



PRICE DEVELOPMENTS REPORT APRIL 2020

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

Report No.10: 2019/20

April 2020

The **Headline Consumer Index (CPI)** contracted by 2.8 percent, following three consecutive months of increases. This reduction was in-light of a decline in both its imported and local components by 2.8 percent. However, the headline CPI was 1.0 percent higher compared to April last year.

As a result, the **annual average headline inflation rate** was unchanged at 2.0 percent from March 2020 but was well below 3.1 percent in April 2019. This expansion was underpinned by an increase in imported inflation to 1.3 percent from 1.2 percent while local inflation fell to 2.7 percent from 2.9 percent in March 2020.

In individual subgroups, the *“Housing, Water, Electricity, Gas and other Fuels”* sub-index edged down by 10.7 percent. Mainly responsible for this drop were 13.4 percent and 2.3 percent reductions in local (mainly electricity and water prices) and imported (lower prices for kerosene, cement and timber) components respectively.

The *“Food and Non Alcoholic Beverages”* subgroup fell by 3.4 percent from 1.8 percent in the previous month. The contraction accounted for by a 3.9 percent decrease in its imported component (mainly prices of chicken leg quarters, rice, flour and milk to name a few). Similarly, its local component also dropped by 1.4 percent reflecting lower prices of fish, Chinese cabbage, banana and round cabbage for the month.

At the Local Produce Markets, the overall volume of supplies (main source of local food) rose by 13.1 percent. As a result, the overall price index decreased by 7.0 percent.

The *“Transport”* and *“Recreation and Culture”* subgroups both fell by 1.8 percent and 1.7

percent in that order. The former was accounted for by a 2.9 percent drop in its imported component (lower prices for diesel and petrol) while the latter was due to a 1.9 percent decline in prices of exercise books and television sets.

In addition, *“Alcoholic Beverages, Tobacco & Narcotics”* narrowed by 0.3 percent due to the drop in prices for Vailima beer.

On the upside, the *“Miscellaneous goods and services”* and *“Furnishing, Household equipment and Maintenance”* subgroups both edged up by 0.9 percent and 0.8 percent respectively. The increase in the former reflected a hike in its imported component by 1.2 percent (increase in prices for hair gel and toilet paper). The latter was accounted for by an increase in its imported component by 0.5 percent (increase prices for washing soap).

The monthly *“Clothing and Footwear”*, *“Health”*, *“Communication”*, *“Education”* and *“Restaurants”* subgroups meanwhile remained the same.

The **underlying CPI**¹ fell by 1.8 percent from the previous month but was 2.0 percent higher compared to the same month in 2019. As a result, the annual average underlying inflation steadied at 1.8 percent from the preceding month and was well above 1.2 percent in the same month last year.

CENTRAL BANK OF SAMOA
22nd May 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 April 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 April	100.7	101.1	101.2	-0.3	1.3	0.2	1.4	1.4	104.6	104.9	0.5	-0.5	104.1	2.2	97.0	-0.1	0.0	98.5	-0.1	
2018 April	105.3	105.0	104.2	0.6	4.6	-0.3	3.8	2.9	108.4	109.1	-1.6	-0.4	108.9	4.6	102.3	1.4	1.7	99.7	1.3	
2019 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	
April	107.9	109.8	109.6	-2.8	4.8	0.3	3.2	2.0	111.6	113.4	0.8	-2.8	112.8	1.3	104.3	-0.2	-2.8	106.4	2.7	

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 April	101.2	101.6	102.2	-0.6	0.6	1.3	102.0	103.1	-0.6	2.0	99.5	100.2	-0.6	-0.2	
2018 April	104.6	105.0	105.2	0.0	3.4	2.9	105.9	107.4	0.0	4.1	101.9	100.5	-0.1	0.2	
2019 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	1.6	1.8	104.4	104.0	-0.1	1.8	
April	108.3	109.2	108.5	-1.8	4.5	1.8	110.2	110.5	-2.5	1.9	104.2	104.1	-0.1	1.8	

Source: Samoa Bureau of Statistics
(R) - Revised due to adjustments made from Samoa Bureau of Statistics (SBS)
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