PRICE DEVELOPMENTS REPORT
SEPTEMBER 2021

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

The Headline Consumer Price Index (CPI) recorded a 0.04 percent hike in September 2021 due to a slight 0.1 percent increase in its imported component while its local component was unchanged. However, the headline CPI jumped by 6.8 percent higher than its level in September 2020.

As a result, the **annual average headline inflation rate** continued to grow, rising to -0.8 percent from -1.7 percent in August 2021 but lower than 0.4 percent in September 2020. Mainly accounting for this overall increase over the month were expansions in both its imported component (to -0.8 percent from -2.3 percent) and local component (also to -0.8 percent from -1.1 percent).

In terms of individual subgroups, the "Transport" sub-index rose further by 1.5 percent in light of a 2.4 percent increase in its imported component (mostly higher prices for petrol and diesel) while its local component was unchanged. Also, the "Furnishings, Household equipment and Maintenance" sub-index went up by 0.3 percent due to a 0.3 percent hike in its imported component (mostly washing soap and refrigerator prices).

In addition, the "Alcoholic Beverage and Tobacco" and "Housing, water, electricity, gas and other fuels" sub-groups both recorded gains of 0.1 percent each. The rise in the former was due to a 0.2 percent hike in its local component (mostly increased prices for beer - Taula and Vailima) while the improvement in the latter was due to a 0.5 percent gain in its imported component; underpinned by higher prices for timber, kerosene, cement and paint.

On the other hand, the "Food and Non Alcoholic Beverages" sub-group went down by 0.5 percent in the month under review. Contributing to this drop were reductions in both its imported (mostly apples, chicken and flour) and local (mainly tomatoes, fish, coconuts and bananas) components. At the local produce market, the overall volume of supplies increased by 1.1 percent in September 2021 reflecting the abundance of tomatoes and pumpkin. However, the overall price index also increased by 1.9 percent in light of strong demand.

The "Clothing and Footwear" and "Miscellaneous goods and services" sub-indices both fell by 0.2 percent. Accounting for the reduction in the 'Clothing and Footwear' sub-index was a 0.3 percent decline in its imported component. Likewise, the decrease in the "Miscellaneous goods and services" sub-index was due to a 0.2 percent drop in its imported component as well.

The "Health", "Communication", "Recreation and Culture", "Education" and "Restaurants" subgroups all remained the same in the month under review.

The **underlying CPI**[1] fell by 0.3 percent over the previous month but was 5.9 percent higher than its level in the same month last year. As a result, the **annual average underlying inflation rate** went up further to -0.8 percent from -1.5 percent in August 2021, but was well below a positive 1.7 percent in September 2020.

CENTRAL BANK OF SAMOA
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[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.

Table 1: HEADLINE CONSUMER PRICE INDEX (February 2016 = 100) **

		All Groups Index			Percentage change					Overall Import Component					Overall Local Component				
					Latest month		3 mths avg		12 months				Annual	Annual				Annual	Annual
		Monthly Index	3 months average	12 months average	over prev month	over a year earlier	over prev 3mths avg	over a year earlier	over prev 12 months (AnnAvg)	Index	Monthly Change	3mths av % chg	Average 12 months	Average Percent Change	Index	Monthly Change	3mths av % chg	Average 12 months	Average Percent Change
2018	September	108.7	109.3	106.5	-0.6	4.9	2.0	5.3	4.6	113.9	-0.7	2.6	111.8	5.8	103.6	-0.5	1.4	101.5	3.4
2019	September	110.1	110.1	107.7	0.1	1.3	2.2	0.8	1.0	113.8	0.9	2.5	110.6	-1.0	106.6	-0.8	1.9	104.8	3.3
2020	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
	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
	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	-2.30	107.3	0.8	2.8	104.7	-1.1
2021	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	-0.78	107.3	0.0	2.6	104.8	-0.8

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			
				Latest Month		Annual				Annual				Annual
	Monthly Index	3 months average	12 months average	over prev month	over a year earlier	Average Percent Change	Index	Monthly Change	12 months avg	Average Percent Change	Index	Monthly Change	12 months avg	Average Percent Change
2018 September	107.9	108.6	107.0	-0.9	2.2	3.9	110.6	-1.3	109.5	4.9	102.0	0.1	101.5	1.6
2019 September	109.4	109.0	106.3	0.3	1.5	-0.6	111.9	0.4	107.8	-1.6	104.0	0.1	103.1	1.6
2020 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	104.7	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
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
2021 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

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*