



PRICE DEVELOPMENTS REPORT

JULY 2021

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

Report No.1: 2021/22

July 2021

The **Headline Consumer Price Index (CPI)** continued to rise, up by 1.7 percent over the previous month or 4.5 percent higher when compared to July 2020. This monthly hike reflected increases in both its imported component (up by 2.9 percent) and local component (up by 0.4 percent).

Consequently, the **annual average headline inflation rate** increased for the third consecutive month, to -2.4 percent from -3.0 percent in the previous month but was much lower than 1.1 percent in July 2020. Increases were recorded for both imported inflation (up to -3.3 percent from -4.3 percent) and local inflation (up to -1.4 percent from -1.7 percent).

The ‘Clothing and Footwear’ sub-index noted a significant 12.2 percent increase due to a 16.3 percent hike in its imported component (higher prices for school uniforms) coupled with a 1.4 percent increase in its local component.

The ‘Food and Non Alcoholic Beverages’ subgroup also went up by 3.0 percent mirroring increases of 3.7 percent and 1.4 percent in its imported component (mainly higher prices for chicken, cooking oil, canned fish and onion) and local component (mainly bananas, fish and cucumbers) in that order. The ‘Transport’ and ‘Miscellaneous goods and services’ sub-indices both expanded by 0.9 percent each. The increase in the former was due to a pick-up of 1.4 percent in its imported component (reflecting the higher price of fuel) while the expansion in the latter was also due to a rise in its imported component by 1.2 percent.

Moreover, an increase of 0.3 percent was recorded for both ‘Housing, water, electricity, gas and other fuels’ and ‘Furnishings, household equipment, and maintenance’ subgroups. The increase in the former was underpinned by a 1.2 percent gain in its imported component (higher

price for kerosene) while the latter was accounted for by a 0.3 percent increase in its imported component (mainly higher price of a tumbler glass). The ‘Alcoholic Beverage and Tobacco’ sub-index also recorded a 0.1 percent gain due to a slight rise in its local component (up by 0.1 percent).

On the other hand, the ‘Recreation and Culture’ sub-index fell by 0.6 percent due to 0.6 percent drop in its imported component (lower price of a television set).

The ‘Health’, ‘Communication’, ‘Education’ and ‘Restaurants’ subgroups all remained at last month’s levels.

Similarly, the **underlying CPI**¹ also recorded a 2.3 percent growth over June 2021 and was 2.6 percent higher than in the same month last year. As a result, the **annual average underlying inflation rate** edged up to -1.9 percent from -2.1 percent in June 2021 but was much lower than 2.2 percent in July 2020.

CENTRAL BANK OF SAMOA
2nd 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
July 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 over prev (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											
2018 July	109.7	108.5	105.7	1.0	6.1	3.4	5.8	4.2	115.6	0.1	4.7	110.8	5.6	103.9	2.1	1.8	100.7	2.8	
2019 July	110.1	108.9	107.5	1.5	0.4	2.4	0.3	1.7	113.4	1.4	3.1	110.8	0.0	107.0	1.7	1.6	104.3	3.5	
2020 July	106.3	105.6	108.7	1.3	-3.5	-3.8	-3.0	1.1	107.6	1.7	-5.7	111.6	0.7	105.0	0.9	-1.8	106.0	1.6	
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	104.4	-1.7	
2021 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	

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 July	109.2	108.6	106.5	-0.4	4.5	3.9	112.6	-0.5	109.0	5.2	101.9	-0.1	101.1	1.1	
2019 July	108.4	107.2	106.2	1.6	-0.7	-0.3	110.5	2.2	107.7	-1.2	103.9	0.3	102.8	1.7	
2020 July	108.1	107.2	108.5	1.3	-0.3	2.2	109.8	1.7	110.5	2.5	104.3	0.5	104.2	1.4	
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	
2021 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	

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