



PRICE DEVELOPMENTS REPORT

JANUARY 2020

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

Report No.07: 2019/20

January 2020

The **Headline Consumer Price Index (CPI)** rebounded to 0.8 percent in the first month of 2020, due to an increase in its local component by 2.5 percent, offsetting a 0.8 percent decline in imported component. In addition, the headline CPI was 4.9 percent higher than in the same month last year.

As a result, the **annual average inflation rate** went up further to 1.5 percent from 1.0 percent in December 2019 but was way below 3.7 percent in January last year. This monthly expansion was due to increases to 0.1 percent (from -0.7 percent) and to 2.9 percent (from 2.8 percent) in imported and local inflation respectively.

The performance of individual sub-groups saw the “Alcoholic Beverages and Tobacco” sub-group as the main contributor of the overall increase in headline CPI. “Alcoholic Beverages and Tobacco” sub-group bounced back up by 2.0 percent, due to a 2.5 percent increase in its local component (expansion in prices for Samoan kava, cigarettes and beer by 21.7 percent, 2.9 percent and 2.6 percent respectively), whereas imported component remained the same as the previous month.

Similarly, the “Housing, Water, Electricity, Gas and other Fuels” sub-group also recorded a boost of 1.5 percent due to expansions in its local component by 2.0 percent. Underpinning the increase in local component reflected expansion in electricity prices by 4.5 percent.

Moreover, the “Transport” and “Food and Non Alcoholic Beverages” sub-indices increased by 1.3 percent and 0.4 percent in that order. The increase in the former was due to an expansion of 2.1 percent in its imported component (higher

prices of petrol and diesel). The hike in the latter reflected a modest increase of 6.1 percent in its local component particularly fish, taro and some vegetables.

On the other hand, the “Miscellaneous goods and services” sub-group fell 0.2 percent whereas “Clothing and Footwear” and “Communication” sub-indexes both dropped by 0.1 percent.

The “Furnishing, Household equipment and Maintenance”, “Recreation and Culture”, “Education”, “Health” and “Restaurants” monthly sub-indexes remained stable for January 2020.

The **underlying CPI**¹ contracted by 1.1 percent over the month which was also lower than 5.1 percent when compared to January 2019. Thus, the **annual average underlying inflation rate** edged up further to 1.2 percent from 0.5 percent in the previous month, but lower than 1.9 percent in January 2019.

CENTRAL BANK OF SAMOA
03 March 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
January 2020

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 (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												
2017	January	101.5	100.9	100.9	0.5	-2.8	-0.3	-0.6	0.8	104.3	104.3	0.3	-0.3	102.8	-1.0	98.8	-0.8	1.3	99.0	1.4
2018	January	105.7	105.2	103.2	0.7	4.2	1.1	4.3	2.4	110.3	110.8	1.5	-0.5	107.8	4.9	101.3	0.8	2.1	98.8	-0.3
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	109.8	110.0	108.0	-0.1	3.1	0.4	1.8	0.9	113.7	113.7	0.9	0.2	110.8	-1.18	106.0	-0.2	-0.4	105.4	3.1
	December	108.9	109.5	108.3	-0.9	2.4	-0.5	2.1	1.0	112.4	113.2	-0.1	-1.1	111.1	-0.73	105.4	-1.0	-0.6	105.5	2.8
2020	January	109.7	109.5	108.7	0.8	4.9	-0.5	3.5	1.5	111.5	112.5	-0.7	-0.8	111.6	0.11	108.0	-0.3	2.5	105.8	2.9

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									
2017	January	102.4	102.4	101.9	0.2	1.8	-0.2	103.4	102.6	0.4	-0.1	100.3	100.3	0.0	0.1
2018	January	105.4	106.5	104.4	-1.2	3.0	2.4	107.7	106.4	-1.7	3.7	100.6	99.9	0.0	-0.3
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
2020	January	107.2	108.2	107.6	-1.1	5.1	1.2	108.4	109.4	-1.6	1.0	104.6	103.8	-0.1	1.7

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