



PRICE DEVELOPMENTS REPORT

APRIL 2018

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

Report No.10: 2017/18

April 2018

The **Headline Consumer Price Index (CPI)** rebounded by 0.6 percent over the previous month due to a solely increase in local component by 1.7 percent whereas its imported component contracted by 0.4 percent. Furthermore, the headline CPI was 4.6 percent higher than its level in April 2017.

The **annual average headline inflation rate** inched further to 2.9 percent from 2.7 percent in the previous month, and was well above 1.4 percent in April 2017. Primarily underpinning this overall hike was a further pickup in local inflation to 1.1 percent (higher prices for Apia-Auckland-Apia airfares and electricity) from 0.4 percent in the previous month, outweighing a drop in imported inflation to 4.6 percent from 4.7 percent in March 2018.

By individual sub-groups, the *“Housing, Water, Electricity, Gas and other Fuels”* component bounced back up by 1.5 percent. The increase was accounted for by a 2.2 percent increase in its local component due to a 5.1 percent increase in electricity prices. However, its imported component contracted by 0.6 percent (mainly due to lower prices of kerosene, gloss paint and timber).

Furthermore, the *“Food and Non-Alcohol Beverages”* sub-group went up by 1.1 percent due to an expansion of 3.6 percent in its local component (increase in prices for banana, fish, taro, Chinese cabbage, matured coconuts, tomatoes and cucumber). Most of these crops were adversely affected by the Tropical Cyclone Gita in February 2018. On the other hand, its imported component declined 0.1 percent due to lower prices recorded for turkey wings, apples and sugar to name a few.

Similarly, the *“Miscellaneous goods and services”*, and *“Clothing and Footwear”* sub-indexes, edged up by 0.8 percent and 0.4 percent respectively in April 2018. The increase in the former reflected a hike of 1.0 percent in its imported component whereas the local component remained unchanged for the past seventeen consecutive months. In addition, *“Recreation and Culture”* and *“Alcoholic Beverages, Tobacco and Narcotics”* both expanded by 0.3 percent and 0.2 percent in that order.

On the other hand, the *“Furnishing, Household Equipment and Maintenance”* sub-index contracted by 0.3 percent, reflecting a decrease in imported component by 0.3 percent whilst the local component remained unchanged. Moreover, the *“Transport”* sub-group decreased 0.1 percent following a 6.7 percent drop in its imported component (mainly due to reductions in petrol and diesel prices by 2.2 percent each) during the month under review.

The *“Health”, “Communication”, “Education”* and *“Restaurants”* sub-indexes were steady in April 2018.

The **underlying CPI**¹ fell slightly by 0.04 percent in the month under review but was 3.4 percent higher compared to the same month of 2017. As a result, the **annual average underlying inflation rate** went up further to 2.7 percent from 2.5 percent in the previous month, and was also above 1.3 percent in April 2017.

CENTRAL BANK OF SAMOA
30th May 2018

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
April 2018

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

	All Groups		Percentage change						Overall Import Component					Overall Local Component					
	Index	3 months average	12 months average	Latest month		3 mths avg		12 months	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
	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)											
2016 April	99.4	99.7	99.8	-0.2	-1.6	-1.8	-0.8	-0.1	99.4	99.6	-2.0	0.0	101.9	-7.3	99.5	-1.5	-0.3	98.5	5.1
2017 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
December	103.6	104.3	102.8	-1.3	2.6	0.5	3.7	1.6	110.5	110.7	2.3	-0.7	107.3	4.7	96.8	-1.4	-2.0	98.4	-1.3
2018 January	105.7	104.8	103.1	2.1	4.2	0.7	3.8	2.2	110.3	110.7	1.4	-0.2	107.8	4.9	101.3	-0.1	4.6	98.6	-0.5
February	105.3	104.9	103.4	-0.4	3.6	0.6	3.5	2.4	110.0	110.2	0.1	-0.3	108.2	4.9	100.7	1.0	-0.6	98.8	-0.1
March	104.7	105.2	103.7	-0.6	3.6	0.9	3.8	2.7	108.8	109.7	-0.9	-1.0	108.5	4.7	100.6	3.0	-0.2	99.1	0.4
April	105.3	105.1	104.1	0.6	4.6	0.3	3.9	2.9	108.4	109.1	-1.5	-0.4	108.8	4.6	102.3	2.2	1.7	99.5	1.1

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			
	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									
2016 April	100.6	100.4	100.9	0.5	-3.9	-4.0	100.9	101.1	0.6	-5.9	100.1	100.4	0.2	1.9
2017 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
December	104.3	105.8	103.9	-2.7	2.1	2.1	109.1	106.0	-1.1	3.5	94.0	99.4	-6.6	-0.9
2018 January	105.4	104.9	104.2	1.1	2.9	2.2	107.7	106.4	-1.3	3.6	100.6	99.4	7.0	-0.9
February	105.8	105.6	104.5	0.4	3.8	2.4	107.5	106.8	-0.1	3.8	102.0	99.6	1.4	-0.7
March	104.7	105.2	104.7	-1.1	2.8	2.5	105.9	107.0	-1.5	3.9	102.0	99.7	-0.1	-0.6
April	104.6	104.6	105.0	0.0	3.4	2.7	105.9	107.4	0.0	4.1	101.9	99.9	-0.1	-0.3

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