



## PRICE DEVELOPMENTS REPORT

### DECEMBER 2017

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

Report No.06: 2017/18

December 2017

The **Headline Consumer Price Index (CPI)** contracted by 1.3 percent following consecutive increases in the past two months. This was due to reductions in both its imported and local components by 0.7 percent and 2.0 percent respectively. In comparison to December 2016, it was 2.6 percent higher than that of last year.

As an outcome, the **annual average headline inflation** increased further to 1.6 percent from 1.5 percent in the preceding month and 1.3 percent in December 2016. This result reflected the further hike in imported inflation to 4.7 percent outweighing the slowdown in local inflation to -1.3 percent.

By individual sub groups, the *“Food and Non Alcoholic Beverages”* edged down by 2.9 percent. The decline was accounted for by both reductions in its local component by 6.8 percent (mainly prices of fish and banana) and imported component by 1.3 percent (sugar, apples potatoes and butter to name a few). At the Local Produce Markets, the overall volume of supplies (main source of local food) fell by 15.4 percent, which pushed the Market overall price index up by 4.0 percent.

Similarly, the *“Housing, Water, Electricity, Gas and other Fuels”* fell by 2.1 percent due to a 2.7 percent decline in its imported component (drop in electricity-cash power prices).

The *“Furnishing, Household equipment and Maintenance”* and *“Miscellaneous goods and service”* sub-indexes decreased slightly by 0.6 percent and 0.1 percent respectively. The reduction in the two sub-indexes was due mainly to decreases in their imported components in light of lower prices for mosquito coil and baby diapers to name a few.

In contrast, the *“Transport”* sub-index rose by 0.7 percent given increases in both its local and imported components by 1.0 percent and 0.5 percent respectively (such as the hike in petrol prices as well as the Apia-Auckland-Apia airfare to name a few).

The *“Clothing and Footwear”* sub-index edged up by 0.1 percent due to a 0.8 percent upturn in its local component. This reflected the hike in prices of puletasi dresses and ie solosolo offsetting a decline of 0.2 percent in its imported component (decrease in prices of men’s shirt).

*“Alcoholic Beverage and Tobacco”, “Health”, “Communication”, “Recreation and Culture”, “Education”* and *“Restaurants”* sub groups were all unchanged in the month under review.

The **underlying CPI**<sup>1</sup> contracted by 2.7 percent in December 2017 and was 2.1 percent higher compared to the same month last year. On the contrary, the **annual average underlying CPI** remained at 2.1 percent but was well above -0.7 percent in December 2016.

**CENTRAL BANK OF SAMOA**  
**6<sup>th</sup> February 2018**

<sup>1</sup> 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**  
**December 2017**

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

	All Groups Index	Percentage change							Overall Import Component					Overall Local Component						
		Index	3 months average	12 months average	Latest month		3 mths avg		12 months over prev 12 months (AnnAvg)	Index	3 months avg	3mths av % chg	Monthly Change	Annual Average 12 months	Annual Average Percent Change	Index	3mths av % chg	Monthly Change	Annual Average 12 months	Annual Average Percent Change
					over prev month	over a year earlier	over prev 3mths avg	over a year earlier												
<b>2015</b>	<b>December</b>	<b>100.4</b>	<b>99.7</b>	<b>99.8</b>	<b>0.7</b>	<b>-2.3</b>	<b>0.8</b>	<b>-1.2</b>	<b>0.7</b>	<b>101.4</b>	<b>102.0</b>	<b>-0.6</b>	<b>-0.9</b>	<b>104.5</b>	<b>-5.6</b>	<b>99.7</b>	<b>1.8</b>	<b>1.7</b>	<b>96.9</b>	<b>5.4</b>
<b>2016</b>	<b>December</b>	<b>101.0</b>	<b>100.6</b>	<b>101.1</b>	<b>0.8</b>	<b>0.6</b>	<b>-1.5</b>	<b>0.8</b>	<b>1.3</b>	<b>104.6</b>	<b>104.1</b>	<b>-0.4</b>	<b>0.5</b>	<b>102.5</b>	<b>-1.9</b>	<b>97.5</b>	<b>-2.7</b>	<b>1.2</b>	<b>99.7</b>	<b>2.9</b>
<b>2017</b>	January	101.5	100.9	100.9	0.5	-2.8	-0.3	-0.6	0.8	104.3	104.3	0.3	-0.3	102.8	-1.0	98.8	-0.8	1.3	99.0	1.4
	February	101.6	101.4	101.0	0.1	1.6	0.7	-0.2	1.0	105.0	104.6	0.8	0.7	103.2	0.1	98.3	0.6	-0.5	98.9	0.9
	March	101.0	101.4	101.1	-0.6	1.4	0.8	0.0	1.2	105.1	104.8	0.7	0.1	103.6	1.1	97.0	1.0	-1.3	98.7	0.4
	April	100.7	101.1	101.2	-0.3	1.3	0.2	1.4	1.4	104.6	104.9	0.5	-0.5	104.1	2.2	97.0	-0.1	0.0	98.5	-0.1
	May	101.7	101.1	101.4	1.0	1.5	-0.2	1.4	1.4	104.6	104.8	0.1	0.0	104.4	2.9	98.9	-0.6	2.0	98.3	-0.6
	June	102.6	101.7	101.4	0.9	1.0	0.3	1.3	1.3	107.0	105.4	0.6	2.3	104.7	3.2	98.4	0.1	-0.5	98.3	-0.9
	July	103.4	102.6	101.4	0.8	0.0	1.5	0.8	1.1	107.7	106.4	1.5	0.7	104.9	3.2	99.2	1.4	0.8	98.0	-1.3
	August	104.3	103.4	101.7	0.9	2.6	2.3	1.2	1.1	108.5	107.7	2.8	0.7	105.2	3.3	100.1	1.6	0.9	98.2	-1.4
	September	103.6	103.8	101.8	-0.7	2.3	2.1	1.6	0.9	108.6	108.3	2.7	0.1	105.6	3.6	98.8	1.3	-1.3	98.2	-1.8
	October	104.3	104.1	102.2	0.7	3.8	1.5	2.9	1.1	110.4	109.2	2.6	1.7	106.2	4.0	98.2	0.2	-0.6	98.2	-1.8
	November	105.0	104.3	102.6	0.7	4.8	0.8	3.6	1.5	111.3	110.1	2.2	0.8	106.8	4.5	98.8	-0.6	0.6	98.4	-1.4
	<b>December</b>	<b>103.6</b>	<b>104.3</b>	<b>102.8</b>	<b>-1.3</b>	<b>2.6</b>	<b>0.5</b>	<b>3.7</b>	<b>1.6</b>	<b>110.5</b>	<b>110.7</b>	<b>2.3</b>	<b>-0.7</b>	<b>107.3</b>	<b>4.7</b>	<b>96.8</b>	<b>-1.4</b>	<b>-2.0</b>	<b>98.4</b>	<b>-1.3</b>

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				
		Index	2 months average	12 months average	Latest Month		Annual Average Percent Change	Index	12 months avg	Monthly Change	Annual Average Percent Change	Index	12 months avg	Monthly Change	Annual Average Percent Change
					over prev month	over a year earlier									
<b>2015</b>	<b>December</b>	<b>100.7</b>	<b>100.8</b>	<b>102.5</b>	<b>-0.4</b>	<b>-4.1</b>	<b>-2.4</b>	<b>100.8</b>	<b>103.4</b>	<b>-0.3</b>	<b>-3.7</b>	<b>100.1</b>	<b>99.8</b>	<b>-0.6</b>	<b>1.6</b>
<b>2016</b>	<b>December</b>	<b>102.2</b>	<b>102.3</b>	<b>101.7</b>	<b>-0.2</b>	<b>1.5</b>	<b>-0.7</b>	<b>103.0</b>	<b>102.4</b>	<b>-0.4</b>	<b>-1.0</b>	<b>100.3</b>	<b>100.3</b>	<b>0.0</b>	<b>0.5</b>
<b>2017</b>	January	102.4	102.3	101.9	0.2	1.8	-0.2	103.4	102.6	0.4	-0.1	100.3	100.3	0.0	0.1
	February	101.9	102.2	102.0	-0.5	1.9	0.4	102.7	102.8	-0.7	0.7	100.0	100.3	-0.3	-0.1
	March	101.8	101.9	102.2	-0.1	1.6	0.9	102.6	103.0	-0.1	1.4	100.1	100.3	0.1	-0.1
	April	101.2	101.5	102.2	-0.6	0.6	1.3	102.0	103.1	-0.6	2.0	99.5	100.2	-0.6	-0.2
	May	101.9	101.6	102.3	0.7	1.4	1.6	102.9	103.3	0.9	2.4	99.7	100.2	0.2	-0.2
	June	103.6	102.8	102.4	1.7	0.3	1.5	105.5	103.4	2.5	2.3	99.5	100.1	-0.2	-0.2
	July	104.5	104.1	102.5	0.9	1.6	1.5	106.9	103.6	1.3	2.3	99.3	100.0	-0.2	-0.3
	August	105.5	105.0	102.7	1.0	2.7	1.5	108.4	104.0	1.4	2.5	99.3	99.9	0.0	-0.4
	September	105.6	105.6	103.0	0.1	2.8	1.6	108.3	104.4	-0.1	2.6	99.7	99.9	0.4	-0.5
	October	106.9	106.3	103.3	1.2	4.1	1.8	109.8	104.9	1.4	2.9	100.6	99.9	0.9	-0.4
	November	107.2	107.1	103.7	0.3	4.7	2.1	110.3	105.5	0.4	3.2	100.6	99.9	0.0	-0.4
	<b>December</b>	<b>104.3</b>	<b>105.8</b>	<b>103.9</b>	<b>-2.7</b>	<b>2.1</b>	<b>2.1</b>	<b>109.1</b>	<b>106.0</b>	<b>-1.1</b>	<b>3.5</b>	<b>94.0</b>	<b>99.4</b>	<b>-6.6</b>	<b>-0.9</b>

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