



PRICE DEVELOPMENTS REPORT

JUNE 2022

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

Report No.12: 2021/22

June 2022

External inflationary pressures from international food and fuel prices continues to drive up the **Headline Consumer Price Index (CPI)**; rising by 3.2 percent over the previous month or 10.9 percent higher when compared to the same month last year. Responsible for this monthly increase were gains in both its imported component by 4.2 and local component by 2.0 percent.

As a result, the **annual average headline inflation rate** accelerated further to **8.8 percent** from 8.2 percent in the previous month and even though it was -3.0 percent in June 2021. This reflected further hikes in both imported inflation (up to 13.6 percent from 12.7 percent) and local inflation (up to 3.9 percent from 3.6 percent).

A hike of 3.6 percent in the ‘Food and Non-Alcoholic Beverages’ sub-index was the main driver of an overall increase in the overall CPI. This reflected gains in both its local component (mainly bread, taro, coconuts, round pancake to name a few) and the imported component (mainly butter, chicken leg quarter, milk, vegetable oil to name a few) increasing by 4.7 percent and 3.1 percent respectively.

The ‘Transport’ sub-index also rose by 7.5 percent due to a 10.1 percent gain in its imported component (higher prices for diesel and petrol) as well as a slight increase of 1.9 percent of its local component (reflecting an increase in return airline fares between Samoa-New Zealand).

With the rising food prices, the ‘Restaurants’ subgroup expanded by 8.5 percent; mainly driven by local meal prices. Likewise, the ‘Furnishing households equipment and maintenance’ sub-group also grew by 3.7 percent due to a 4.2 percent increase in its

imported component given higher prices of imported mattress, soap and mosquito coils amongst others.

Furthermore, the ‘Housing, water, electricity, gas and other fuels’ and ‘Alcoholic Beverage and Tobacco’ sub-groups both edged up by 1.6 percent and 0.1 percent each. The hike in the former was due to gains in both its imported component (by 4.4 percent in light of higher prices for kerosene, cement and paint) and its local component (by 0.4 percent reflecting the increase in prices for electricity). The expansion in the latter was due to a 0.1 percent gain in its local component (particularly higher prices for Taula beer).

On the other hand, the ‘Miscellaneous goods and services’ sub-group fell by 0.1 percent due to a 0.2 percent drop in its imported component reflecting lower prices for imported gel and baby diapers.

The ‘Communication’, ‘Clothing and Footwear’, ‘Education’ ‘Recreation and Culture’ and ‘Health’ sub-groups all remained at the same prices as the previous month.

The monthly **underlying CPI**¹ bounced back up by 2.7 over the month and was 11.2 percent higher compared to June of last year. Consequently, the **annual average underlying inflation rate** edged up further to **8.4 percent** from 7.6 percent in the preceding month and was much higher than 1.6 percent in June 2021.

CENTRAL BANK OF SAMOA
25th July 2022

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 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	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
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	-4.3	106.1	2.6	0.6	104.4	-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	-3.3	106.5	0.4	1.3	104.5	-1.4
	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	-2.3	107.3	0.8	2.8	104.7	-1.1
	September	112.8	112.2	107.3	0.0	6.8	3.9	5.6	-0.8	118.4	0.1	5.1	109.7	-0.8	107.3	0.0	2.6	104.8	-0.8
	October	113.6	113.0	108.1	0.7	9.7	3.4	7.3	0.5	118.2	-0.1	4.3	111.1	1.3	109.1	1.7	2.5	105.2	-0.4
	November	113.0	113.1	108.9	-0.5	9.5	1.9	8.6	1.8	118.1	-0.1	2.4	112.4	3.4	108.1	-0.9	1.4	105.5	0.2
	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
2022	June	121.0	118.5	115.0	3.2	10.9	2.7	9.8	8.2	131.1	4.2	4.2	121.8	13.6	111.2	2.0	1.0	108.4	3.9

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	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
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
	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
	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
	September	112.3	111.9	107.3	-0.3	5.9	-0.8	116.1	-0.4	108.6	-1.2	104.1	0.1	104.5	0.2
	October	113.5	112.8	108.2	1.0	10.6	0.6	116.2	0.1	109.8	0.7	107.5	3.2	104.7	0.3
	November	113.1	113.0	109.0	-0.3	9.8	1.9	115.6	-0.6	111.0	2.5	107.7	0.2	104.9	0.4
	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
2022	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

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