

# PRICE DEVELOPMENTS REPORT OCTOBER 2024

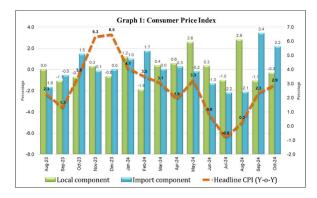
This report is prepared on a monthly basis using monthly Consumer Price Index (CPI) data from the Samoa Bureau of Statistics.

Report No.4: 2024/2025

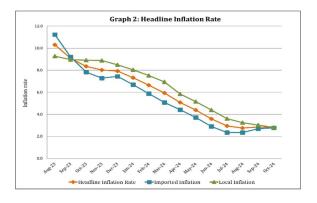
October 2024

### 1. Headline CPI and Inflation

The Headline Consumer Price Index (CPI) went up further by 1.0 percent from the previous month, driven by a 2.2 percent rise in the imported component, despite a 0.3 percent decline in its local component. Furthermore, the headline CPI was 2.9 percent higher compared to the same month last year. (See Graph 1)



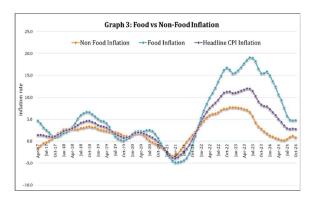
Nevertheless, the annual average headline inflation rate fell slightly to 2.8 percent from 2.9 percent in the previous month but significantly lower than 8.3 percent in October 2023. This reflected a decline in local inflation to 2.8 percent from 3.0 percent, despite a slight increase in imported inflation to 2.8 percent from 2.7 percent in October last year. (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 drop in the annual average headline inflation rate in October, reflected the steady food inflation rate and the decline in its non-food component. (See Graph 3). The annual average food inflation rate remained at 4.8 percent from the previous month and was significantly lower than 15.5 percent in October last year. This was attributed to an increase in the prices of imported food items such as chicken leg, rice, turkey wings, milk and maggi noodles among others while the prices of locally produced food items such as taro, fish, cucumber and koko Samoa declined over the comparable period.



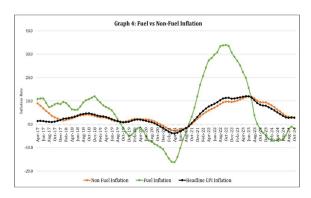
The annual average non-food inflation rate, on the other hand, declined to 0.8 percent in October 2024 from 1.2 percent in the previous month and 2.8 percent in October 2023. This decrease over the month reflected price reductions in various sub-groups, including

'transport', 'communication', 'miscellaneous', 'furnishing' and 'clothing' amongst others.

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

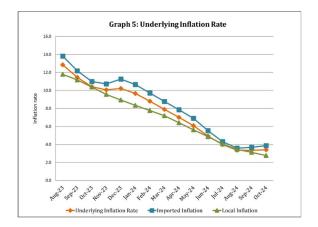
This section decomposes the headline CPI in terms of fuel and non-fuel inflation. Fuel makes up 6.6 percent of the total CPI basket while non-fuel is around 93.4 percent, Historically, the predominant driver in Samoa's CPI inflationary trend is non-fuel inflation given its much larger weight.

By this composition, the lower annual average headline inflation rate in October 2024 was driven by decreases in both its fuel and non-fuel inflation components. The annual average fuel inflation rate dropped to -1.8 percent from -1.0 percent in September 2024 but was slightly above the -1.9 percent in October 2023. This decline was due to price reductions in petrol, diesel and kerosene over the past month. Likewise, the annual average non-fuel **inflation rate** decreased to 3.0 percent from 3.1 percent in September 2024 and 9.5 percent in the same month last year. This decline reflects the reduction in prices in the 'Communication', 'Miscellaneous goods and services' and 'Clothing and Footwear' sub-groups. (See Graph 4)



## 2. <u>Underlying CPI and Inflation</u>

The Underlying CPI<sup>2</sup> edged up by 2.7 percent when compared to the previous month and was 4.4 percent higher than in October 2023. The annual average underlying inflation rate was steady at 3.4 percent from September 2024, but lower than 10.4 percent recorded in the same month last year. (See Graph 5)



2.1 Underlying Food vs Non-Food Inflation The annual average underlying food inflation rate went up to 4.1 percent from 3.9 percent in the previous month but was much lower than 12.7 percent in October 2023. The annual average underlying non-food inflation rate slipped to 2.2 percent from 2.4 percent in September 2024, and significantly lower than 6.7 percent recorded in October 2023.

CENTRAL BANK OF SAMOA 03<sup>rd</sup> December 2024

 $<sup>^{\</sup>rm l}$  Fuel includes unleaded petrol, diesel, gas and kerosene prices.

<sup>&</sup>lt;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 October 2024

		All Groups Index		Pero	entage cha	nge Overall Import Component						Overall Local Component				
		mucx		Latest	month	12 months			Annual	Annual			Annual	Annual		
		Monthly 12 months		over prev over a		over prev	Index	Monthly	Average	Average	Index	Monthly	Average	Average		
		Index	average	month	year earlier	12 months		Change	12 months	Percent		Change	12 months	Percent		
				-		(AnnAvg)				Change				Change		
2021	October	113.6	108.1	0.7	9.7	0.5	118.2	-0.1	111.1	1.3	109.1	1.7	105.2	-0.4		
2022	October	127.7	120.3	-1.8	12.4	11.3	139.8	-2.4	129.5	16.6	115.9	-1.1	111.2	5.7		
2023	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	1.1	4.1	7.3	143.4	1.0	141.8	6.7	123.7	1.1	122.6	8.0		
	February	133.5	132.5	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	8.0	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		
	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		
	September	134.8	133.6	1.2	2.3	2.9	142.7	3.4	143.3	2.7	127.1	-1.1	124.2	3.0		
2024	October	136.2	134.0	1.0	2.9	2.8	145.8	2.2	143.6	2.8	126.7	-0.3	124.5	2.8		

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.

Table 2: UNDERLYING CONSUMER PRICE INDEX (February 2016 = 100) \*\*

	All Groups			es	Overall Import Component					Overall Local Component				
				Latest Month		Annual				Annual		Monthly		Annual
	Monthly	3 months	12 months	over prev	over a	Average	Index	Monthly	12 months Average				12 months	Average
	Index	average	average	month	year earlier	Percent	IIIGOX	Change	avg	Percent	lildex	Change	avg	Percent
						Change				Change				Change
2021 October	113.5	112.8	108.2	1.0	10.6	0.6	116.2	0.1	109.8	0.7	107.5	3.2	104.7	0.3
2022 October	131.1	131.1	121.0	-1.2	15.5	11.9	136.4	-1.8	125.1	14.0	119.5	0.3	112.2	7.2
2023 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
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
September	138.1	135.9	137.7	2.7	1.9	3.4	143.9	3.9	143.6	3.7	125.4	-0.1	125.1	2.6
2024 October	141.8	138.1	138.2	2.7	4.4	3.4	149.3	3.8	144.3	3.9	125.7	0.2	125.1	2.3

Table 3: FOOD vs NON-FOOD INFLATION & FUEL vs NON-FUEL INFLATION (February 2016 = 100) \*\*

			Food Infla	tion (40.4%)	)	Non-Food Inflation (59.6%)					Fuel Infla	tion (6.6%)		Non-Fuel Inflation (93.4%)			
					Annual				Annual				Annual				Annual
		Index	Monthly	3mths av	Average	Index	Monthly	3mths av	Average	Index	Monthly	3mths av	Average	Index	Monthly	3mths av	Average
			Change	% chg	Percent		Change	% chg	Percent		Change	% chg	Percent		Change	% chg	Percent
					Change				Change				Change				Change
2021	October	118.1	0.2	5.0	-0.8	110.6	1.2	2.3	1.4	123.1	-0.5	5.5	3.2	112.4	0.8	3.1	0.2
2022	October	141.9	-2.5	10.1	16.8	118.1	-1.2	3.9	7.4	156.1	-4.9	6.5	33.9	125.5	-1.3	6.4	9.7
2023	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	0.7	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	1.0	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	0.7	-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	118.8	0.5	-0.2	0.5	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	-1.6	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
	August	155.6	1.7	-1.7	4.9	118.0	-1.0	0.2	1.0	138.0	-6.1	-1.3	-2.2	133.0	1.1	-0.8	3.2
	September	159.2	2.3	-1.7	4.8	118.3	0.3	-0.5	1.2	138.0	0.0	-4.1	-1.0	124.2	-6.6	-3.4	2.5
2024	October	164.1	3.0	1.5	4.8	114.1	-3.6	-2.0	0.8	133.3	-3.4	-7.2	-1.8	134.7	8.4	-2.2	2.3

<sup>(</sup>R) - Revised due to adjustments made from Samoa Bureau of Statistics (SBS)

\*\* New CPI Index reflecting the 2013/14 Household Income and Expenditures Survey

Source: Samoa Bureau of Statistics (R) - Revised due to adjustments made from Samoa Bureau of Statistics (SBS)

<sup>\*\*</sup> New CPI Index reflecting the 2013/14 Household Income and Expenditures Survey

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)

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