



CONSUMER PRICE INDEX NEWSLETTER

DEPARTMENT OF COMMERCE - STATISTICS DIVISION

CPI — 3RD QUARTER, 2021



VOLUME : 1 - ISSUE 21-03

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Groups	3rd Qtr 2021	2nd Qtr 2020	3rd Qtr 2020	Quarterly Percent Change from Q2 2021 to Q3 2021	Annual Percent Change Q3 2020 to Q3 2021
All Items Index	108.9	106.9	103.6	1.8	5.1
Food	116.4	113.8	107.4	2.3	8.4
Alcoholic Beverages	106.9	105.0	103.6	1.8	3.2
Housing	106.3	103.6	102.8	2.2	3.4
Apparel	102.0	101.7	101.3	0.3	0.7
Transportation	106.7	105.8	101.1	0.9	5.5
Medical Care	104.4	104.2	100.5	0.2	3.9
Recreation	102.4	100.6	100.9	1.8	1.5
Education and Communication	104.4	100.8	100.1	3.6	4.3
Other Goods and Services	103.4	102.7	100.4	0.7	3.0

Annual Group Change %	
INFLATION	5.1
FOOD	8.4
ALCO- BEV.	3.2
HOUSING	3.4
APPAREL	0.7
TRANSPORTATION	5.5
MEDICAL CARE	3.9
RECREATION	1.5
EDUCATION	4.3
OTHER	3.0

POINT OF INTEREST
 To compare the revised index to the old index, a statistical computation is done to harmonized the two systems. The old index is translated to the new revision therefore, the Fourth Quarter Index of 135.4 points under the 2007 base is the same as 100 points in the revised index of Fourth Quarter 2016. This is done throughout the sub-group indices.

ANNUAL RATE OF INFLATION:
 The Annual Rate of Inflation (ARI) for the third quarter of 2021 is 5.1%, and is climbing again up to year-end.

QUARTERLY INDEX COMPARISON

<p>GROUP 1: Food Food Group recorded a quarterly increase of 2.3%. Compared to the same quarter in 2020, the overall cost of food in the one year period has gone up by 8.4%. Close to 70% of all food items have gone up in the quarter, All Cereal and Flour products increased and except for Hotdogs and Bacon, all Meat products went up as well. Major increases seen again in Poultry products especially Chicken Wings (went up 6%), Turkey Tails (up 11%) and Turkey Wings (11%) in the quarter. Ice cream, Butter, Coffee Creamer, Sugar, Chips also contributed to the overall increase in food products.</p>	<p>GROUP 2: Alcoholic Beverages. Alcoholic Beverage Group registered a 1.8% increase due to a higher prices of beer, distilled spirits and wine.</p>	<p>GROUP 3: Housing Housing Group recorded a 3.4% quarterly increase due to high cost of electricity, construction materials and stove. Construction materials went up by 7%.</p>
<p>GROUP 4: Apparel Apparel Group slightly moved in the quarter with a 0.3% increase. Personalized tailoring as well as Yard Sales have shifted preferences for ready made clothing</p>	<p>GROUP 5: Transportation Transportation Group recorded a quarterly increase of 0.9%. Gasoline however went up by 5% in the quarter. Cost of new vehicle, auto tune up and tires contributed to the transportation increase.</p>	<p>GROUP 6: Medical Care Medical Care Group increased by 0.2% caused by a raise in non-prescription drugs and on the counter children’s gripe water.</p>
<p>GROUP 7: Recreation Recreation Group increased 1.8% this quarter due to increases in health/exercise, dress tailoring, animal food.</p>	<p>GROUP 8: Education/Comm. Education and Communication recorded the second largest increased of 3.6%. All school registrations and tuitions went up.</p>	<p>GROUP 9: Other Goods/Service Other Goods and Services Group went up by 0.7% due to high costs of cigarettes, soap, and laundry services.</p>

The American Samoa CPI measures price changes on a quarterly and annual basis. The American Samoa Department of Commerce conducts the CPI data price collection on the 15th of the middle month of every quarter. For more information on the CPI calculation and methodology please see Page 4 of this newsletter or call the Department of Commerce—Statistics Division at 633-5155.

COMPARATIVE INDEX ANALYSIS

Year	Qtr	All	Food	Alco	Housing	Apparel	Transpt.	Medical	Rec.	Ed /Com.	Others
2021	3	108.9	116.4	106.9	106.3	102.0	106.7	104.4	102.4	104.4	103.4
2021	2	106.9	113.8	105.0	103.6	101.7	105.8	104.2	100.6	100.8	102.7
2021	1	105.1	111.4	104.0	102.8	101.7	102.4	101.0	100.8	100.3	100.7
2020	4	103.7	108.1	103.7	102.6	101.5	100.2	100.6	100.8	100.3	100.8
2020	3	103.6	107.4	103.6	102.8	101.3	101.1	100.5	100.9	100.1	100.4
2020	2	103.6	106.8	104.6	102.6	101.3	102.8	100.3	100.9	100.2	100.6

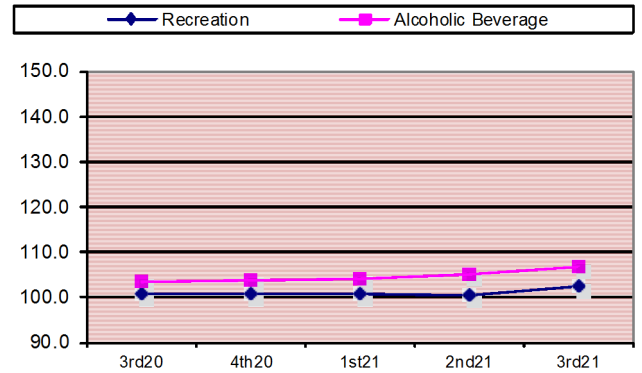
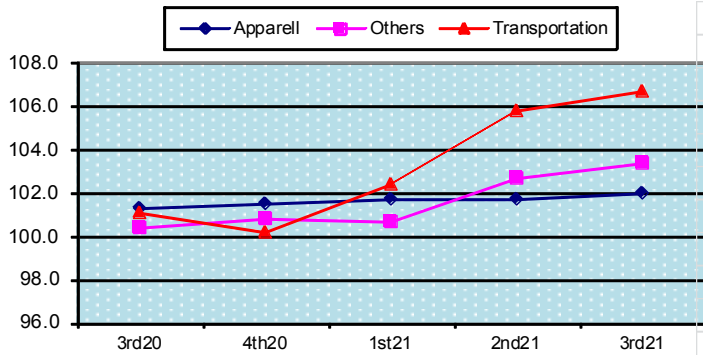
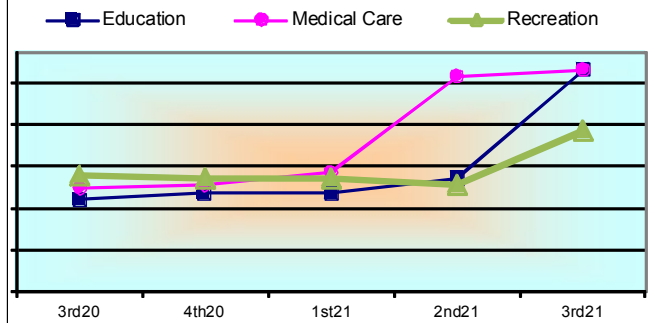
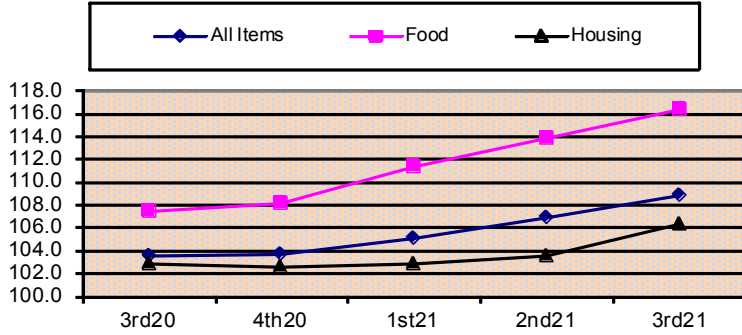
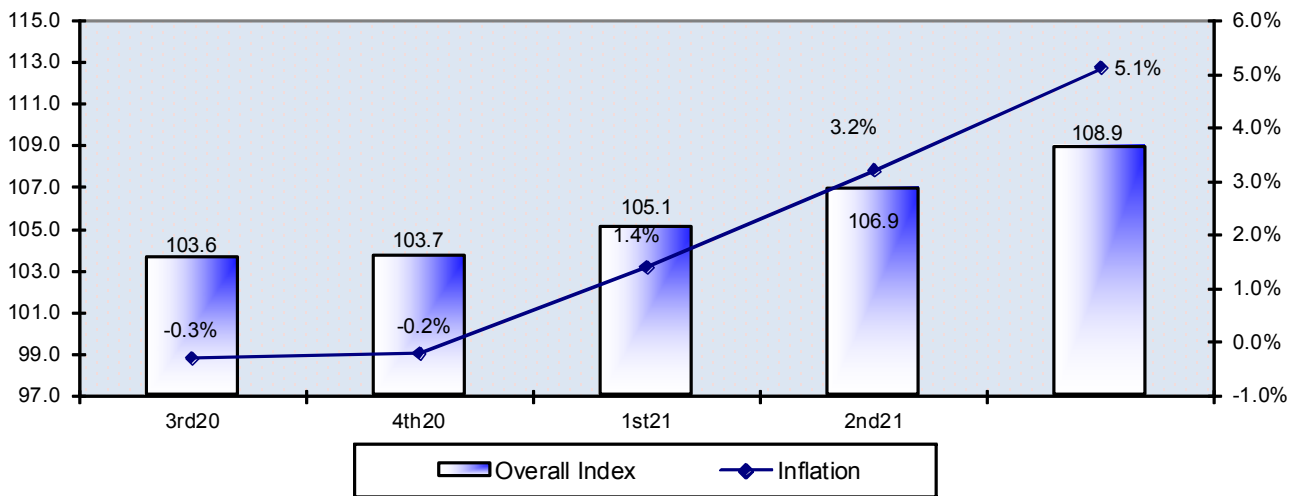


Chart 6: Quarterly Indices & Inflation Rates



QUARTERLY AVERAGE RETAIL PRICES OF SELECTED COMMODITIES: 3rd QTR 2020 - 3rd QTR 2021

Commodity	Unit	QAP	QAP	QAP	QAP	QAP
		Q3-20	Q4-20	Q1-21	Q2-21	Q3-21
Apple (pnd)	lb	1.52	1.52	1.49	1.53	1.59
Beef (chuck)	lb	3.58	3.74	3.77	3.81	3.89
Beer, Coors Light (oz)	12 fl oz	1.43	1.43	1.44	1.43	1.44
Beer, Vailima (ml)	750 ml	2.58	2.59	2.61	2.59	2.63
Bottle (LP) gas (pnd)	20 lbs	21.75	21.75	21.75	21.75	21.75
Bread (bag)	Loaf	2.26	2.26	2.46	2.57	2.61
Butter (gm)	227 gm	3.07	3.08	3.08	3.07	3.19
Chicken legs	5lb bag					
Chicken legs (Case)	22lb	11.06	11.12	14.17	14.35	14.77
Chicken-whole	lb	1.76	1.77	1.81	1.80	1.85
Cigarettes-Benson (pk)	20's	9.68	9.68	9.78	10.79	10.82
Cigarettes-Kools (pk)	20's	9.81	9.85	9.81	10.82	10.96
Cooking oil (btl)	24 fl oz	3.12	3.22	3.23	3.23	3.20
Corned beef (can)	12 oz	4.07	4.16	4.32	4.43	4.57
Electricity (kwh)	per kWh	0.28	0.26	0.27	0.30	32
Fresh eggs (dzn)	doz	1.35	1.30	1.35	1.42	1.44
Green banana (pnd)	lb	0.48	0.48	0.48	0.48	0.47
Mackerel (can)	15 oz	1.77	1.76	1.76	1.76	1.80
Milk, fresh (each)	Liter	1.88	1.86	1.86	1.88	1.90
Rice (bag)	40 lbs	24.30	24.44	24.44	24.77	25.23
Salt (gm)	700 gm	1.83	1.83	1.87	1.92	1.96
Sausage (packet)	lb	1.85	1.75	1.90	1.90	2.05
Soft-Drinks (can)	12 oz	0.79	0.79	0.79	0.80	0.80
Spaghetti (can)	14.75 oz	1.51	1.51	1.54	1.61	1.63
Spam (can)	12 oz	3.91	3.99	4.08	4.16	4.34
Sugar (kg)	2 kg	2.35	2.35	2.35	2.47	2.69
Taro (pnd)	lb	1.47	1.48	1.49	1.48	1.50
Tuna (can)	6.5 oz	2.09	2.10	2.08	2.08	2.11
Turkey tail (bag)	lb	1.03	1.08	1.19	1.40	1.55
Unleaded Gas (Gal)	Gallon	2.89	2.79	3.12	3.67	3.87

*** QAP = QUARTERLY AVERAGE PRICES

**5 YEAR ANNUAL AVERAGE RETAIL PRICES OF
SELECTED COMMODITIES: YEAR 2016 - YEAR 2020**

Commodity	Unit	AAP 2020	AAP 2019	AAP 2018	AAP 2017	AAP 2016
Apple (pnd)	lb	1.50	1.47	1.54	1.68	1.68
Beef (chuck)	lb	3.55	3.30	3.38	3.31	3.72
Beer, Coors Light (oz)	12 fl oz	1.42	1.39	1.36	1.40	1.49
Beer, Vailima (ml)	750 ml	2.60	2.62	2.34	2.51	2.75
Bottle (LP) gas (pnd)	20 lbs	21.75	23.53	29.75	29.75	29.75
Bread (bag)	Loaf	2.24	2.20	2.11	1.98	1.51
Butter (gm)	227 gm	3.06	2.97	3.00	2.66	2.22
Chicken legs	5lb bag					4.73
Chicken legs (Case)	22lb	11.18	11.52	11.77	12.10	
Chicken-whole	lb	1.76	1.73	1.72	1.68	1.81
Cigarettes-Benson (pk)	20's	9.68	9.58	8.86	8.98	8.32
Cigarettes-Kools (pk)	20's	9.83	9.72	9.03	9.07	8.41
Cooking oil (btl)	24 fl oz	3.07	2.87	2.76	2.61	3.11
Corned beef (can)	12 oz	4.05	3.92	3.86	3.87	3.83
Electricity (kwh)	per kWh	0.29	0.33	0.33	0.29	0.26
Fresh eggs (dzn)	doz	1.34	1.48	1.69	1.75	2.05
Green banana (pnd)	lb	0.48	0.49	0.52	0.47	0.47
Mackerel (can)	15 oz	1.77	1.77	1.74	1.66	1.59
Milk, fresh (each)	Liter	1.88	1.90	1.88	1.83	1.82
Rice (bag)	40 lbs	24.26	24.10	22.44	21.63	26.42
Salt (gm)	700 gm	1.86	1.95	1.89	1.83	1.85
Sausage (packet)	lb	1.72	1.63	1.60	1.51	1.48
Soft-Drinks (can)	12 oz	0.79	0.75	0.76	0.75	0.69
Spaghetti (can)	14.75 oz	1.50	1.47	1.44	1.43	1.43
Spam (can)	12 oz	3.88	3.78	3.70	3.67	3.65
Sugar (kg)	2 kg	2.34	2.36	2.48	2.53	2.42
Taro (pnd)	lb	1.46	1.59	1.55	1.37	1.97
Tuna (can)	6.5 oz	2.09	2.00	2.01	1.90	1.76
Turkey tail (bag)	lb	1.03	1.07	1.16	1.04	1.02
Unleaded Gas (Gal)	Gallon	3.06	3.31	3.52	3.16	2.79

*** AAP = ANNUAL AVERAGE PRICES

GENERAL INFORMATION

The American Samoa Consumer Price Index (CPI) is designed to measure changes in prices of commodities and services normally purchased by the consuming community. The American Samoa CPI (like the U.S. CPI) is based on the concept of representative "market basket," a sample of goods and services that the consumer purchases. The CPI was first developed during the early part of 1974. The selection of weight distribution was based on "General Statement of Articles of Import of Merchandise into American Samoa from July 1970 - June 1971". The weight distributions was later updated using household expenditure patterns derived from a household income and expenditure survey conducted by EDPO in 1982. Since then, CPI weights were later adjusted using the 2005 HIES and now the 2015 HIES. The revised CPI in 2007 used the 2005 HIES; the 2005 HIES and rebase in 2007 helped identify new item weights and were then added to the index. The item weights determined the relative importance of each item in the CPI. With the New CPI, a total of approximately 210 items are divided into 9 major groups and sub-groups, and indices are computed at different levels of aggregations. The 2015 American Samoa Household Income and Expenditure Survey (HIES) report presents current information on demographic, social and economic characteristics of the territorial population as well as expenditure details of what families and residents spent their money on. The 2015 HIES is the fifth survey of the expenditure series since the first one in 1982.

CPI GROUPS AND WEIGHTS

	Group	No. of Items
Group	Weights	Allocated
Food	818	86
Housing	389	31
Apparel	185	18
Transportation	287	14
Other Goods	274	11
Alcoholic Beverages	131	3
Ed and Communication	101	17
Recreation	117	22
Medical Care	56	8

CPI CALCULATIONS METHODOLOGY

The index uses a system, which is known as Modified Laspeyres. This gives exactly the same result as an ordinary Laspeyres index, but the method of calculation is different. The formula for the Modified Laspeyres Index can be written as: $I_n = (W_{n-1} \times P_n / P_{n-1})$ where I_n is the value of the index in the current period (i.e. period 'n'), W_{n-1} is the weight (or index value) of each item in the previous period (i.e. in period 'n-1'), and the fraction P_n / P_{n-1} is the price relative for each item, between the current price (P_n) and the price in the previous quarter (P_{n-1}).

About 1100 prices are collected during the middle month of each quarter for computing the Consumer Price Index (CPI). The total number of retail outlets that provide prices to the Statistics Division data collectors each quarter is more than 125, ranging from major retailers and grocery stores to variety of services establishments such as gas stations and snack bars.

Interpreting Index Changes

In compiling the CPI, data collectors obtain prices for those items that were selected in the item sample. For each individual item, a number of prices are collected. Each quarter, data collectors attempt to price the exact same item, or if that item is not available, an item that is of the same quality as the previously priced item. Those prices that are collected in the current quarter and are also of the same quality as the items in the previous quarter are then summed. A "price relative" is calculated by dividing the total of these "paired" prices for that item by the total of the previous prices. These respective price relatives are then multiplied by the expenditure weights in the previous quarter to derive new expenditure weights. These weights are then combined into composite expenditure groups and sub-groups.

These item weights show the relative importance of each of the items in an average household's market basket. The weights were derived from the 2005 Household Income and Expenditure Survey. These products represent the relative importance of these items from one quarter to the next. By combining these products into various groups and subgroups, the Statistics Division is able to estimate the relative price changes for groups such as Food, Housing, Medical Care, etc. and even estimate the change in subgroups such as bread and cereals, fruits and vegetables, and other subgroups within each major group. As in most countries, the CPI in American Samoa is the government's principle measure of inflation or deflation. By knowing what price changes are occurring for the 9 major groups in the CPI, the government's decision makers, academics and news media can understand if retail prices are rising and how fast, and can take action to try and mitigate undesirable price changes by modifying government policies.