



## **PRICE DEVELOPMENTS REPORT** **SEPTEMBER 2019**

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

*Report No.3: 2019/20*

*September 2019*

The **Headline Consumer Price Index (CPI)** recorded an increase of 0.1 percent in September 2019 when compared to the previous month. The overall expansion in the headline CPI was mainly driven by the increase of 0.9 percent in its imported component despite a decline of 0.8 percent in its local component. Nevertheless, when compared to September 2018, the headline CPI was 1.3 percent higher.

The **annual average headline inflation rate** slowed further to 1.0 percent from 1.3 percent in August 2019 which was also below 4.6 percent in September 2018. This overall decline was underpinned by a further reduction in imported inflation to -1.0 percent from -0.6 percent and local inflation to 3.3 percent from 3.4 percent.

In terms of individual subgroups, the *“Food and Non-Alcoholic Beverages”* sub-index fell 0.7 percent in-light of a decline in its local component by 3.2 percent (particularly prices of taro, fish, banana, cucumbers and tomatoes to mention a few) offsetting an increase by 0.5 percent in imported food component. At the Local Produce Market, the overall volume of supplies (main source of local food) rose by a seasonal 30.1 percent which led to a 16.8 percent decrease in overall price index at the Market.

In addition, the *“Miscellaneous goods and services”* sub-index declined by 0.5 percent accounted lower prices in its imported component by 0.6 percent.

The *“Alcoholic Beverages, Tobacco and Narcotics”* and *“Clothing and Footwear”* sub-indexes also went down by 0.2 percent and 0.1

percent respectively. The drop in the former was due to lower prices of Samoan kava, beer and spirits while the latter was accounted for by a modest decline in the price of local Aloha shirt.

In contrast, *“Transport”* sub-index recorded an increase of 2.6 percent in the month under review. This was underpinned by expansions of 3.4 percent in its imported component mainly higher fuel prices and 1.4 percent rise in its local component reflecting the increase in Apia-Auckland-Apia return airfares.

Similarly, the *“Furnishing, Household equipment and Maintenance”* and *“Housing, Water, Electricity, Gas and other Fuels”* sub-indexes registered slight increases of 0.3 percent and 0.2 percent respectively. The gain in the latter reflected a 3.5 percent hike in kerosene prices and 0.7 percent increase in cement prices.

The *“Health”, “Communication”, “Recreation and Culture”, “Education”,* and *“Restaurant”* sub-indexes meanwhile remained the same from the previous month.

The **underlying CPI**<sup>1</sup> went up further by 0.3 percent and was 1.5 percent higher than the same month a year ago. However, the **annual average underlying inflation** remained unchanged at -0.6 percent as in the previous month and was much lower than 3.9 percent in the same month of last year.

**CENTRAL BANK OF SAMOA**  
**18<sup>th</sup> October 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 September 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	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	over prev 12 months (AnnAvg)											
<b>2016 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 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>
<b>2018 September</b>	<b>108.7</b>	<b>109.3</b>	<b>106.5</b>	<b>-0.6</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>
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
<b>2019 January</b>	<b>104.6</b>	<b>105.7</b>	<b>107.1</b>	<b>-1.6</b>	<b>-1.1</b>	<b>-3.0</b>	<b>0.5</b>	<b>3.7</b>	<b>105.2</b>	<b>108.5</b>	<b>-4.9</b>	<b>-3.1</b>	<b>111.5</b>	<b>3.4</b>	<b>103.9</b>	<b>-0.8</b>	<b>-0.2</b>	<b>102.8</b>	<b>4.1</b>
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
<b>September</b>	<b>110.1</b>	<b>110.1</b>	<b>107.7</b>	<b>0.1</b>	<b>1.3</b>	<b>2.2</b>	<b>0.8</b>	<b>1.0</b>	<b>113.8</b>	<b>113.3</b>	<b>2.5</b>	<b>0.9</b>	<b>110.6</b>	<b>-1.03</b>	<b>106.6</b>	<b>1.9</b>	<b>-0.8</b>	<b>104.8</b>	<b>3.3</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	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									
<b>2016 September</b>	<b>102.7</b>	<b>102.8</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 September</b>	<b>105.6</b>	<b>105.2</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>
<b>2018 September</b>	<b>107.9</b>	<b>108.6</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>
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
<b>2019 January</b>	<b>102.0</b>	<b>103.5</b>	<b>106.3</b>	<b>-1.1</b>	<b>-3.2</b>	<b>1.9</b>	<b>101.9</b>	<b>108.3</b>	<b>-1.6</b>	<b>1.8</b>	<b>102.2</b>	<b>102.0</b>	<b>0.0</b>	<b>2.1</b>
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
<b>September</b>	<b>109.4</b>	<b>109.0</b>	<b>106.3</b>	<b>0.3</b>	<b>1.5</b>	<b>-0.6</b>	<b>111.9</b>	<b>107.8</b>	<b>0.4</b>	<b>-1.6</b>	<b>104.0</b>	<b>103.1</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