



PRICE DEVELOPMENTS REPORT AUGUST 2021

This report is prepared on a monthly basis using monthly Consumer Price Index (CPI) data from the Samoa Bureau of Statistics.

Report No.2: 2021/22

August 2021

The **Headline Consumer Price Index (CPI)** improved further by 1.5 percent over the previous month due to expansions in both its imported (up by 2.2 percent) and local (up by 0.8 percent) components. It was also 5.4 percent higher when compared to the same month last year.

The **annual average headline inflation rate** continued to climb, rising to -1.7 percent for the fourth consecutive month, from -2.4 percent in July 2021 but was much lower than 0.9 percent in August 2020. Largely underpinning the overall increase were improvements in both the imported inflation (up to -2.3 percent from -3.3 percent) and local inflation (up to -1.1 percent from -1.4 percent).

Responsible for the overall monthly increase was a 2.8 percent hike in the ‘Food and Non Alcoholic Beverages’ subgroup reflecting increases in its imported component by 2.9 percent (mainly turkey wings, chicken and mutton prices) coupled with a 2.5 percent increase in its local component (mainly higher prices for taro, fish, ta’amu and tomatoes)

The ‘Health’ sub-index also grew by 1.9 percent due to a 3.5 percent hike in its imported component (mainly due to the higher price for medicine). Also, the ‘Transport’ subgroup noted a 1.5 percent pick-up mirroring a 2.3 percent hike in its imported component due to gains in both petrol and diesel prices.

Furthermore, the ‘Housing, water, electricity, gas and other fuel’ and ‘Furnishings, household equipment and Maintenance’ subgroups both went up by 1.3 percent and 0.7 percent respectively. The hike in the former was underpinned by increases in both its imported (timber and kerosene prices) and local components (increased electricity price) while the expansion in the latter was driven by a 0.8

percent growth in its imported component (refrigerator).

The ‘Miscellaneous goods and services’ and ‘Restaurants’ sub-indices both noted expansions of 0.4 percent and 0.3 percent in that order. The increase in the former was underpinned by a 0.4 percent gain in its imported component while the latter was accounted for by a 0.3 percent gain in its local component.

On the other hand, the ‘Recreation and Culture’ sub-index fell by 0.6 percent due to a 0.6 percent reduction in its imported component (mainly lower price of a television set). Decreases were also recorded for the ‘Alcoholic Beverage and Tobacco’ (down by 0.3 percent) and ‘Clothing and Footwear’ (down by 0.1 percent). The former was underpinned by a reduction in their local component (mainly kava and beer) and the latter highlighted the drop in its imported component (mainly women lingerie).

Both the ‘Communication’ and ‘Education’ subgroups remained stable in the month.

Correspondingly, the **underlying CPI¹** also rose by 1.6 percent over July 2021 and was 4.0 percent higher than in August 2020. As a result, the **annual average underlying inflation rate** expanded to -1.5 percent from -1.9 percent in July 2021 but was much lower than 2.1 percent in August 2020.

CENTRAL BANK OF SAMOA
17th September 2021

¹ Underlying CPI takes into account the effects of both external and local pressure on prices for commodities that are not subject to extreme volatility and price regulations.

Review of Price Developments
August 2021

Table 1: HEADLINE CONSUMER PRICE INDEX (February 2016 = 100) **																			
	All Groups Index	Percentage change							Overall Import Component					Overall Local Component					
		Monthly Index	3 months average	12 months average	Latest month		3 mths avg		12 months	Index	Monthly Change	3mths av % chg	Annual Average 12 months	Annual Average Percent Change	Index	Monthly Change	3mths av % chg	Annual Average 12 months	Annual Average Percent Change
					over prev month	over a year earlier	over prev 3mths avg	over a year earlier	over prev 12 months (AnnAvg)										
2018 August	109.4	109.2	106.1	-0.3	4.9	3.3	5.6	4.4	114.7	-0.8	5.2	111.3	5.8	104.2	0.3	1.3	101.1	3.0	
2019 August	110.1	109.6	107.6	-0.1	0.6	2.1	0.3	1.4	112.8	-0.5	2.7	110.7	-0.6	107.4	0.4	1.5	104.6	3.4	
2020 August	107.0	106.0	108.5	0.7	-2.8	-2.0	-3.2	0.9	108.8	1.1	-3.6	111.2	0.5	105.2	0.2	-0.4	105.8	1.2	
September	105.6	106.3	108.1	-1.3	-4.1	0.1	-3.5	0.4	105.9	-2.6	-0.9	110.6	-0.05	105.3	0.1	1.0	105.7	0.8	
October	103.6	105.4	107.6	-1.9	-5.8	-0.2	-4.2	-0.2	102.2	-3.5	-1.3	109.6	-0.88	105.0	-0.3	0.8	105.6	0.5	
November	103.2	104.1	107.0	-0.4	-6.0	-1.8	-5.3	-0.9	102.4	0.3	-3.6	108.7	-1.87	103.9	-1.0	-0.1	105.4	0.0	
December	103.4	103.4	106.6	0.2	-5.0	-2.7	-5.6	-1.6	102.7	0.3	-4.6	107.9	-2.89	104.0	0.1	-0.8	105.3	-0.2	
January	103.7	103.4	106.1	0.3	-5.5	-1.9	-5.5	-2.4	104.6	1.8	-2.2	107.3	-3.85	102.8	-1.2	-1.5	104.8	-0.9	
February	105.6	104.2	105.7	1.9	-4.4	0.1	-5.0	-3.2	107.3	2.6	1.3	106.8	-4.79	104.0	1.2	-1.0	104.6	-1.5	
March	107.1	105.5	105.3	1.4	-3.5	2.0	-4.5	-3.8	109.9	2.5	4.7	106.4	-5.55	104.3	0.3	-0.6	104.3	-1.9	
April	107.1	106.6	105.3	0.0	-0.8	3.1	-2.9	-3.9	110.7	0.7	5.9	106.3	-5.78	103.5	-0.8	0.4	104.3	-2.0	
May	107.7	107.3	105.4	0.6	1.8	2.9	-0.9	-3.6	112.1	1.3	5.8	106.7	-5.24	103.4	-0.2	0.1	104.2	-1.9	
June	109.2	108.0	105.8	1.4	4.1	2.4	1.7	-3.0	112.4	0.2	4.2	107.2	-4.32	106.1	2.6	0.6	104.2	-1.7	
July	111.0	109.3	106.2	1.7	4.5	2.5	3.5	-2.4	115.7	2.9	3.7	107.9	-3.30	106.5	0.4	1.3	104.5	-1.4	
2021 August	112.7	111.0	106.7	1.5	5.4	3.4	4.7	-1.7	118.3	2.2	4.1	108.7	-2.30	107.3	0.8	2.8	104.7	-1.1	

Source: CPI data from February 2016 onwards are from the Samoa Bureau of Statistics.
Historical CPI figures from SBS prior to February 2016 and further spliced by the CBS to later years.
(R) - Revised due to adjustments made from Samoa Bureau of Statistics (SBS)
** New CPI Index reflecting the 2013/14 Household Income and Expenditures Survey

Table 2: UNDERLYING CONSUMER PRICE INDEX (February 2016 = 100) **															
	All Groups Index	Percent Changes					Overall Import Component				Overall Local Component				
		Monthly Index	3 months average	12 months average	Latest Month		Annual Average Percent Change	Index	Monthly Change	12 months avg	Annual Average Percent Change	Index	Monthly Change	12 months avg	Annual Average Percent Change
					over prev month	over a year earlier									
2018 August	108.8	109.2	106.8	-0.4	3.1	3.9	112.0	-0.5	109.3	5.1	101.9	0.0	101.3	1.4	
2019 August	109.1	108.1	106.2	0.6	0.3	-0.6	111.5	0.9	107.7	-1.5	103.9	0.0	102.9	1.6	
2020 August	108.3	107.7	108.4	0.3	-0.7	2.1	110.1	0.3	110.3	2.4	104.6	0.2	104.2	1.3	
September	106.0	107.5	108.1	-2.1	-3.1	1.7	106.5	-3.3	109.9	1.9	105.0	0.4	104.3	1.2	
October	102.6	105.7	107.6	-3.2	-6.1	1.0	101.4	-4.7	109.0	1.0	105.2	0.1	104.4	1.1	
November	103.0	103.9	107.1	0.3	-5.5	0.3	102.0	0.6	108.2	-0.1	105.0	-0.1	104.5	1.1	
December	103.3	103.0	106.6	0.3	-4.7	-0.5	102.4	0.4	107.6	-1.2	105.2	0.1	104.6	1.0	
January	104.7	103.6	106.4	1.4	-2.3	-1.1	104.5	2.1	107.3	-1.9	105.2	0.0	104.6	0.8	
February	106.1	104.7	106.2	1.3	-2.8	-1.7	106.8	2.2	106.9	-2.7	104.5	-0.6	104.6	0.6	
March	107.8	106.2	106.0	1.6	-2.3	-2.1	109.3	2.3	106.6	-3.3	104.6	0.1	104.6	0.6	
April	107.8	107.2	105.9	0.0	-0.5	-2.3	109.2	-0.1	106.5	-3.6	104.7	0.1	104.7	0.5	
May	108.1	107.9	106.0	0.3	1.3	-2.3	110.2	0.9	106.7	-3.5	103.7	-0.9	104.7	0.5	
June	108.4	108.1	106.2	0.3	1.6	-2.1	110.5	0.3	106.9	-3.3	103.9	0.2	104.7	0.5	
July	110.9	109.1	106.4	2.3	2.6	-1.9	114.1	3.3	107.2	-2.9	104.0	0.1	104.6	0.4	
2021 August	112.6	110.6	106.8	1.6	4.0	-1.5	116.6	2.2	107.8	-2.3	104.0	0.1	104.6	0.3	

Source: Samoa Bureau of Statistics
(R) - Revised due to adjustments made from Samoa Bureau of Statistics (SBS)
** New CPI Index reflecting the 2013/14 Household Income and Expenditures Survey