

FUGALEI MARKET SURVEY REPORT
DECEMBER 2007

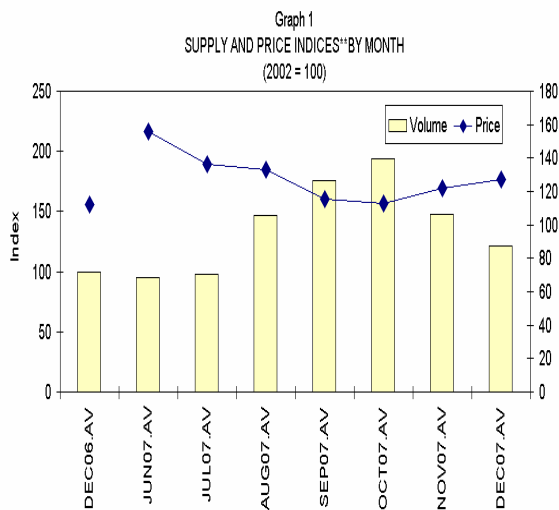
Monthly Report No. 12/07*

Prepared by: Research and Statistics Department
Central Bank of Samoa
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OVERVIEW

Agricultural food supplies, according to the Central Bank’s survey of the Fugalei Market in December 2007, recorded an 18 percent drop to a level that was nevertheless, 21 percent higher than the level in December 2006. The reduction in the overall volume during the month under review was due to decreased supplies of taro, banana, taro palagi, coconut, breadfruit, yam, chinese cabbage, cucumber and pumpkin. Farmers blamed wet weather conditions for the drop.

As a result of the fall in the overall volume of agricultural produce, the average price level at the Market rose 4 percent reflecting increased prices of most produces (with the exception of taro, banana, taro palagi and coconut). And when compared to the same month of the previous year, the overall price level in December 2006 was 13 percent higher. (See Graph 1 and Table 4 & 5).

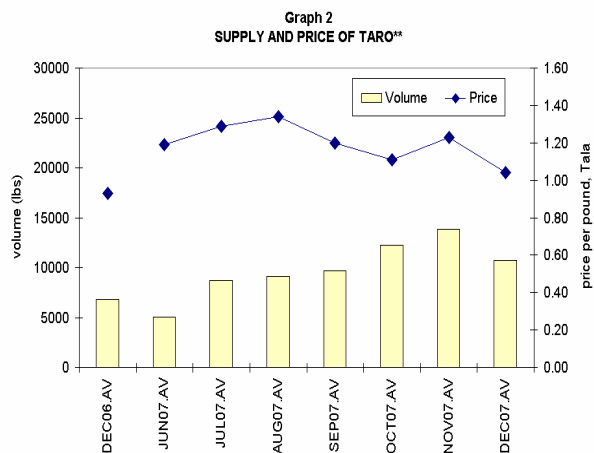


Despite, the drop in the month under review, the overall average availability of produce in the six months to end December (the first six months of fiscal year 2007/08) rose 11 percent compared to the corresponding period of last year. However, due to strong demand conditions at the Fugalei Market, the average price level was 13 percent higher than in the corresponding period of 2006/07.

TARO

While the supply of taro (at 10,731 pounds) fell 22 percent in the month under review, lower demand saw its price, at \$1.04 per pound, decline 15 percent from the previous month. Nevertheless, compared

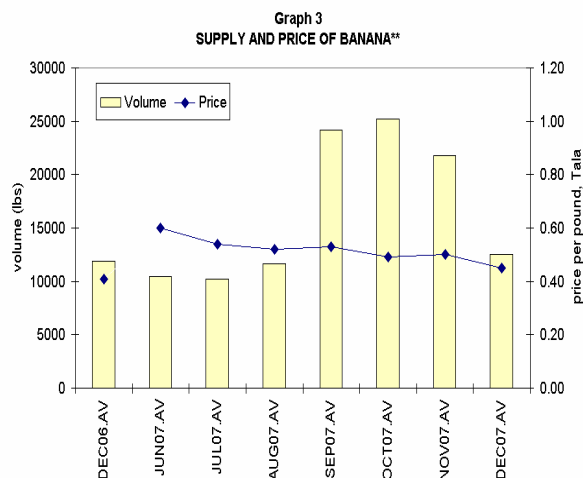
with December 2006, the current supply of taro was 52 percent higher, but its price was also 12 percent higher. (See Graph 2 and Tables 1 and 2.)



Despite the decline in December 2007, the average availability of taro in the first six months 2007/2008 was 71 percent higher than in the same period of 2006/07 (10,725 pounds per month). Its average price, however, was 12 percent higher due to robust demand for agricultural produce over the first six months of the fiscal year.

BANANA

The average supply of banana shrank 43 percent in December 2007 to 12,500 pounds. As a result of reduced demand, its price declined 10 percent to \$0.45 per pounds. When compared with the same month of 2006, however, the current volume of banana was 4 percent higher, but its average price was up by 10 percent due to stronger demand. (See Graph 3 and Tables 1 and 2.)

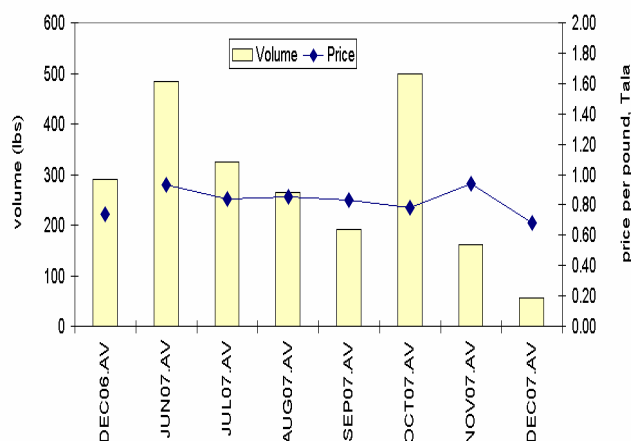


Despite the decline in December 2007, the average volume of banana in the first six months ending December 2007 (at 17,593 pounds per month) was 15 percent higher than in the same period of 2006/07. Its average price, however, was 11 percent higher when compared to 2006/2007 reflecting strong demand for this product in the period under review.

TARO PALAGI

At 56 pounds, there was not much taro palagi available in December 2007. However, due to weaker demand, the price of taro palagi (at \$0.68 per pound) edged down 28 percent from the previous month and was 8 percent lower than the same month of 2006. (See Graph 4 and Tables 1 and 2.)

Graph 4
SUPPLY AND PRICE OF TARO PALAGI**



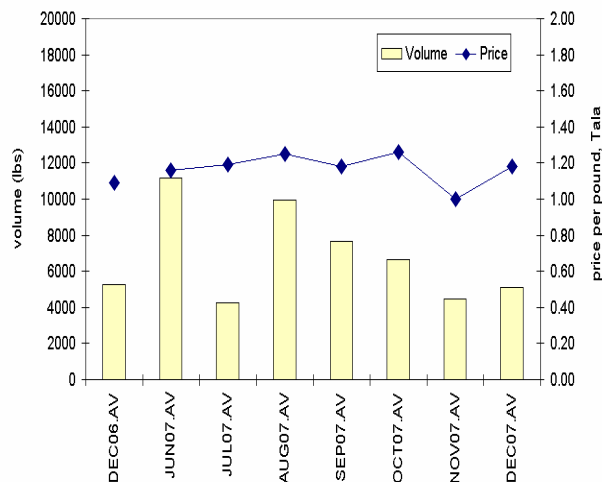
Together with the drop in the month under review, the average availability of taro palagi in the first six months ending December 2007 (at 249 pounds per month) was 57 percent lower than in the same period of 2006, exerting upward pressure on its price, which rose 12 percent in the period under review.

TAAMU

Responding to the reduction in taro and banana supplies, the volume of taamu available at the Market rebounded 13 percent (to 5,084 pounds) in the month under review following a 32 percent drop in the previous month. Reflecting strong demand pressure, the price of taamu increased 18 percent to \$1.18 per pound. Nevertheless, when compared to December 2006, the current supply of

taamu was 6 percent lower with its price 18 percent higher. (See Graph 5 and Table 1 and 2.)

Graph 5
SUPPLY AND PRICE OF TA'AMU**

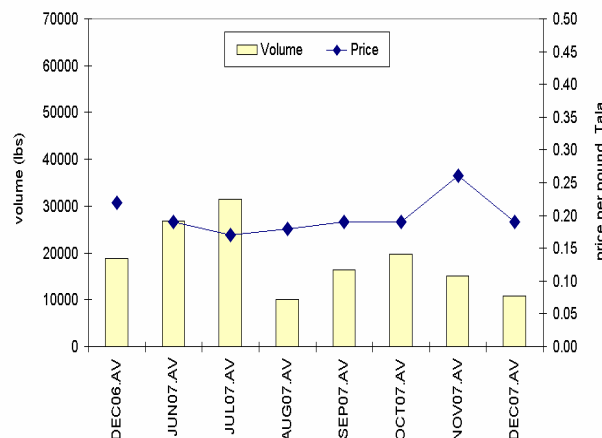


Despite its sharp rise in December 2007, the average availability of taamu (at 6,356 pounds per month) in the first six months of fiscal year 2007/08 declined 19 percent when compared with the same period of 2006/07. Its price, however, was 22 percent stronger as a result of strong demand.

COCONUT

The availability of coconut at the Market decreased 29 percent to 10,730 pounds in December 2007. Its price, however, shrank 27 percent to \$0.19 per pound reflecting weaker demand conditions at the Market. When compared with the same month of 2006, coconut supply was also 51 percent lower with its price 14 percent cheaper as a consequence of lower demand. (See Graph 6 and Tables 1 and 2.)

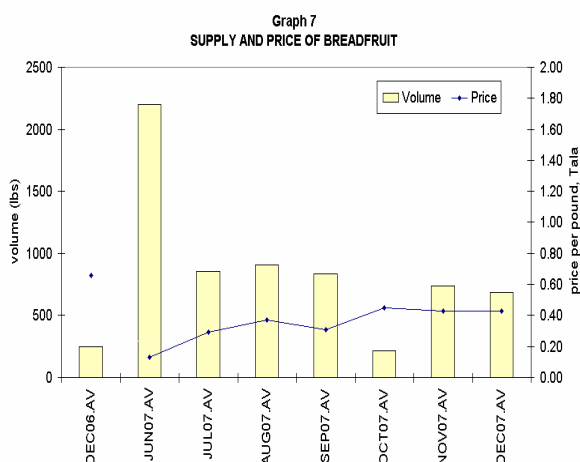
Graph 6
SUPPLY AND PRICE OF COCONUT



In spite of this month's decrease, the average availability of coconut at the Market for first six month of the fiscal year 2007/08 (at 17,219 pounds per month) increased 17 percent when compared with the same period in 2006/07. Due to stronger demand, however, its average price was 5 percent higher.

BREADFRUIT

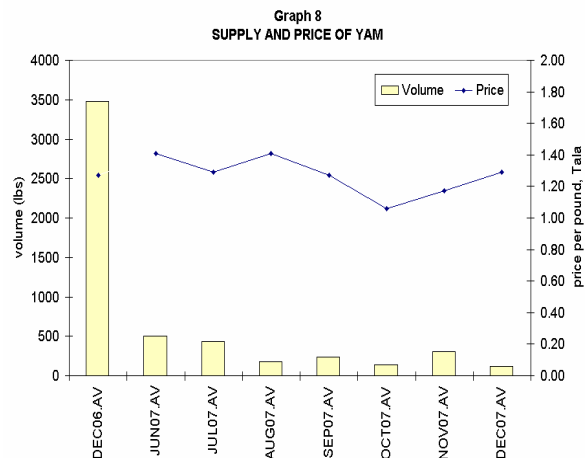
The average supply of breadfruit at 685 pounds during the month under review, fell 7 percent below the level in November 2007 but was 34 percent higher than in December last year. And, at \$0.43 per pound, the price of breadfruit was unchanged from the previous month but was 35 percent higher than the level in December last year due to stronger demand. (See Graph 7 and Table 1 and 3.)



The average availability of breadfruit in the first six months of fiscal year 2007/08 (at 706 pounds per month) was 1 percent lower than the level in the same period of 2006/07 but its average price was also 14 percent lower.

YAM

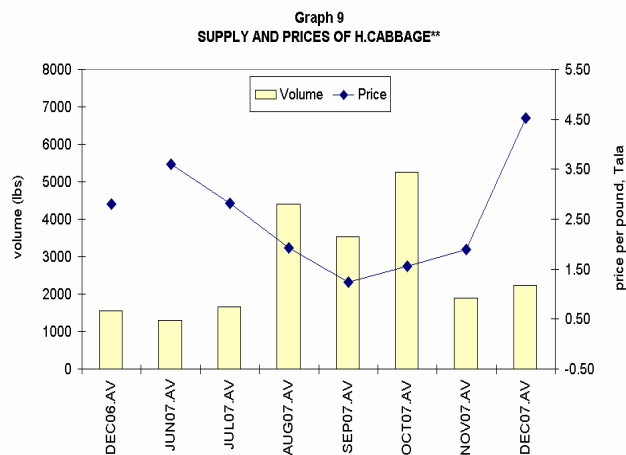
The supply of yam in December 2007 declined 60 percent from the previous month and was twenty-eight times lower than in December last year. Consequently, its price increased 10 percent from November 2007 to a level 4 percent higher than in December 2006. (See Graph 8 and Table 1 and 2).

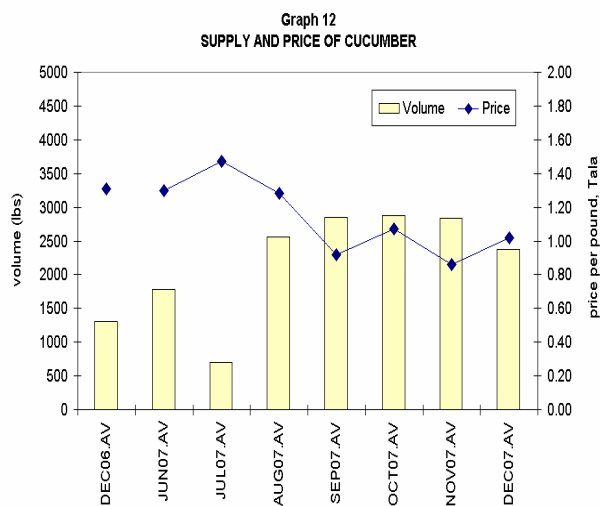
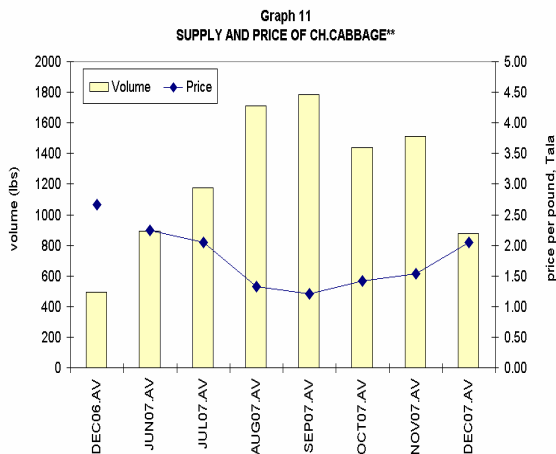
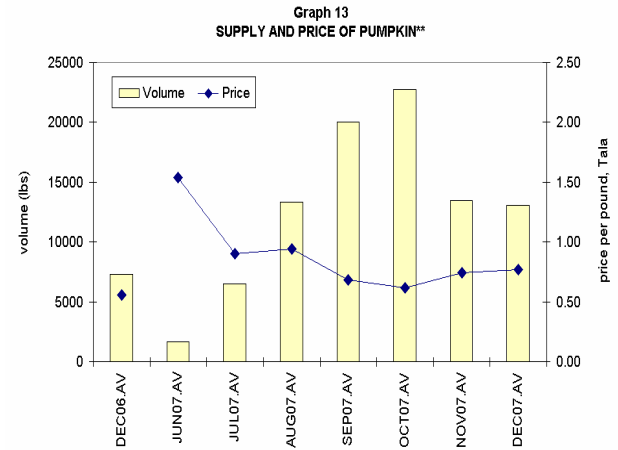
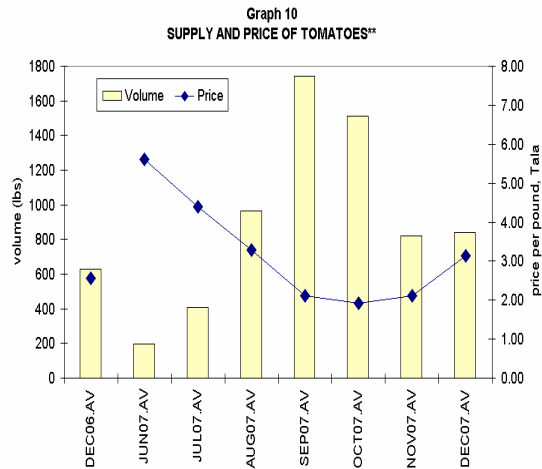


The monthly average availability of yam at the market in the first six months of 2007/08 (at 236 pounds per month) fell 74 percent when compared with the same period of 2006/07. As a result of reduced demand, its price declined 6 percent.

VEGETABLE PRODUCE

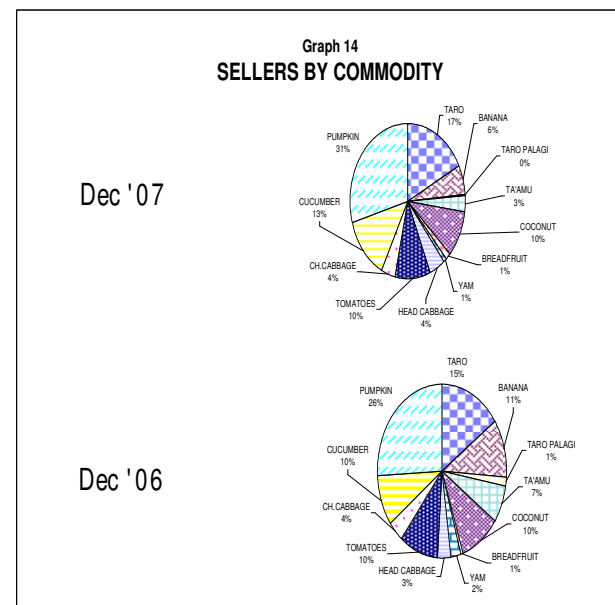
The December 2007 Fugalei Market Survey reflected seasonal trends with wet weather conditions adversely affecting supplies of some perishable vegetables. In particular, the volume of Chinese cabbage, cucumber and pumpkin dropped 42 percent, 16 percent and 3 percent respectively with their prices consequently increasing by 34 percent, 19 percent and 4 percent in that order. On the other hand, the volume of head cabbage and tomatoes rose 17 percent and 2 percent respectively but their prices went up by more than double and 48 percent in that order during month under review. (See Graphs 9 to 13 and Tables 1 and 2)





SELLERS

The drop in agricultural produce supplied to the Market in the month under review was matched by a 20 percent drop in the number of sellers on the days surveyed, partially due to the Christmas holidays as well as the diminished level of supplies due to exceptional demand generated by the South Pacific Games in August/September and White Sunday in October. However, when compared to December 2006, a 24 percent increase was recorded in the average number of sellers on the days surveyed in December 2007. (See Graph 14 and Table 6)

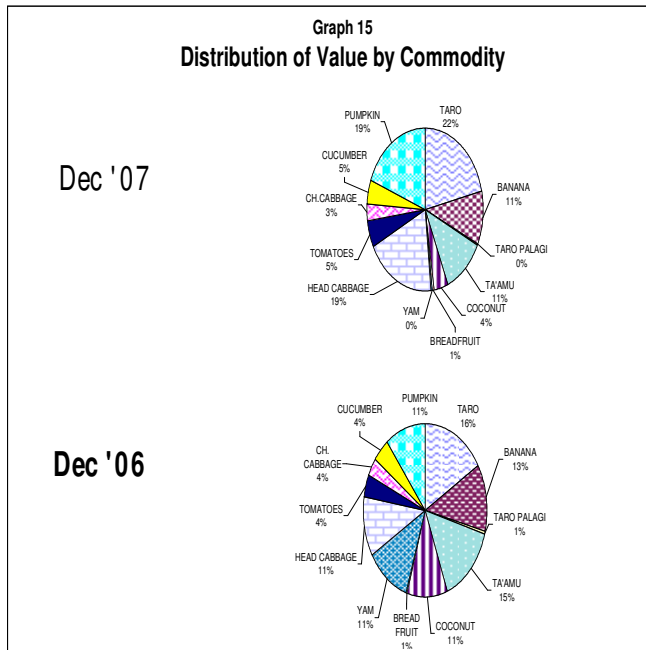


In the month under review, pumpkin sellers (75) recorded the largest drop but remained the largest group, followed by decreases in the number of taro, banana and cucumber sellers. Sellers of tomatoes, coconut and Chinese cabbage, breadfruit, yam and

head cabbage also registered slight decreases whilst taamu and taro palagi recorded marginal increases.

VALUE OF SUPPLIES

Consequent to the fall in the level of supplies, the average value of selected produce supplied to the Market (\$52, 300) dropped 8 percent but was 34 percent above the same month of 2006. (See Graph 15 and Table 3.)



Taro contributed the most to the total value of produce surveyed with a share of 22 percent in December 2007 followed by pumpkin and head cabbage with shares of 19 percent each respectively. Banana and taamu recorded shares of 11 percent each, ahead of tomatoes and cucumber with 5 percent each. Relatively lower shares were recorded for the rest of the produce in the month under review.

@ Weights for the selected produce have been revised using 2002 as the base period and have been incorporated starting from January 2003 report.

* The selected produce are: taro, banana, ta'amu, taro palagi, coconut, head cabbage, tomatoes, chinese cabbage, cucumber and pumpkin. Breadfruit and Yam were recently included in the composition of the overall Indices.

** Data shown reflects the average availability and prices of the selected produce at the Fugalei Market on each Friday (Thursday where Friday is a public holiday) in the months under reference.