



PRICE DEVELOPMENTS REPORT **AUGUST 2019**

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

Report No.2: 2019/20

August 2019

The **Headline Consumer Prices Index (CPI)** dropped by 0.1 percent over the month as the reduction in its imported component of 0.5 percent more than offset an increase in the local component of 0.4 percent. However, the overall CPI was 0.6 percent higher when compared to August 2018.

The **annual average headline inflation rate** edged down to 1.3 percent from 1.7 percent a month ago and was well below a 4.4 percent in August 2018. This current performance of annual inflation was accounted for by both reductions in the local component to 3.4 percent from 3.5 percent and the imported component to -0.6 percent from -0.02 percent in the previous month.

By individual subgroups, the *“Transport”* sub-index fell moderately by 3.5 percent. This accounted for a drop of 3.5 percent in its imported component (mainly petrol and diesel prices) offsetting a 0.8 percent gain in local component. In addition, both the *“Furnishing, Household equipment and Maintenance”* and *“Housing, Water, Electricity, Gas and other Fuels”* (mainly kerosene) sub-indexes each declined by 0.4 percent.

On the other hand, the *“Food and Non Alcoholic Beverages”* subgroup increased by 1.1 percent as a result of higher prices of its imported component by 1.3 percent (mainly the prices of chicken leg quarter and butter) and its local component by 0.9 percent (mainly higher prices for fish, banana and coconuts). Similarly, the *“Miscellaneous goods and services”* subgroup increased by 0.5 percent.

At the Local Produce Markets, the overall volume of agricultural produce supplies (main source of local food) fell by 3.2 percent which pushed the Market overall price index up by 6.4 percent.

However, *“Alcoholic Beverages, Tobacco and Narcotics”*, *“Clothing and Footwear”*, *“Health”*, *“Communication”*, *“Recreation and Culture”*, *“Education”* and *“Restaurant”* were all unchanged in the month under review.

The **underlying CPI**¹ registered a 0.6 percent increase stemming from an increase in its imported component by 0.9 percent while local component was unchanged from the preceding month. On the other hand, the **annual average underlying CPI** edged down to -0.6 from -0.3 percent in the previous month and was well below 3.9 percent in August 2018.

CENTRAL BANK OF SAMOA
24th September 2019

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
August 2019

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 (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 August	101.7	102.2	100.6	-1.6	3.3	2.5	2.7	0.4	104.9	104.6	4.9	0.0	101.8	-5.3	98.5	0.1	-3.4	99.6	4.1
2017 August	104.3	103.4	101.7	0.9	2.5	2.3	1.2	1.1	108.5	107.7	2.8	0.8	105.2	3.3	100.1	1.6	0.9	98.2	-1.4
2018 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
April	106.8	106.4	107.4	-0.2	1.5	0.6	1.4	3.1	109.3	108.6	0.1	0.1	111.4	2.3	104.4	1.0	-0.5	103.6	3.9
May	108.0	107.3	107.5	1.1	0.6	1.8	1.4	2.6	110.6	109.7	2.4	1.2	111.3	1.7	105.5	1.2	1.0	103.7	3.7
June	108.5	107.8	107.5	0.4	-0.1	2.1	0.7	2.2	111.9	110.6	3.1	1.1	111.0	0.8	105.2	1.0	-0.3	104.0	3.7
July	110.1	108.9	107.5	1.5	0.4	2.4	0.3	1.7	113.4	112.0	3.1	1.4	110.8	-0.02	107.0	1.6	1.7	104.3	3.5
August	110.1	109.6	107.6	-0.1	0.6	2.1	0.3	1.3	112.8	112.7	2.7	-0.5	110.7	-0.62	107.4	1.5	0.4	104.6	3.4

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	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 August	102.7	103.0	101.2	-0.2	2.1	-2.7	103.6	101.5	-0.3	-3.9	100.6	100.4	-0.1	1.3
2017 August	105.5	104.5	102.7	1.0	2.8	1.5	108.4	104.0	1.4	2.5	99.3	99.9	0.0	-0.4
2018 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
April	106.1	105.8	106.5	-0.3	1.5	1.2	107.5	108.5	-0.5	1.0	103.3	102.3	0.0	1.8
May	106.4	106.3	106.5	0.2	-0.5	0.8	107.6	108.3	0.1	0.4	103.8	102.5	0.5	1.8
June	106.7	106.4	106.2	0.3	-2.7	0.1	108.2	107.9	0.6	-0.6	103.6	102.6	-0.2	1.7
July	108.4	107.2	106.2	1.6	-0.7	-0.3	110.5	107.7	2.2	-1.2	103.9	102.8	0.3	1.7
August	109.1	108.1	106.2	0.6	0.3	-0.6	111.5	107.7	0.9	-1.5	103.9	102.9	0.0	1.6

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