



PRICE DEVELOPMENTS REPORT JUNE 2021

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

Report No.12: 2020/21

June 2021

The **Headline Consumer Price Index (CPI)** rose by 1.4 percent over the previous month and was 4.1 percent higher when compared to the same month over the year. Its imported component increased by 0.2 percent while its local component rose by 2.6 percent.

As a result, the **annual average headline inflation rate** rose for the second consecutive month, up to -3.0 percent from -3.6 percent in May 2021, but was much lower than 1.5 percent in June 2020. This was highlighted by improvements in both the imported inflation, rising to -4.3 percent (from -5.2 percent) and local inflation to -1.7 percent (from -1.9 percent) in that order.

The 'Household, Water, Electricity, Gas and other Fuels' sub-index went up by 9.4 percent due to a 12.5 percent hike in its local component (higher price for electricity) coupled with a 0.2 percent increase in its imported component.

The 'Food and Non Alcoholic Beverages' and 'Recreation and Culture' subgroups both increased by 1.2 percent. For the 'Food and Non Alcoholic Beverages' sub-index, the increase came from a 2.8 percent hike in its local component (mainly reflecting higher increases in the prices for fish, taro and banana) while its imported component edged up by 0.6 percent. For the 'Recreation and Culture' sub-index, a 1.3 percent improvement in its imported component (mainly higher prices for television sets) was responsible for the overall increase.

Furthermore, the 'Clothing and Footwear' subgroup went up by 1.1 percent due to a 1.5 percent increase in its imported component (mostly higher prices for running shoes). Also, the 'Alcoholic Beverage and Tobacco' subgroup rose by 0.1 percent due to increases of 0.3 percent and 0.1 percent in its imported (higher

prices for cigarette and beer) and local components respectively.

On the other hand, the 'Miscellaneous goods and services' and 'Furnishings, Household equipment, and Maintenance' sub-indices fell by 1.6 percent and 0.6 percent respectively. Responsible for the decrease in the 'Miscellaneous goods and services' sub-group was a 1.2 percent drop in its imported component (lower prices for toilet paper) while the decrease in the 'Furnishings, Household equipment, and Maintenance' sub-index was due to a decline of 0.7 percent in its imported component.

The 'Health', 'Transport', 'Communication', 'Education' and 'Restaurants' subgroups all remained compared to the previous month.

The **underlying CPI**¹ also rebounded by 0.3 percent over the previous month and was 1.6 percent higher than its level in June 2020. The **annual average underlying inflation rate** went up to -2.1 percent from -2.3 percent in May 2021 but was much lower than 2.1 percent in June 2020.

CENTRAL BANK OF SAMOA
29th July 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
June 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	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	June	108.6	107.1	105.2	1.1	5.8	1.9	5.3	3.7	115.5	3.5	2.0	110.2	5.2	101.8	-1.4	1.5	100.4	2.1
2019	June	108.5	107.8	107.5	0.4	-0.1	2.1	0.7	2.2	111.9	1.1	3.1	111.0	0.8	105.2	-0.3	1.0	104.0	3.7
2020	June	104.9	106.2	109.1	-0.8	-3.3	-3.8	-1.5	1.5	105.7	-1.8	-4.4	112.1	1.0	104.1	0.2	-3.2	106.1	2.0
	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
2021	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

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	June	109.7	107.0	106.1	2.6	5.8	3.7	113.2	3.7	108.6	5.0	102.0	0.2	100.9	0.7
2019	June	106.7	106.4	106.2	0.3	-2.7	0.1	108.2	0.6	107.9	-0.6	103.6	-0.2	102.6	1.7
2020	June	106.7	107.2	108.5	-0.1	-0.1	2.1	107.9	-0.1	110.5	2.4	103.9	0.0	104.1	1.5
	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
2021	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

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