
FOR IMMEDIATE RELEASE

Central Bank of Samoa Keeps Monetary Policy Unchanged

Monday, 29 June 2026 – The Board of Directors of the Central Bank of Samoa (CBS) has decided to keep its monetary policy unchanged following its meeting today.

This decision supports the Bank’s goal of maintaining stable inflation while continuing to manage the high level of cash available in the financial system.

CBS Governor, Maiava Onofiatele Atalina Ainuu-Enari says “While we expect inflation to increase over the coming year due to higher oil prices internationally, we expect these increases to be temporary. Our decision to maintain current policy settings is a balance between keeping prices stable for the people of Samoa with continued support for economic growth.”

In reaching its decision, the Board considered the outlook for the Samoan economy over the next 12 months, including:

- **Inflation Expected to Rise Temporarily**

Inflation is forecast to increase from **1.0 percent in May 2026** to **3.8 percent by June 2027**, slightly above the Bank’s medium-term target of 3.0 percent.

This increase is mainly due to higher global oil prices linked to the conflict between the United States and Iran. However, current forecasts suggest that this rise will be temporary, with inflation expected to fall below the 3.0 percent target in the next financial year.

- **Economic Growth Expected to Improve**

The Samoan economy is projected to grow by **2.7 percent over the next financial year**.

Growth is expected to be supported by increased Government spending, as well as strong earnings from remittances and tourism, helping to boost economic activity across Samoa.

- **Foreign Reserves Remain Strong**

Foreign exchange reserves are expected to remain at a comfortable level of around **SAT\$1.7 billion**, equivalent to **15.7 months of import cover**.

This is well above the Central Bank’s minimum target of 4 months, providing a strong buffer against external shocks.

- **Financial System Remains Stable**

The Board noted that Samoa’s banking system continues to be well-capitalized, financially sound, and stable. Banks have adequate capital, good asset quality, and remain profitable. The Board expects that ongoing financial sector reforms will help improve access to financial services for businesses and households across Samoa.

CBS Will Continue to Monitor Risks

The Central Bank will continue to use monetary policy tools, including open market operations, to maintain price stability and manage the excess cash in the banking system.

The Bank is closely monitoring global developments, particularly the ongoing tensions in the Middle East, which could continue to affect international commodity prices and inflation.

CBS and the Board will continue to assess economic conditions and will adjust our monetary policy settings if required.

“Our priority remains clear, maintaining low and stable inflation, preserving confidence in the financial system, and supporting sustainable economic growth for the people of Samoa,” says CBS Governor, Maiava Onofiatele Atalina Ainuu-Enari.

ENDS