

## PRICE DEVELOPMENTS REPORT AUGUST 2024

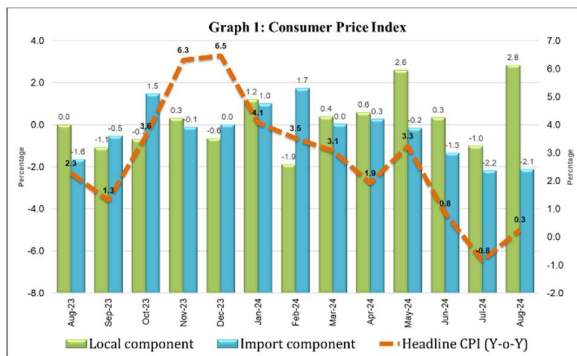
*This report is prepared on a monthly basis using monthly Consumer Price Index (CPI) data from the Samoa Bureau of Statistics.*

*Report No.2: 2024/2025*

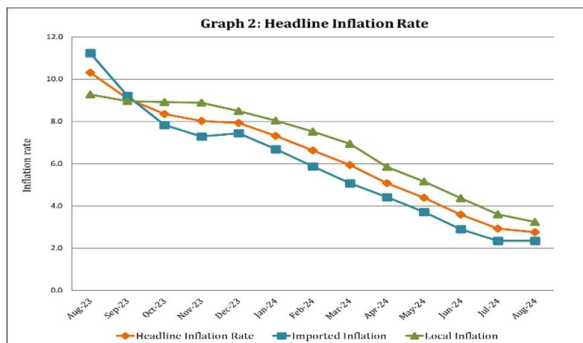
*August 2024*

### 1. Headline CPI and Inflation

The **Headline Consumer Price Index (CPI)** rebounded by 0.2 percent over the previous month and was 0.3 percent higher when compared to the same month last year. This jump over the month was due to a 2.8 percent increase in the local component despite a 2.1 percent decline in the imported component. (See Graph 1)



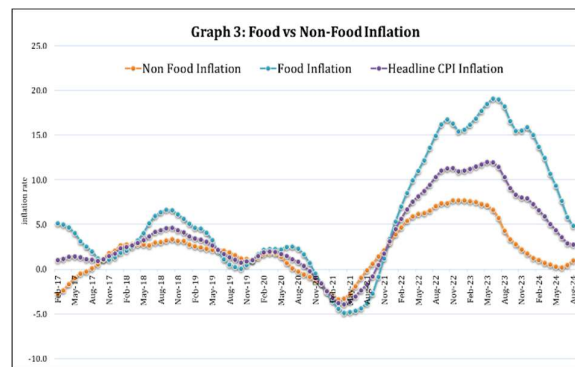
On the other hand, the **annual average headline inflation rate declined further to 2.8 percent** from 2.9 percent in July 2024 and significantly lower than 10.3 percent in August 2023. This was below its forecast of 3.4 percent for August 2024. The monthly drop was mainly due to the weaker local inflation, which dropped to 3.2 percent (from 3.6 percent) despite imported inflation remaining at 2.4 percent from the previous month. (See Graph 2)



### 1.1 Headline Food vs Non-Food inflation

This section decomposes the headline CPI in terms of its Food and Non-Food inflation components. Food makes up 40.4 percent of the total CPI basket while Non-Food is around 59.6 percent. Historically, the predominant driver in Samoa's CPI inflationary trend is food inflation, with some periods influenced by non-food inflation (which includes fuel prices).

The **annual average food inflation rate fell to 4.9 percent** from 5.9 percent in the previous month, marking a significant drop from 18.2 percent in August 2023. This was mainly due to reduced prices of imported food items like chicken leg, plain flour, maggi noodles and mutton flaps to name a few. Additionally, prices of local food items such as Chinese cabbage, head cabbage, cucumbers, tomatoes also fell in the month under review. (See Graph 3)

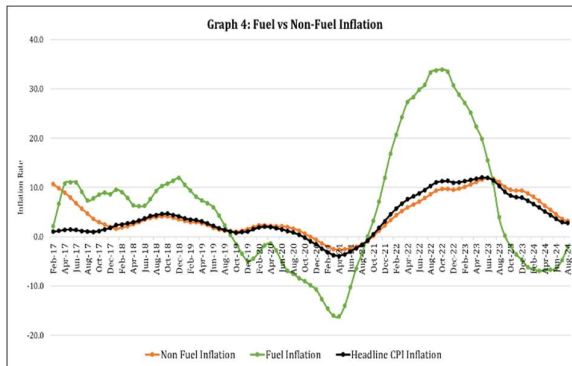


The **annual average non-food inflation rate rose to 1.0 percent** from 0.5 percent in July 2024 but was lower than 4.3 percent recorded in August 2023. The growth over the month reflected expansions in sub-groups such as, 'alcoholic beverages', 'miscellaneous goods & services', 'education' and 'recreation and culture'.

## 1.2 Headline Fuel<sup>1</sup> vs Non-Fuel inflation

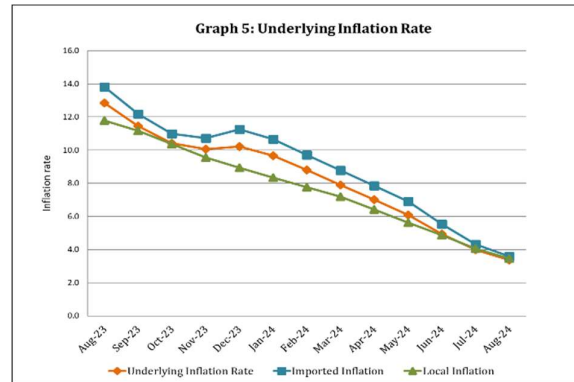
This section decomposes the headline CPI in terms of fuel and non-fuel inflation. Fuel makes up 6.6 percent of the total CPI basket while Non-Fuel is around 93.4 percent. Historically, the predominant driver in Samoa's CPI inflationary trend is non-fuel inflation given its much larger weight.

The **annual average fuel inflation rate** expanded to **-2.2 percent** (deflation) from -4.8 percent in July 2024 but was lower than the 4.0 percent in August 2023. This was due to smaller declines in the prices of diesel, petrol and kerosene compared to larger reductions in the previous month. In contrast, the **annual average non-fuel inflation rate** fell to **3.2 percent** from 3.6 percent in July 2024 and 11.1 percent in the same month last year. This was mainly due to lower prices for items in the 'Food and Non-Alcoholic Beverages', 'Housing, water, electricity, excluding gas and other fuels', and 'Health' subgroups. (See Graph 4)



## 2. Underlying CPI and Inflation

The **Underlying CPI<sup>2</sup>** fell by 0.5 percent from the previous month and was 1.7 percent lower than August last year. As a result, the **annual average underlying inflation rate** dropped to 3.4 percent from 4.0 percent in July 2024 and 12.9 percent in August 2023. This was also below its forecast of 4.8 percent for August 2024. (See Graph 5)



## 2.1 Underlying Food vs Non-Food inflation

The **annual average underlying food inflation** decreased to 3.9 percent from 4.7 percent in the previous month, significantly lower than 15.8 percent in August 2023. Likewise, the **annual average underlying non-food inflation rate** declined to 2.5 percent from 2.7 percent in July 2024, which was considerably lower than the 8.1 percent recorded in August 2023.

**CENTRAL BANK OF SAMOA**  
**04 October 2024**

<sup>1</sup> Fuel includes unleaded petrol, diesel, gas and kerosene prices.

<sup>2</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*  
*August 2024*

Table 1: HEADLINE CONSUMER PRICE INDEX (February 2016 = 100) **														
	All Groups Index	Percentage change					Overall Import Component				Overall Local Component			
		Monthly Index	12 months average	Latest month		12 months over prev 12 months (AnnAvg)	Index	Monthly Change	Annual Average 12 months	Annual Average Percent Change	Index	Monthly Change	Annual Average 12 months	Annual Average Percent Change
				over prev month	over a year earlier									
2021 August	112.7	106.7	1.5	5.4	-1.7	118.3	2.2	108.7	-2.3	107.3	0.8	104.7	-1.1	
2022 August	129.9	117.7	3.6	15.2	10.3	143.6	5.1	125.7	15.6	116.4	1.8	109.8	4.9	
2023 August	132.8	129.8	-0.9	2.3	10.3	140.8	-1.6	139.8	11.2	125.0	0.0	120.0	9.3	
September	131.8	129.9	-0.8	1.3	9.1	140.1	-0.5	139.5	9.2	123.6	-1.1	120.6	9.0	
October	132.3	130.3	0.4	3.6	8.3	142.1	1.5	139.7	7.8	122.7	-0.7	121.1	8.9	
November	132.4	131.0	0.1	6.3	8.0	142.0	-0.1	140.4	7.3	123.1	0.3	121.8	8.9	
December	132.0	131.6	-0.3	6.5	7.9	142.0	0.0	141.3	7.4	122.3	-0.6	122.2	8.5	
January	133.4	132.1	1.0	4.1	7.3	143.4	1.0	141.8	6.7	123.7	1.1	122.6	8.0	
February	133.5	132.4	0.1	3.5	6.6	145.9	1.7	142.2	5.9	121.4	-1.8	122.9	7.5	
March	133.8	132.8	0.2	3.1	5.9	145.9	0.0	142.7	5.1	121.9	0.4	123.1	6.9	
April	134.3	133.0	0.4	1.9	5.1	146.3	0.3	143.1	4.4	122.6	0.6	123.1	5.8	
May	135.8	133.3	1.1	3.3	4.4	146.0	-0.2	143.5	3.7	125.8	2.6	123.4	5.2	
June	135.1	133.4	-0.6	0.8	3.6	144.1	-1.3	143.5	2.9	126.2	0.3	123.6	4.4	
July	132.9	133.3	-1.6	-0.8	2.9	140.9	-2.2	143.3	2.4	124.9	-1.0	123.6	3.6	
2024 August	133.2	133.4	0.2	0.3	2.8	138.0	-2.1	143.1	2.4	128.5	2.8	123.9	3.2	

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				
		Monthly Index	3 months average	12 months average	Latest Month		Annual Average Percent Change	Index	Monthly Change	12 months avg	Annual Average Percent Change	Index	Monthly Change	12 months avg	Annual Average Percent Change
					over prev month	over a year earlier									
2021 August	112.6	110.6	106.8	1.6	4.0	-1.5	116.6	2.2	107.8	-2.3	104.0	0.1	104.6	0.3	
2022 August	129.6	125.6	117.9	2.3	15.1	10.4	135.0	3.2	121.6	12.8	117.9	0.1	110.0	5.1	
2023 August	136.7	137.5	133.0	-1.1	5.5	12.9	142.6	-1.6	138.4	13.8	124.1	0.3	121.5	10.5	
September	135.5	136.8	133.3	-0.9	2.1	11.4	140.7	-1.3	138.5	12.2	124.4	0.2	121.9	9.6	
October	135.8	136.0	133.7	0.2	3.6	10.4	141.1	0.3	138.9	11.0	124.6	0.2	122.4	9.0	
November	135.1	135.5	134.4	-0.6	7.1	10.1	139.9	-0.9	139.8	10.7	124.6	0.0	122.8	8.4	
December	136.7	135.9	135.4	1.2	9.9	10.2	142.4	1.8	141.1	11.3	124.4	-0.2	123.1	7.7	
January	138.6	136.8	136.1	1.4	6.2	9.7	144.9	1.8	142.0	10.7	125.0	0.5	123.5	7.2	
February	140.9	138.7	136.7	1.6	4.8	8.8	148.2	2.3	142.6	9.7	125.0	0.0	123.9	6.6	
March	140.3	139.9	137.1	-0.4	4.3	7.9	147.3	-0.6	143.2	8.8	125.0	0.0	124.1	5.7	
April	140.1	140.4	137.6	-0.1	3.8	7.0	147.0	-0.2	143.7	7.9	125.1	0.1	124.3	4.9	
May	139.9	140.1	138.0	-0.1	3.5	6.1	146.7	-0.2	144.2	6.9	125.3	0.1	124.5	4.1	
June	137.8	139.3	138.0	-1.5	0.1	4.9	143.6	-2.1	144.1	5.5	125.4	0.1	124.7	3.5	
July	135.1	137.6	137.7	-2.0	-2.3	4.0	139.7	-2.7	143.7	4.3	125.3	-0.1	124.8	3.2	
2024 August	134.4	135.8	137.5	-0.5	-1.7	3.4	138.5	-0.8	143.3	3.6	125.5	0.2	125.0	2.9	

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

Table 3: FOOD vs NON-FOOD INFLATION & FUEL vs NON-FUEL INFLATION (February 2016 = 100) **																
	Food Inflation (40.4%)				Non-Food Inflation (59.6%)				Fuel Inflation (6.6%)				Non-Fuel Inflation (93.4%)			
	Index	Monthly Change	3mths av % chg	Annual Average Percent Change	Index	Monthly Change	3mths av % chg	Annual Average Percent Change	Index	Monthly Change	3mths av % chg	Annual Average Percent Change	Index	Monthly Change	3mths av % chg	Annual Average Percent Change
2021 August	118.5	2.8	4.3	-3.8	108.8	0.6	2.8	-0.1	120.6	2.6	5.6	-3.4	111.8	1.4	3.1	-1.6
2022 August	141.4	4.0	8.9	14.9	122.0	3.3	6.0	7.1	184.0	12.7	19.0	33.3	125.7	2.6	6.3	8.6
2023 August	156.8	-1.7	4.0	18.2	116.6	-0.1	0.1	4.3	136.5	-1.9	-1.7	4.0	132.6	-1.0	2.2	11.1
September	153.2	-2.3	1.3	16.6	117.2	0.6	-0.5	3.4	141.1	3.3	-6.0	0.2	131.1	-1.1	0.7	10.2
October	152.4	-0.5	-1.4	15.5	118.7	1.3	0.1	2.8	151.0	7.0	-2.0	-1.9	131.2	0.0	-0.6	9.5
November	151.1	-0.8	-3.6	15.5	119.8	0.9	1.2	2.2	155.6	3.1	4.7	-3.6	130.6	-0.5	-1.6	9.4
December	153.2	1.4	-2.7	15.9	117.7	-1.7	1.6	1.8	143.9	-7.5	8.1	-4.7	131.5	0.7	-1.1	9.4
January	156.6	2.2	-0.3	15.0	117.8	0.1	0.8	1.3	140.1	-2.6	2.6	-6.2	133.0	1.1	0.0	8.8
February	157.4	0.5	2.3	13.7	117.4	-0.4	-0.8	1.1	139.0	-0.8	-5.5	-6.5	133.5	0.4	1.3	8.1
March	156.8	-0.4	3.1	12.5	118.2	0.8	-0.8	0.7	143.3	3.1	-6.2	-6.9	133.2	-0.2	1.6	7.3
April	157.2	0.3	2.3	10.7	118.9	0.5	-0.2	0.6	147.2	2.7	-2.3	-6.8	133.6	0.3	1.3	6.3
May	160.7	2.2	1.6	9.4	119.0	0.1	0.9	0.3	147.1	-0.1	3.4	-6.7	135.1	1.1	1.0	5.5
June	158.2	-1.5	1.1	7.7	119.4	0.4	1.1	0.2	146.9	-0.1	4.4	-6.4	133.9	-0.9	0.7	4.5
July	153.0	-3.3	0.1	5.9	119.2	-0.2	0.9	0.5	146.9	0.0	2.7	-4.8	131.6	-1.7	0.1	3.6
2024 August	155.6	1.7	-1.7	4.9	118.0	-1.0	0.1	1.0	138.0	-6.1	-1.3	-2.2	133.0	1.1	-0.8	3.2

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