



PRICE DEVELOPMENTS REPORT OCTOBER 2019

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

Report No.4: 2019/20

October 2019

The **Headline Consumer Price Index (CPI)** declined by 0.2 percent from the previous month but was 1.0 percent higher when compared to October 2018. The current reduction was underpinned by decreases of 0.3 percent in its imported component and 0.1 percent in its local component from the preceding month.

In addition, the **annual average headline inflation rate** fell further to 0.8 percent from 1.0 percent in September 2019 and 4.7 percent in October 2018. This reflected further slowdowns in both imported inflation, to -1.3 percent from -1.0 percent and local inflation to 3.0 percent from 3.3 percent.

By individual subgroups, the *“Food and Non-Alcoholic Beverages”* sub-index dropped further by 0.6 percent during the month under review. This was due to reductions in both its local component, by 1.3 percent (reflecting lower prices for taro, fish, tomatoes and cucumbers) and its imported component by 0.3 percent (lower chicken leg quarter, sugar and rice prices). Similarly, the overall price index at the Local Produce Markets edged down by 1.3 percent in October 2019 in light of a 20.0 percent increase in local produce supply.

Furthermore, the *“Furnishing, Household equipment and Maintenance”* sub-group registered a drop of 0.4 percent following a decrease of 0.5 percent in its imported component (due to a lower price for washing powder).

On the other hand, the *“Transport”* sub-index registered a slight increase of 0.3 percent reflecting a 1.8 percent hike in its local component (reflecting higher Apia-Auckland-

Apia return airfare) despite a 0.6 percent drop in its imported component.

Similarly, the *“Alcoholic Beverage, Tobacco and Narcotics”* (reflecting the higher price for kava) and *“Clothing and Footwear”* sub-indexes both edged up by 0.2 percent.

The *“Housing, Water, Electricity, Gas and other fuels”, “Health”, “Communication”, “Recreation and Culture”, “Education”, “Restaurants”* and *“Miscellaneous goods and services”* sub-indexes remained the same in the reviewed month.

The monthly **underlying CPI**¹ fell by 0.2 percent but was 1.5 percent higher compared to the same month last year. For the third consecutive month, the **annual average underlying CPI** remained unchanged at -0.6 percent and was much lower than 3.6 percent in October 2018.

CENTRAL BANK OF SAMOA
22nd November 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
October 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 October	100.5	101.2	101.0	-0.8	1.3	-0.6	2.9	0.9	103.6	104.1	1.0	-0.1	102.1	-3.6	97.5	-2.2	-1.5	100.0	3.7
2017 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
2018 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
September	110.1	110.1	107.7	0.1	1.3	2.2	0.8	1.0	113.8	113.3	2.5	0.9	110.6	-1.03	106.6	1.9	-0.8	104.8	3.3
October	109.9	110.0	107.8	-0.2	1.0	1.1	1.0	0.8	113.5	113.4	1.3	-0.3	110.6	-1.30	106.4	0.9	-0.1	105.0	3.0

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 October	102.7	102.7	101.5	0.0	1.5	-1.6	103.7	102.0	0.0	-2.3	100.3	100.3	0.0	0.9
2017 October	106.9	106.0	103.3	1.3	4.1	1.8	109.8	104.9	1.4	2.9	100.6	99.9	0.9	-0.4
2018 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
September	109.4	109.0	106.3	0.3	1.5	-0.6	111.9	107.8	0.4	-1.6	104.0	103.1	0.1	1.6
October	109.3	109.3	106.4	-0.2	1.5	-0.6	111.8	107.9	-0.2	-1.5	103.8	103.2	-0.1	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