

### WORLD ECONOMY

- The US economy grew by 3.0 percent in the June 2024 quarter, mainly due to increases in consumer spending, investments and government spending while the Australian economy expanded by 0.2 percent in the same quarter of 2024. On the other hand, the New Zealand economy shrank by 0.2 percent in the second quarter of 2024.
- The international price of Brent Blend Crude Oil went back down by 5.2 percent to USD\$80.86 per barrel.

### DOMESTIC ECONOMY

- The Samoan economy grew by 12.3 percent in real terms during the March 2024 quarter compared to the same quarter last year. This was mostly due to increased production in various sectors such as “Personal and other services”, “Business services” and “Commerce” as well as higher government tax revenue collection in the quarter. On an annual average basis, Samoa’s economy expanded by 11.3 percent in real terms, much stronger than anticipated.

#### INFLATION



- **The Consumer Price Index (CPI)** picked up by 0.2 percent in August 2024 over the last month.
- **Annual headline inflation rate** continued to fall to 2.8 percent from 2.9 percent in July 2024 and 10.3 percent in August 2024.
- Accountable for this decrease was a decline in its local component mainly reflecting lower prices for food items (like vegetables).
- **Underlying inflation rate** also dropped to 3.4 percent, down from 4.0 percent in July 2024 and 12.9 percent in the same month last year.

#### OFFICIAL FOREIGN RESERVES



- **Gross Foreign Reserves** recorded a further expansion by 1.6 percent (or \$21.5 million), reaching \$1,378.3 million and was 18.4 percent (or \$214.1 million) higher when compared to August of the previous year.
- As a result, the **import cover** remained at 13.2 months from the previous month, but was higher than the 11.7 months cover in August 2023.

#### REMITTANCES & TOURISM



- **Total monthly remittances** for August 2024 recorded a significant jump, reaching \$91.2 million from \$81.0 million in July 2024 and \$80.2 million in the same month last year.
- On the other hand, **visitor arrivals** contracted by 9.4 percent (or 1,791 visitors), with a total of 19,039 visitors which was also down by 4.7 percent compared to August 2023.
- **Total tourist earnings** increased by 2.2 percent (or \$1.3 million) to \$58.2 million, mainly due to a 12.8 percent hike in the average visitor expenditure in August 2024.

#### EXTERNAL TRADE



- **Export receipts** shot up by 75.2 percent (or \$4.7 million) to \$11.0 million over July 2024. Responsible were the following:
  - Re-exports (+\$3.9 million).
  - Locally produced exports (+\$0.8 million).
- **Total import payments** saw a 13.4 percent (or \$14.0 million) rise to \$118.2 million, reflecting:
  - Petroleum imports (+\$12.5 million)
  - Government imports (+\$10.2 million)
  - Private sector imports (-\$8.7 million)
- Accordingly, the **merchandise trade deficit** widened by 9.5 percent to \$107.2 million in the reviewed month.

#### INTEREST RATES & MONEY SUPPLY



- **Weighted average (WA) monthly official interest rate** rose further by 9 basis points to 0.37 percent from 0.27 percent in July 2024.
- **The commercial banks’ WA deposit rate** fell by 2 basis points to 1.52 percent while **WA lending rate** increased by 3 percentage points to 8.44 percent.
- **WA Interest rate margin** expanded to 6.92 percent from 6.87 percent last month.
- **Broad money (M2)** rebounded by \$45.1 million to \$1,719.1 million, driven by increases in both **Net Foreign Assets** and **Net Domestic Assets** by \$27.5 million and \$17.6 million respectively.

#### LIQUIDITY & CREDIT



- **Total commercial banks’ liquidity** expanded by 1.2 percent (or \$7.6 million) to \$663.9 million.
- This was mainly the result of increases in commercial banks’ holdings of exchange settlement accounts (up by \$15.2 million) and CBS securities (up by \$6.0 million) while their holdings of vault cash dropped by \$13.6 million.
- Total **commercial banks’ credit** to the private sector and public institutions grew by 0.4 percent to \$1,195.0 million.
- Total **non-bank financial institutions loans** to the private sector and public institutions also expanded by 0.5 percent to \$956.0 million.

### LOCAL MARKET SURVEY

- The overall supply of agriculture commodities to selected local markets around the country, recorded a significant increase of 35.8 percent in August 2024. This reflected higher supplies of taro, taamu, banana, and vegetable items like pumpkin, cucumber and tomatoes to name a few. The **overall price index** thus declined by 6.5 percent.

SELECTED ECONOMIC INDICATORS																
INDICATORS	2022	2023	2024								Average Two Months			Average levels in the previous		
	Aug	Aug	Jan	Feb	Mar	Apr	May	June	July	Aug	Jul22 - Aug22	Jul23 - Aug23	Jul24 - Aug24	2-years	3-years	5-years
<b>CENTRAL BANK OF SAMOA: (%)</b>																
Official rate	0.15	0.20	0.24	0.23	0.46	0.46	0.38	0.23	0.27	0.37	0.15	0.21	0.32	0.18	0.17	0.16
<b>COMMERCIAL BANKS' INTEREST RATES: (%)</b>																
Average lending rate	8.30	8.30	8.44	8.46	8.44	8.46	8.46	8.43	8.41	8.44	8.29	8.30	8.42	8.30	8.38	8.55
Average deposit rate	1.82	1.80	1.68	1.69	1.71	1.67	1.60	1.57	1.54	1.52	1.85	1.78	1.53	1.82	1.92	2.23
<b>COMMERCIAL BANK LOANS (Tala million)</b>	<b>1178.8</b>	<b>1146.0</b>	<b>1131.9</b>	<b>1139.1</b>	<b>1144.5</b>	<b>1143.8</b>	<b>1150.8</b>	<b>1173.5</b>	<b>1189.8</b>	<b>1195.0</b>	<b>1178.1</b>	<b>1147.6</b>	<b>1192.4</b>	<b>1163.3</b>	<b>1169.6</b>	<b>1159.8</b>
<b>GOVERNMENT NET POSITION (Tala million)</b>	<b>-317.8</b>	<b>-454.3</b>	<b>-533.3</b>	<b>-503.6</b>	<b>-484.3</b>	<b>-553.4</b>	<b>-559.7</b>	<b>-610.4</b>	<b>-614.1</b>	<b>-615.3</b>	<b>-323.7</b>	<b>-465.1</b>	<b>-614.7</b>	<b>-402.7</b>	<b>-377.1</b>	<b>-327.3</b>
<b>MONEY SUPPLY (Tala million)</b>	<b>1372.3</b>	<b>1573.6</b>	<b>1630.1</b>	<b>1648.6</b>	<b>1641.5</b>	<b>1654.2</b>	<b>1677.2</b>	<b>1697.4</b>	<b>1673.9</b>	<b>1834.7</b>	<b>1358.4</b>	<b>1551.3</b>	<b>1754.3</b>	<b>1436.8</b>	<b>1391.0</b>	<b>1330.0</b>
Currency outside banks	131.5	158.8	156.9	150.6	157.9	149.0	160.1	162.4	164.3	171.8	130.8	158.6	168.1	144.2	136.8	124.7
Demand deposits	423.9	549.3	598.1	591.2	579.7	603.7	613.8	661.8	626.1	778.9	415.8	537.9	702.5	467.1	443.5	419.2
FCD residents	78.0	97.1	110.3	111.9	109.6	105.0	112.9	110.0	110.3	105.0	71.5	95.4	107.7	79.3	72.8	64.8
Save deposits	223.1	247.0	241.1	236.2	238.8	246.5	249.5	257.0	268.6	269.5	221.5	245.2	269.1	231.7	219.9	198.5
Time deposits	515.8	521.4	523.7	558.8	555.5	549.9	540.8	506.4	504.6	509.4	518.8	514.3	507.0	514.6	517.9	522.8
<b>NOMINAL EXCHANGE RATE (Index)</b>	<b>99.9</b>	<b>99.7</b>	<b>99.7</b>	<b>99.7</b>	<b>99.7</b>	<b>99.8</b>	<b>99.7</b>	<b>99.7</b>	<b>99.7</b>	<b>99.7</b>	<b>99.9</b>	<b>99.7</b>	<b>99.7</b>	<b>99.8</b>	<b>99.8</b>	<b>99.8</b>
<b>HEADLINE CPI (2)</b>	<b>129.9</b>	<b>132.8</b>	<b>133.4</b>	<b>133.5</b>	<b>133.8</b>	<b>134.3</b>	<b>135.8</b>	<b>135.1</b>	<b>132.9</b>	<b>133.2</b>	<b>127.6</b>	<b>133.4</b>	<b>133.0</b>	<b>129.7</b>	<b>123.5</b>	<b>117.4</b>
Annual average inflation (%)	10.3	10.3	7.3	6.6	5.9	5.1	4.4	3.6	2.9	2.8	9.9	10.9	2.9	10.5	6.2	4.3
<b>LOCAL MARKET SURVEY: (2)</b>																
Volume Index	86.3	91.3	90.0	90.6	78.3	72.9	69.5	65.2	90.9	123.4	81.3	86.7	107.1	79.2	80.1	80.6
Price Index	125.7	193.1	181.7	168.7	172.6	173.4	222.1	217.7	193.8	181.2	122.6	207.9	187.5	171.0	149.3	137.5
<b>EXPORTS (Tala million)</b>	<b>10.3</b>	<b>10.7</b>	<b>6.3</b>	<b>8.0</b>	<b>7.5</b>	<b>5.9</b>	<b>7.4</b>	<b>6.1</b>	<b>6.3</b>	<b>11.0</b>	<b>10.6</b>	<b>9.5</b>	<b>8.6</b>	<b>9.6</b>	<b>7.9</b>	<b>10.1</b>
<b>IMPORTS (Tala million)</b>	<b>117.5</b>	<b>101.6</b>	<b>98.6</b>	<b>92.2</b>	<b>78.9</b>	<b>143.6</b>	<b>85.0</b>	<b>103.5</b>	<b>104.2</b>	<b>118.2</b>	<b>101.1</b>	<b>94.7</b>	<b>111.2</b>	<b>86.2</b>	<b>76.8</b>	<b>73.5</b>
<b>REMITTANCES (Tala million)</b>	<b>72.3</b>	<b>80.2</b>	<b>67.0</b>	<b>62.0</b>	<b>72.3</b>	<b>75.2</b>	<b>81.3</b>	<b>67.2</b>	<b>81.0</b>	<b>91.2</b>	<b>77.7</b>	<b>77.2</b>	<b>86.1</b>	<b>78.7</b>	<b>70.2</b>	<b>64.2</b>
<b>TOURISM: (1)&amp;(4)</b>																
Arrivals (number of persons)	6,318.0	16,471.0	14,520.0	9,630.0	11,242.0	12,644.0	14,106.0	16,143.0	19,039.0	17,248.0	3,159.0	16,870.5	18,143.5	8,635.0	5,756.7	8,383.4
Earnings (Tala million)	20.6	55.5	47.2	33.2	41.3	46.7	57.8	52.8	56.9	58.2	10.3	53.9	57.5	26	17	24
<b>GROSS INTERNATIONAL RESERVES (3) (5)</b>																
(Tala Million)	<b>800.3</b>	<b>1,164.3</b>	<b>1,307.5</b>	<b>1,305.3</b>	<b>1,269.4</b>	<b>1,323.6</b>	<b>1,338.3</b>	<b>1,354.0</b>	<b>1,356.8</b>	<b>1,378.3</b>	<b>805.9</b>	<b>1,154.8</b>	<b>1,367.6</b>	<b>978.5</b>	<b>889.9</b>	<b>751.0</b>
BOP Position (+/-) (Surplus/Deficit)	-11.3	18.9	100.4	-2.2	-35.9	54.2	14.6	15.7	2.8	21.5	-6.2	33.1	12.1	23.1	8.8	5.3
Import Cover (months of current goods only)	9.9	11.7	13.4	13.1	12.9	12.9	13.2	13.4	13.2	13.2	10.2	11.5	13.2	11.0	10.8	9.5

Source: Central Bank of Samoa

1. Revised Total Earnings from Feb-12 to Mar-16

2. Rebase Base Period February 2016=100

3. Significant increases in official reserves since March 2020, reflected the inflows of funds for COVID-19 assistance and the usual government inflows for budget support from Samoa's international partners. In April 2020, Samoa received a loan of US\$20.03 million from International Monetary Fund to address the COVID-19 pandemic.

4. Starting from April 2020, tourists arrivals and earnings recorded zero value due to the closure of international borders for the safeguarding of our people during the pandemic.

n/a: not available

5. Samoa received the IMF-Special Drawing Rights (SDRs) allocation of SDR15.5 million, an equivalent of around \$55.5 million Tala in August 2021

## CENTRAL BANK OF SAMOA 4<sup>th</sup> October 2024

# SELECTED ECONOMIC INDICATORS CHART PACK

