators at The Conference Board, says "In February, consumer confidence registered the largest monthly decline since August 2021, this is the third consecutive month on month decline, bringing the Index to the bottom of the range that has prevailed since 2022. Of the five components of the Index, only consumers' assessment of present business conditions improved, albeit slightly. Views of current labor market conditions weakened. Consumers became pessimistic about future business conditions and less optimistic about future income. Pessimism about future employment prospects worsened and reached a ten-month high." 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

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
Humboldt.

C O L L E G E O F P R O F E S S I O N A L S T U D I E S
■ ■ ■ *realize human potential*

Cited References:

Bureau of Labor Statistics - Case-Shiller Home Price Indices
The Conference Board - Employment Development Department (CA)
Freddie Mac - [Humboldt Association of Realtors](#)
Institute for Supply Management – San Jose Mercury News

Layout & Design: Matt Hawk

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

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

Copyright © 2025 [Erick Eschker](#)