

FUGALEI MARKET SURVEY REPORT
APRIL 2008

Monthly Report No. 4/08*

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Central Bank of Samoa
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FUGALEI MARKET SURVEY

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This report provides a monthly review of selected agricultural produce available at the Fugalei Market, based on the Central Bank's survey and price data sourced from the Statistical Division of the Ministry of Finance

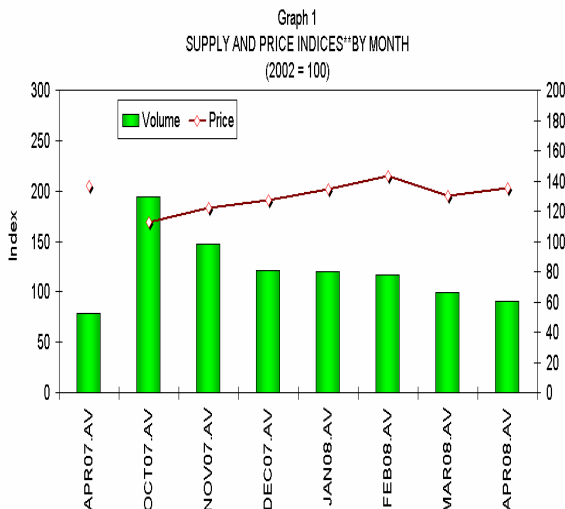
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OVERVIEW

Agricultural food supplies, according to the Central Bank's survey of the Fugalei Market in April 2008, fell 10 percent but was 15 percent higher than that in April 2007. The reduction in the overall volume during the month under review was due to decreased supplies of taro, banana, taro palagi, breadfruit, yam, Chinese cabbage and pumpkin. As suggested by some farmers, the lower supply levels in the month under review was influenced by their need for cash as well as the shortage of matured taro due to a general decline in new taro planted. In addition, they suggested that other factors also contributed to this decline including the growing reliance on private remittances, the reduction in farm workers due to overseas migration and a shift of employment to other sectors like the tourism industry.

Subsequent to the fall in the overall volume of agricultural produce in the month under review, the average price level at the Market rose 4 percent reflecting increased prices of most commodities (with the exception of breadfruit, yam, head cabbage, cucumber and pumpkin). However, when compared to April 2007, the current price level was 1 percent lower consequent to the higher supply of agricultural produce over the year. (See Graph 1 and 4 & 5.)

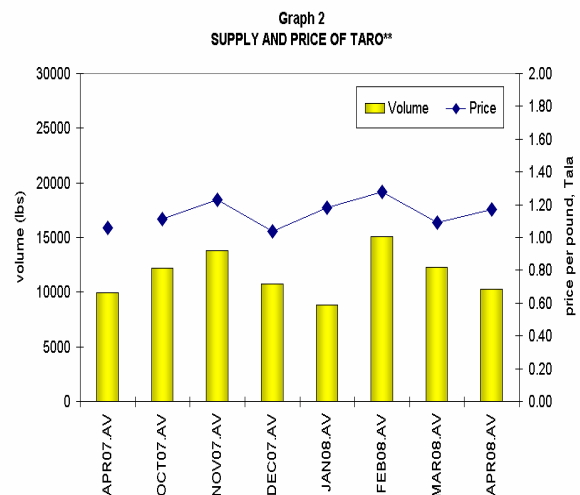


Despite, the slip in the month under review, the overall average availability of produce in the first ten months of 2007/2008 was 12 percent higher compared to the corresponding period of 2006/2007. However, due to strong demand conditions at the Fugalei Market, the

average price level increased 8 percent from the same period ending April 2007.

TARO

While the supply of taro (at 10,257 pounds) shrank 17 percent, reflecting a shortage of matured taro during the month under review, higher demand saw its price increase 7 percent to \$1.17 per pound. In addition, when compared with April 2007, the current volume of taro was 3 percent higher, with strong demand over the year pushing its price up 10 percent. (See Graph 2 and Table 1 and 2.)

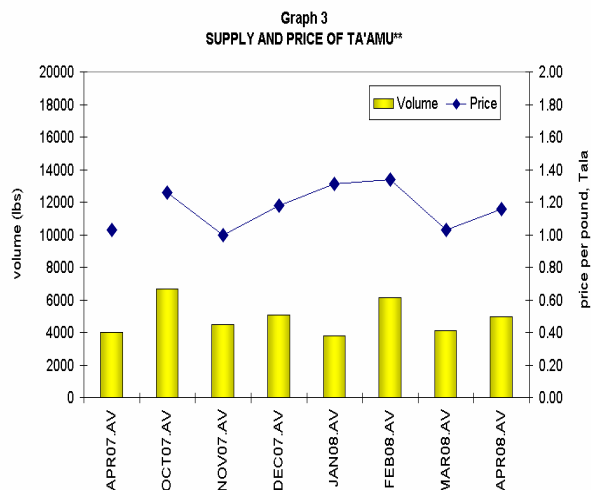


In spite of this month's lower volume, the average supply of taro (at 11,083 pounds) in the first ten months of 2007/2008 was 51 percent higher than in the same period of 2006/2007. Increased demand for this crop resulted in its average price rising 13 percent over the same period.

TAAMU

After a 33 percent drop in the previous month, the volume of taamu rebounded 21 percent (to 4959 pounds) in April 2008 in response to a shortage in other staple crops, particularly banana, taro, taro palagi and breadfruit. As a consequence of the lower quantities of its

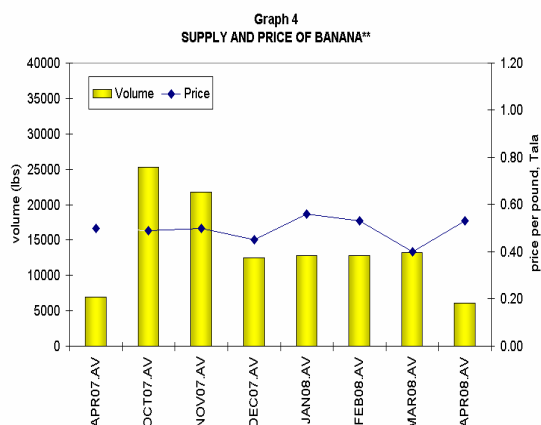
substitute crops available, strong demand for taamu saw its average price leap 13 percent to \$1.16 per pound. And, when compared to April 2007, the current supply of taamu was 24 percent higher with its price rising 13 percent over the year. (See Graph 3 and Table 1 and 2.)



Despite its sharp rise in April 2008, the average availability of taamu (at 5,709 pounds per month) in the first ten months of fiscal year 2007/2008 was 9 percent lower when compared with the same period of 2006/2007. As a result, its price rose 19 percent.

BANANA

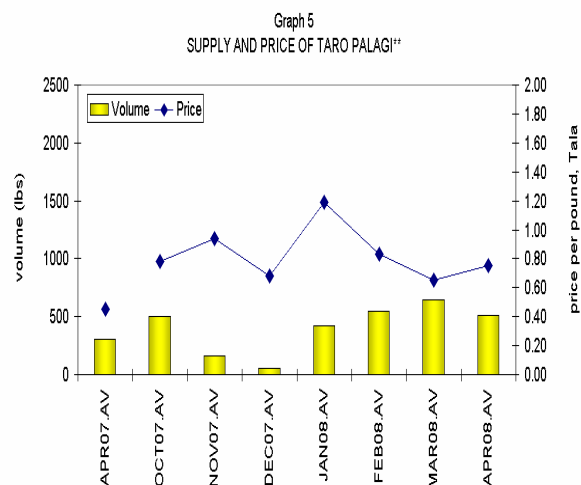
The average supply of banana, at 6,122 pounds, in the month under review was 54 percent lower from its volume in March 2008 and fell by 12 percent from April 2007. As a consequence, its price jumped 33 percent from the previous month and was up by 6 percent from its level last year. (See Graph 4 and Tables 1 and 2.)



Despite the lower supply in the month under review, the average volume of banana in the ten months ending April 2008 (at 15,040 pounds per month) was 2 percent higher than in the same period last year. And, reflecting strong demand for this product in the period under review, its average price was 16 percent higher than in the corresponding period of 2006/2007.

TARO PALAGI

At 515 pounds, the volume of taro palagi in April 2008 was 21 percent lower than the previous month, consequently pushing its price up 15 percent. However, at its current level, the average availability of taro palagi was 67 percent higher than the level in the same month last year with higher demand pushing its average price level up 67 percent. (See Graph 5 and Tables 1 and 2.)

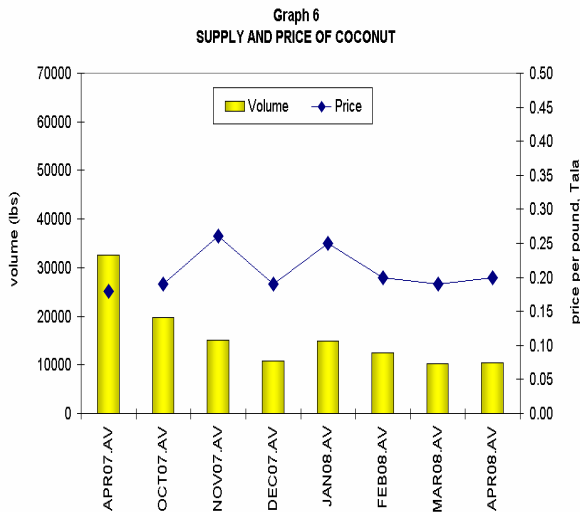


In the first ten months of 2007/2008, the average availability of taro palagi (363 pounds per month) was 41 percent lower than in the same period of 2006/2007, exerting upward pressure on its price, which rose 17 percent in the period under review. Also contributing to the higher price level over the year was increased demand, particularly from small home-based taro chips manufacturers who were the main buyers.

COCONUT

The availability of coconut at the Market climbed 2 percent to 10,424 pounds and its price jumped 5 percent to \$0.20 per pound.

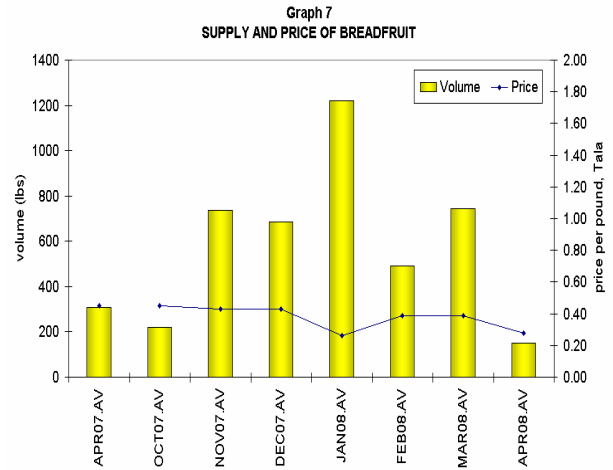
And, when compared with the same month last year, coconut supply in April 2008 was 68 percent lower with its price consequently higher by 11 percent. (See Graph 6 and Table 1 and 2.)



The average availability of coconut in the first ten months of 2007/2008 at 15,135 pounds per month was 16 percent lower when compared with the same period of 2006/2007 and its price was 5 percent higher as a result.

BREADFRUIT

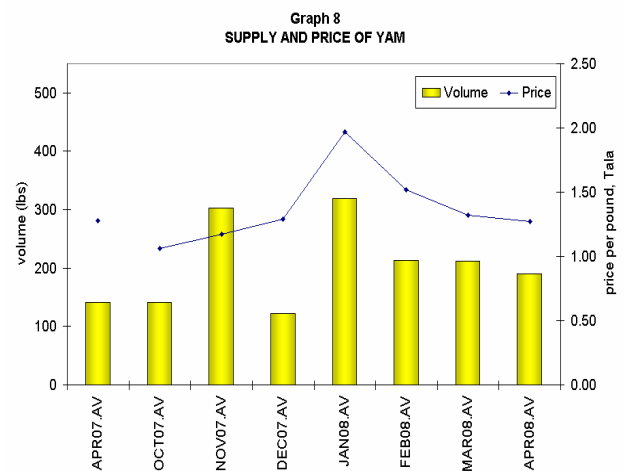
As the breadfruit season wound down, the average supply of breadfruit, at 149 pounds, in the month under review fell 80 percent from the level in March 2008 and was 52 percent lower than in April last year. At \$0.28 per pound in April 2008, the price of breadfruit decreased 28 percent from the previous month and was 38 percent lower the level in April last year. (See Graph 7 and Table 1 and 3.)



In the first ten months of fiscal year 2007/2008, the average availability of breadfruit (at 684 pounds per month) was 13 percent higher than the level in the same period of 2006/2007, consequently pushing its average price down 8 percent.

YAM

In April 2008, the supply of yam declined 10 percent from the previous month but increased 34 percent from the level in April last year. And, with demand for this staple food crop shifting to its closest substitute crop, taamu, the average price for yam dropped 4 percent from March 2008 to a level that was also 1 percent lower than in April 2007. (See Graph 8 and Table 1 and 2.)



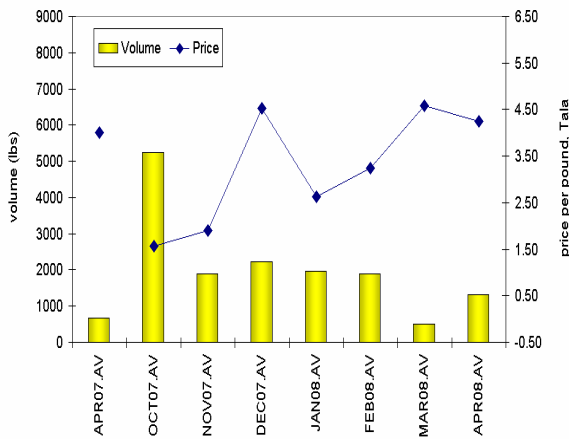
The lower volume of yam supplies in April 2008 contributed to the overall 61 percent decline in

the average availability of this food crop at the Market in the first ten months of 2007/2008 (to 235 pounds per month). As a result, its price edged up 3 percent.

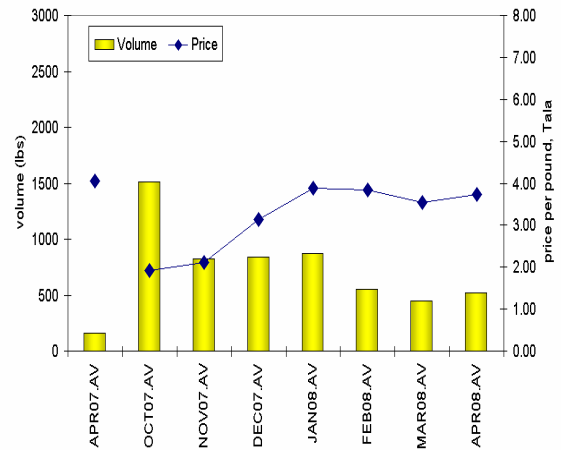
VEGETABLE PRODUCE

The level of vegetable supplies to the Fugalei Market was more favourable compared to those of staple crops in April 2008. In particular, cucumber and head cabbage were in huge abundance compared to the previous month, increasing more than four fold and 163 percent respectively, resulting in their prices decreasing 39 percent and 8 percent in that order in April 2008. The volume of tomatoes, likewise, rose 18 percent in the month under review while strong demand saw its price jump 5 percent from the previous month. On the other hand, the availability of Chinese cabbage and pumpkin contracted 4 percent and 23 percent in that order with the price of Chinese cabbage hiking 29 percent as a result while that of pumpkin went down 7 percent. (See Graph 9 to 13 and Tables 1 and 2.)

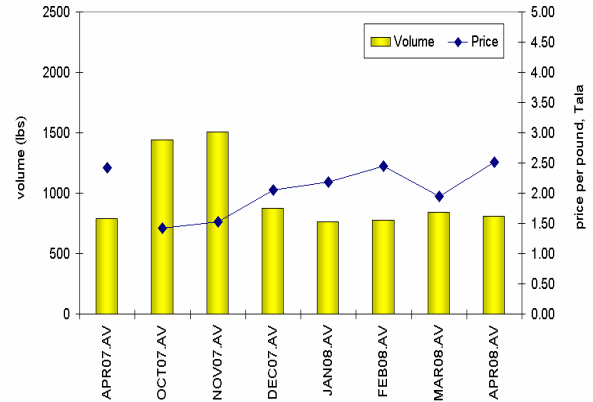
Graph 9
SUPPLY AND PRICES OF H.CABBAGE**



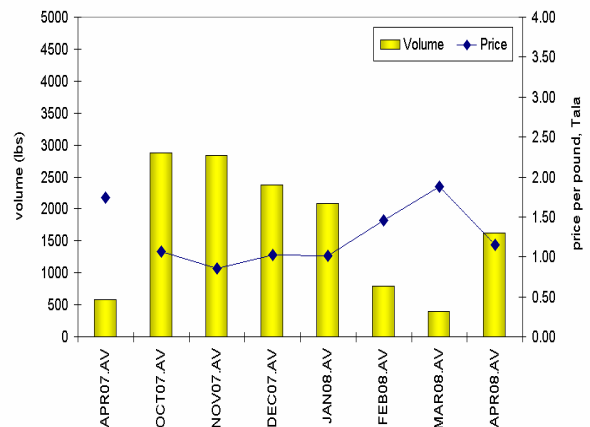
Graph 10
SUPPLY AND PRICE OF TOMATOES**



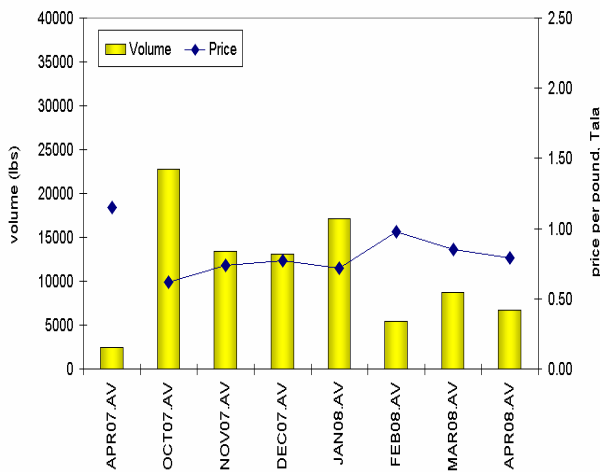
Graph 11
SUPPLY AND PRICE OF CH.CABBAGE**



Graph 12
SUPPLY AND PRICE OF CUCUMBER

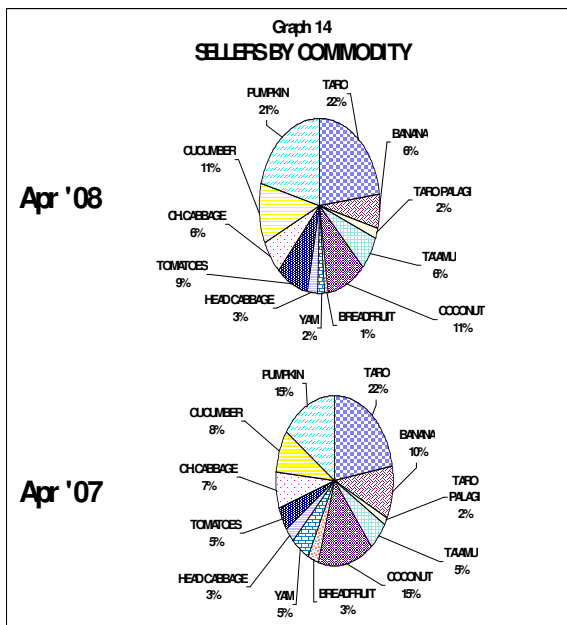


Graph 13
SUPPLY AND PRICE OF PUMPKIN²³



SELLERS

Corresponding to the decreased overall supply of agricultural produce to the Fugalei Market in April 2008, the number of sellers (at 233) on the days surveyed in the month under review was 10 percent lower than in March 2008. However, when compared to April 2007, the current number of sellers was 50 percent higher reflecting increased suppliers of most vegetables, taro palagi and taamu. (See Graph 14 and Table 6)

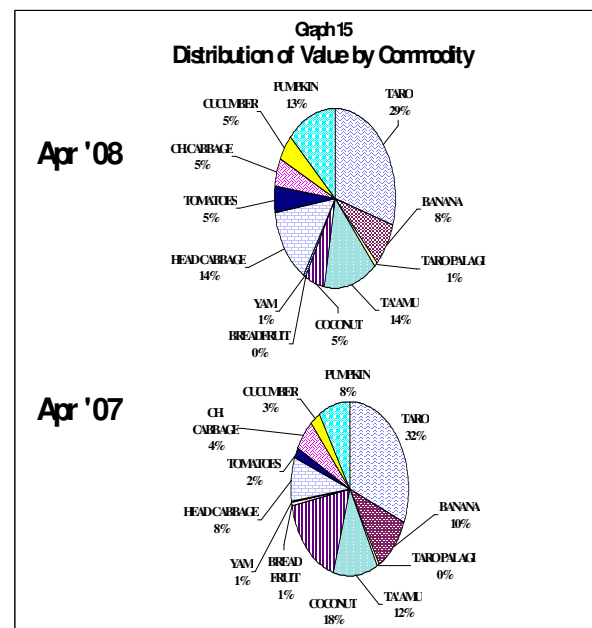


Despite a drop in sellers from the previous month, those supplying taro were the largest group (accounting for 23 percent of total sellers)

at the Fugalei market in the month under review, edging out pumpkin sellers (who normally had a dominant presence at the Market) to second place with a 21 percent share. Cucumber sellers, which more than doubled in April 2008, made up 11 percent of the total number of sellers with those supplying coconuts also accounting for the same share. Suppliers of banana, breadfruit, yam and tomatoes decreased in the month under review while there were slightly more sellers of taro palagi, taamu, head cabbage and Chinese cabbage.

VALUE OF SUPPLIES

As a result of the higher price levels in April 2008, the average value of selected produce supplied to the Market increased 3 percent to \$40,500; a level that was 21 percent above the same month of 2007. (See Graph 15 and Table 3.)



Taro remained the largest contributor to the total value of produce surveyed in April 2008, despite a reduction in its share to 30 percent from 34 percent in the previous month due to its lower volume supplied to the Market in the month under review. Head cabbage and taamu, with their increased volume in April 2008, recorded a higher share of 14 percent each from 6 percent and 11 percent respectively in March 2008. Pumpkin, with a reduction in its total value of produce surveyed

during the month due to both its price and volume falling, posted a lower share of 13 percent from 19 percent in March 2008. Likewise, banana, following a huge reduction in its volume supplied to the Market, recorded a lower share of 8 percent from 13 percent in the previous month while coconut accounted for a similar share of 5 percent from March 2008. Also contributing 5 percent each to the total value of produce in April 2008 were tomatoes, Chinese cabbage and cucumber, just above their shares of 4 percent each and 2 percent respectively in the previous month. Taro palagi contributed the remaining 1 percent in the total value of agricultural supplies to the Fugalei Market in April 2008, a similar share to that of March 2008.

@ 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 produces 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.*

**CENTRAL BANK OF SAMOA
22th May 2008**
