



## PRICE DEVELOPMENTS REPORT

### JUNE 2020

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

Report No.12: 2019/20

June 2020

The **Headline Consumer Price Index (CPI)** remained steady when compared to the previous month but was 2.4 percent lower than that of June 2019. This monthly result reflected a 0.2 percent increase in its local component in contrast to a slight drop of 0.1 percent in its imported component.

Nevertheless, the **annual average headline inflation rate** slid further to 1.6 percent from 1.7 percent in May 2020 and 2.2 percent in June 2019. The recent decline was underpinned by a further decrease in local inflation to 2.0 percent from 2.4 percent while imported inflation was steady at 1.1 percent from the previous month.

In terms of individual subgroups, the *“Food and Non-Alcoholic Beverages”* and *“Housing, Water, Electricity, Gas and other Fuels”* subgroups both went up by 0.1 percent each in the month under review. The gain in the former was due to a 0.6 percent increase in local food reflecting the higher prices of taro, banana and fish to name a few. The hike in the latter was accounted for by a 0.2 percent increase in imported building materials (cement, paint and timber).

The overall volume of agricultural supplies (main source of local food) at the Local Produce Markets around Apia dropped by 2.0 percent over the month. Despite the decline in supplies during the month, an overall price index also fell by 6.8 percent due to reduced demand.

Furthermore, *“Alcoholic beverages, Tobacco and Narcotics”* increased by 0.2 percent in light of the expansion in the prices of Vailima and Taula beers and an increase of a 0.3 percent in *“Miscellaneous goods and services”* subgroup.

In contrast, the *“Health”* subgroup decreased by 2.5 percent due to a 4.9 percent reduction in its imported component reflecting lower prices of medicine while the *“Furnishing, Household equipment and Maintenance”* subgroup edged

down by a 0.3 percent in light of lower prices for toiletries.

On the other hand, the *“Clothing and Footwear”*, *“Transport”*, *“Communication”*, *“Recreation and Culture”*, *“Education”* and *“Restaurant”* subgroups all remained stable in June 2020.

The **underlying CPI**<sup>1</sup> fell further by 0.1 percent and was also 0.1 percent lower over June 2019. However, the annual average underlying CPI rebounded to 2.1 percent compared to 1.9 percent in the preceding month and was well above 0.1 percent in June of last year.

## CENTRAL BANK OF SAMOA

### 15<sup>th</sup> August 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**  
**June 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	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 12 months (AnnAvg)												
2017	June	102.6	101.7	101.4	0.9	1.0	0.3	1.3	1.3	107.0	105.4	0.6	2.3	104.7	3.2	98.4	0.1	-0.5	98.3	-0.9
2018	June	108.6	107.1	105.2	1.1	5.8	1.9	5.3	3.7	115.5	111.9	2.0	3.5	110.2	5.2	101.8	1.5	-1.4	100.4	2.1
2019	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	3.7	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	1.0	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
	May	105.8	108.2	109.4	-2.0	-2.1	-1.3	0.9	1.7	107.7	111.4	-1.1	-3.5	112.6	1.1	103.9	-1.6	-0.4	106.2	2.4
	June	105.8	106.5	109.1	0.0	-2.4	-3.5	-1.2	1.6	107.6	109.0	-3.9	-0.1	112.2	1.1	104.1	-3.2	0.2	106.1	2.0

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	June	103.6	102.2	102.4	1.7	0.3	1.5	105.5	103.4	2.5	2.3	99.5	100.1	-0.2	-0.2
2018	June	109.7	107.0	106.1	2.6	5.8	3.7	113.2	108.6	3.7	5.0	102.0	100.9	0.2	0.7
2019	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	2.0	1.8	110.2	110.5	-2.5	1.9	104.2	104.1	-0.1	1.8
	May	106.7	108.4	108.5	-1.4	0.3	1.9	108.1	110.5	-1.9	2.0	103.8	104.1	-0.4	1.6
	June	106.7	107.2	108.5	-0.1	-0.1	2.1	107.9	110.5	-0.1	2.4	103.9	104.1	0.0	1.5

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