



# OKLAHOMA State Treasurer Todd Russ

## Economic Report

March 2024

Issuing a monthly economic report, developed internally to provide a timely, broad overview of the state's economy.



**GROSS PROD. TAX** ▼  
Down \$11.8M, 12.4%



**INCOME TAX** ▲  
Up \$97.4M, 25.3%



**SALES & USE TAX** ▲  
Up \$50.7M, 9.8%



**VEHICLE TAX** ▲  
Up \$8.9M, 11.7%



**OTHER TAX** ▲  
Up \$8.1M, 7%

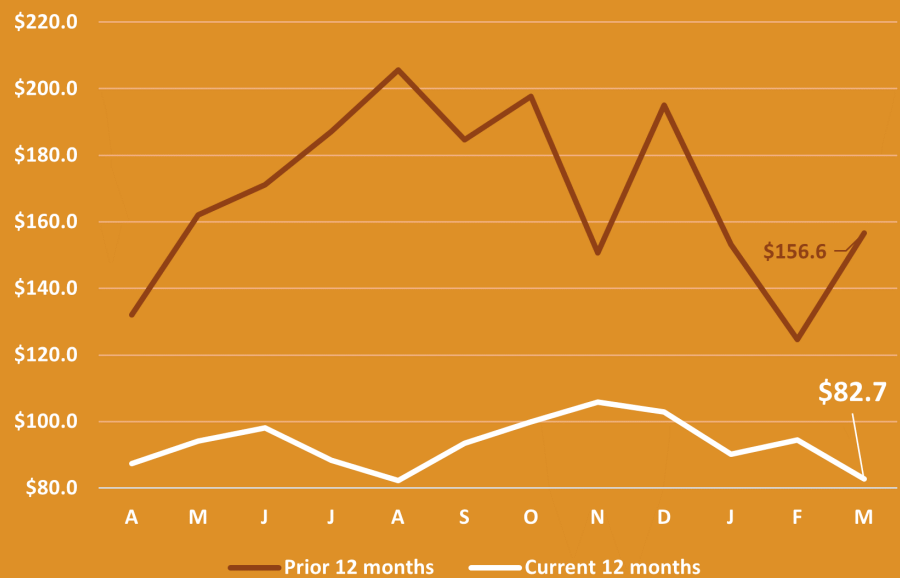
**Gross Production Tax total \$82.7 million in revenues and saw an overall decrease over the month of \$11.8 million or 12.4%.**

GPT continues a lower trend since plummeting last April. The US Energy Information Administration **forecasts lower oil prices, expecting production to outpace demand**.

**Gross Production Tax** (GPT) is the Oklahoma severance tax imposed on producers for the extraction of oil and natural gas.

Tax fluctuates widely from the volatile nature of commodity prices and production levels. The Revenue Stabilization Fund smooths out peaks and valleys. The fund receives deposits from the **gross production tax** and **corporate income tax** when above the five-year rolling average.

### Gross Production Tax in millions



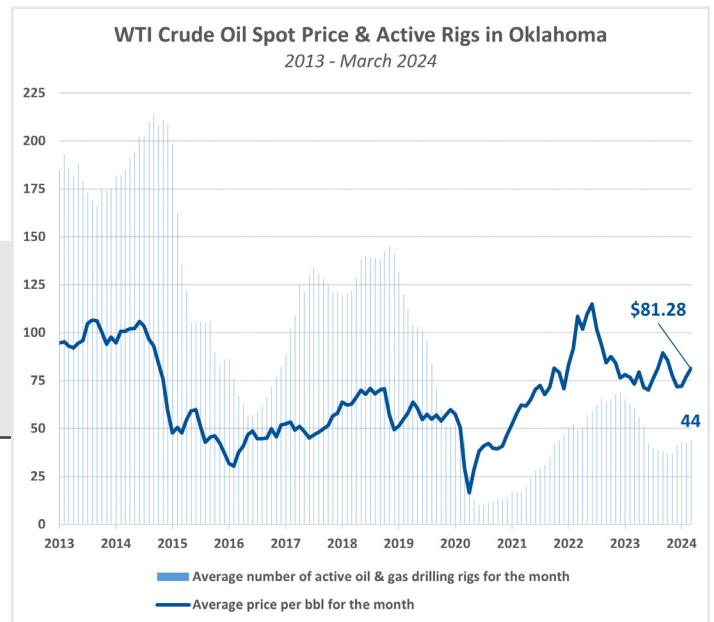
Gross Production Tax



Average WTI Crude Oil Price is up more than **\$4** from last month, settling at **\$81.28**. The average rig count is up to **44**, up **two** from last month.

Since peaking last October, weekly average **U.S. Gasoline Prices** finish the month at **\$3.54** for all regular formulations, up for the third month in a row or **6.35%**.

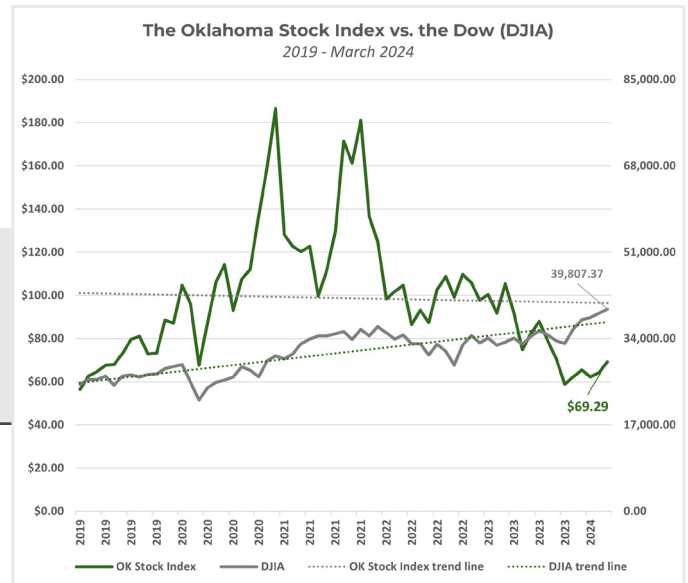
Number of rigs drilling for oil and gas tends to correlate with commodity prices. Higher prices encourage more drilling activity over time.



Oklahoma Stock Index and Dow Jones Industrial Average both up from last month with figures of **\$69.29** and **\$39,807** respectively.

The Oklahoma Stock Index rose more than **\$5** over the last month, while the Dow increased **2.1%**. The index includes energy, software, financial and utility sectors.

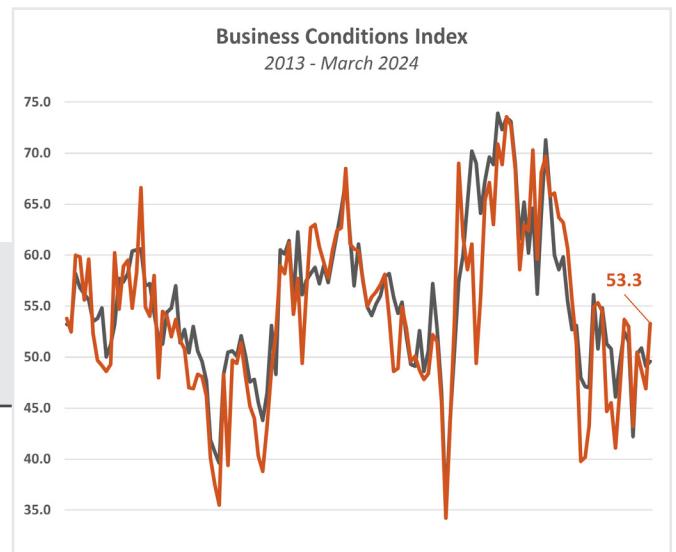
The Oklahoma Stock Index tracks the performance of Oklahoma based companies that trade on the New York Stock Exchange (NYSE) or NASDAQ. The Index is weighted by market capitalization and uses the closing stock prices from the last trading day each month.



Oklahoma's Business Conditions Index is back above growth neutral with **53.3**, up from last month, an increase of more than **6** points.

The Business Conditions index rose above neutral for the first time in 2024, reaching a three to six month forecast of expansion instead of contraction.

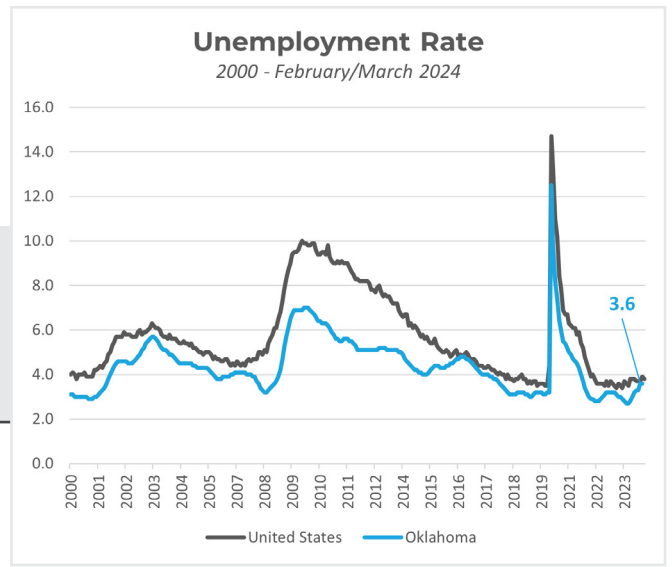
The nine states making up Creighton University's Mid-America Business Conditions Index stretch from Oklahoma and Arkansas in the south to North Dakota and Minnesota in the north.



The Oklahoma Unemployment Rate is **3.6%** for February. US claims increased to **3.8%** for March, holding its rise since last summer.

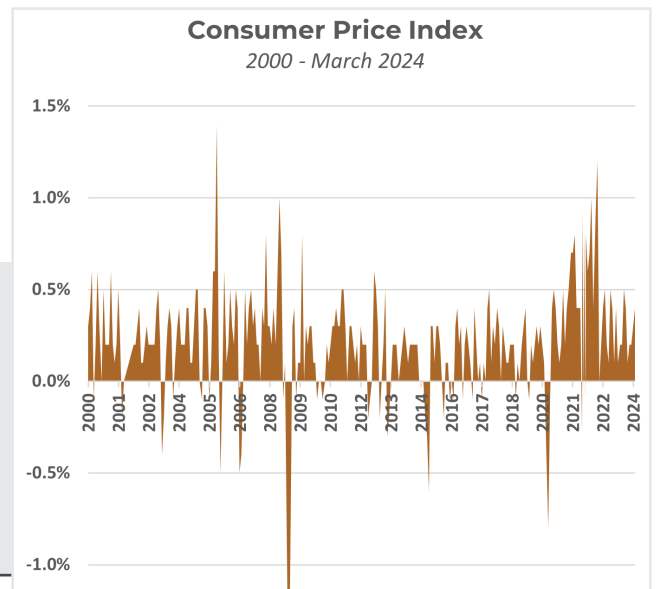
Bouncing around **3%** since the fall of 2021, the rate continues to inch closer to the national average of **3.8%**, a decrease of **0.1%** over the last month, after three months of unchanged rates.

The unemployment rate is the percentage of the labor force who are actively pursuing employment but currently don't have a job. Oklahoma maintains an unemployment rate below the national average.



CPI hit **3.5%** as consumer prices rose by **0.4%** in March, the same increase as in February. The index for **shelter and gasoline** contributed over half of the monthly increase.

Energy rose **1.1%** over the month, while the gasoline (all types) dove to **1.7%**. The index for all items less food and energy rose **0.4%**, as it did in each of the 2 preceding months. The all items index rose to **3.5%** for the 12 months ending March, a larger increase than the **3.2%** increase for the 12 months ending February and putting more pressure on the Feds.



The average 30-year fixed rate mortgage is **6.82%**, up **0.59%** from last month, starting a **four-month streak of average rate increases**.

As mortgage rates were expected to fall instead of rise, experts are revising home price forecasts for the year while price-sensitive home shoppers continue to look for relief.

Mortgage rates are the interest charged for home loans, based on prevailing economic conditions, and leads to a spread over U.S. Treasury bond yields

