



PRICE DEVELOPMENTS REPORT

JULY 2020

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

Report No.1: 2020/21

July 2020

The **Headline Consumer Price Index (CPI)** rebounded 1.3 percent when compared to the previous month but was 3.5 percent lower than that of July 2019. This monthly result reflected increases of 1.7 percent and 0.9 percent in both its imported and local components respectively.

However, the **annual average headline inflation rate** dropped further to 1.1 percent from 1.5 percent¹ in June 2020 and 1.7 percent in July 2019. This decline was underpinned by further decreases in local inflation to 1.6 percent (from 2.0 percent in previous month) and imported inflation to 0.7 percent (from 1.0 percent in June 2020).

In terms of individual subgroups, the *“Food and Non-Alcoholic Beverages”* subgroup went up by 2.2 percent in the month under review. The gain was due to increases of 2.5 percent and 1.7 percent in imported food (mainly mutton and chicken) and local food (reflecting the higher prices of taro, banana and fish to name a few) in that order.

Local market Survey for July 2020 is not yet available from the Samoa Bureau of Statistics. However a review of June 2020 figures shows a modest 2.0 percent decrease in overall volume of agricultural supplies (main source of local food) at the Local Produce Markets around Apia. Despite the decline in supplies during the month, an overall price index also fell by 6.8 percent due to lower demand.

Furthermore, the *“Alcoholic beverages, Tobacco and Narcotics”* subgroup increased by 1.4 percent in light of the expansion in the prices of Vailima and Taula beers as well as cigarettes. In addition, the *“Transport”* sub index also went up

by 1.1 percent due to a moderate increase in the price of petrol.

Nevertheless, the *“Furnishings, Household Equipment and Maintenance”* subgroup decreased by 0.8 percent due to a 1.0 percent reduction in its imported component reflecting lower prices of washing commodities while the *“Clothing and Footwear”* subgroup edged down by a 0.1 percent in light of a drop in price for suiting material.

On the other hand, the *“Housing, Water, Electricity, Gas and other Fuels”, “Health”, “Communication”, “Recreation and Culture”, “Education”, “Restaurant”* and *“Miscellaneous Goods and Services”* subgroups all remained unchanged in July 2020.

The **underlying CPI**² bounced back up by 1.3 percent but was also 0.3 percent lower over July 2019. However, the annual average underlying CPI rose to 2.2 percent compared to 2.1 percent in the preceding month and was well above -0.3 percent in the same month last year.

CENTRAL BANK OF SAMOA
28th August 2020

¹ Revised

² 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
July 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	July	103.4	102.6	101.4	0.7	0.0	1.5	0.8	1.1	107.7	106.4	1.4	0.7	104.9	3.2	99.2	1.4	0.8	98.0	-1.3
2018	July	109.7	108.5	105.7	1.0	6.1	3.4	5.8	4.2	115.6	114.2	4.7	0.1	110.8	5.6	103.9	1.8	2.1	100.7	2.8
2019	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	104.9	106.2	109.1	-0.8	-3.3	-3.8	-1.5	1.5	105.7	108.4	-4.4	-1.8	112.1	1.0	104.1	-3.2	0.2	106.1	2.0
	July	106.3	105.6	108.7	1.3	-3.5	-3.8	-3.0	1.1	107.6	107.0	-5.7	1.7	111.6	0.7	105.0	-1.8	0.9	106.0	1.6

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	July	104.5	103.3	102.5	0.8	1.5	1.5	106.9	103.6	1.3	2.3	99.3	100.0	-0.2	-0.3
2018	July	109.2	108.6	106.5	-0.4	4.5	3.9	112.6	109.0	-0.5	5.2	101.9	101.1	-0.1	1.1
2019	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
	July	108.1	107.2	108.5	1.3	-0.3	2.2	109.8	110.5	1.7	2.5	104.3	104.2	0.5	1.4

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