

**FOREIGN TRADE AND INTERNATIONAL
COMMODITY PRICES REPORT**
March 2023

EXPORTS

Total export earnings leapt by 42.3 percent (or \$3.2 million) to \$10.7 million over the previous month. The expansion reflected a \$1.7 million increase in the export of locally produced goods (mainly coconut oil) as well as a \$1.5 million increase in re-exports.

Likewise, total export receipts soared by 64.3 percent over the year, which was well above its average declines of 13.8 percent in the past three years and average gain of 5.9 percent in the past five years.

For the first nine months of FY 2022/23, total export earnings amounted to \$88.9 million, which was 55.2 percent higher than its level in the same period last year. This was mainly due to significant gains in the export of fish (up by \$16.3 million) and coconut oil (up by \$4.9 million) as well as in re-exports (up by \$25.6 million).

The Pacific region remained as the main destination for Samoa's exports, although its share dropped to 56.6 percent from 72.4 percent in the previous month. This reflected lower shares for American Samoa, New Zealand and Australia. North America's share jumped to 37.3 percent from 12.2 percent in light of a large shipment of coconut oil to the United States during the month. Moreover, Asia recorded a share of 6.1 percent.

IMPORTS

Total monthly import payments shot back up by 89.6 percent (or \$61.3 million) to \$129.8 million over the previous month, the highest value of import payments ever recorded and surpassing the \$100 million mark once again. The substantial hike was driven by a \$34.0 million jump in government imports reflecting the one-off importation of a ferry boat (MV Lady Samoa IV)

during the month as well as the resumption of petroleum imports (\$21.7 million). In addition, non-petroleum private sector imports also went up by \$5.6 million.

At this level, total imports more than doubled (by \$72.2 million) over the previous year, which was well above its average decreases of 8.9 percent in the past three years and average increases of 1.9 percent in the past five years.

For the first nine months of FY2022/23, total import payments were 40.5 percent or \$262.6 million (to \$911.1 million) higher than in the same period of FY2021/22. This was underpinned by large expansions in all three major categories, that is government, petroleum and non-petroleum private sector imports.

Asia became the main source for Samoa imports with a total share of 54.8 percent, in-light of the importation of ferry boat from Japan, compared to 36.5 percent in the previous month. As a result, the Pacific region's share dropped to 38.4 percent from 54.9 percent in February 2023, while North America and Europe recorded shares of 6.0 percent and 0.6 percent respectively.

TRADE BALANCE¹

As a result of the spike in imports, the 'Goods' trade deficit widened by 95.4 percent (or \$58.1 million) to \$119.1 million over the previous month and was \$68.1 million higher than in March 2022. For the first nine months of 2022/23, the total trade deficit amounted to \$822.2 million, which was 39.1 percent higher than that in the same period of the previous fiscal year.

¹ Trade balance is the difference between exports of goods less imports of goods.

WORLD COMMODITY PRICES

Global commodity prices were on the upswing in March 2023. On the export side, increased prices were recorded for cocoa (up by 2.8 percent), coconut oil (up by 2.6 percent) and banana (up by 0.9 percent). On the import side, prices for beef and chicken went up by 10.0 percent and 0.6 percent respectively, while the price of rice went down by 3.3 percent.

CRUDE OIL PRICE

According to the World Bank International Commodity Report, the average spot price of Brent Blend crude oil dropped further by 5.1 percent to USD\$78.53 per barrel from USD\$82.71 per barrel in the previous month. When compared to March of last year, the average spot price of oil tumbled by 32.1 percent, falling below its average increases of 43.4 percent in the past three years while higher than its average increases of 31.1 percent in the past five years.

CENTRAL BANK OF SAMOA

17th May 2023

