



## **PRICE DEVELOPMENTS REPORT** **MARCH 2019**

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

*Report No.09: 2018/19*

*March 2019*

The **Headline Consumer Price Index (CPI)** rose to 1.7 percent over the previous month due to increases in both its local component by 1.7 percent and imported component by 1.6 percent. Moreover, the headline CPI was 2.3 percent higher compared to March 2018.

Despite this monthly increase, the **annual average inflation rate** fell slightly to 3.3 percent from 3.4 percent in the preceding month and was well above 2.7 percent in March 2018. This overall decrease reflected a reduction of 2.5 percent in the imported inflation while local inflation remained stable at 4.1 percent for the fourth consecutive month.

Underpinning the hike in March 2019 was a 4.8 percent expansion in the *“Housing, Water, Electricity, Gas and other Fuels”* sub-index as a result of a 6.7 percent gain in its local component (15.5 percent rise in electricity prices), which was partially offset by a 0.3 percent drop in its imported component.

The *“Food and Non-Alcohol Beverages”* subgroup increased by 2.7 percent due to a hike in its imported component by 2.9 percent (mainly reflecting higher prices for chicken leg quarters, potatoes, butter and flour) and a 2.3 percent gain in its local component (particularly prices of fish, round cabbage, cucumber, koko Samoa, banana and tomatoes).

At the Local Produce Markets, the overall volume of supplies (main source of local food component) declined by 26.1 percent, which pushed up the overall price index by 19.2 percent.

Furthermore, the *“Communications”* and *“Restaurants”* subgroups both increased by 2.2

percent each as a result of higher prices recorded for telephone calls (international and local) for the former as well as normal meals for the latter. In addition, the *“Alcoholic Beverages and Tobacco”* went up by 0.5 percent, the *“Health”* sub-index edged up by 0.2 percent and *“Education”* went up by 0.1 percent.

On the downside, the *“Recreation and Culture”* and *“Transport”* sub-groups both contracted by 1.3 percent and 1.0 percent respectively. The decrease in the former was due to lower prices for a television while the latter was accounted for by a reduction in both petrol prices and Apia-Auckland return airfare (down by 16.5 percent). Likewise, the *“Furnishing, Household equipment and Maintenance”*, *“Clothing and Footwear”* and *“Miscellaneous goods and services”* sub-indexes all declined by 0.7 percent, 0.6 percent and 0.2 percent respectively.

The **underlying CPI**<sup>1</sup> registered a 1.6 percent drop in the month under review but was 1.8 percent higher than the same month in 2018. In addition, the **annual average underlying inflation rate** contracted further to 1.4 percent from 1.5 percent in the previous month and 2.7 percent in March 2018.

**CENTRAL BANK OF SAMOA**  
**16<sup>th</sup> April 2019**

<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**  
**March 2019**

**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 (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												
2016	March	99.6	101.3	99.9	-0.4	-0.1	1.6	0.5	0.2	99.4	100.2	-1.8	-0.6	102.5	-6.9	99.8	3.9	-0.2	98.3	5.5
2017	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
2018	March	104.7	105.1	103.8	-0.2	3.6	0.3	3.7	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	105.0	104.2	0.6	4.6	-0.3	3.8	2.9	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	0.5	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	1.9	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	3.4	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	106.1	-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
	September	108.7	109.3	106.5	-0.6	4.9	2.0	5.3	4.6	113.9	114.7	2.6	-0.7	111.8	5.8	103.6	1.4	-0.5	101.5	3.4
	October	108.9	109.0	106.9	0.2	4.4	0.4	4.7	4.7	113.8	114.2	-0.1	-0.1	112.1	5.5	104.1	1.0	0.4	102.0	3.8
	November	106.3	108.0	107.0	-2.4	1.3	-1.1	3.5	4.4	111.7	113.2	-1.8	-1.9	112.1	5.0	101.5	-0.2	-2.5	102.2	3.8
	December	106.3	107.2	107.2	0.0	1.2	-1.9	2.3	4.1	108.6	111.4	-2.9	-2.8	111.9	4.3	104.0	-0.7	2.6	102.6	4.1
2019	January	104.6	105.7	107.1	-1.6	-1.1	-3.0	0.5	3.7	105.2	108.5	-4.9	-3.1	111.5	3.4	103.9	-0.8	-0.2	102.8	4.1
	February	105.3	105.4	107.1	0.7	0.4	-2.4	0.2	3.4	107.4	107.1	-5.4	2.1	111.3	2.8	103.2	0.6	-0.7	103.0	4.1
	March	107.0	105.6	107.3	1.7	2.3	-1.5	0.5	3.3	109.2	107.3	-3.7	1.6	111.3	2.5	104.9	0.8	1.7	103.4	4.1

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 Index	Percent Changes					Overall Import Component				Overall Local Component				
		Index	3 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	March	100.2	100.2	101.3	0.2	-4.3	-3.7	100.3	101.6	0.3	-5.5	99.9	100.4	-0.1	2.0
2017	March	101.8	102.0	102.2	-0.1	1.6	0.9	102.6	103.0	-0.1	1.4	100.1	100.3	0.1	-0.1
2018	March	104.7	105.3	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	105.0	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	105.4	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	107.0	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	108.6	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	109.2	106.8	-0.4	3.1	3.9	112.0	109.3	-0.5	5.1	101.9	101.3	0.0	1.4
	September	107.9	108.6	107.0	-0.9	2.2	3.9	110.6	109.5	-1.3	4.9	102.0	101.5	0.1	1.6
	October	107.7	108.1	107.0	-0.2	0.7	3.6	110.3	109.6	-0.3	4.4	102.0	101.6	0.0	1.7
	November	105.5	107.0	106.9	-2.0	-1.6	3.0	106.9	109.3	-3.1	3.6	102.4	101.8	0.3	1.8
	December	103.1	105.4	106.6	-2.2	-3.3	2.4	103.6	108.8	-3.1	2.6	102.2	101.9	-0.2	2.0
2019	January	102.0	103.5	106.3	-1.1	-3.2	1.9	101.9	108.3	-1.6	1.8	102.2	102.0	0.0	2.1
	February	104.8	103.3	106.2	2.7	-0.9	1.5	105.9	108.2	3.9	1.3	102.4	102.1	0.2	1.9
	March	106.5	104.4	106.4	1.6	1.8	1.4	108.0	108.3	1.9	1.2	103.3	102.2	0.9	1.9

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