



PRICE DEVELOPMENTS REPORT

JUNE 2023

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

Report No.12: 2022/23

June 2023

The **Headline Consumer Price Index (CPI)** rebounded by 1.8 percent over the previous month and was also 10.7 percent higher when compared to June last year. This was due to increases in both its imported and local components, by 1.9 percent and 1.7 percent respectively.

Despite the monthly increase, the **annual average headline inflation rate remained stable at 12.0 percent** from the previous month but was much higher than 8.8 percent in June last year. This unchanged level in June 2023 reflected a further pick up in local inflation (to 9.2 percent from 8.7 percent) against a reduction in imported inflation (to 14.5 percent from 15.0 percent).

By component, the ‘Food and non-alcoholic beverages’ sub-index bounced back up by 3.3 percent reflecting a rebound of 4.9 percent in its local component reflecting hikes in prices for stable food crops (such as ta’amu, taro and banana), bread, and fish pieces to name a few. Its imported component also expanded by 2.5 percent; mirroring higher prices for sugar, mutton flap, chicken leg quarter and rice to name a few.

The ‘Transport’ sub-index also edged-up by 1.3 percent due to increases in both its imported and local components, by 1.6 percent and 0.8 percent respectively. The former was underpinned by higher prices for petrol and diesel while the latter was due to a further hike in prices for the Apia-Auckland-Apia return airfares.

Likewise, the ‘Housing, water, electricity, gas and other fuels’ sub-index grew by 2.8 percent as a result of expansions in both its imported

component by 8.4 percent (higher prices for liquid gas and paint) and local component by 0.4 percent, (reflecting an increase in electricity prices).

Moreover, the ‘Clothing and footwear’ and ‘Health’ sub-indices both improved by 0.2 percent and 0.7 percent in that order. The former was accounted for by higher prices for floral-fabric material while the latter was due to an expansion in the price of amoxicillin tablets.

In contrast, the ‘Alcoholic beverage and tobacco’ sub-index contracted by 1.2 percent, reflecting a drop in its imported component by 7.7 percent (Winfield packet of cigarettes), offsetting a 0.2 percent rise in its local component. Furthermore, the ‘Miscellaneous goods and services’ sub-index shrank by 0.3 percent, highlighting a 0.3 percent drop in its imported component (mainly due to lower prices for toiletry products).

The ‘Communication’, ‘Furnishings, household equipment, and maintenance’, ‘Restaurants’, ‘Education’ and ‘Recreation and culture’ sub-indices all remained the same for the month under review.

The monthly **underlying CPI**¹ edged up further by 1.9 percent over May 2023 and was 14.2 percent higher when compared to the same month of 2022. As a result, the **annual average underlying inflation rate** accelerated further to 14.2 percent from 13.9 percent in May 2023 and was 8.4 percent in June 2022.

CENTRAL BANK OF SAMOA
24th July 2023

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 2023

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											
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
2022	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
	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
	January	128.2	125.6	123.1	3.3	11.6	-2.8	9.8	11.0	137.9	5.5	-5.7	132.9	15.1	118.6	1.0	0.6	113.5	6.7
	February	129.0	127.1	124.2	0.6	11.8	-0.3	10.3	11.2	140.2	1.6	-2.0	134.3	15.1	118.0	-0.5	1.6	114.3	7.1
	March	129.8	129.0	125.3	0.6	11.7	2.8	11.7	11.5	140.7	0.4	3.6	135.8	15.2	119.1	0.9	2.0	115.1	7.5
	April	131.8	130.2	126.6	1.6	12.4	3.7	12.0	11.7	141.1	0.2	4.9	137.0	15.0	122.8	3.1	2.4	116.3	8.2
	May	131.5	131.1	127.7	-0.2	12.1	3.1	12.1	12.0	141.5	0.3	3.6	138.3	15.0	121.8	-0.8	2.7	117.4	8.7
2023	June	133.9	132.4	128.8	1.8	10.7	2.7	11.7	12.0	144.2	1.9	1.9	139.4	14.5	123.9	1.7	3.6	118.4	9.2

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									
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
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
	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
	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
	January	130.5	127.0	124.1	4.9	13.0	11.9	135.2	7.1	128.3	13.0	120.2	-0.1	115.2	9.3
	February	134.4	129.7	125.6	3.0	15.2	12.3	140.7	4.0	130.0	13.4	120.7	0.5	116.2	9.8
	March	134.5	133.1	127.1	0.1	15.4	12.9	140.1	-0.4	131.6	13.9	122.3	1.3	117.3	10.6
	April	135.0	134.6	128.6	0.4	15.0	13.4	140.7	0.4	133.2	14.3	122.6	0.3	118.5	11.3
	May	135.2	134.9	130.0	0.1	15.2	13.9	141.0	0.2	134.9	14.8	122.4	-0.1	119.6	11.9
2023	June	137.7	135.9	131.5	1.9	14.2	14.2	144.4	2.4	136.5	15.1	123.2	0.6	120.5	11.9

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