



PRICE DEVELOPMENTS REPORT FEBRUARY 2020

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

Report No.08: 2019/20

February 2020

The **Headline Consumer Price Index (CPI)** went up to 0.7 percent in February 2020, due to an increase in its imported component of 2.0 percent, offsetting a 0.7 percent decline in its local component. In addition, the headline CPI was 5.0 percent higher than in the same month last year.

Consequently, the **annual average inflation rate** went up to 1.9 percent from 1.5 percent in January 2020 but was way below 3.5 percent in February last year. This monthly expansion was due to increases of 0.8 percent (from 0.1 percent) and 3.1 percent (from 2.9 percent) in imported and local inflation respectively.

The performance of individual sub-groups saw the “Food and Non-Alcoholic Beverages” sub-group as the main contributor of the overall increase in the headline CPI. The above mentioned sub-group increased by 2.1 percent, due to a 3.8 percent increase in its imported component (expansion in prices of chicken leg quarter, mutton flaps and sugar) whereas the local component fell by 1.3 percent in the month under review.

The overall volume of agricultural supplies (main source of local food) at the Local Produce Markets dropped by 37.8 percent due to poor weather conditions. As a result, overall price index increased by 12.6 percent during the month.

In addition, the “Furnishing, Household equipment and Maintenance” sub-group also recorded a boost of 0.8 percent due to expansion in its imported component (particularly washing powder) by 0.9 percent whilst local component remained the same as the previous month.

Furthermore, the “Transport” and “Clothing & Footwear” sub-indices increased by 0.4 percent and 0.2 percent in that order. The increase in the former was due to an expansion of 1.8 percent in its local component (higher price of airline fare /Apia-Auckland-Apia). The hike in the latter reflected a modest increase of 0.9 percent in its local component.

In contrast, the “Housing, Water, Electricity, Gas & other Fuels” sub-group fell 1.9 percent whereas “Alcoholic Beverages, Tobacco & Narcotics” and “Miscellaneous” sub-indices both dropped by 0.3 percent.

The “Health”, “Recreation and Culture”, “Education”, “Communication” and “Restaurants” monthly sub-indices remained stable in February 2020.

The **underlying CPI**¹ contracted by 1.8 percent over the month and was 4.1 percent higher than the same month last year. Thus, the **annual average underlying inflation rate** edged up further to 1.6 percent from 1.2 percent in the previous month, and was slightly higher than the 1.5 percent in February 2019.

CENTRAL BANK OF SAMOA
08 April 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
February 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 over prev | 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 | February | 101.6 | 101.4 | 101.0 | 0.1 | 1.6 | 0.7 | -0.2 | 1.0 | 105.0 | 104.6 | 0.8 | 0.7 | 103.2 | 0.1 | 98.3 | 0.6 | -0.5 | 98.9 | 0.9 |
| 2018 | February | 104.9 | 105.2 | 103.5 | -0.8 | 3.2 | 0.9 | 3.8 | 2.5 | 110.0 | 110.4 | 0.2 | -0.3 | 108.2 | 4.9 | 100.7 | 1.8 | -0.6 | 99.0 | 0.1 |
| 2019 | 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 |
| | February | 110.5 | 109.7 | 109.1 | 0.7 | 5.0 | -0.3 | 4.1 | 1.9 | 113.8 | 112.6 | -1.0 | 2.0 | 112.2 | 0.78 | 107.3 | 0.5 | -0.7 | 106.2 | 3.1 |

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 | February | 101.9 | 102.2 | 102.0 | -0.5 | 1.9 | 0.4 | 102.7 | 102.8 | -0.7 | 0.7 | 100.0 | 100.3 | -0.3 | -0.1 |
| 2018 | February | 105.8 | 106.0 | 104.7 | 0.3 | 3.8 | 2.6 | 107.5 | 106.8 | -0.1 | 3.8 | 102.0 | 100.1 | 1.4 | -0.2 |
| 2019 | 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 |
| | February | 109.1 | 108.2 | 108.0 | 1.8 | 4.1 | 1.6 | 111.3 | 109.8 | 2.7 | 1.5 | 104.5 | 103.9 | -0.2 | 1.9 |

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