NEWS RELEASE

STATISTICS & ANALYSIS DIVISION

AMERICAN SAMOA DEPARTMENT OF COMMERCE

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CONSUMER PRICE INDEX – 3rd QUARTER 2022 (July - September)

When the general price level rises, a unit of currency buys fewer goods and services; consequently, inflation corresponds to a reduction in the purchasing power of money. This is what we are seeing today in American Samoa: 3 quarters of 2022 with double-digit inflation – the latest at 13.5%. In other words, a dollar one year ago is now worth only $0.865. American Samoa consumers are paying 13.5% more today for everyday goods than a year ago. This is the highest rate of price increases in the territory for more than 40 years ago (period 1979 – 1981 high double-digit inflations). This means that you have less disposable income to spend on wants rather than needs. For others, rising prices can cause serious financial worries, especially with families with much less money to cover needed necessities.

American Samoa's local inflation for the third quarter of 2022 registers at 13.5%. Last quarter's inflation rate was 11.8%, meaning that this quarter added another 3.3%. Besides the Food group, other consumer expenses such as Housing and Transportation have contributed to the higher inflation. Although gas prices in the mainland have gone down, local gas prices this quarter have increased by 10.7%. The Transportation group holds the highest percentage change on an *annual* basis (7.7%) followed by Housing at 7.6%.

ANNUAL GROUP MOVEMENTS

Now registering at 18.3%, Transportation is slightly behind the Food group by just 0.1%. The third largest expenditure group is now Housing (16.9%). Education and Communication has increased by 10.2% over last year. This quarter some school registration fees have been reduced leaving the annual comparison for the Education and Communication group currently at 10.2%. These 3 groups account for 60% of the expenses an average consumer would have, with food usually being the top expenditure group.

A recent update in the U.S. CPI reported an increase of 8.3% over the last 12 months and although gas prices are decreasing, food and housing have increased. The American Samoa CPI measured a 13.5% increase over the last 12 months. Similar to the U.S. CPI, there has been an increase in the local housing and food groups as well. The transportation group continues to report the highest increase of all CPI groups this year; mainly because of the higher prices of unleaded gasoline and diesel.

A notable growth in an item that affects every household is electricity (included in the Housing Group), which has shown consistent increase throughout this year: up by 45.7% since the beginning of 2022. Fuel surcharges charged by ASPA are as follow (month of CPI survey):
(Per KWH)
Q1 2022: $0.35
Q2 2022: $0.41
Q3 2022: $0.51

Five years ago (2017) the average monthly fuel surcharge was $0.20 per kWh. Electricity cost has gone up 2 and half times higher today than 5 years ago.

QUARTERLY GROUP MOVEMENTS

The Food Group was the highest expenditure category of the American Samoa CPI this quarter.

The index for the Food group this quarter is 137.8 compared to last quarter 132.3, that registers an increase of 4.1% which is a lower percentage increase compared to Housing which was the fastest growing group. Food items that have increased across the board are Onions (28.6%), Case Chicken (18.6%), Flour (14.9%). Items that have increased in most stores are Eggs (18%), Cooking Oil (14.3%) and Taro (16%). Some major retail stores showed no significant change in taro prices however, other taro vendors have almost doubled their prices. What used to be 10$ for a bunch is now 20$.

This quarter, Housing was the fastest growing group (quarterly increase of 5.7%). The 2 major items that contributed to the increase is Rent (up by 8%) and as mentioned previously, Electricity (up by 21%).

Transportation Group has in fact increased this quarter (by 2.5%) but not as high as Food and Housing. The previous quarter increase in transportation was recorded at 5.4%. Although prices for gas in the mainland are much lower than local prices, foreign sources of our fuel/oil, inevitable shipping costs and associated fees play a critical factor in determining fuel gas at the pumps. The average retail unleaded fuel cost in the US is $3.78 compared to the local average of $5.33 a gallon.

Education and Communication on the other hand has decreased this quarter (- 0.1%). The main reason for the decrease is due to some reduction in retail prices for smartphones. Items such as smartphones and laptops will always change (gradually increase) as newer versions come out every year. Items such as these are part of this group, adjustments will be made shortly to include these product changes.

Apparel registered a 0.9% quarterly increase. The items to have contributed to the increase are, Footwear (both women and men's up by more than 2%), Infants Footwear and clothing (both up 5%) and Jewelry (1%).

Medical Care group increased by 0.7%. Since the beginning of this year, non-prescription drugs have been the main cause of increase for this group and continues to be the same for this quarter.

The Recreational group is overall up by 1.9% this quarter. Items that have increased are again Fishing equipment (14.5%), gym membership (6.6%) and Speakers (4.7%). All other items have no significant changes.

Other Goods and Services group this quarter increased by 1.9%. A few items have gone up contributing to this increase such as Soap (up 9%), Shampoo (3%), Conditioner (4%), Tooth Paste (4%) and lastly *Hair Cuts up by 30.7%.*

COMPARATIVE COST OF SELECTED GOODS AND SERVICES IN MANU'A

The following chart is a quarterly comparison of cost of selected goods/services purchased in Tutuila compared to same products/services purchased by residents in Manu'a. The objective is to identify cost differentials and the magnitude of differences between the two islands.

A sample of average commodity prices normally purchased in the regular CPI was used as the survey template with the same commodity descriptions, weights, detailed specifications, brand names, etc., to make direct comparisons. Eleven stores in Ta'u, Ofu and Olosega islands were selected and 29 commodities including Food (22 items), Housing (2 items), Alcohol (2 items), Miscellaneous (2 items) and Transportation (1 item) were priced.

Recently, there was about a 44% difference in average cost between Tutuila and Manu'a. This quarter however, fewer stores were opened during the survey month because of temporary relocation of Manu'a residents due to the earthquakes. The overall cost differential of goods and services in Manu'a compared to Tutuila is now 38.56%.

Comparative Prices for Tutuila and Manu'a

COMMODITY/SERVICE	UNIT	TUTUILA AVERAGE	MANU'A AVERAGE	AVAILABLE IN MANUA	% AVAILABLE	COST DIFFERENTIAL
Apple. Loosen. Per Pound. US	lb	$1.73	$1.50	1 of 11 Stores	9.09%	13.29%
Boneless Beef Chuck. Per Pound. Plastic Wrap. NZ	lb	$4.94	N/A	0 of 11 Stores	0.00%	N/A
Coors Light. 12oz. Can. US	12 fl oz	$1.54	$2.00	1 of 11 Stores	9.09%	29.87%
Vailima. 750ml. Glass Bottle. Samoa	750 ml	$2.84	$4.17	3 of 11 Stores	27.27%	46.71%
Small 20lb. Cylinder Tank (Cost to fill up)	20 lbs	$25.90	$42.00	2 of 11 Stores	18.18%	62.16%
Pritchards "Long Bread" Sliced Bread. Plastic Wrap. Local	Loaf	$2.95	$5.00	1 of 11 Stores	9.09%	69.49%
Anchor. Butter. 227g. NZ	227 gm	$3.91	N/A	0 of 11 Stores	0.00%	N/A
Chicken Legs. 22lbs. Box. US	22 lb	$19.39	$23.48	2 of 11 Stores	18.18%	21.07%
Whole Chicken. Per Pound. Plastic Wrap. US	lb	$2.41	$2.25	2 of 11 Stores	18.18%	6.64%

Benson & Hedges. 20 sticks. US	20's	$11.00	$13.75	4 of 11 Stores	36.36%	25.00%
Kool. Filter Kings. 20 sticks. US	20's	$10.86	$13.75	4 of 11 Stores	36.36%	26.61%
Wesson Oil. 24oz. Bottle. US	24 fl oz	$4.00	$3.78	3 of 11 Stores	27.27%	5.42%
Palm. Corned Beef. 11.5oz. Can. NZ	12 oz	$5.54	$6.57	3 of 11 Stores	27.27%	18.53%
Price per KWHs.	per KWH	$0.51	$0.51	N/A	100%	0.00%
Nulaid. Small Eggs. Dozen. Carton.	doz	$2.38	$4.13	2 of 11 Stores	18.18%	73.32%
Green Bananas. Sold by the bunch.	lb	$0.61	N/A	0 of 11 Stores	0.00%	N/A
Peleiupu. 15oz. Can. Chile	15 oz	$2.01	$3.18	2 of 11 Stores	18.18%	57.96%
Fresh Milk. 1Liter. 33.8oz. Box. AUS	1 Liter	$2.05	$3.43	2 of 11 Stores	18.18%	67.07%
California Rose.Calrose Rice. 40lb. Bag. AUS	40 lbs	$32.15	N/A	0 of 11 Stores	0.00%	N/A
Cerebos. 700g. Plastic Bottle. NZ	700 gm	$2.16	$3.77	3 of 11 Stores	27.27%	74.38%
Hoffy Meat Franks. Per Pound. US	lb	$2.25	$2.25	2 of 11 Stores	18.18%	0.00%
Coca Cola. 12oz. Can	12 oz	$0.95	$1.06	4 of 11 Stores	36.36%	11.84%
Campbells. Spaghetti. 14 3/4oz. Can. US	14.75 oz	$1.72	$2.93	2 of 11 Stores	18.18%	70.06%
Hormel. Spam. 12oz. Can. US	12 oz	$4.37	$6.58	4 of 11 Stores	36.36%	50.46%
Chelsea. 2kg. Plastic Bag. NZ	2 kg	$3.18	$4.78	3 of 11 Stores	27.27%	50.42%
Taro. Per Pound. Sold by a bunch.	lb	$2.01	N/A	0 of 11 Stores	0.00%	N/A
I'apana. Tuna in Chunk Oil. 6.5oz. Can.	6.5 oz	$2.28	$2.95	3 of 11 Stores	27.27%	29.39%
Turkey Tail. Per Pound. Plastic Wrap. NZ	lb	$2.06	N/A	0 of 11 Stores	9.09%	N/A
Unleaded Gas	Gallon	$5.67	N/A	0 of 11 Stores	0.00%	N/A

Source: DOC Statistics Division

All Items Cost Differential : **38.56%**

For more information, please refer to the CPI Newsletter or contact the Department of Commerce Statistics and Analysis Division at 633-0120 or email americansamoastatistics@doc.as.gov.

Acting Director's Approval: _____

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