



OKLAHOMA
State Treasurer

State Economic Report

February 2025

"Strong year-over-year growth in income tax and oil & gas production tax recovery signal resilience amid economic fluctuations. Oklahoma's economy continues to navigate these shifts while the Fed's maintain a tight position."



STATE TREASURER
TODD RUSS

MONTHLY COMPARISON: FEBRUARY 2025 VS 2024



Gross Production Tax

↑ \$2.6M or 2.8%



Income Tax

↑ \$22.7M or 5.9%



Sales & Use Tax¹

↓ \$16.6M or 3.2%



Vehicle Tax

↓ \$15.5M or 20.4%



Other Tax Sources²

↓ \$2.6M or 2.3%

¹ County and municipality taxes

² Oklahoma Tax Commission gross taxes

GROSS PRODUCTION TAX Oil & Gas Breakout

Gross Production Gas \$ 37.79M

Petroleum Gas \$ 610.66K

Gross Production Oil \$ 57.73M

Petroleum Oil \$ 934.67K

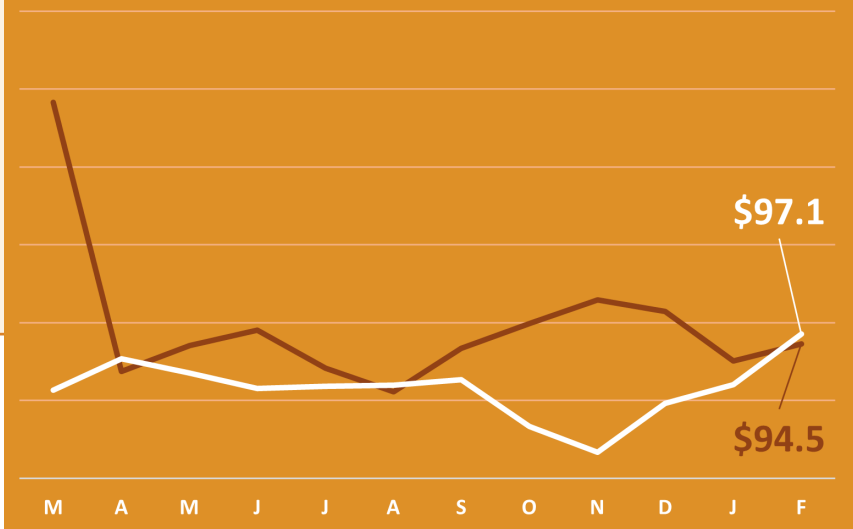
Gross Production Tax equal **\$97.1 million** in revenues for February, the division saw an overall increase over last month of **\$2.6 million** or **2.76%**.

As U.S. govt. data shows tighter-than-expected oil and fuel inventories, investors kept an eye on mounting fears of a U.S. economic slowdown and the impact of tariffs on the global economy. **"This week, the oil build was smaller than expected and gasoline and diesel draws were larger than expected,"** said Josh Young, Chief Investment Officer, Bison Interests. **"This evidences stronger demand and could see oil prices rise as a result."**

Gross Production Tax is Oklahoma's severance tax imposed on producers for the extraction of oil and natural gas. Revenue 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 **gross production tax** and **corporate income tax** when above the five-year rolling average.

Gross Production Tax

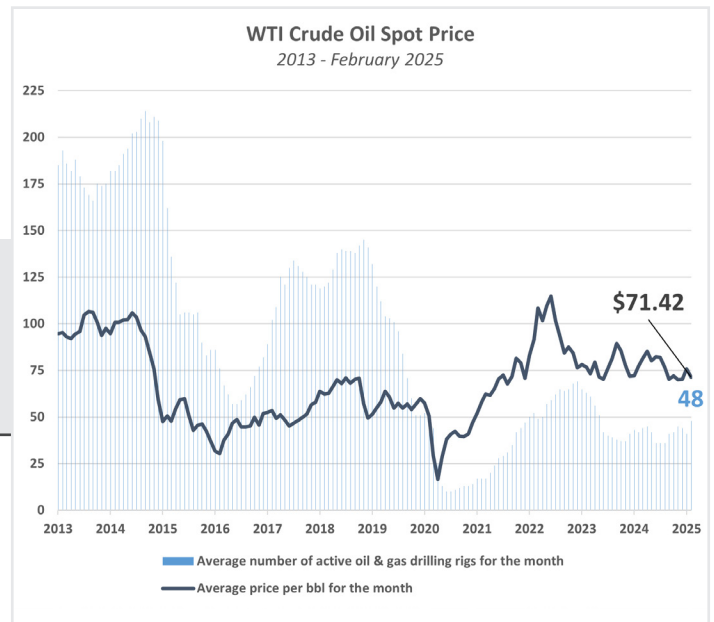
in millions



WTI Crude Oil Price is down **\$4.43** or **5.8%** from the previous month, settling at an average of **\$71.42**. Oklahoma's average drilling rig count increased to **48**.

Average **U.S. Gasoline Prices** ended last month at **\$3.25** for all regular formulations, increasing **\$0.051** over last month. The Consumer Price Index for fuel oil was up **0.8%** from last month.

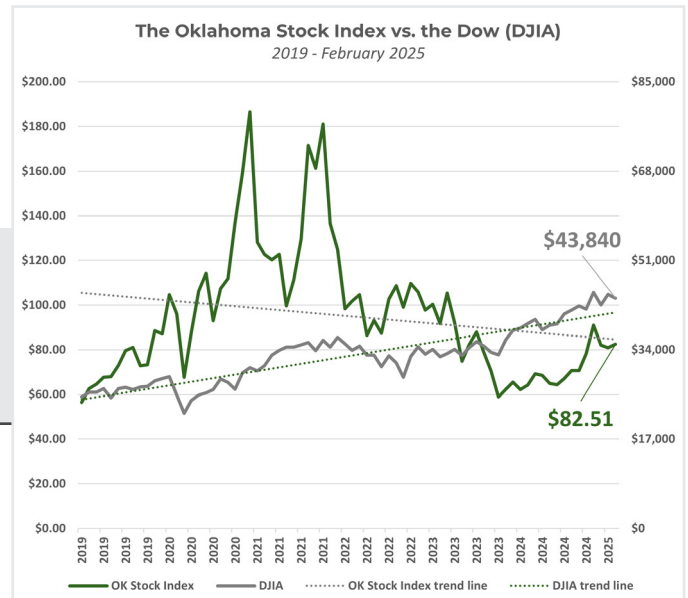
Number of rigs drilling for oil and gas tends to correlate with commodity prices. Higher prices encourage more drilling activity over time.



Oklahoma Stock Index is down over last month **\$1.53** settling at **\$80.98** while the Dow Jones Industrial Average is down **\$704** at **\$43,840**.

The Oklahoma Stock Index increased **1.36%** over the last month, while the Dow decreased **1.58%**. The Oklahoma Stock index includes energy, software, financial and utility sectors.

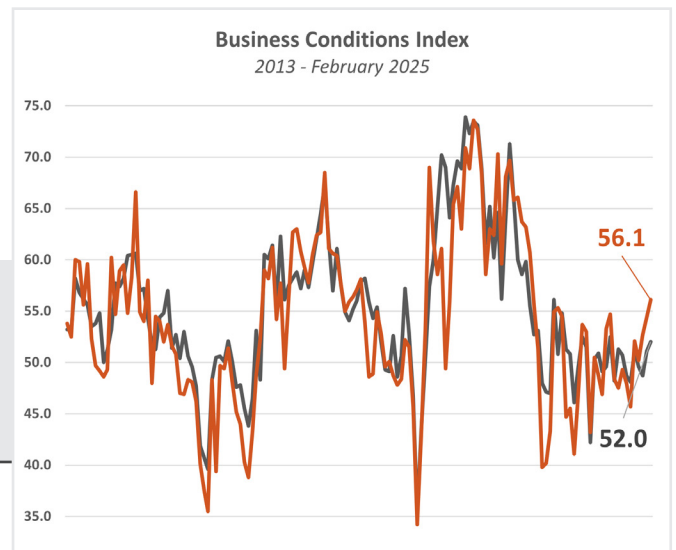
The Oklahoma Stock Index tracks the performance of Oklahoma based companies that trade on the New York Stock Exchange (NYSE) or NASDAQ. The Index is weighted by market capitalization and uses the closing stock prices from the last trading day each month.



Oklahoma's Business Conditions Index increased over the last month to **56.1**, while the U.S. International Trade Admin. reports expansion in Oklahoma's manufacturing sector.

According to U.S. International Trade Administration data, Oklahoma expanded manufacturing exports by **\$1.3 billion** between 2023 and 2024 for a **22.2% gain**.

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.

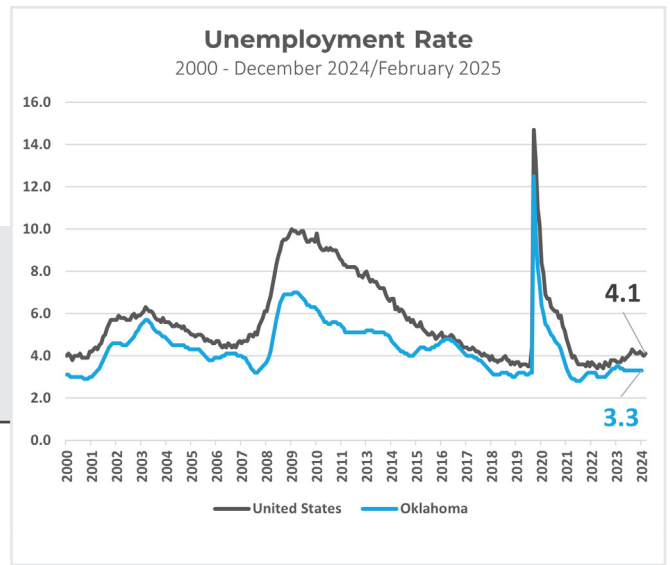


The US Unemployment Rate increased to **4.1%** for February, increasing **0.1%** and remaining steady for the last year.

The Oklahoma Unemployment rate remained at 3.3% for the entirety of 2024.

Data for 2025 has not yet been reported.

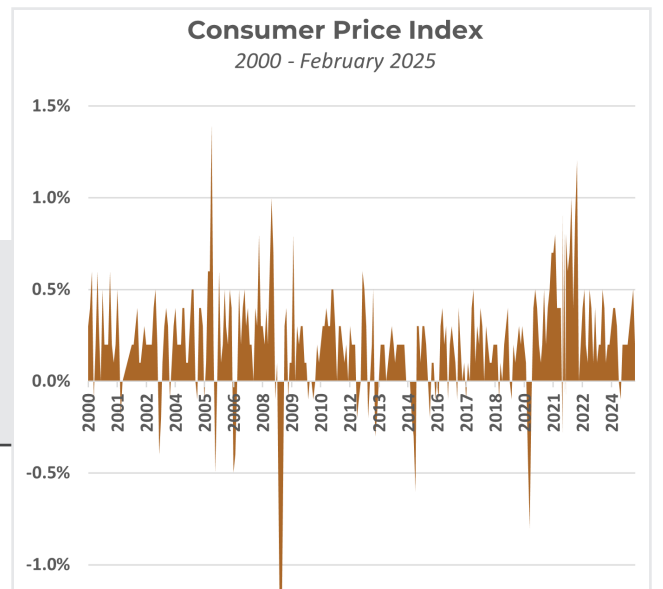
The unemployment rate is the percentage of the labor force who are actively pursuing employment but currently don't have a job. Oklahoma typically maintains an unemployment rate below the national average.



CPI hit **2.8%** over the last 12 months, as the all items index increased **0.2%** in February, resulting in increases for the last eight months. **This is not what the Feds are looking for.**

The index for shelter rose **0.3%**, accounting for nearly half of the monthly all items increase. The food index also increased **0.2%** over the month. The energy index increased **0.2%** this month, rising for the fourth month in a row.

The Consumer Price Index (CPI) is a key economic measure of the inflation experienced by consumers when paying for goods and services. The percentage of change in CPI over time is referred to as the inflation rate.



The average 30-year fixed rate mortgage is **6.84%**, down **0.12%** from last month, after increasing **0.24%** in January.

After climbing to just above **7%** in mid-January, the average rate on a 30-year mortgage declined through last week, echoing moves in the 10-year Treasury yield, which lenders use as a guide to pricing home loans. So far, the pullback in rates keeps the market in a sales slump.

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

