

# PRICE DEVELOPMENTS REPORT

## JULY 2024

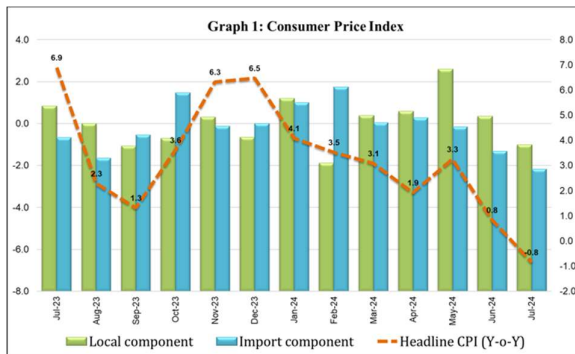
This report is prepared on a monthly basis using monthly Consumer Price Index (CPI) data from the Samoa Bureau of Statistics.

Report No.1: 2024/2025

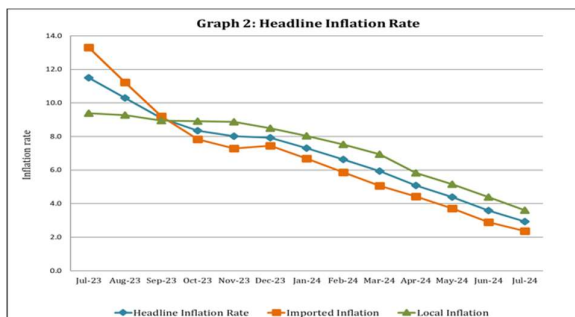
July 2024

### 1. Headline CPI and Inflation

The **Headline Consumer Price Index (CPI)** dropped by 1.6 percent month-over-month and was 0.8 percent lower than the same month last year. This decrease was driven by reductions in both its imported and local components, by 2.2 percent and 1.0 percent respectively. (See Graph 1)



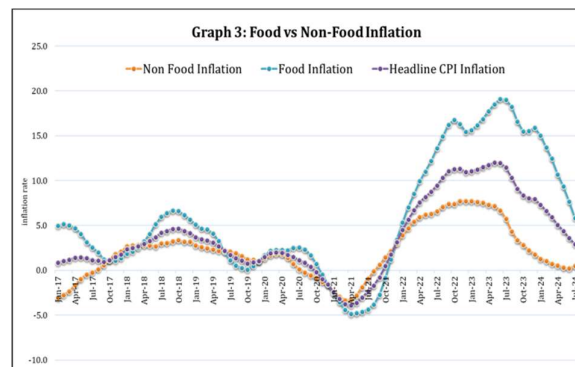
As a result, the **annual average headline inflation rate declined further to 2.9 percent in July 2024**, from 3.6 percent in the previous month, and significantly lower than the 11.5 percent recorded in July 2023. This level, which was faster than the forecast 3.2 percent, was mainly due to decreases in both the imported inflation, which dropped to 2.4 percent (from 2.9 percent) and the local inflation, which fell to 3.6 percent from 4.4 percent over 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).

In July 2024, the **annual average food inflation rate** declined to 5.9 percent, from 7.7 percent last month and significantly lower than 19.0 percent in July 2023. This was mainly due to reduced prices of imported food items like chicken leg, sugar and rice to name a few. In addition, prices of local food items such as salted beef, Chinese cabbage, ripe banana also fell in the month under review. (See Graph 3)

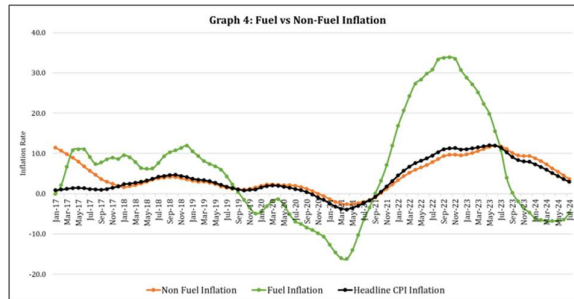


The **annual average non-food inflation rate** rose to 0.5 percent, from 0.2 percent in June 2024 but lower than 5.8 percent in July 2023. The increase over the month reflected expansions in sub-groups such as, 'Miscellaneous goods & services', 'Furnishings, Household equipment, and Maintenance', 'Recreation and Culture' and 'Transport'.

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

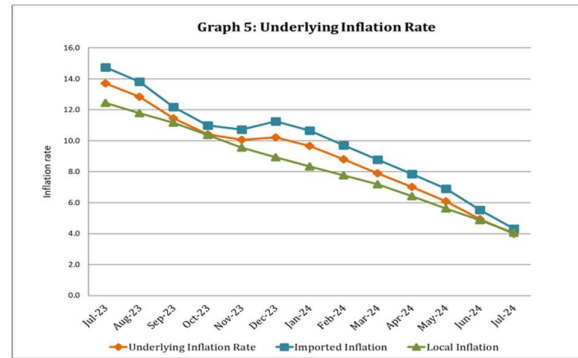
This section decomposes the headline CPI in terms of fuel and non-fuel inflation. Fuel makes up 6.6 percent of the total CPI basket while Non-Fuel is around 93.4 percent. Historically, the predominant driver in Samoa's CPI inflationary trend is non-fuel inflation given its much larger weight.

The **annual average fuel inflation rate** registered at -4.8 percent, from -6.4 percent in the previous month. The higher average diesel prices over the reviewed period were the main factors driving this increase. Similarly, the **annual average non-fuel inflation rate** declined to 3.6 percent, from 4.5 percent in June 2024 resulting from the drop in 'Food and non-alcoholic beverages', 'Furnishing, household equipment and maintenance', 'Recreation' and 'Health' non-fuel sub-groups. (See Graph 4)



## 2. Underlying CPI and Inflation

The **Underlying CPI<sup>2</sup>** decreased by 2.0 percent over the previous month and was 2.3 percent lower when compared to the same month of last year. Consequently, the **annual average underlying inflation rate** dropped to 4.0 percent compared to 4.9 percent in July 2024 and 13.7 percent in July 2023. It was also lower compared to its forecast growth of 4.8 percent for July 2024. (See Graph 5)



## 2.1 Underlying Food vs Non-Food Inflation

The **annual average underlying food inflation** dropped to 4.7 percent from 6.1 percent in July 2024, significantly lower than 16.7 percent in July 2023. Similarly, the **annual average underlying non-food inflation rate** fell to 4.0 percent from 4.9 percent in June 2024 and well below 13.7 percent in July 2023.

**CENTRAL BANK OF SAMOA**  
**25<sup>th</sup> September 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  
July 2024*

Table 1: HEADLINE CONSUMER PRICE INDEX (February 2016 = 100) **																		
	All Groups	Percentage change							Overall Import Component					Overall Local Component				
	Index	3 months average	12 months average	Latest month		3 mths avg		12 months	Index	Monthly Change	3mths av % chg	Annual Average 12 months	Annual Average Percent Change	Index	Monthly Change	3mths av % chg	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)										
				over prev month	over a year earlier	over prev 3mths avg	over a year earlier	12 months (AnnAvg)										
2021 July	111.0	109.3	106.2	1.7	4.5	2.5	3.5	-2.4	115.7	2.9	3.7	107.9	-3.3	106.5	0.4	1.3	104.5	-1.4
2022 July	125.3	121.2	116.2	3.6	12.9	4.3	10.9	9.5	136.6	4.2	5.8	123.5	14.5	114.4	2.8	2.6	109.1	4.4
2023 July	134.0	133.1	129.5	0.0	6.9	2.3	9.8	11.5	143.2	-0.7	1.6	140.0	13.3	124.9	0.8	3.0	119.3	9.4
August	132.8	133.6	129.8	-0.9	2.3	1.9	6.5	10.3	140.8	-1.6	1.2	139.8	11.2	125.0	0.0	2.8	120.0	9.3
September	131.8	132.9	129.9	-0.8	1.3	0.3	3.5	9.1	140.1	-0.5	-0.6	139.5	9.2	123.6	-1.1	1.4	120.6	9.0
October	132.3	132.3	130.3	0.4	3.6	-0.6	2.4	8.3	142.1	1.5	-1.3	139.7	7.8	122.7	-0.7	0.2	121.1	8.9
November	132.4	132.2	131.0	0.1	6.3	-1.1	3.7	8.0	142.0	-0.1	-0.9	140.4	7.3	123.1	0.3	-1.2	121.8	8.9
December	132.0	132.3	131.6	-0.3	6.5	-0.4	5.4	7.9	142.0	0.0	0.5	141.3	7.4	122.3	-0.6	-1.4	122.2	8.5
January	133.4	132.6	132.1	1.0	4.1	0.2	5.6	7.3	143.4	1.0	1.0	141.8	6.7	123.7	1.1	-0.6	122.6	8.0
February	133.5	133.0	132.4	0.1	3.5	0.6	4.7	6.6	145.9	1.7	1.7	142.2	5.9	121.4	-1.8	-0.5	122.9	7.5
March	133.8	133.6	132.8	0.2	3.1	1.0	3.6	5.9	145.9	0.0	2.1	142.7	5.1	121.9	0.4	-0.3	123.1	6.9
April	134.3	133.9	133.0	0.4	1.9	0.9	2.8	5.1	146.3	0.3	2.5	143.1	4.4	122.6	0.6	-0.9	123.1	5.8
May	135.8	134.6	133.3	1.1	3.3	1.2	2.7	4.4	146.0	-0.2	1.6	143.5	3.7	125.8	2.6	0.8	123.4	5.2
June	135.1	135.1	133.4	-0.6	0.8	1.1	2.0	3.6	144.1	-1.3	0.3	143.5	2.9	126.2	0.3	2.1	123.6	4.4
2024 July	132.9	134.6	133.3	-1.6	-0.8	0.5	1.1	2.9	140.9	-2.2	-1.6	143.3	2.4	124.9	-1.0	3.0	123.6	3.6

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	Percent Changes						Overall Import Component				Overall Local Component				
	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											
				over prev month	over a year earlier											
2021 July	110.9	109.1	106.4	2.3	2.6	-1.9	114.1	3.3	107.2	-2.9	104.0	0.1	104.6	0.4		
2022 July	126.7	121.5	116.5	5.2	14.3	9.4	130.9	5.4	120.0	11.9	117.8	4.5	108.8	4.0		
2023 July	138.2	137.0	132.4	0.4	9.1	13.7	145.0	0.4	137.7	14.7	123.6	0.4	121.0	11.2		
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		
2024 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		

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 and FUEL vs NON-FUEL INFLATION (February 2016 = 100) **																
	Non Food Inflation				Food Inflation				Fuel Inflation				Non Fuel Inflation			
	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 July	108.2	0.7	2.5	-0.9	115.3	3.0	2.6	-4.3	117.5	1.9	7.9	-6.4	110.2	1.7	1.9	-2.0
2022 July	118.2	2.2	4.1	6.6	135.9	5.4	4.6	13.6	163.3	0.0	15.0	30.8	122.5	3.8	3.5	7.9
2023 July	116.7	-1.2	1.0	5.8	159.5	1.4	3.7	19.0	139.2	-8.4	2.5	10.8	134.0	0.8	2.2	11.7
August	116.6	-0.1	0.1	4.3	156.8	-1.7	4.0	18.2	136.5	-1.9	-1.7	4.0	132.6	-1.0	2.2	11.1
September	117.2	0.6	-0.5	3.4	153.2	-2.3	1.3	16.6	141.1	3.3	-6.0	0.2	131.1	-1.1	0.7	10.2
October	118.7	1.3	0.1	2.8	152.4	-0.5	-1.4	15.5	151.0	7.0	-2.0	-1.9	131.2	0.0	-0.6	9.5
November	119.8	0.9	1.2	2.2	151.1	-0.8	-3.6	15.5	155.6	3.1	4.7	-3.6	130.6	-0.5	-1.6	9.4
December	117.7	-1.7	1.6	1.8	153.2	1.4	-2.7	15.9	143.9	-7.5	8.1	-4.7	131.5	0.7	-1.1	9.4
January	117.8	0.1	0.8	1.3	156.6	2.2	-0.3	15.0	140.1	-2.6	2.6	-6.2	133.0	1.1	0.0	8.8
February	117.4	-0.4	-0.8	1.1	157.4	0.5	2.3	13.7	139.0	-0.8	-5.5	-6.5	133.5	0.4	1.3	8.1
March	118.2	0.8	-0.8	0.7	156.8	-0.4	3.1	12.5	143.3	3.1	-6.2	-6.9	133.2	-0.2	1.6	7.3
April	118.9	0.5	-0.2	0.6	157.2	0.3	2.3	10.7	147.2	2.7	-2.3	-6.8	133.6	0.3	1.3	6.3
May	119.0	0.1	0.9	0.3	160.7	2.2	1.6	9.4	147.1	-0.1	3.4	-6.7	135.1	1.1	1.0	5.5
June	119.4	0.4	1.1	0.2	158.2	-1.5	1.1	7.7	146.9	-0.1	4.4	-6.4	133.9	-0.9	0.7	4.5
2024 July	119.2	-0.2	0.9	0.5	153.0	-3.3	0.1	5.9	146.9	0.0	2.7	-4.8	131.6	-1.7	0.1	3.6

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