



OKLAHOMA

State Treasurer

Todd Russ

Economic Report

April 2024

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



GPT Up \$8M, 9.6%



INCOME TAX Up \$523.8M, 108.5%



SALES/USE TAX Up \$35.8M, 6.3%



VEHICLE TAX Up \$7.1M, 8.3%



OTHER TAX Up \$38.5M, 31.1%

Gross Production Tax total \$90.7 million in revenues for April and saw an overall increase over the month of \$8 million or 9.6%.

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

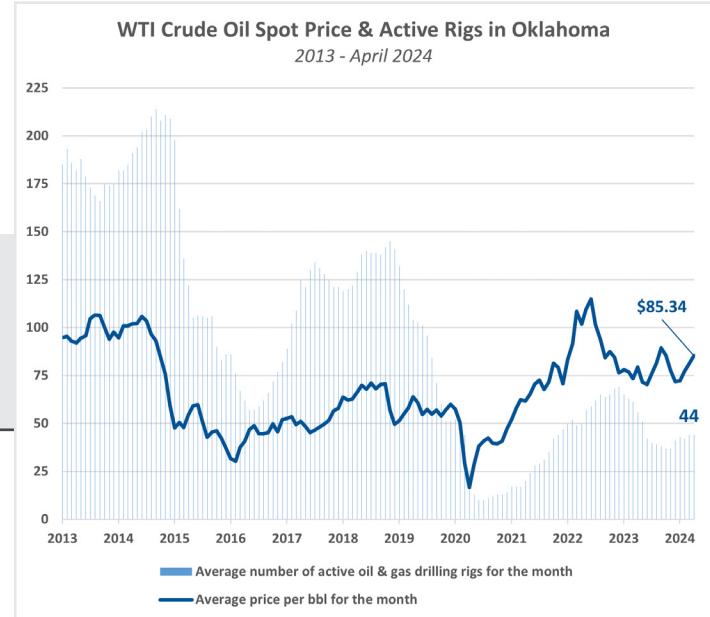




Average WTI Crude Oil Price is up more than \$4 from the previous month for the second time in a row, settling at \$85.34. The average rig count is 44.

Since peaking last October, weekly average **U.S. Gasoline Prices** finish the month at **\$3.73** for all regular formulations, up for the third month in a row or **5.4%**.

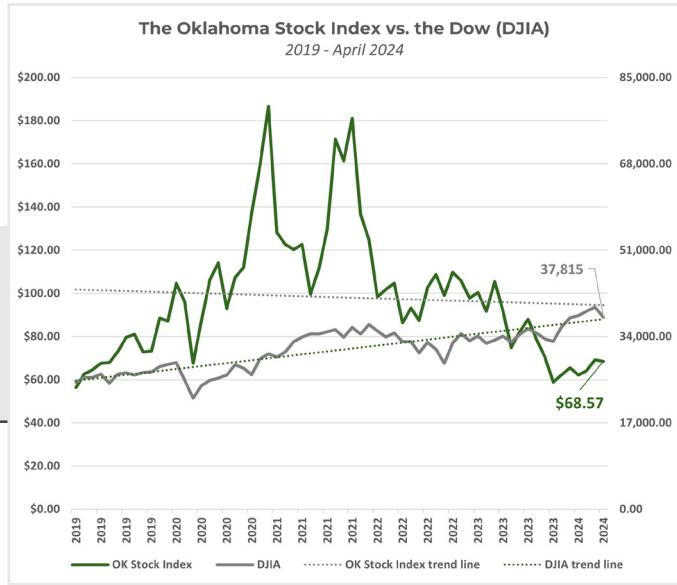
Number of rigs drilling for oil and gas tends to correlate with commodity prices. Higher prices encourage more drilling activity over time.



Oklahoma Stock Index and Dow Jones Industrial Average both down from last month with figures of \$68.57 and \$37,815 respectively.

The Oklahoma Stock Index decreased **\$0.72** over the last month, while the Dow increased **1.1%**. The index includes energy, software, financial and utility sectors.

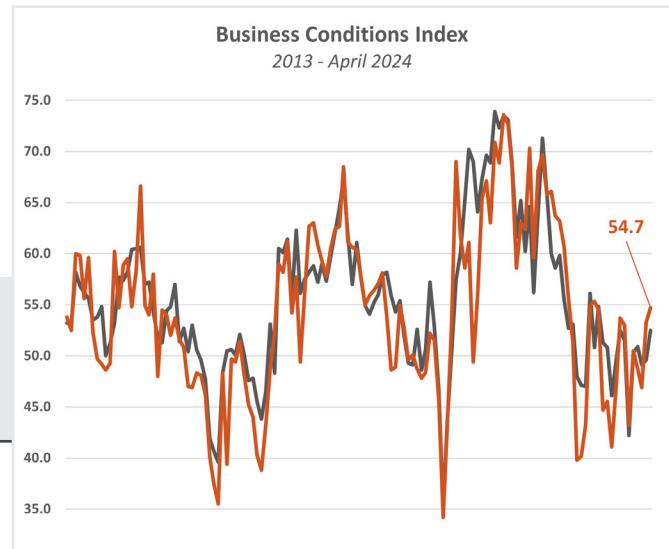
The Oklahoma Stock Index tracks the performance of Oklahoma based companies that trade on the New York Stock Exchange (NYSE) or NASDAQ. The Index is weighted by market capitalization and uses the closing stock prices from the last trading day each month.



Oklahoma's Business Conditions Index remains above growth neutral with 54.7, up from the previous month for the second time in a row, but is volatile in nature.

The Business Conditions index rose above neutral for the first time in March 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.

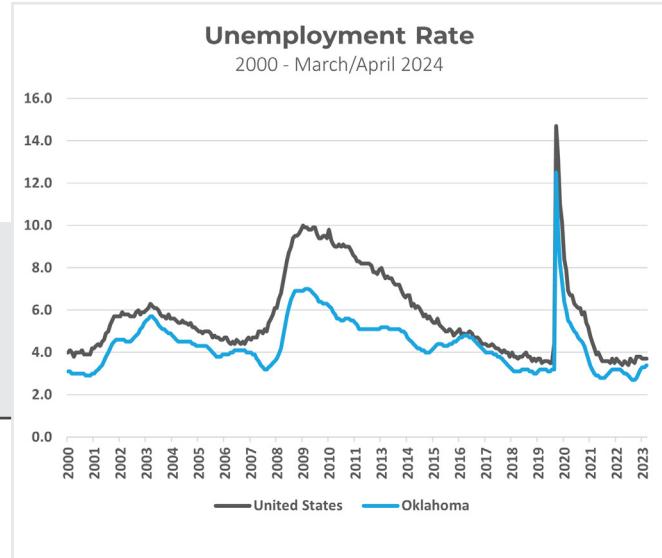


Unemployment Rate

The Oklahoma Unemployment Rate is **3.5%** for March. US claims increased to **3.9%** for April, a very slight rise since last summer.

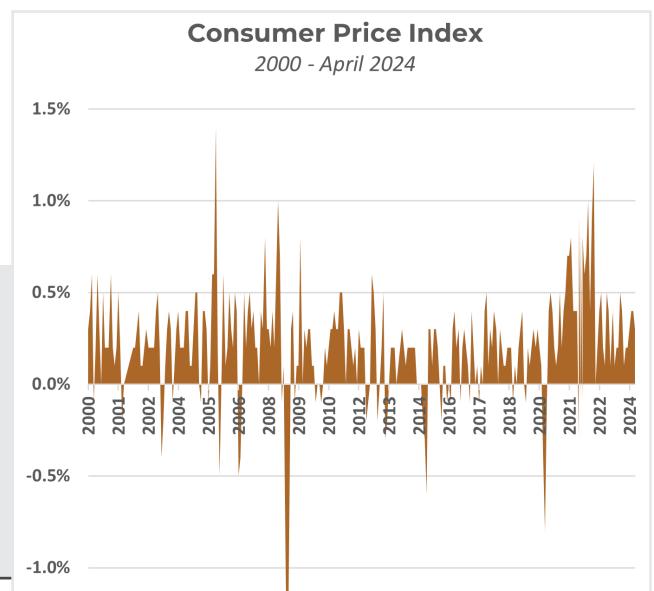
Sticking around **3%** since the fall of 2021, the rate continues to inch closer to the national average of **3.9%**, an increase of **0.1%** over the last month, hovering in the high 3s for the last six months.

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



CPI hit 3.4% as consumer prices rose by 0.3% in April, the same increase as in February. The index for shelter and gasoline contributed over half of the monthly increase.

Over the last 12 months, the all items index increased 3.4 percent before seasonal adjustment. Energy rose **1.1%**, while the gasoline index rose **1.2%**. The food index was unchanged in April. Food at home index declined **0.2%**. The index for all items less food and energy rose **0.3%** in April, after rising **0.4%** in each of the 3 preceding months, frustrating the Feds.



The average 30-year fixed rate mortgage is 6.99%, up 2.49% from last month, starting a five-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.

Average U.S. 30-Year Fixed Rate Mortgage
2000 - April 2024



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