

[skip navigation](#)[Current Issue](#)[Archive](#)[Projects](#)[Sponsors](#)[Links](#)[Home](#)[Readers Comments](#)[Frequently Asked Questions](#)[Acknowledgements and Past Participation](#)[HSU Economics Department](#)

June 1997

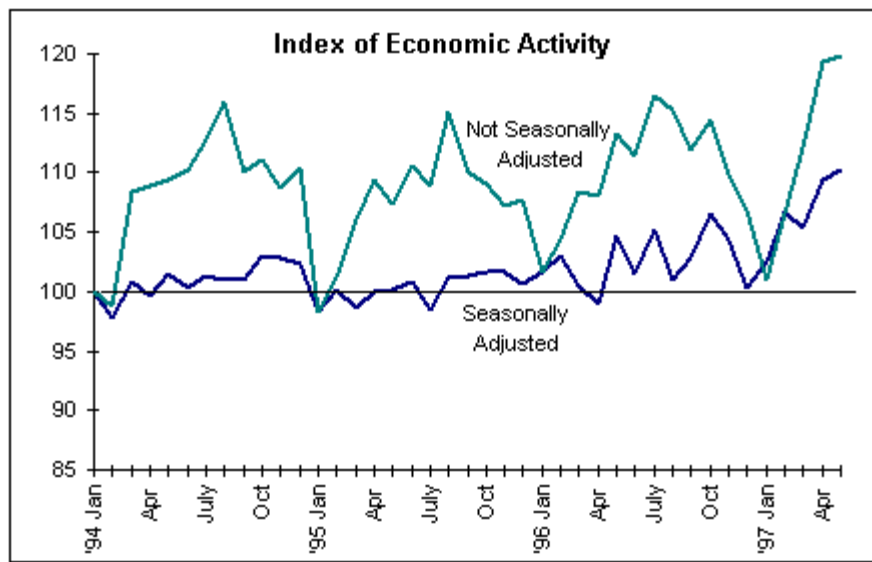
Key Statistics		Leading Indicators	
County:		<i>Seasonally Adjusted</i>	% Change in May
Median Home Price (May)*	\$124,950	Help Wanted Advertising	-3.68
30 Yr. Mortgage Rate (6/25)	7.75%	Building Permits	-26.36
Prime Rate (6/25)	8.50%	Unemployment Claims	-8.09
Unemployment Rate (May)	6.5%	Manufacturing Orders	6.31%

*Home price data are provided by the Humboldt County Board of Realtors

Monthly Change

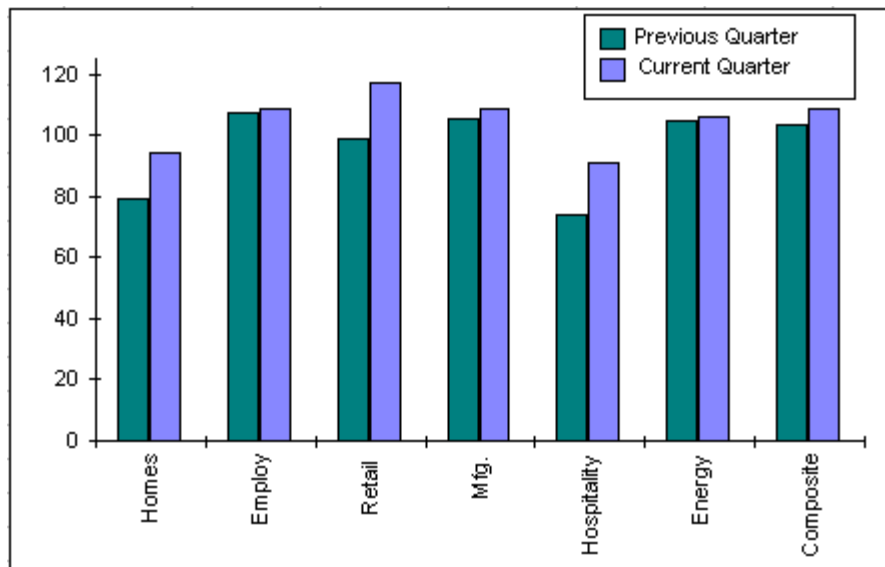
The *index of economic activity for Humboldt County* grew slightly during the month of May, reinforcing the high level of economic activity experienced during 1997. The seasonally adjusted index increased from 109.3 in April to 110.2 in May, an increase of 0.82 percent. Retail sales, manufacturing, hospitality, employment, and energy were all up, while the housing market declined. The base month for the index is January 1994 in which the index value is set at 100.

The non-seasonally adjusted index also experienced a slight increase from 119.3 to 119.9. In Humboldt County, it is typical for the non-seasonal index to rise from January to August, and then decline through December. The same pattern is observed thus far in 1997. The chart below plots the seasonally adjusted and non-seasonally adjusted index values from January 1994 to April 1997. The seasonally adjusted series corrects for seasonal variation in the data, therefore it is a better measure of fundamental change in the economy.



Quarterly Change

We also look at the economy's performance over a longer period of time by comparing the two previous "rolling" quarters. The economy in the current rolling quarter (March, April and May) increased as compared with the previous rolling quarter (December, January and February). The composite index increased from 103.1 to 108.3, an increase of 5.04 percent. This reflects the strong growth in housing, retail sales and manufacturing over the past several months. The chart below plots the quarterly index values for each sector in the index. All sectors increased in the current quarter relative to the previous quarter.



Leading Indicators

We track four leading indicators to indicate direction of change in the economy in the coming month. These are help-wanted advertising, building permits issued, manufacturing orders, and claims for unemployment insurance. Help-wanted advertising and the demand for building permits both decreased this month. However, manufacturing orders increased significantly and unemployment insurance claims dropped. Given the mixed signals from these leading indicators, we predict that the seasonally adjusted *index of economic activity for Humboldt County* will not change significantly in June. The economy should maintain its relatively strong level of activity.

[Back to Main Index Page](#)

Copyright © 2003 [Erick Eschker](#). All Rights Reserved.

