



OKLAHOMA State Treasurer Todd Russ

Economic Report

January 2025

"The state's revenue remains stable, with month-over-month growth demonstrating resilience in key sectors. While fluctuations are expected in the current economic climate, Oklahoma's economy continues to show strength," said State Treasurer Todd Russ.

MONTHLY COMPARISON: DECEMBER vs JANUARY



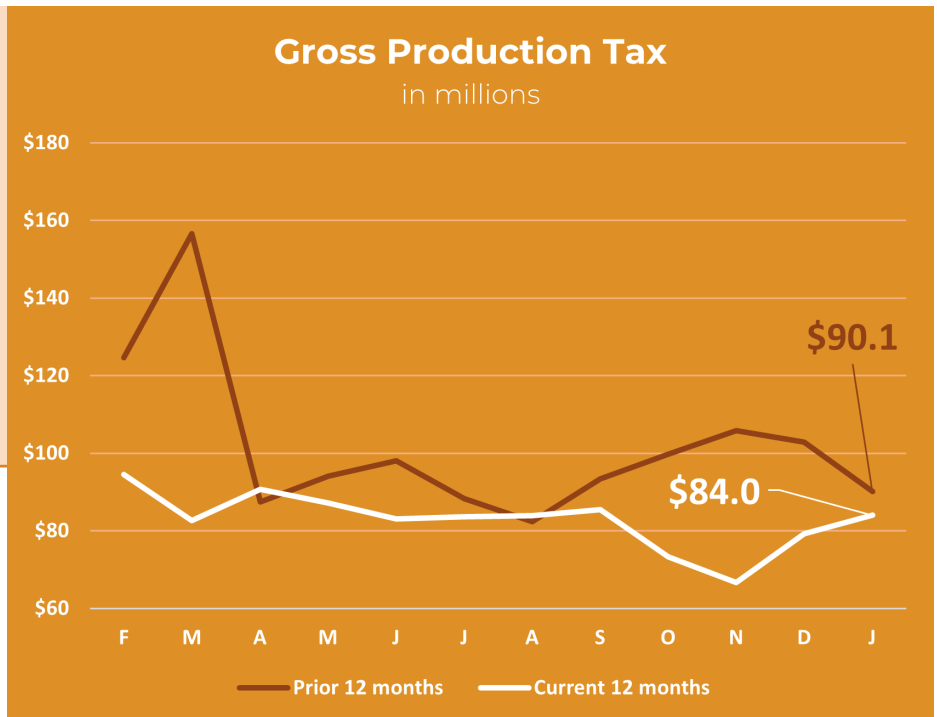
GROSS PRODUCTION TAX Oil & Gas Breakout	Gross Production Gas	\$ 33.1M	Petroleum Gas	\$ 320.8K
	Gross Production Oil	\$ 49.8M	Petroleum Oil	\$ 620.4K

GPT total of \$84 million in revenues for January, the division saw an overall increase over last month of **\$4.8 million** or **6.1%**.

"Oil prices resumed their downtrend as the macro environment weighed on sentiment, with the Fed Chair indicating no rush to lower rates," said Onyx Capital Group. Higher interest rates increase the cost of borrowing, which can slow economic activity and dampen demand for oil. Both the OPEC and EIA left forecasts unchanged while EIA increased its estimate for U.S. crude production.

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

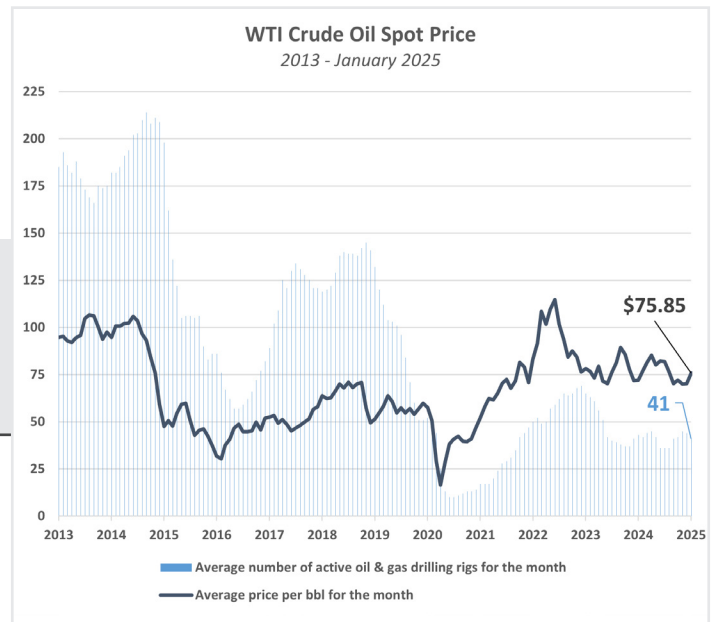
Revenue fluctuates widely from the volatile nature of commodity prices and production levels. The Revenue Stabilization Fund smooths out peaks and valleys. The fund receives deposits from the **gross production tax** and **corporate income tax** when above the five-year rolling average.



WTI Crude Oil Price is up **\$5.73** or **8.17%** from the previous month, settling at an average of **\$75.85**. Oklahoma's average drilling rig count increased to **41**.

Average **U.S. Gasoline Prices** ended last month at **\$3.20** for all regular formulations, increasing **\$0.057** over last month. The Consumer Price Index for fuel oil was up **6.2%** from last month.

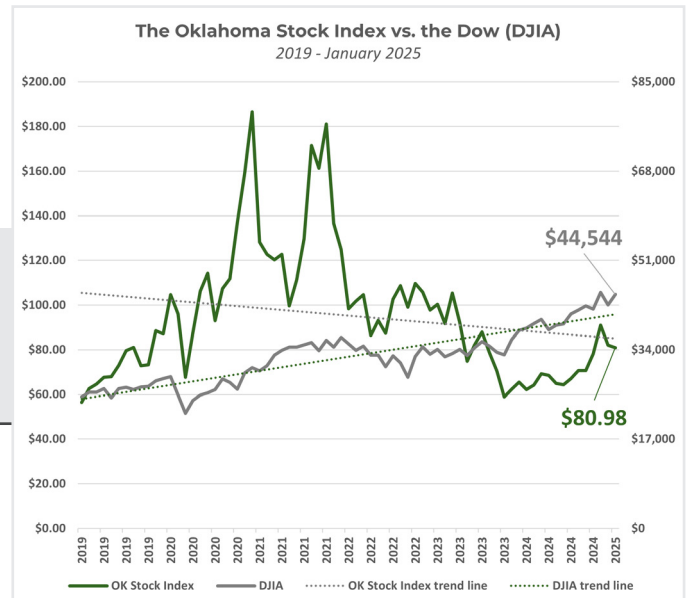
Number of rigs drilling for oil and gas tends to correlate with commodity prices. Higher prices encourage more drilling activity over time.



Oklahoma Stock Index is down over last month **1.36%** settling at **\$80.98** while the Dow Jones Industrial Average is up **4.70%** at **\$44,544**.

The Oklahoma Stock Index decreased **\$1.12** over the last month, while the Dow increased **\$2,000**. The Oklahoma Stock index includes energy, software, financial and utility sectors.

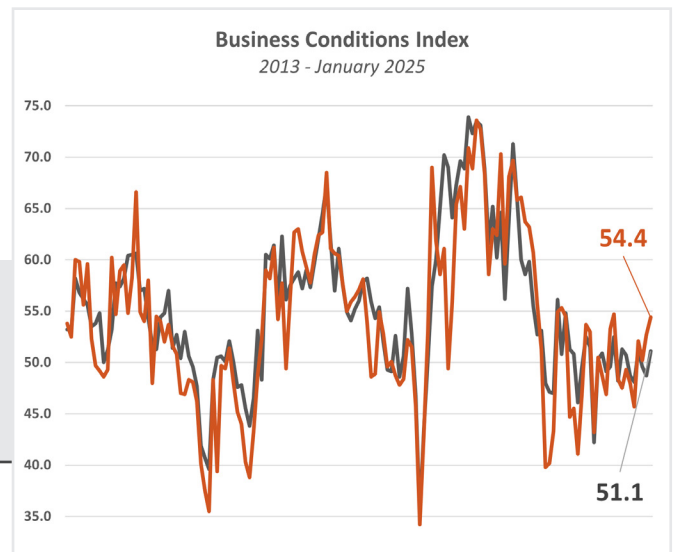
The Oklahoma Stock Index tracks the performance of Oklahoma based companies that trade on the New York Stock Exchange (NYSE) or NASDAQ. The Index is weighted by market capitalization and uses the closing stock prices from the last trading day each month.



Oklahoma's Business Conditions Index increased over the last month to **54.4**, while the U.S. International Trade Admin. reports expansion in Oklahoma's manufacturing sector.

According to the latest U.S. International Trade Administration data, Oklahoma expanded 2024 year-to-date manufacturing exports by **\$1.3 billion** from the same period in 2023 for a **22.7%** gain.

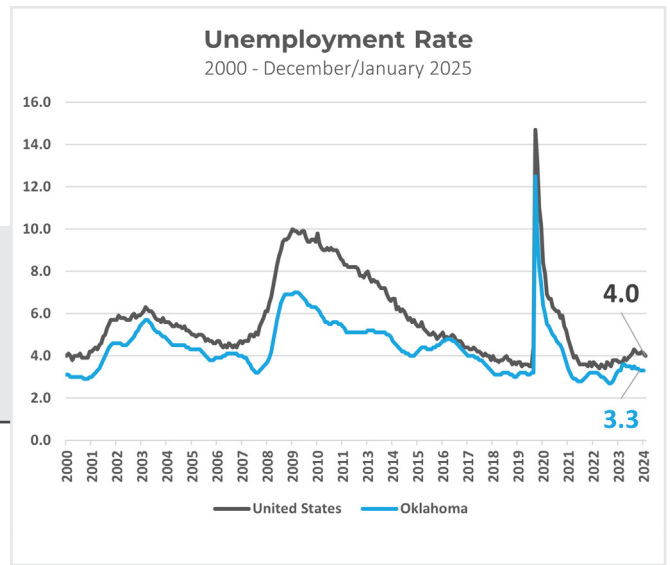
The nine states making up Creighton University's Mid-America Business Conditions Index stretch from Oklahoma and Arkansas in the south to North Dakota and Minnesota in the north.



The OK Unemployment Rate is **3.3%** for **December**. US claims decreased to **4.0%** for **January**, decreasing **0.1%** over the last two months.

Remaining at 3.3% and returning to a winter 2023 rate, OK unemployment **was unchanged** over the last month while the national average **decreased** over the last two months.

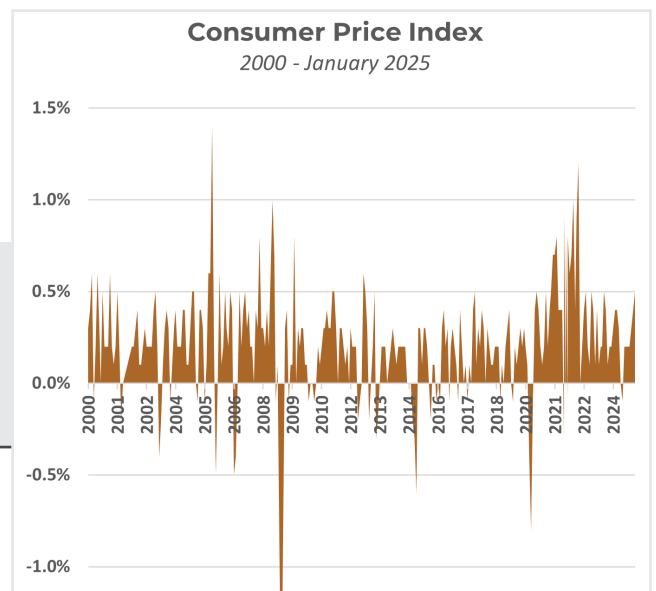
The unemployment rate is the percentage of the labor force who are actively pursuing employment but currently don't have a job. Oklahoma typically maintains an unemployment rate below the national average.



CPI hit **3.0%** over the last 12 months, as the all items index increased **0.5%** in January, resulting in increases for the last seven months. **This is not what the Fed's are looking for.**

The index for shelter rose **0.4%**, accounting for nearly a third of the monthly all items increase. The food index also increased **0.4%** over the month. The energy index increased **1.1%** this month, rising for the third 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 **6.96%**, up **0.24%** from last month, after decreasing **0.09%** in December.

While rates have dropped since then, they remain historically high. High mortgage rates are keeping aspiring homebuyers on the sidelines of the housing market, even as inventory is slowly growing across the country, exacerbating the ongoing nationwide affordability crunch.

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

