



## **PRICE DEVELOPMENTS REPORT** **DECEMBER 2022**

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

*Report No.6: 2022/23*

*December 2022*

The **Headline Consumer Price Index (CPI)** contracted further by 0.4 percent over the previous month but was 7.5 percent higher than its level in December 2021. This monthly drop reflected a decline in its imported component by 2.3 percent despite a 1.7 percent increase in its local component.

As a result, the **annual average headline inflation rate** slipped to **11.0 percent** from 11.3 percent in November 2022 and 3.1 percent in December 2021. This marks the first time the inflation rate has dropped since April 2021. This recent decline was underpinned by a decrease in imported inflation (down to 15.3 percent from 16.4 percent) while local inflation edged up to 6.3 percent from 5.9 percent over the previous month.

By individual sub-groups, the ‘Transport’ sub-index contracted by 2.8 percent due to reductions in both its imported component by 3.3 percent (given lower prices for petrol) and local component by 1.7 percent (reflecting lower Apia-Auckland return airfares).

Similarly, the ‘Alcoholic Beverage and Tobacco’ sub-index fell by 0.3 percent, reflecting a 0.4 percent drop in its local component by (mainly the price of kava) despite a 0.1 percent hike in its imported component.

Additionally, the ‘Housing, water, electricity, gas and other fuels’ sub-index fell by 0.1 percent due to a 0.4 percent decline in its imported component (mainly kerosene, paint and timber).

Furthermore, the ‘Furnishing, household equipment and maintenance’ and ‘Miscellaneous goods and services’ sub-groups

recorded reductions of 0.5 percent and 0.2 percent in that order.

In contrast, the ‘Food and Non-Alcoholic Beverages’ sub-index recorded a 0.1 percent increase in light of a 6.6 percent gain in its local component whilst its imported component declined by 2.8 percent. This was accounted for by higher prices of local fish, tomatoes and coconuts to mention a few.

Moreover, the ‘Clothing and Footwear’ and ‘Recreation and Culture’ sub-groups both edged up by 0.5 percent and 0.1 percent respectively. The hike in the former reflected an increase in its local component (higher prices for jandals and aloha shirt) while the latter reflected an increase in its imported component (mainly higher prices for a television set).

The ‘Communication’, ‘Restaurants’, ‘Education’, and ‘Health’ sub-groups remained steady in the month under review.

The monthly **underlying CPI**<sup>1</sup> also contracted further by 1.3 percent but was 7.8 percent higher when compared to the same period last year. As a result, the **annual average underlying inflation** slowed to 11.6 percent from 12.0 percent in the November 2022 but was higher than 3.2 percent in December 2021.

**CENTRAL BANK OF SAMOA**  
**26<sup>th</sup> January 2023**

<sup>1</sup> 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  
December 2022*

**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 over prev 12 months (AnnAvg)	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											
2019	December	108.9	109.5	108.3	-0.9	2.4	-0.5	2.1	1.0	112.4	-1.1	-0.1	111.1	-0.7	105.4	-0.6	-1.0	105.5	2.8
2020	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	-2.9	104.0	0.1	-0.8	105.3	-0.2
2021	December	115.3	114.0	109.9	2.1	11.6	1.6	10.3	3.1	122.7	3.9	1.9	114.0	5.7	108.2	0.0	1.3	105.9	0.6
	January	114.8	114.4	110.8	-0.4	10.7	1.2	10.6	4.5	121.6	-0.9	2.1	115.4	7.6	108.3	0.1	0.2	106.3	1.4
	February	115.3	115.2	111.6	0.4	9.2	1.8	10.5	5.7	122.4	0.7	3.4	116.7	9.3	108.4	0.2	0.1	106.7	2.0
	March	116.2	115.5	112.4	0.7	8.5	1.3	9.5	6.7	123.6	1.0	2.4	117.8	10.8	108.9	0.4	0.1	107.1	2.7
	April	117.2	116.3	113.2	0.9	9.5	1.6	9.1	7.6	126.0	2.0	2.7	119.1	12.1	108.6	-0.3	0.4	107.5	3.1
	May	117.3	116.9	114.1	0.1	8.9	1.5	9.0	8.2	125.8	-0.2	2.4	120.2	12.7	109.0	0.4	0.5	108.0	3.6
	June	121.0	118.5	115.0	3.2	10.9	2.7	9.8	8.8	131.1	4.2	4.2	121.8	13.6	111.2	2.0	1.0	108.4	3.9
	July	125.3	121.2	116.2	3.6	12.9	4.3	10.9	9.5	136.6	4.2	5.8	123.5	14.5	114.4	2.8	2.6	109.1	4.4
	August	129.9	125.4	117.7	3.6	15.2	7.3	13.0	10.3	143.6	5.1	9.6	125.7	15.6	116.4	1.8	4.7	109.8	4.9
	September	130.1	128.4	119.1	0.2	15.3	8.3	14.5	11.0	143.3	-0.2	10.6	127.7	16.4	117.1	0.6	5.8	110.6	5.5
	October	127.7	129.2	120.3	-1.8	12.4	6.6	14.3	11.3	139.8	-2.4	8.5	129.5	16.6	115.9	-1.1	4.4	111.2	5.7
	November	124.6	127.4	121.2	-2.5	10.2	1.6	12.7	11.3	133.8	-4.3	1.4	130.8	16.4	115.5	-0.3	1.9	111.8	6.0
2022	December	124.0	125.4	122.0	-0.4	7.5	-2.3	10.0	11.0	130.7	-2.3	-4.5	131.5	15.3	117.5	1.7	0.3	112.6	6.4

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	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									
2019	December	108.4	108.9	107.2	-0.5	5.1	0.5	110.1	-1.1	108.9	0.1	104.7	0.8	103.6	1.6
2020	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
2021	December	115.4	114.0	110.1	2.0	11.7	3.2	118.9	2.8	112.3	4.4	107.8	0.1	105.1	0.6
	January	115.4	114.6	110.9	0.1	10.3	4.3	118.5	-0.3	113.5	5.8	108.9	1.0	105.4	0.8
	February	116.6	115.8	111.8	1.0	9.9	5.3	120.3	1.5	114.6	7.2	108.7	-0.2	105.8	1.1
	March	116.6	116.2	112.6	0.0	8.2	6.2	120.2	0.0	115.5	8.4	108.7	0.0	106.1	1.4
	April	117.4	116.9	113.4	0.7	8.9	7.0	121.4	1.0	116.6	9.4	108.7	0.0	106.5	1.7
	May	117.3	117.1	114.1	-0.1	8.5	7.6	121.4	0.0	117.5	10.1	109.0	0.3	106.9	2.1
	June	120.5	118.4	115.1	2.7	11.2	8.4	124.1	2.2	118.6	11.0	112.7	3.4	107.6	2.8
	July	126.7	121.5	116.5	5.2	14.3	9.4	130.9	5.4	120.0	11.9	117.8	4.5	108.8	4.0
	August	129.6	125.6	117.9	2.3	15.1	10.4	135.0	3.2	121.6	12.8	117.9	0.1	110.0	5.1
	September	132.7	129.7	119.6	2.4	18.2	11.4	139.0	2.9	123.5	13.7	119.2	1.1	111.2	6.4
	October	131.1	131.1	121.0	-1.2	15.5	11.9	136.4	-1.8	125.1	14.0	119.5	0.3	112.2	7.2
	November	126.0	129.9	122.1	-3.8	11.4	12.0	128.9	-5.5	126.3	13.8	119.8	0.2	113.2	7.9
2022	December	124.4	127.2	122.9	-1.3	7.8	11.6	126.2	-2.1	126.9	12.9	120.3	0.4	114.3	8.7

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