

### 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. The June quarter figures for the New Zealand economy are not yet available, but it picked up by 0.2 percent in the March quarter.
- The international price of Brent Blend Crude Oil increased further by 3.3 percent to USD\$85.30 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)** fell further by 1.6 percent in July 2024 compared to the previous month.
- **Annual headline inflation rate** dropped further to 2.9 percent from 3.6 percent in June 2024 and 11.5 percent in July 2023. This is the first time since November 2021 it has gone below the 3.0% target inflation rate.
- This was due to declines in both its imported and local components.
- Similarly, **underlying inflation rate** fell to 4.0 percent, down from 4.9 percent in June 2024 and 13.7 percent in the same month of the previous year.

#### OFFICIAL FOREIGN RESERVES



- **Gross Foreign Reserves** saw a modest increase of 0.2 percent (or \$2.8 million), reaching \$1,356.8 million and was 18.5 percent (or \$211.5 million) higher when compared to July of the previous year.
- Despite a similar increase in imports for the month, the **import cover** stood at 13.2 months, which was higher than 11.4 months cover in July 2023.

#### REMITTANCES & TOURISM



- **Total monthly remittances** rebounded by 20.5 percent (or \$13.8 million) to \$81.0 million and was 9.0 percent (or \$6.7 million) higher than in July 2023.
- Likewise, **visitor arrivals** seasonally expanded by 17.9 percent (or 2,896 visitors), reaching 19,039 visitors over the last month, and was also up by 10.2 percent compared to July 2023.
- As a result, **total tourist revenue** recovered by 7.7 percent (or \$4.1 million) to \$56.9 million, which was higher than \$52.3 million in the same month last year.

#### EXTERNAL TRADE



- **Export receipts** rebounded by 3.5 percent (or \$0.2 million) to a total of \$6.3 million over June 2024. Accountable were the following:
  - Re-exports (+\$0.5 million).
  - Locally-produced exports (-\$0.2 million).
- **Total import payments** also rose by 0.7 percent (or \$0.7 million) to \$104.2 million.
  - Private sector imports (+\$12.7 million)
  - Petroleum imports (-\$11.3 million)
  - Government imports (-\$0.7 million)
- Consequently, the **merchandise trade deficit** expanded by 0.5 percent to \$98.0 million in the month under review.

#### INTEREST RATES & MONEY SUPPLY



- **Weighted average (WA) monthly official interest rate** increased by 4 basis points to 0.27 percent from 0.23 percent in June 2024.
- **The commercial banks’ WA deposit rate and WA lending rate** both fell by 3 basis points and 2 basis points respectively to 1.54 percent and 8.41 percent in that order.
- **WA Interest rate margin** widened to 6.87 percent from 6.86 percent last month.
- **Broad money (M2)** fell by \$23.5 million to \$1,673.9 million, resulting from a \$25.3 million drop in **Net Domestic Assets** while **Net Foreign Assets** rose by \$1.8 million in July 2024.

#### LIQUIDITY & CREDIT



- **Total commercial banks’ liquidity** shrank by 0.2 percent (or \$1.1 million) to \$656.2 million.
- This was primarily due to a \$13.9 million reduction in commercial banks’ holdings of exchange settlement accounts at CBS while their holdings of vault cash and CBS Securities rose.
- Total **commercial banks’ credit** to the private sector and public institutions expanded by 1.4 percent to \$1,189.8 million.
- Likewise, total **non-bank financial institutions loans** to the private sector and public institutions edged up by 1.7 percent to \$951.1 million.

#### LOCAL MARKET SURVEY

- The overall supply of agriculture commodities to the Fugalei and other domestic produce markets around Apia, recovered by 39.4 percent in July 2024. This increase was due to higher supplies of taro, banana, taamu and vegetable items like pumpkin, tomatoes and cucumber to name a few. The **overall price index** therefore declined by 11.0 percent.

SELECTED ECONOMIC INDICATORS												
INDICATORS	2022	2023	2024							Average levels in the previous		
	July	July	Jan	Feb	Mar	Apr	May	June	July	2-years	3-years	5-years
<b>CENTRAL BANK OF SAMOA: (%)</b>												
Official rate	0.15	0.21	0.24	0.23	0.46	0.46	0.38	0.23	0.27	0.19	0.18	0.17
<b>COMMERCIAL BANKS' INTEREST RATES: (%)</b>												
Average lending rate	8.29	8.30	8.44	8.46	8.44	8.46	8.46	8.43	8.41	8.30	8.39	8.55
Average deposit rate	1.87	1.77	1.68	1.69	1.71	1.67	1.60	1.57	1.54	1.79	1.89	2.23
<b>COMMERCIAL BANK LOANS (Tala million)</b>	<b>1177.4</b>	<b>1149.2</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>1156.0</b>	<b>1162.6</b>	<b>1156.9</b>
<b>GOVERNMENT NET POSITION (Tala million)</b>	<b>-329.6</b>	<b>-475.8</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>-364.7</b>	<b>-349.8</b>	<b>-308.4</b>
<b>MONEY SUPPLY (Tala million)</b>	<b>1344.5</b>	<b>1529.1</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>1465.1</b>	<b>1418.5</b>	<b>1343.4</b>
Currency outside banks	130.0	158.3	156.9	150.6	157.9	149.0	160.1	162.4	164.3	143.2	133.0	118.9
Demand deposits	407.7	526.4	598.1	591.2	579.7	603.7	613.8	661.8	626.1	493.0	472.2	437.9
FCD residents	65.0	93.7	110.3	111.9	109.6	105.0	112.9	110.0	110.3	89.0	78.0	69.6
Save deposits	220.0	243.4	241.1	236.2	238.8	246.5	249.5	257.0	268.6	224.5	213.3	190.8
Time deposits	521.8	507.3	523.7	558.8	555.5	549.9	540.8	506.4	504.6	515.3	522.0	526.2
<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>99.8</b>	<b>99.8</b>	<b>99.9</b>
<b>HEADLINE CPI (2)</b>	<b>125.3</b>	<b>134.0</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>127.5</b>	<b>121.4</b>	<b>115.5</b>
Annual average inflation (%)	9.5	11.5	7.3	6.6	5.9	5.1	4.4	3.6	2.9	10.4	5.9	4.3
<b>LOCAL MARKET SURVEY: (2)</b>												
Volume Index	76.3	82.1	90.0	90.6	78.3	72.9	69.5	65.2	90.9	57.6	65.5	73.2
Price Index	119.4	222.6	181.7	168.7	172.6	173.4	222.1	217.7	193.8	170.0	148.4	136.4
<b>EXPORTS (Tala million)</b>	<b>10.9</b>	<b>8.3</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>10.5</b>	<b>9.4</b>	<b>10.0</b>
<b>IMPORTS (Tala million)</b>	<b>84.7</b>	<b>87.7</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>89.8</b>	<b>79.8</b>	<b>74.4</b>
<b>REMITTANCES (Tala million)</b>	<b>83.1</b>	<b>74.2</b>	<b>67.0</b>	<b>62.0</b>	<b>72.3</b>	<b>75.2</b>	<b>81.2</b>	<b>67.2</b>	<b>81.0</b>	<b>73.0</b>	<b>65.8</b>	<b>58.1</b>
<b>TOURISM: (1)&amp;(4)</b>												
Arrivals (number of persons)	0.0	17,270.0	14,520.0	9,630.0	11,242.0	12,644.0	14,106.0	16,143.0	19,039.0	9,010.5	6,007.0	6,842.6
Earnings (Tala million)	0.0	52.3	47.2	33.2	41.3	46.7	57.8	52.8	56.9	29	19	20
<b>GROSS INTERNATIONAL RESERVES (3) (5)</b>												
(Tala Million)	<b>811.6</b>	<b>1,145.3</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>955.4</b>	<b>881.1</b>	<b>745.7</b>
BOP Position (+/-) (Surplus/Deficit)	-1.1	47.2	100.4	-2.2	-35.9	54.2	14.6	15.7	2.8	59.2	45.6	43.8
Import Cover (months of current goods only)	10.5	11.4	13.4	13.1	12.9	12.9	13.2	13.4	13.2	10.9	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 USD\$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> September 2024**

# SELECTED ECONOMIC INDICATORS CHART PACK

