

### WORLD ECONOMY

In the December 2024 quarter, the US economy grew by 2.3%, while the Australian and New Zealand economies expanded by 0.6% and 0.7%, respectively, during the same period. The international price of Brent Blend Crude Oil went back up by 7.3% to USD\$79.21 per barrel.

### DOMESTIC ECONOMY

The Samoan economy grew by 5.5% (in real terms) during the September 2024 quarter compared to the same period in 2023. This growth reflected expansions across several sectors, including Commerce, Food and Beverages Manufacturing, and Agriculture, as well as an increase in government tax revenues collected during the quarter. The annual average real GDP rose by 7.5% in the September 2024 quarter, down from 9.4% growth recorded in the previous quarter.

#### INFLATION



- The **Consumer Price Index (CPI)** increased by 1.0% from previous month.
- The **annual average headline inflation rate**, continued to fall to 2.1% in January 2025.
- This drop reflected a reduction in the imported component to 1.6%, while the local component remained unchanged for the third consecutive month at 2.5%.
- The **underlying inflation rate** also fell further to 2.4% from 8.8% in January 2024.

#### OFFICIAL FOREIGN RESERVES



- Gross Foreign Reserves** increased by 1.5% (or \$21.8 million), to a total of \$1,466.3 million. This was also 12.1% higher (or \$158.4 million) when compared to January 2024.
- As a result, the **import cover** increased to 14.2 months, up from 14.1 months in December 2024 and 13.4 months in January 2024.

#### REMITTANCES & TOURISM



- In January 2025, **total monthly remittances** declined by a seasonal 27.2% (\$25.4 million) to \$68.1 million.
- Similarly, **visitor arrivals** decreased by 35.4% to a total of 14,746 visitors in January 2025, which was 1.6% higher than the same month last year.
- As a result, **total tourism earnings** fell by 41.8% (\$35.3 million) to \$49.1 million, although it was higher than \$47.2 million recorded in January 2024.

#### EXTERNAL TRADE



- Export receipts** also contracted to \$3.7 million in January 2025. The decline was driven by:
  - \$2.8 million drop in re-exports.
  - \$0.05 million decrease in locally produced exports.
- Conversely, total import payments increased by 13.3% to \$105.3 million in January 2025, reflecting:
  - Resumption of petroleum imports of \$19.4 million.
  - Government imports, up by \$4.4 million.
  - Non-petroleum imports, down by \$11.4 million.
- Accordingly, the merchandise trade deficit widened by 17.6% to \$101.6 million in January 2025.

#### INTEREST RATES & MONEY SUPPLY



- The **weighted average (WA) monthly official interest rate** rose by 2 basis points to 0.92% from 0.90% in December 2024.
- The **WA deposit rate for commercial banks** continued to decline by 1 basis point to 1.54%, while the **WA lending rate** decreased by 2 basis points to 8.39% from the previous month. Consequently, the **WA interest rate margin** narrowed by 1 basis point to 6.85% during the review period.
- Broad money (M2)** decreased by 0.7% (or \$13.1 million) to \$1,756.5 million, driven by a \$27.7 million reduction in **Net Domestic Assets**, which outweighed a \$14.6 million increase in **Net Foreign Assets**.

#### LIQUIDITY & CREDIT



- Total **liquidity** in commercial banks rebounded by 4.4% (or \$28.9 million) to \$679.4 million. This increase was primarily attributed to:
  - A \$33.4 million rise in exchange settlement accounts (ESA).
  - A \$0.7 million increase in CBS securities.
  - A \$5.1 million decline in vault cash.
- Total **commercial banks' credit to the private sector and public institutions** fell by 0.8% to \$1,208.1 million.
- In contrast, **total loans issued by non-bank financial institutions (NFIs)** to the private sector and public institutions increased slightly to \$991.1 million.

### LOCAL MARKET SURVEY

The total supply of agricultural commodities to selected local markets nationwide increased by 10.4% in January 2025. This growth was driven by higher availability of banana, taro, taamu, breadfruit, and coconut. Despite the increased supply, the **overall price index** rose by 14.1% due to stronger demand.

| SELECTED ECONOMIC INDICATORS                                                                                                                                                                                                                                                                                                                  |          |          |          |          |          |          |          |          |          |                      |               |               |                                |         |         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------------------|---------------|---------------|--------------------------------|---------|---------|
| INDICATORS                                                                                                                                                                                                                                                                                                                                    | 2023     | 2024     |          |          |          |          |          |          | 2025     | Average Seven Months |               |               | Average levels in the previous |         |         |
|                                                                                                                                                                                                                                                                                                                                               | Jan      | Jan      | July     | Aug      | Sep      | Oct      | Nov      | Dec      | Jan      | Jul22 - Jan23        | Jul23 - Jan24 | Jul24 - Jan25 | 2-years                        | 3-years | 5-years |
| CENTRAL BANK OF SAMOA: (%)                                                                                                                                                                                                                                                                                                                    |          |          |          |          |          |          |          |          |          |                      |               |               |                                |         |         |
| Official rate                                                                                                                                                                                                                                                                                                                                 | 0.19     | 0.24     | 0.27     | 0.37     | 0.88     | 0.72     | 0.64     | 0.90     | 0.92     | 0.17                 | 0.22          | 0.67          | 0.20                           | 0.18    | 0.17    |
| COMMERCIAL BANKS' INTEREST RATES: (%)                                                                                                                                                                                                                                                                                                         |          |          |          |          |          |          |          |          |          |                      |               |               |                                |         |         |
| Average lending rate                                                                                                                                                                                                                                                                                                                          | 8.26     | 8.44     | 8.41     | 8.44     | 8.40     | 8.41     | 8.40     | 8.41     | 8.39     | 8.28                 | 8.36          | 8.41          | 8.31                           | 8.35    | 8.50    |
| Average deposit rate                                                                                                                                                                                                                                                                                                                          | 1.76     | 1.68     | 1.54     | 1.52     | 1.49     | 1.51     | 1.57     | 1.55     | 1.54     | 1.82                 | 1.79          | 1.53          | 1.82                           | 1.83    | 2.16    |
| COMMERCIAL BANK LOANS (Tala million)                                                                                                                                                                                                                                                                                                          | 1177.4   | 1131.9   | 1189.8   | 1195.0   | 1208.1   | 1211.6   | 1212.6   | 1217.7   | 1208.1   | 1176.07              | 1142.09       | 1206.12       | 1155.16                        | 1170.28 | 1176.14 |
| GOVERNMENT NET POSITION (Tala million)                                                                                                                                                                                                                                                                                                        | -336.4   | -533.3   | -614.1   | -615.3   | -581.6   | -594.8   | -596.8   | -630.1   | -653.4   | -315.57              | -465.78       | -612.30       | -379.12                        | -368.84 | -335.26 |
| MONEY SUPPLY (Tala million)                                                                                                                                                                                                                                                                                                                   | 1459.8   | 1630.1   | 1673.9   | 1719.1   | 1731.0   | 1762.7   | 1727.7   | 1769.6   | 1756.5   | 1397.82              | 1589.81       | 1734.36       | 1499.66                        | 1443.09 | 1365.63 |
| Currency outside banks                                                                                                                                                                                                                                                                                                                        | 144.0    | 156.9    | 164.3    | 171.8    | 164.6    | 166.8    | 171.2    | 199.9    | 188.2    | 138.85               | 162.91        | 175.26        | 142.63                         | 134.09  | 121.71  |
| Demand deposits                                                                                                                                                                                                                                                                                                                               | 476.5    | 598.1    | 626.1    | 663.3    | 688.5    | 680.0    | 657.4    | 659.1    | 646.4    | 435.51               | 552.36        | 660.12        | 501.53                         | 476.01  | 436.19  |
| FCD residents                                                                                                                                                                                                                                                                                                                                 | 111.3    | 110.3    | 110.3    | 105.0    | 106.0    | 127.9    | 110.8    | 114.8    | 116.9    | 83.90                | 107.37        | 113.11        | 101.05                         | 89.08   | 73.94   |
| Save deposits                                                                                                                                                                                                                                                                                                                                 | 223.7    | 241.1    | 268.6    | 269.5    | 269.5    | 273.4    | 261.1    | 261.3    | 268.3    | 220.64               | 244.19        | 267.40        | 228.59                         | 218.54  | 197.71  |
| Time deposits                                                                                                                                                                                                                                                                                                                                 | 504.3    | 523.7    | 504.6    | 509.4    | 502.4    | 514.6    | 527.2    | 534.5    | 536.7    | 518.92               | 522.98        | 518.48        | 525.85                         | 525.37  | 536.08  |
| NOMINAL EXCHANGE RATE (Index)                                                                                                                                                                                                                                                                                                                 | 99.8     | 99.7     | 99.7     | 99.7     | 99.7     | 99.7     | 99.8     | 100.1    | 100.4    | 100.05               | 99.73         | 99.85         | 99.93                          | 99.88   | 99.91   |
| HEADLINE CPI (2)                                                                                                                                                                                                                                                                                                                              | 128.2    | 133.4    | 132.8    | 133.1    | 134.8    | 136.2    | 135.1    | 135.8    | 137.1    | 127.10               | 132.68        | 134.99        | 128.50                         | 123.33  | 116.60  |
| Annual average inflation (%)                                                                                                                                                                                                                                                                                                                  | 11.0     | 7.3      | 2.9      | 2.8      | 2.8      | 2.8      | 2.4      | 2.2      | 2.1      | 10.77                | 8.93          | 2.57          | 9.67                           | 7.03    | 4.22    |
| LOCAL MARKET SURVEY: (2)                                                                                                                                                                                                                                                                                                                      |          |          |          |          |          |          |          |          |          |                      |               |               |                                |         |         |
| Volume Index                                                                                                                                                                                                                                                                                                                                  | 92.5     | 90.0     | 90.9     | 123.4    | 134.8    | 100.9    | 86.1     | 87.6     | 96.7     | 108.75               | 97.76         | 102.89        | 113.94                         | 103.96  | 116.60  |
| Price Index                                                                                                                                                                                                                                                                                                                                   | 162.2    | 181.7    | 193.8    | 181.2    | 170.7    | 179.7    | 163.8    | 164.9    | 188.2    | 126.62               | 174.18        | 177.47        | 134.05                         | 122.03  | 110.17  |
| EXPORTS (Tala million)                                                                                                                                                                                                                                                                                                                        | 7.4      | 6.3      | 6.3      | 11.0     | 11.5     | 31.9     | 8.0      | 6.5      | 3.7      | 9.64                 | 9.92          | 11.25         | 9.73                           | 9.07    | 8.57    |
| IMPORTS (Tala million)                                                                                                                                                                                                                                                                                                                        | 101.9    | 98.6     | 104.2    | 118.2    | 89.6     | 123.8    | 102.5    | 92.9     | 105.3    | 106.53               | 101.77        | 105.22        | 108.80                         | 100.98  | 90.84   |
| REMITTANCES (Tala million)                                                                                                                                                                                                                                                                                                                    | 55.1     | 67.0     | 81.5     | 91.3     | 67.6     | 70.1     | 73.6     | 93.4     | 68.1     | 73.05                | 74.13         | 77.93         | 75.71                          | 73.04   | 62.76   |
| TOURISM: (1)&(4)                                                                                                                                                                                                                                                                                                                              |          |          |          |          |          |          |          |          |          |                      |               |               |                                |         |         |
| Arrivals (number of persons)                                                                                                                                                                                                                                                                                                                  | 12,321.0 | 14,520.0 | 19,039.0 | 17,248.0 | 14,536.0 | 14,658.0 | 12,996.0 | 22,828.0 | 14,746.0 | 8482.86              | 15984.43      | 16578.71      | 10693.00                       | 7128.67 | 6658.60 |
| Earnings (Tala million)                                                                                                                                                                                                                                                                                                                       | 36.9     | 47.2     | 56.9     | 58.0     | 51.5     | 53.1     | 53.4     | 84.4     | 49.1     | 27.74                | 55.22         | 58.05         | 40.88                          | 27.25   | 24.56   |
| GROSS INTERNATIONAL RESERVES (3) (5)                                                                                                                                                                                                                                                                                                          |          |          |          |          |          |          |          |          |          |                      |               |               |                                |         |         |
| (Tala Million)                                                                                                                                                                                                                                                                                                                                | 894.5    | 1,307.5  | 1,356.8  | 1,378.3  | 1,396.8  | 1,399.5  | 1,404.5  | 1,444.5  | 1,466.3  | 824.90               | 1181.84       | 1406.69       | 989.11                         | 914.30  | 779.39  |
| BOP Position (+/-) (Surplus/Deficit)                                                                                                                                                                                                                                                                                                          | 26.8     | 100.4    | 2.8      | 21.5     | 18.5     | 2.6      | 5.0      | 40.0     | 21.8     | 11.70                | 29.91         | 16.04         | 21.19                          | 11.55   | 3.09    |
| Import Cover (months of current goods only)                                                                                                                                                                                                                                                                                                   | 9.4      | 13.4     | 13.2     | 13.2     | 13.6     | 13.4     | 13.5     | 14.1     | 14.2     | 9.56                 | 11.94         | 13.61         | 10.44                          | 10.59   | 9.68    |
| 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                                                                                                                                                                                             |          |          |          |          |          |          |          |          |          |                      |               |               |                                |         |         |

# SELECTED ECONOMIC INDICATORS CHART PACK

