



PRICE DEVELOPMENTS REPORT **DECEMBER 2019**

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

Report No.6: 2019/20

December 2019

The **Headline Consumer Price Index (CPI)** declined further by 0.9 percent compared to the preceding month. This was due to reductions in both its imported and local components by 1.1 percent and 0.6 percent respectively. In comparison to December 2018, it was 2.5 percent higher than that of that year.

As an outcome, the **annual average headline inflation rate** increased further to 1.0 percent from 0.9 percent in the preceding month. This result reflected the further hike in imported inflation to -0.7 percent from -1.2 percent outweighing the slowdown in local inflation to 2.8 percent from 3.1 percent in November 2019.

By individual subgroups, the *“Transport”* edged down by 3.8 percent. The decline was accounted for by both reductions in its local component by 7.8 percent (mainly Apia-Auckland return airfares) and imported component by 1.4 percent (lower prices for fuel and diesel to name a few).

The *“Food and Non-Alcoholic Beverages”* and *“Furnishing, Household equipment and Maintenance”* subgroups both declined by 0.9 percent and 0.5 percent respectively. The drop in the former was accounted for by a reduction in its imported component by 1.5 percent (lower prices for chicken leg quarter, rice and sugar to mention a few) while the latter reflected lower prices for washing soap and futon mattress.

Furthermore, the *“Alcoholic Beverage, Tobacco and Narcotics”* and *“Housing, Water, Electricity, Gas and other Fuels”* subgroups, slightly fell by 0.2 percent and 0.1 percent in that order.

On the other hand, the *“Restaurant”* subgroup edged up by 4.7 percent due to a 27.3 percent hike in the price for lunch meal.

The *“Miscellaneous goods and services”* and *“Clothing and Footwear”* subgroups also rose by 0.8 percent and 0.4 percent respectively. The gain in the former reflected an increase in the prices for toiletries while the latter was accounted for by modest increase in the prices of women’s puletasi.

The *“Health”, “Communication” “Recreation and Culture”* and *“Education”* subgroups remained the same in the month under review.

The **underlying CPI**¹ contracted further by 0.5 percent but was higher than December 2018 by 5.1 percent. However, the **annual average underlying CPI** hike up to 0.5 percent from -0.1 percent in November 2019 but was well below 2.4 percent in December 2018.

CENTRAL BANK OF SAMOA
12th February 2020

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
December 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 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	December	101.0	100.6	101.1	0.8	0.6	-1.5	0.8	1.3	104.6	104.1	-0.4	0.5	102.5	-1.9	97.5	-2.7	1.2	99.7	2.9
2017	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
2018	December	106.3	107.2	107.2	-0.2	1.2	-1.9	2.4	4.2	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	105.8	107.1	-1.6	-1.1	-2.9	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	-2.5	0.2	3.5	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	1.4	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
	November	109.9	110.0	108.1	-0.1	3.1	0.4	1.8	0.9	113.7	113.7	0.9	0.2	110.8	-1.18	106.1	-0.1	-0.3	105.4	3.1
	December	108.9	109.6	108.3	-0.9	2.5	-0.5	2.2	1.0	112.4	113.2	-0.1	-1.1	111.1	-0.73	105.5	-0.9	-0.6	105.5	2.8

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	December	102.2	102.5	101.7	-0.2	1.5	-0.7	103.0	102.4	-0.4	-1.0	100.3	100.3	0.0	0.5
2017	December	106.7	106.9	104.1	-0.5	4.4	2.3	109.5	106.0	-0.7	3.6	100.5	99.9	-0.1	-0.4
2018	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
	November	109.0	109.2	106.7	-0.2	3.3	-0.1	111.4	108.3	-0.4	-0.9	103.9	103.4	0.0	1.6
	December	108.4	108.9	107.2	-0.5	5.1	0.5	110.1	108.9	-1.1	0.1	104.7	103.6	0.8	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