



## PRICE DEVELOPMENTS REPORT

### MARCH 2020

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

*Report No.09: 2019/20*

*March 2020*

The **Headline Consumer Price Index (CPI)** widened by 0.5 percent over the previous month due to expansions in both imported and local components by 0.9 percent and 0.1 percent respectively. Similarly, the headline CPI was 3.8 percent higher than its level in the same month last year.

The **annual average headline inflation rate** increased slightly to 2.0 percent from 1.9 percent in the previous month, but was well below the 3.3 percent in March 2019. Largely underpinning this overall increase was a further surge in imported inflation to 1.2 percent from 0.8 percent in February 2020, outweighing a 2 basis points drop in local inflation to 2.9 percent from 3.1 percent in the preceding month.

The performance of individual sub groups saw the “Food and Non-Alcoholic Beverages” component edged up further by 1.8 percent. The increase was accounted for by a 2.2 percent hike in its imported component due to increase in prices of chicken leg, rice, mutton, milk and onions to name a few. Similarly, its local component went up by 0.8 percent (particularly due to higher prices of vegetables such as Chinese cabbage, round cabbage, cucumber and tomatoes).

Moreover, the “Miscellaneous goods and services” sub-group rebounded by 0.2 percent due to a boost of 0.3 percent in its imported component whereas the local component remained the same level from the previous month.

The “Furnishing, Household equipment and Maintenance” sub-index edged up by 0.1 percent. Underpinning the overall increase was an expansion in prices of imported component (up 0.1 percent) whilst the local component remained stable for the past fourteen

consecutive months. Underpinning the higher imported component was a hike in mosquito coil price, which was boosted by 4.1 percent.

On the other hand, the “Transport” sub-index fell by 1.1 percent, reflecting decreases in both imported and local components by 1.4 percent and 0.5 percent respectively. Contributing to the decline were reductions in petrol and diesel prices by 1.8 percent and 1.4 percent respectively coupled with a 4.2 percent decrease in monthly airfares for Apia-Auckland-Apia. This reflected the decline in international prices for oil due to lower demand as a result of lockdown and closure of international borders amid COVID-19 pandemic.

In addition, “Housing, Water, Electricity, Gas and other Fuels” sub-index narrowed to 0.7 percent due to drops in both local and imported component in the reviewed month.

The “Health”, “Communication”, “Recreation and Culture”, “Education”, “Clothing & Footwear”, “Alcoholic Beverages, Tobacco & Narcotics” and “Restaurants” sub groups were unchanged for the month.

The **underlying CPI<sup>1</sup>** widened to 1.1 percent and was 3.5 percent higher compared to March 2019. Consequently, the **annual average underlying inflation rate** edged up to 1.8 percent from 1.6 percent in the previous month, and was also above 1.4 percent in March 2019.

**CENTRAL BANK OF SAMOA**  
**20<sup>th</sup> April 2020**

<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**  
**March 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 (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	March	101.0	101.4	101.1	-0.6	1.4	0.8	0.0	1.2	105.1	104.8	0.7	0.1	103.6	1.1	97.0	1.0	-1.3	98.7	0.4
2018	March	104.7	105.1	103.8	-0.2	3.6	0.3	3.7	2.7	108.8	109.7	-1.1	-1.0	108.6	4.7	100.6	2.1	-0.2	99.3	0.6
2019	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	0.0	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	-0.6	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	-1.0	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	-1.3	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	-1.2	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	-0.7	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	0.1	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	0.8	107.3	0.5	-0.7	106.2	3.1
	March	111.0	110.4	109.5	0.5	3.8	0.8	4.5	2.0	114.8	113.4	0.1	0.9	112.6	1.2	107.3	1.5	0.0	106.4	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	March	101.8	102.0	102.2	-0.1	1.6	0.9	102.6	103.0	-0.1	1.4	100.1	100.3	0.1	-0.1
2018	March	104.7	105.3	104.9	-1.1	2.8	2.7	105.9	107.1	-1.5	3.9	102.0	100.3	-0.1	0.0
2019	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
	March	110.3	108.9	108.3	1.1	3.5	1.8	113.0	110.3	1.5	1.8	104.4	104.0	-0.1	1.8

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