



OKLAHOMA
State Treasurer

State Economic Report

July 2025

"Our economy remains resilient, with strong exports, low unemployment, and steady consumer activity offsetting softer manufacturing trends. While national inflation and interest rate uncertainty persist, the state's diverse strengths continue to support stable growth."



STATE TREASURER
TODD RUSS

Monthly Comparison: July 2025 vs. 2024



Gross Production Tax

↑ \$42.4M or 50.6%



Income Tax

↑ \$22.0M or 4.9%



Sales & Use Tax¹

↓ \$8.2M or 1.4%



Vehicle Tax

↓ \$1.7M or 2.1%



Other Tax Sources²

↓ \$5.2M or 3.5%

¹ County and municipality taxes

² Oklahoma Tax Commission gross taxes

GROSS PRODUCTION TAX Oil & Gas Breakout

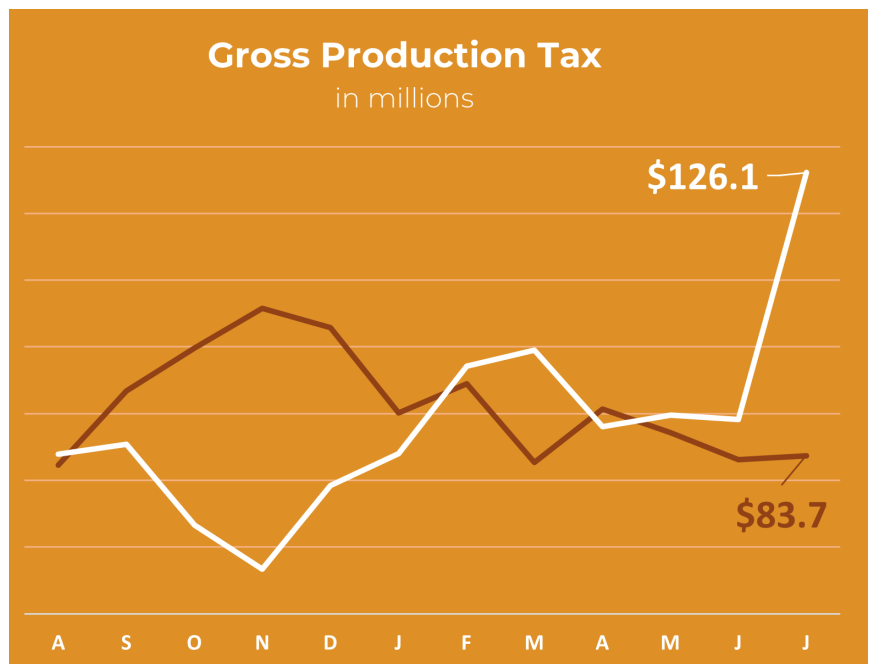
Gross Production Gas	\$ 47.60M
Gross Production Oil	\$ 37.59M

Petroleum Gas	\$ 1.23M
Petroleum Oil	\$ 1.10M

Gross Production Tax (GPT) equal **\$126.1 million** in revenues for July, the division saw an overall increase over last year of **\$42.4 million** or **50.6%**.

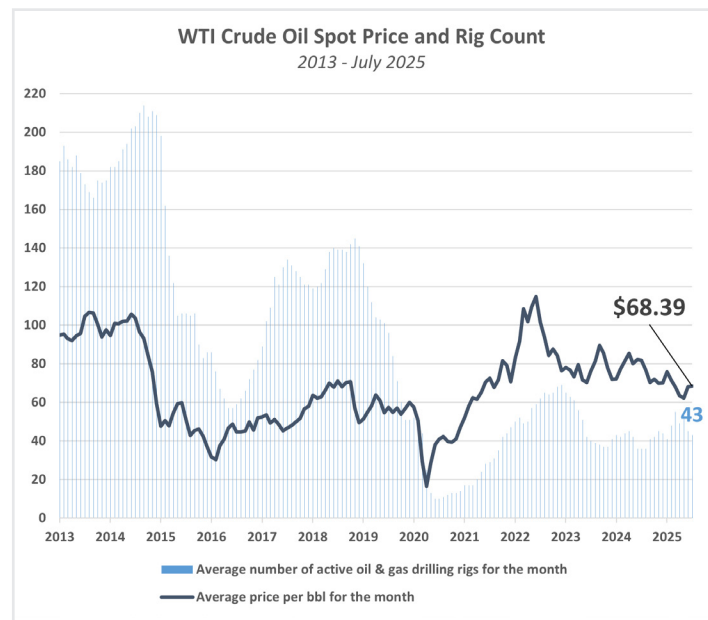
"Gross Production Tax surged in July, the jump reflects **higher output, stronger commodity prices, and momentum in the energy sector**. While the industry remains sensitive to global markets, such growth signals **improved profitability, rising investor confidence, and greater economic activity** in Oklahoma's oil and gas producing regions—**strengthening state revenues** and reinforcing the sector's role in long-term economic stability."

State Treasurer Todd Russ



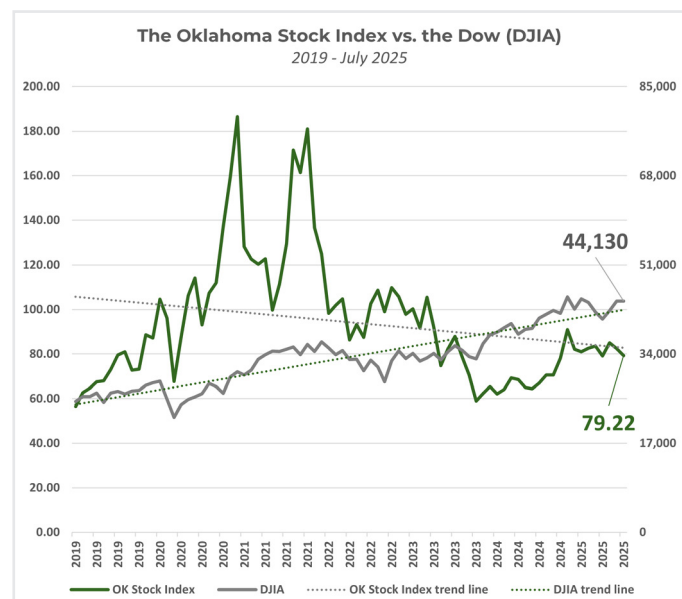
July's modest crude price gain and falling rig count highlight producers' **disciplined approach**, maintaining output from earlier drilling while **avoiding over-expansion**. The sharp rise in Gross Production Tax (GPT) revenue points to the payoff from that earlier activity: more hydrocarbons reaching market at **improved prices**.

For consumers, lower gasoline prices further **ease cost pressures, helping temper overall inflation**, while better GPT revenue signals **strong mid-year momentum** in the energy sector.

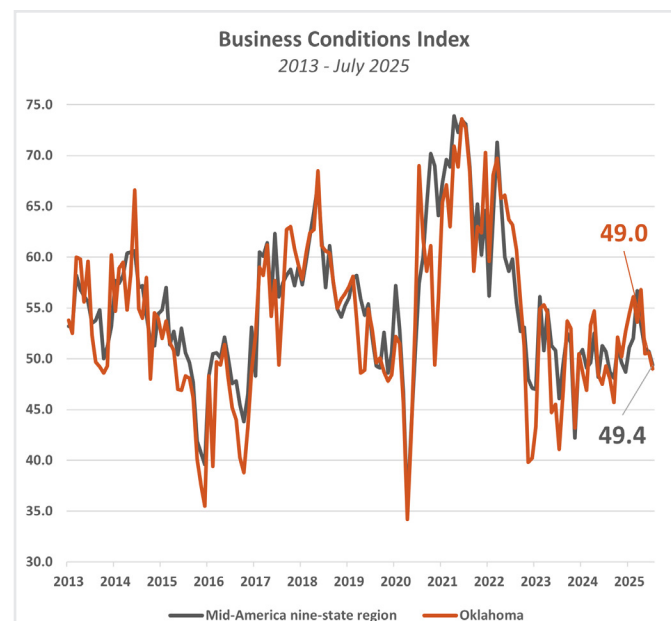


The Oklahoma index's drop likely reflects local economic or sector-specific setbacks. **Energy prices softened** late in the month, coupled with concerns around healthcare policy, both of which weigh on regional sentiment and valuations.

Despite cooling off from mid-month highs, the **Dow remains strong overall**. It briefly touched multi-month highs around 45,010 following **positive developments** in international trade and a U.S.-EU tariff deal but ultimately gave up some of those gains by month-end.



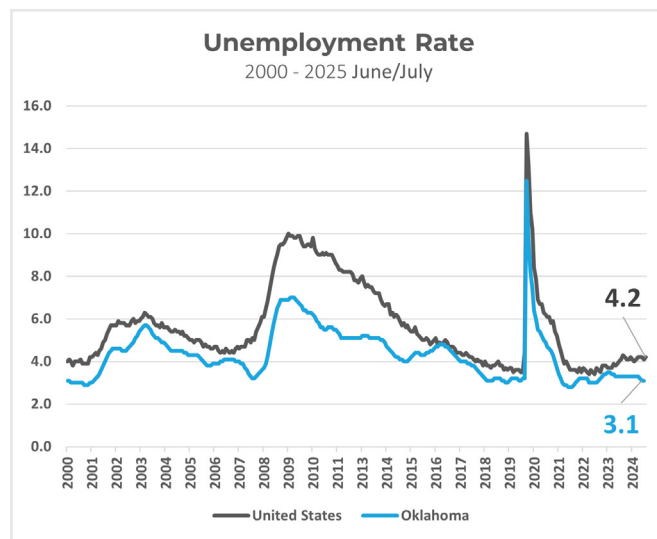
Oklahoma dipped below **growth neutral for the first time in 9 months** showing early signs of softening manufacturing activity. The slowdown reflects weaker new orders inventories, and employment. Oklahoma's **manufacturing exports remain a strong point**, totaling **\$2.9 billion** in the first five months of 2025, up **11.5%** from the same period in 2024, according to the International Trade Administration. If export growth holds, it could help **offset some of the domestic softness** and **provide a buffer** against further manufacturing declines heading into late 2025.



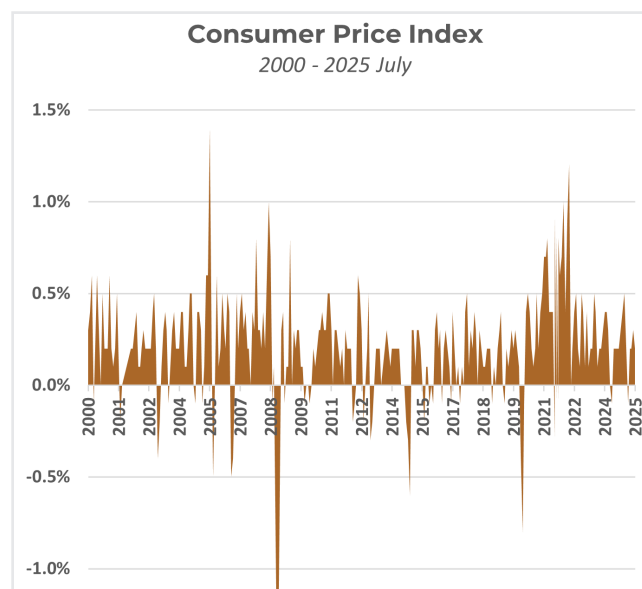
Unemployment rates **continue to be steady**, the U.S increasing **0.1%** over last month and OK decreasing over the last two months.

As rates remains very low jobs continue to grow, with non-farm payroll employment with **Oklahoma ranked 7th** in the nation for **percentage gain** over the last 12 months and in or near the top 10 for all of 2025.

Nationwide unemployment fell in **11** states, rose in **7** and remained unchanged in **33**.



CPI hit **2.7%** in July, an increase of **0.2%** in price level within the current month, **marking the fourth consecutive monthly increase**, sending displeasing signs to the Fed. Shelter continues to be the largest contributor to price growth. Energy and food costs also rose, adding to consumer burdens, while declines in categories like vehicles and airfare provided limited relief. Core CPI, excluding food and energy, climbed **0.2%** in June and stands **2.9%** higher than a year ago, underscoring that **underlying price pressures remain broad-based**, raising more speculation about a Fed rate cut.



The weekly average 30-year fixed rate **decreased slightly** over last month marking a **modest decline** as markets anticipate possible Fed action later this year. **Borrowing costs remain historically high**, but the slower pace of rate movement has shifted the **housing market's main hurdles** toward affordability, limited inventory, and cautious buyer sentiment. Despite prior expectations for sharper declines after the Fed's 2024 rate cuts, **long-term mortgage trends** remain uncertain due to inflation pressures, global economic risks, and ongoing fiscal debates.

