



## PRICE DEVELOPMENTS REPORT SEPTEMBER 2018

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

*Report No.3: 2017/18*

*September 2018*

The **Headline Consumer Price Index (CPI)** fell further by 0.6 percent due to reductions in both its imported and local components by 0.7 percent and 0.5 percent respectively. However, the headline CPI was 4.9 percent higher compared to September 2017.

Despite the monthly decline, the **annual average headline inflation rate** increased further to 4.6 percent from 4.4 percent in the previous month and was well above 0.9 percent in the same month last year. This was due to a 3.4 percent increase in local inflation from 3.0 percent in the previous month while imported inflation remained at 5.8 percent from the preceding month.

By individual subgroups, the *“Food and Non Alcoholic Beverages”* component fell by 2.1 percent from 0.9 percent in the previous month. The contraction accounted for by a 2.8 percent decrease in its local component (mainly prices of taro, cabbage, koko samoa, banana and tomatoes). Similarly, its imported component also dropped by 1.8 percent reflecting lower prices of chicken leg quarters, turkey wings, milk and onion to name a few.

At the Local Produce Markets, the overall volume of supplies (main source of local food) rose by 34.0 percent. As a result, the overall price index decreased by 8.2 percent.

In addition, the *“Clothing and Footwear”* and *“Miscellaneous goods & services”* sub-indexes both fell by 0.2 percent. The former was accounted for by a 0.7 percent drop in its local component while the latter was due to a 0.3 percent decline in prices of hair gel and Colgate toothpaste to name a few.

On the upside, the *“Transport”* and *“Furnishing, Household equipment and Maintenance”* subgroups both edged up by 1.0 percent. The increase in the former reflected hikes in its imported component by 1.4 percent (increase in price of petrol) and local component by 0.3 percent (rise in Apia-Auckland-Apia return fares). The latter was accounted for by a hike in its imported component by 1.2 percent (increase prices for mosquito coil and washing soap).

In addition, the *“Housing, Water, Electricity, Gas and other Fuels”*, *“Alcohol Beverage and Tobacco”* and *“Recreation and Culture”* subgroups increased by 0.7 percent, 0.4 percent and 0.1 percent respectively.

The *“Health”*, *“Communication”*, *“Education”*, and *“Restaurant”* subgroups meanwhile remained unchanged in the month under review.

The **underlying CPI**<sup>1</sup> fell by 0.9 percent from the previous month but was 2.2 percent higher compared to September 2017. As a result, the **annual average underlying inflation** steadied at 3.9 percent from the previous month and was well above 1.6 percent in the same month last year.

**CENTRAL BANK OF SAMOA**  
**5<sup>th</sup> November 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**  
**September 2018**

**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 (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>2016</b>	<b>September</b>	<b>101.3</b>	<b>102.1</b>	<b>100.9</b>	<b>-0.4</b>	<b>4.1</b>	<b>1.7</b>	<b>3.3</b>	<b>0.8</b>	<b>103.7</b>	<b>104.5</b>	<b>3.3</b>	<b>-1.1</b>	<b>102.0</b>	<b>-4.4</b>	<b>99.0</b>	<b>0.2</b>	<b>0.5</b>	<b>100.0</b>	<b>4.1</b>
<b>2017</b>	<b>September</b>	<b>103.6</b>	<b>103.8</b>	<b>101.8</b>	<b>-0.7</b>	<b>2.3</b>	<b>2.1</b>	<b>1.6</b>	<b>0.9</b>	<b>108.6</b>	<b>108.3</b>	<b>2.7</b>	<b>0.0</b>	<b>105.6</b>	<b>3.6</b>	<b>98.8</b>	<b>1.3</b>	<b>-1.4</b>	<b>98.1</b>	<b>-1.8</b>
	October	104.3	104.1	102.2	0.6	3.8	1.4	2.9	1.1	110.4	109.2	2.6	1.7	106.2	4.0	98.2	0.2	-0.5	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	105.0	104.7	102.9	0.0	3.9	0.9	4.2	1.8	110.9	110.9	2.4	-0.4	107.3	4.7	99.2	-0.6	0.4	98.6	-1.1
<b>2018</b>	<b>January</b>	<b>105.7</b>	<b>105.2</b>	<b>103.2</b>	<b>0.7</b>	<b>4.2</b>	<b>1.1</b>	<b>4.3</b>	<b>2.4</b>	<b>110.3</b>	<b>110.8</b>	<b>1.5</b>	<b>-0.5</b>	<b>107.8</b>	<b>4.9</b>	<b>101.3</b>	<b>0.8</b>	<b>2.1</b>	<b>98.8</b>	<b>-0.3</b>
	February	105.3	105.3	103.6	-0.4	3.6	1.0	3.9	2.5	110.0	110.4	0.2	-0.3	108.2	4.9	100.7	1.8	-0.6	99.0	0.1
	March	104.7	105.2	103.9	-0.6	3.6	0.5	3.8	2.7	108.8	109.7	-1.1	-1.0	108.6	4.7	100.6	2.1	-0.2	99.3	0.6
	April	105.3	105.1	104.2	0.6	4.6	-0.1	3.9	3.0	108.4	109.1	-1.6	-0.4	108.9	4.6	102.3	1.4	1.7	99.7	1.3
	May	107.4	105.8	104.7	1.9	5.6	0.4	4.6	3.3	111.6	109.6	-0.7	2.9	109.5	4.8	103.2	1.6	1.0	100.1	1.8
	June	108.6	107.1	105.2	1.1	5.8	1.8	5.3	3.7	115.5	111.9	2.0	3.5	110.2	5.2	101.8	1.5	-1.4	100.4	2.1
	July	109.7	108.5	105.7	1.0	6.1	3.3	5.8	4.2	115.6	114.2	4.7	0.1	110.8	5.6	103.9	1.8	2.1	100.7	2.8
	August	109.4	109.2	106.2	-0.3	4.9	3.3	5.6	4.4	114.7	115.3	5.2	-0.8	111.3	5.8	104.2	1.3	0.3	101.1	3.0
	<b>September</b>	<b>108.7</b>	<b>109.3</b>	<b>106.6</b>	<b>-0.7</b>	<b>4.9</b>	<b>2.0</b>	<b>5.3</b>	<b>4.6</b>	<b>113.9</b>	<b>114.7</b>	<b>2.6</b>	<b>-0.7</b>	<b>111.8</b>	<b>5.8</b>	<b>103.6</b>	<b>1.4</b>	<b>-0.5</b>	<b>101.5</b>	<b>3.4</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>2016</b>	<b>September</b>	<b>102.7</b>	<b>102.7</b>	<b>101.4</b>	<b>0.0</b>	<b>2.1</b>	<b>-2.1</b>	<b>103.7</b>	<b>101.8</b>	<b>0.1</b>	<b>-3.0</b>	<b>100.3</b>	<b>100.3</b>	<b>-0.3</b>	<b>1.1</b>
<b>2017</b>	<b>September</b>	<b>105.6</b>	<b>105.6</b>	<b>103.0</b>	<b>0.0</b>	<b>2.8</b>	<b>1.6</b>	<b>108.3</b>	<b>104.4</b>	<b>-0.1</b>	<b>2.6</b>	<b>99.7</b>	<b>99.9</b>	<b>0.4</b>	<b>-0.5</b>
	October	106.9	106.2	103.3	1.3	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	106.7	107.0	104.1	-0.5	4.4	2.3	109.5	106.0	-0.7	3.6	100.5	99.9	-0.1	-0.4
<b>2018</b>	<b>January</b>	<b>105.4</b>	<b>106.1</b>	<b>104.4</b>	<b>-1.2</b>	<b>3.0</b>	<b>2.4</b>	<b>107.7</b>	<b>106.4</b>	<b>-1.7</b>	<b>3.7</b>	<b>100.6</b>	<b>99.9</b>	<b>0.0</b>	<b>-0.3</b>
	February	105.8	105.6	104.7	0.3	3.8	2.6	107.5	106.8	-0.1	3.8	102.0	100.1	1.4	-0.2
	March	104.7	105.2	104.9	-1.1	2.8	2.7	105.9	107.1	-1.5	3.9	102.0	100.3	-0.1	0.0
	April	104.6	104.6	105.2	0.0	3.4	2.9	105.9	107.4	0.0	4.1	101.9	100.5	-0.1	0.2
	May	106.9	105.7	105.6	2.1	4.9	3.2	109.2	107.9	3.1	4.5	101.8	100.6	-0.1	0.4
	June	109.7	108.3	106.1	2.6	5.8	3.7	113.2	108.6	3.7	5.0	102.0	100.9	0.2	0.7
	July	109.2	109.4	106.5	-0.4	4.5	3.9	112.6	109.0	-0.5	5.2	101.9	101.1	-0.1	1.1
	August	108.8	109.0	106.8	-0.4	3.1	3.9	112.0	109.3	-0.5	5.1	101.9	101.3	0.0	1.4
	<b>September</b>	<b>107.9</b>	<b>108.3</b>	<b>107.0</b>	<b>-0.9</b>	<b>2.2</b>	<b>3.9</b>	<b>110.6</b>	<b>109.5</b>	<b>-1.3</b>	<b>4.9</b>	<b>102.0</b>	<b>101.5</b>	<b>0.1</b>	<b>1.6</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