



PRICE DEVELOPMENTS REPORT **OCTOBER 2022**

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

Report No.4: 2022/23

October 2022

After increasing in the past eight consecutive months, the **Headline Consumer Price Index (CPI)** contracted by 1.8 percent (point to point) over the previous month but was still 12.4 percent higher than October 2021. Responsible for this current reduction over the month were decreases in both its imported and local components by 2.4 percent and 1.1 percent in that order.

The **annual average headline inflation rate** continued to accelerate (but at a decreasing rate) to **11.3 percent** in October 2022 from 11.0 percent in the previous month and was 0.5 percent in October 2021. This was driven mainly by increases in both imported inflation (to 16.6 percent from 16.4 percent) and local inflation (to 5.7 percent from 5.5 percent).

The monthly decline in Headline CPI was led by a 1.8 percent drop in the ‘Food and Non-alcoholic beverages’ sub-index over the month. This was underpinned by a 2.4 percent decrease in its imported component by (which was mainly driven by lower prices for chicken leg quarter, sugar and rice to name a few) and a 1.1 percent dip in its local component (mainly lower prices for fish, food crops and vegetables to name a few).

Similarly, the ‘Transport’ sub-index fell by 4.0 percent due to a decline in both its imported component by 4.6 percent (lower prices of petrol and diesel) and local component by 2.7 percent (reflecting a drop in return airfares for American Samoa and New Zealand).

Furthermore, the ‘Recreation and Culture’ and ‘Health’ sub-indices also declined by 3.7 percent and 3.0 percent respectively. The reduction in the former was highlighted by a 5.8 percent decrease in its imported component (lower prices for warwick exercise book) while

the latter was due to a drop in its imported component by 5.8 percent in light of a reduction in amoxicillin tablets prices.

In addition, the ‘Housing, water, electricity, gas and other Fuels’ and ‘Restaurants’ sub-indices all recorded reductions of 0.3 percent and 0.4 percent in that order. Accounting for the drop in the former was a 0.9 percent decline in its imported component (mostly lower prices for gas, kerosene, paint and to name a few) while the decrease in the latter was due to a 0.4 percent contraction in its local component (reflecting lower prices of local meals).

On the other hand, the ‘Furnishings, household equipment and maintenance’ sub-index grew by 0.5 percent, due to hikes in both its imported component by 0.6 percent (increase in washing powder and mosquito coil prices) and local component by 0.1 percent (mainly higher prices for clothing chest). Moreover, the ‘Clothing and footwear’ sub-index also went up by 0.5 percent due to gains in both its local component by 1.5 percent (higher prices for jandals and aloha shirts) and imported component by 0.2 percent reflecting higher prices for ie-faitaga.

The ‘Miscellaneous goods and services’ sub-index also expanded by 0.3 percent due to a 0.4 percent gain in its imported component, reflecting higher prices for soaps and toilet papers while its local component remained the same for the month under review.

Prices for ‘Alcoholic Beverage and Tobacco’ ‘Communication’ and ‘Education’ sub-groups remained steady for the month.

Review of Price Developments

October 2022

The monthly **underlying CPI**¹ recorded a drop of 1.2 percent for the month but was 15.5 percent higher compared to the same month of 2021. However, the **annual average underlying inflation** rose further to **11.9 percent** from 11.4 percent in the previous month and was significantly higher than 0.6 percent in October 2021.

CENTRAL BANK OF SAMOA

1st December 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
October 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	October	109.9	110.0	107.8	-0.2	1.0	1.1	1.0	0.8	113.5	-0.3	1.3	110.6	-1.3	106.4	-0.1	0.9	105.0	3.0
2020	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	-0.9	105.0	-0.3	0.8	105.6	0.5
2021	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
	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
2023	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

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									
2019	October	109.3	109.3	106.4	-0.2	1.5	-0.6	111.8	-0.2	107.9	-1.5	103.8	-0.1	103.2	1.6
2020	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
2021	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
	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
2022	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

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