



OKLAHOMA
State Treasurer

State Economic Report

March 2026

“March shows stronger energy activity and improving market conditions supporting state revenues and economic momentum. However, persistent inflation and mixed economic signals suggest continued uncertainty across the broader economy.”



STATE TREASURER
TODD RUSS

Monthly Comparison: **March vs. February 2026**



Gross Production Tax

↑ \$20.5M or 23.5%



Income Tax

↑ \$126.7M or 31.1%



Sales & Use Tax¹

↑ \$61.8M or 12.2%



Vehicle Tax

↑ \$8.1M or 11.2%



Other Tax Sources²

↑ \$5.4M or 4.8%

¹ County and municipality taxes

² Oklahoma Tax Commission gross taxes

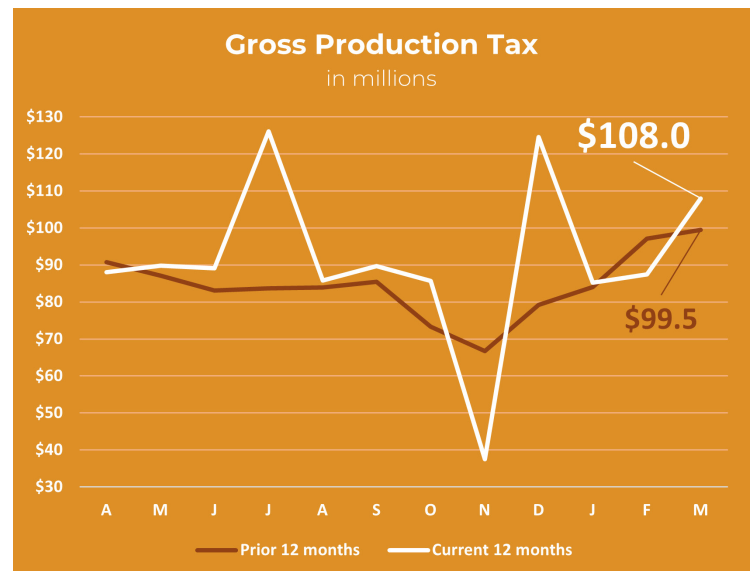
GROSS PRODUCTION TAX (GPT) Oil & Gas Breakout

Gross Production Gas \$ 65.9M
Gross Production Oil \$ 40.3M

Petroleum Gas \$ 1.03M
Petroleum Oil \$ 681.9K

GPT equals **\$108.0 million** in revenues for March, an overall increase over last month of **\$20.5 million** or **23.5%**.

The sharp gain points to stronger production and improved commodity pricing, signaling renewed momentum in Oklahoma’s energy sector. While the market remains cyclical, this increase suggests growing activity and confidence, supporting state revenue and strengthening the outlook for energy-producing regions.

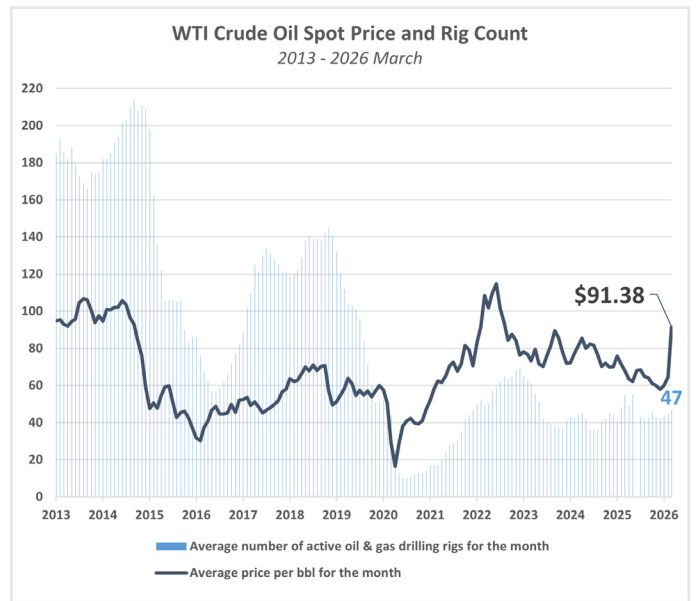


Personal Consumption Expenditures Price Index: FEB. +2.8% JAN. +2.8% DEC. +2.9%

With inflation holding steady at 2.8% in both January and February, price growth remains persistent but stable. This consistency suggests underlying inflation pressures are not worsening, giving policymakers time to carefully assess the pace of potential interest rate cuts while maintaining a focus on long-term price stability.

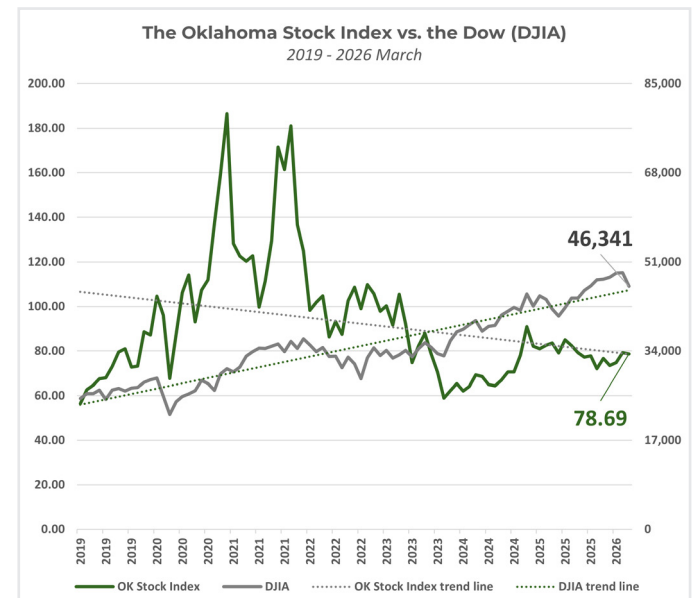
March represents a clear shift in the energy landscape. The rapid rise in crude oil prices signals tightening supply conditions and **stronger market demand**, creating a more favorable environment for producers. However, the sharp increase in gasoline prices introduces **renewed cost pressures** for households and could contribute to broader inflation concerns. For Oklahoma, the surge in oil prices significantly boosts GPT revenue potential.

Overall, March reflects accelerating momentum in the energy sector, with **higher prices** and **increased activity supporting economic growth**.



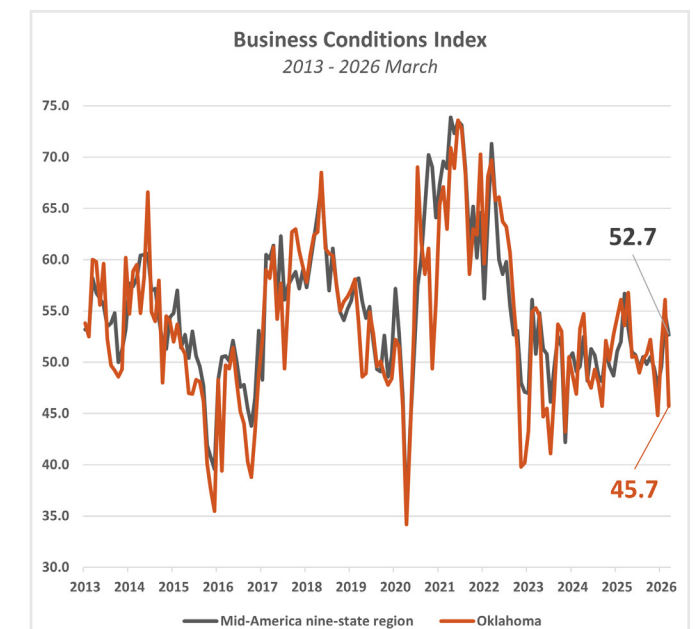
Nationally, markets pulled back after recent highs, with the Dow declining as investors reacted to renewed volatility, mixed economic data, and uncertainty around the timing of potential policy changes. Investor focus remains on **inflation trends** and **Fed guidance**.

Locally, the Oklahoma Stock Index edged slightly lower, **reflecting continued caution** among regional investors. Energy prices, commodity movements, and regulatory factors remain key drivers in determining if the index stabilizes or faces additional pressure in the near term.



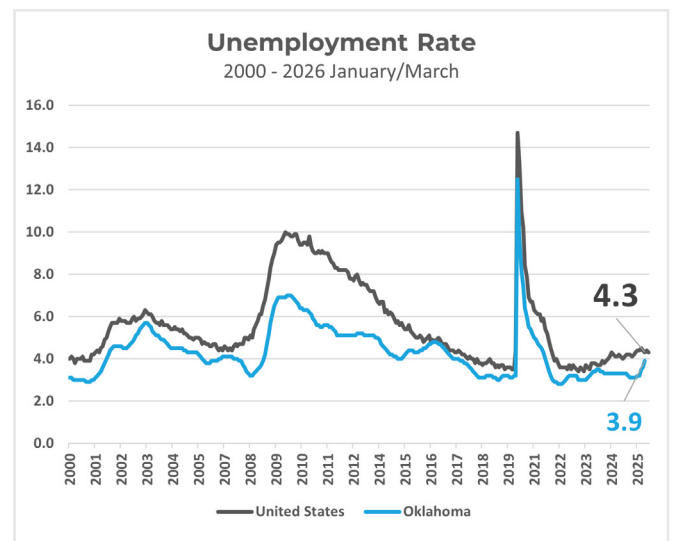
Despite the headline decline, underlying demand remains supported by continued **strength in new orders**, and employment has yet to show broad-based contraction. However, the recent rise in unemployment claims points to emerging labor market stress and growing caution among manufacturers.

Overall, the data suggest a **period of adjustment** rather than a full downturn, though weakening labor signals and **shifting production trends** warrant close monitoring in the months ahead.



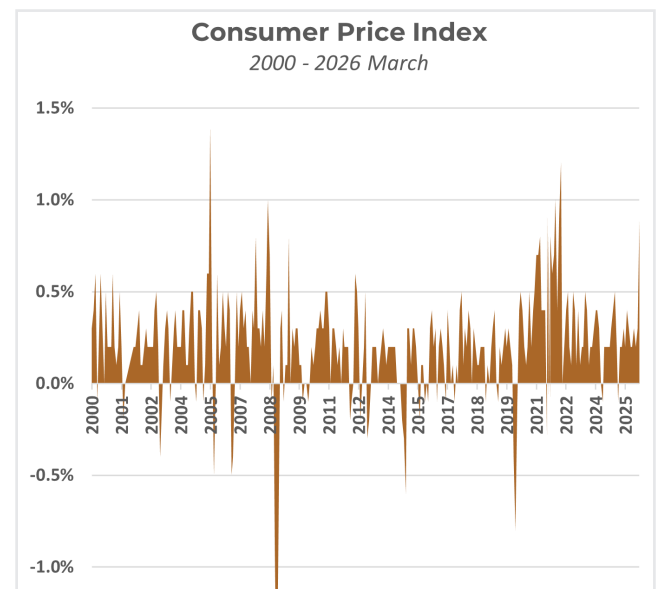
The unemployment rate for the U.S is **4.3%** decreasing **0.1%** over the last month. The unemployment rate for Oklahoma increased **0.2%** landing at **3.9%** in January.

Economic conditions remain mixed as labor market growth continues but at a more moderate pace. Non-farm payroll employment **continues to expand nationwide**, though gains are slowing and becoming more uneven across sectors, reflecting a cooling but still resilient labor market. State-level data for Oklahoma won't be available until April.



CPI hit **3.3%** in March, an increase of **0.9%**, marking the **tenth consecutive monthly increase**. Inflation pressures remained broad-based, with shelter, food, and energy **continuing to drive higher consumer costs**. Some categories saw more moderate gains or slight declines, **offering limited offset** to overall price growth.

The data indicates that inflationary pressures **remain persistent** across the economy, with core inflation still elevated. This sharp increase signals a **renewed acceleration** in price pressures at the start of the year.



The average 30-year fixed-rate mortgage rose, reversing several months of steady declines earlier in the year, reflecting **renewed volatility** in financial markets and **shifting expectations** around inflation and monetary policy. Borrowing costs remain lower than mid-2025 highs, but the **recent increase adds pressure** back onto affordability and buyer confidence.

Following the Fed's rate cuts in September and October 2025, mortgage rates had eased significantly, but recent movements suggest **markets are reassessing the pace** of further improvements in 2026.

