

WORLD ECONOMY

In the March 2025 quarter, the United States economy contracted 0.5% while the Australian and New Zealand economies grew by 0.2% and 0.8% respectively. During the same period, the international price of Brent Blend crude oil declined by 5.2% to USD \$64.21 per barrel in May 2025.

DOMESTIC ECONOMY

In the March 2025 quarter, Samoa's Real GDP recorded a growth of 2.2 percent, reflecting broad-based improvements across several key sectors. Notable increases were observed in Agriculture (up by 11.0%), Construction (9.0%), Electricity & Water (7.5%), Business services (7.4%), Commerce (5.1%) and Financial services (2.6%). Additionally, Tax revenue rose by 18.2%, further contributing to the overall economic expansion during the period.

INFLATION



- The **Consumer Price Index (CPI)** increased by 0.5% over the previous month and was 1.7% higher than in May 2024.
- The **annual average headline inflation rate** slightly fell to 1.8%, from April 2025.
- Imported inflation decreased to 0.1% while domestic inflation continued to rise to 3.7%.
- **Underlying inflation rate** dropped to 1.3%, down from 1.5% in April 2025 and well below 6.1% in May 2024.

OFFICIAL FOREIGN RESERVES



- **Gross Foreign Reserves** surged further by 3.4% (\$50.3 million) to \$1,541.7 million. In comparison to May 2024, it was 15.2% (or \$203.4 million) higher.
- This resulted in a higher **import cover** of 15.0 months, from 14.7 months in April 2025 and 13.2 months in May of last year.

REMITTANCES & TOURISM



- Total monthly **remittances** grew by 1.8% (\$1.3 million), to \$77.5 million in May 2025, but was 4.7 percent (or \$3.8 million) lower than in May 2024.
- Likewise, **visitor arrivals** rose by 5.8% to 13,977 visitors, but was 0.9% lower than its level in the same month last year.
- As a result, **tourism earnings** expanded by 17.1% (\$8.5 million) reaching \$58.4 million, which was slightly higher than \$57.8 million in May 2024.

EXTERNAL TRADE



- **Export earnings** held steady reflecting modest movements in:
 - re-exports, +\$0.4
 - domestic exports, -\$0.4
- Total **import payments** fell by 4.5% (or \$4.8 million) to \$101.3 million in May 2025, mirroring:
 - A \$4.6 million decrease in government imports.
 - A \$2.3 million drop in non-petroleum imports.
 - A \$2.1 million increase in petroleum imports.
- Accordingly, the **merchandise trade deficit** contracted by 4.8% to \$95.7 million in May 2025.

INTEREST RATES & MONEY SUPPLY



- The **weighted average (WA) monthly official interest rate** advanced by 27 basis points to 1.34% in May 2025, over the previous month and was notably higher than 0.38% in the same month last year.
- The commercial banks' WA deposit rate remained unchanged at 1.55%, while the WA lending rate increased by 1 basis point to 8.41%, resulting in a WA interest rate spread of 6.86% in May 2025.
- Broad money (M2) decreased by 0.1% (\$2.3 million) to \$1,776.3 million, primarily driven by a \$46.5 million drop in Net Domestic Assets against a \$44.2 million increase in Net Foreign Assets.

LIQUIDITY & CREDIT



- Total liquidity of the commercial banks declined by 7.8% (\$57.4 million) to \$673.8 million, reflecting changes in:
 - Exchange Settlement Accounts (ESA) (-\$52.8 million).
 - Vault cash (-\$6.2 million).
 - CBS securities (+\$1.7 million).
- Meanwhile, total **commercial banks' credit to the private sector and public institutions** went up by 0.2% to \$1,211.0 million.
- **Total loans by non-bank financial institutions (NFI)** to the private sector and public institutions also expanded by 0.6% to \$1,008.9 million.

LOCAL MARKET SURVEY

The total supply of agricultural commodities to selected local produce markets nationwide noted a boost of 52.6% in May 2025. This growth was mainly attributed to higher supply of pumpkin, tomatoes and agriculture produce such as taamu, yam and taro to name the most significant. Despite the improvement in local supply, the **overall price index** registered a seasonal rise of 2.2%.

SELECTED ECONOMIC INDICATORS													
INDICATORS	2023	2024	2025					Average Eleven Months			Average levels in the previous		
	May	May	Jan	Feb	Mar	Apr	May	Jul22 - May23	Jul23 - May24	Jul24 - May25	2-years	3-years	5-years
CENTRAL BANK OF SAMOA: (%)													
Official rate	0.24	0.38	0.92	0.94	1.03	1.07	1.34	0.19	0.28	0.82	0.35	0.28	0.23
COMMERCIAL BANKS' INTEREST RATES: (%)													
Average lending rate	8.30	8.46	8.39	8.37	8.39	8.40	8.41	8.29	8.39	8.40	8.40	8.36	8.49
Average deposit rate	1.81	1.60	1.56	1.58	1.60	1.55	1.55	1.80	1.75	1.55	1.70	1.72	2.03
COMMERCIAL BANK LOANS (Tala million)	1146.3	1150.8	1208.1	1205.8	1208.9	1208.3	1211.0	1170.02	1142.98	1206.98	1154.20	1162.62	1168.71
GOVERNMENT NET POSITION (Tala million)	-352.6	-559.7	-653.4	-666.1	-655.0	-650.2	-656.2	-327.95	-487.41	-628.52	-458.36	-408.37	-360.59
MONEY SUPPLY (Tala million)	1564.1	1677.2	1756.5	1726.0	1736.9	1778.7	1776.3	1437.00	1613.65	1741.68	1578.02	1499.79	1406.82
Currency outside banks	155.8	160.1	188.2	179.4	174.8	169.2	176.8	141.00	159.82	175.18	147.05	140.05	127.28
Demand deposits	531.9	613.8	646.4	620.7	640.3	664.5	643.4	462.33	568.63	653.61	555.27	510.82	463.84
FCD residents	103.0	112.9	116.9	122.8	112.7	127.0	124.9	90.70	108.27	116.29	103.18	86.99	74.07
Save deposits	237.6	249.5	268.3	259.7	255.9	263.3	270.1	223.98	243.67	265.52	239.63	228.03	205.20
Time deposits	535.7	540.8	536.7	543.4	553.2	554.7	561.2	518.98	533.26	531.09	532.89	533.90	536.43
NOMINAL EXCHANGE RATE (Index)	99.7	99.7	100.4	100.3	100.3	100.3	100.2	99.93	99.73	100.01	99.71	99.73	99.86
HEADLINE CPI (2)	131.5	135.8	137.1	136.0	137.0	137.4	138.2	128.35	133.29	135.77	133.07	127.79	119.68
Annual average inflation (%)	12.0	4.4	2.1	1.9	1.9	1.9	1.8	11.08	7.69	2.32	8.39	8.12	4.49
LOCAL MARKET SURVEY: (2)													
Volume Index	71.4	69.5	96.7	91.0	81.8	63.1	96.3	97.72	90.51	95.67	78.01	83.45	78.56
Price Index	190.4	222.1	188.2	182.5	193.8	201.9	206.3	140.40	177.82	184.25	174.11	153.35	142.85
EXPORTS (Tala million)	10.5	7.4	3.7	4.5	5.5	5.6	5.6	9.38	8.94	9.08	6.43	6.50	6.74
IMPORTS (Tala million)	98.9	85.0	105.3	90.8	95.3	106.1	101.3	100.33	101.11	102.74	118.62	107.31	88.76
REMITTANCES (Tala million)	75.7	81.3	68.1	61.4	67.8	76.1	76.7	68.94	73.62	75.23	62.63	61.20	52.78
TOURISM: (1)&(4)													
Arrivals (number of persons)	15,719.0	14,106.0	14,746.0	8,070.0	11,605.0	13,210.0	13,977.0	9694.00	14501.18	14810.27	13182.00	8788.00	5272.80
Earnings (Tala million)	61.2	57.8	49.1	28.5	43.0	49.9	58.4	33.03	51.41	53.29	47.71	31.80	19.08
GROSS INTERNATIONAL RESERVES (3) (5)													
(Tala Million)	1,014.5	1,338.3	1,456.8	1,477.8	1,480.0	1,491.4	1,541.7	876.14	1228.14	1438.93	1149.90	1019.88	867.65
BOP Position (+/-) (Surplus/Deficit)	38.6	14.7	12.3	21.0	2.1	11.5	50.3	18.35	21.84	17.06	41.21	39.70	35.79
Import Cover (months of current goods only)	10.3	13.2	14.1	14.3	14.2	14.7	15.0	9.72	12.34	13.94	11.47	11.13	10.34
Source: Central Bank of Samoa													
1. Revised Total Earnings from Feb-12 to Mar-16													
2. Rebase Base Period Feburary 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

