



PRICE DEVELOPMENTS REPORT

FEBRUARY 2021

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

Report No.8: 2020/21

February 2021

The **Headline Consumer Price Index (CPI)** went up by 1.9 percent in February 2021, due to both increases in its imported component by 2.6 percent and local component by 1.2 percent. On the other hand, the overall CPI was 4.4 percent lower than in the same month last year.

Despite the monthly hike, the **annual average headline inflation rate** continued to fall to -3.2 percent from -2.4 percent in January 2021 and was way below 1.9 percent in February last year. This monthly contraction was due to decreases in imported inflation to -4.8 percent from -3.9 percent in the previous month; and the local component to -1.5 percent from -0.9 percent in January 2021.

By individual sub-groups, the “Housing, Water, Electricity, Gas and other Fuels” sub-group was the main contributor of the overall increase in the headline CPI reflecting a 4.4 percent hike in the month. This was due to a 5.6 percent gain in its local component as the price for water went back up to its normal level following the cessation of the Covid-19 stimulus package that was implemented by Government beginning April 2020. Its imported component also recorded a 1.0 percent increase which was mainly seen inflated price for kerosene.

The “Food and Non Alcoholic Beverages” sub-index rose by 3.3 percent due to increases of 3.6 percent in its imported component (mainly higher prices recorded for apples, chicken, pork and potatoes) and 2.7 percent in its local component (mainly cucumbers, round cabbage, koko samoa, Chinese cabbage and tomatoes). The overall volume of agricultural supplies (main source of local food) at the local produce markets dropped by 3.3 percent due to poor

weather conditions. As a result, the overall market price index increased by 18.8 percent.

The “Transport” sub-index also recorded a boost of 2.5 percent due to a 4.1 percent expansion in its imported component (particularly diesel and petrol) whilst its local component remained unchanged from the previous month.

In addition, the “Health” and “Recreation and Culture” sub-groups both recorded hikes of 1.1 percent due to a 2.2 percent rise in the former’s imported component (mainly higher prices of medicine); and a 0.3 percent gain in latter’s imported component (mainly higher prices for television) in that order.

In contrast, the “Education”, “Furnishings, Household equipment & Maintenance”, “Miscellaneous goods and services”, “Clothing and Footwear” and “Alcoholic Beverages & Tobacco” sub-groups all went down by 4.8 percent, 1.5 percent, 1.3 percent, 0.8 percent and 0.3 percent respectively. The “Communication” and “Restaurants” sub-groups remained stable.

The **underlying CPI**¹ increased by 1.3 percent over the month but was 2.8 percent lower than the same month last year. However, the **annual average underlying inflation rate** edged down further to -1.7 percent from -1.1 in the previous month but way below 1.6 percent in February 2020.

CENTRAL BANK OF SAMOA
24 February 2021

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 2021

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												
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
2020	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
	August	107.0	106.0	108.5	0.7	-2.8	-2.0	-3.2	0.9	108.8	107.4	-3.6	1.1	111.2	0.5	105.2	-0.4	0.2	105.8	1.2
	September	105.6	106.3	108.1	-1.3	-4.1	0.1	-3.5	0.4	105.9	107.4	-0.9	-2.6	110.6	-0.05	105.3	1.0	0.1	105.7	0.8
	October	103.6	105.4	107.6	-1.9	-5.8	-0.2	-4.2	-0.2	102.2	105.6	-1.3	-3.5	109.6	-0.88	105.0	0.8	-0.3	105.6	0.5
	November	103.2	104.1	107.0	-0.4	-6.0	-1.8	-5.3	-0.9	102.4	103.5	-3.6	0.3	108.7	-1.87	103.9	-0.1	-1.0	105.4	0.0
	December	103.4	103.4	106.6	0.2	-5.0	-2.7	-5.6	-1.6	102.7	102.4	-4.6	0.3	107.9	-2.89	104.0	-0.8	0.1	105.3	-0.2
	January	103.7	103.4	106.1	0.3	-5.5	-1.9	-5.5	-2.4	104.6	103.3	-2.2	1.8	107.3	-3.85	102.8	-1.5	-1.2	104.8	-0.9
2021	February	105.6	104.2	105.7	1.9	-4.4	0.1	-5.0	-3.2	107.3	104.9	1.3	2.6	106.8	-4.79	104.0	-1.0	1.2	104.6	-1.5

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									
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
2020	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
	August	108.3	107.7	108.4	0.3	-0.7	2.1	110.1	110.3	0.3	2.4	104.6	104.2	0.2	1.3
	September	106.0	107.5	108.1	-2.1	-3.1	1.7	106.5	109.9	-3.3	1.9	105.0	104.3	0.4	1.2
	October	102.6	105.7	107.6	-3.2	-6.1	1.0	101.4	109.0	-4.7	1.0	105.2	104.4	0.1	1.1
	November	103.0	103.9	107.1	0.3	-5.5	0.3	102.0	108.2	0.6	-0.1	105.0	104.5	-0.1	1.1
	December	103.3	103.0	106.6	0.3	-4.7	-0.5	102.4	107.6	0.4	-1.2	105.2	104.6	0.1	1.0
	January	104.7	103.6	106.4	1.4	-2.3	-1.1	104.5	107.3	2.1	-1.9	105.2	104.6	0.0	0.8
2021	February	106.1	104.7	106.2	1.3	-2.8	-1.7	106.8	106.9	2.2	-2.7	104.5	104.6	-0.6	0.6

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