

FUGALEI MARKET SURVEY REPORT
FEBRUARY 2008

Monthly Report No. 2/08*

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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

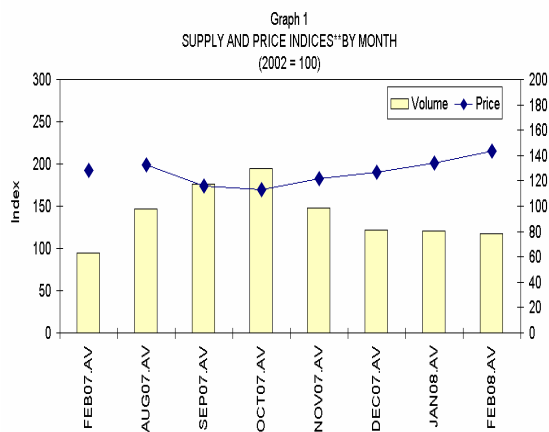
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OVERVIEW

Agricultural food supplies, according to the Central Bank's survey of the Fugalei Market in February 2008, fell 3 percent but was 23 percent higher than that in February 2007. The reduction in the overall volume during the month under review was due to decreased supplies of coconut, breadfruit, yam, head cabbage, tomatoes, cucumber and pumpkin. As indicated by farmers, wet weather conditions were largely to blame for the reduced availability of these agricultural produce to the Fugalei Market.

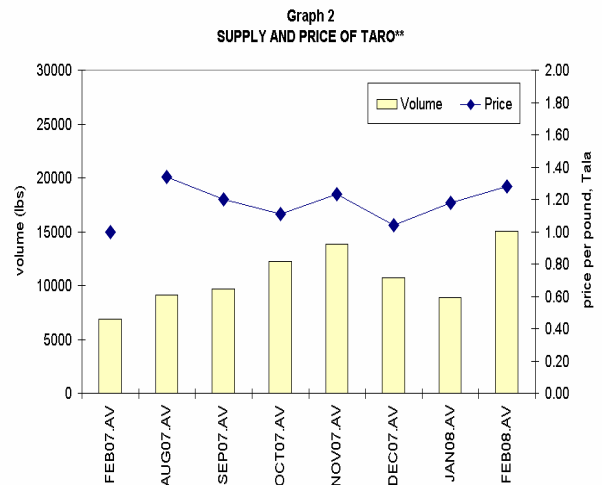
Consequent to the fall in the overall volume of agricultural produce in the month under review, the average price level at the Market rose 7 percent reflecting increased prices of most commodities (with the exception of banana, taro palagi, coconut, yam and tomatoes). And when compared to the same month of the previous year, the overall price level in February 2008 was 12 percent higher driven by increased demand 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 eight months of 2007/2008 was 13 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 11 percent from the same period ending February 2007.

TARO

While the supply of taro (at 15,065 pounds) jumped 70 percent in response to the winding down of the breadfruit season in the month under review, higher demand saw its price increase 8 percent to \$1.28 per pound. In addition, when compared with February 2007, the current volume of taro was more than doubled, with strong demand over the year pushing its price up 28 percent. (See Graph 2 and Tables 1 and 2.)

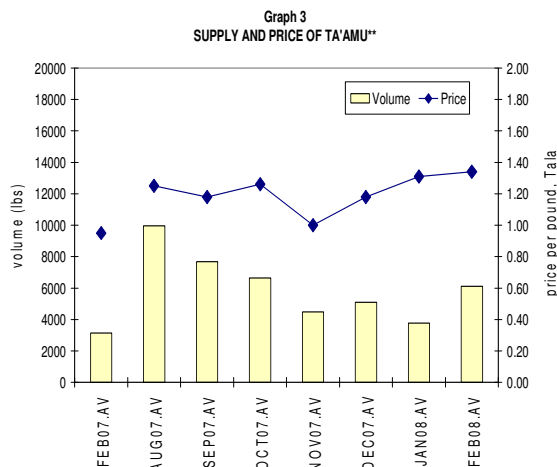


This month's higher volume contributed to a 60 percent increase in the average availability of taro in the first eight months of 2007/2008. Its average price, however, was 13 percent higher due to robust demand for this agricultural produce over the first eight months of the current fiscal year.

TAAMU

Also responding to the reduction in breadfruit and yam supplies in the month under review, the volume of taamu available at the Market rebounded 62 percent (to 6,122 pounds) following a 26 percent drop in the previous month. However, reflecting strong demand pressure, the price of taamu edged up 2 percent to \$1.34 per pound. And, when compared to February 2007, the current supply of taamu was 95 percent higher with its price

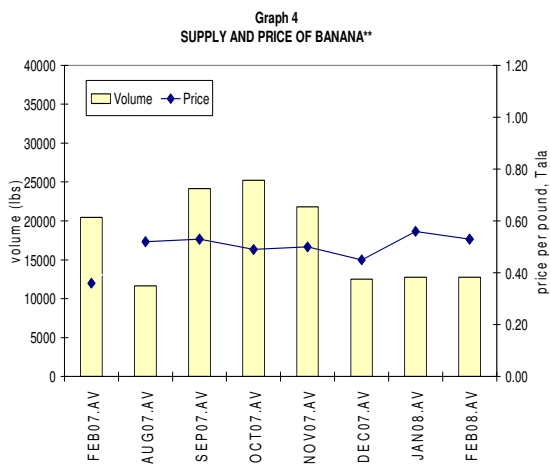
leaping 41 percent over the year. (See Graph 3 and Table 1 and 2.)



Despite its sharp rise in February 2008, the average availability of taamu (at 6,005 pounds per month) in the first eight months of fiscal year 2007/2008 was 10 percent lower when compared with the same period of 2006/2007. As a result, its price rose 21 percent.

BANANA

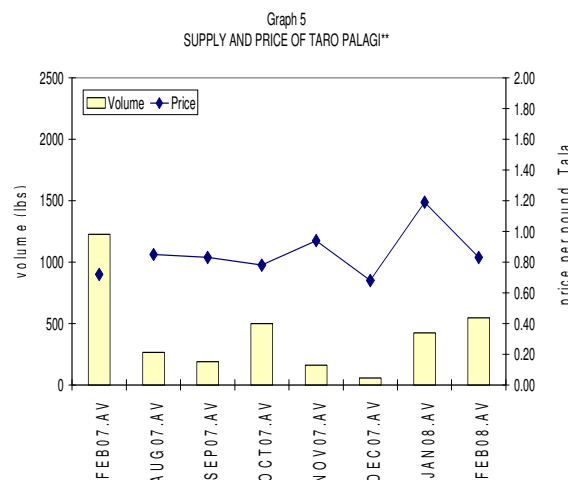
The average supply of banana, at 12,754 pounds, was slightly lower in February 2008. Its price also declined 5 percent to \$0.53 per pound reflecting the rise in taro and taamu supplies, its close substitutes. And, when compared with the same month of 2007, the current volume of banana was 38 percent lower, pushing its average price up by 47 percent over the 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 eight months ending February 2008 (at 16,386 pounds per month) was 3 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 18 percent higher than in the corresponding period of 2006/2007.

TARO PALAGI

At 547 pounds, the volume of taro palagi in February 2008 was 28 percent higher than the previous month, consequently pushing its price down 30 percent. However, at its current level, the average availability of taro palagi was 55 percent lower than the level in the same month last year and its average price level, up 15 percent. (See Graph 5 and Tables 1 and 2.)

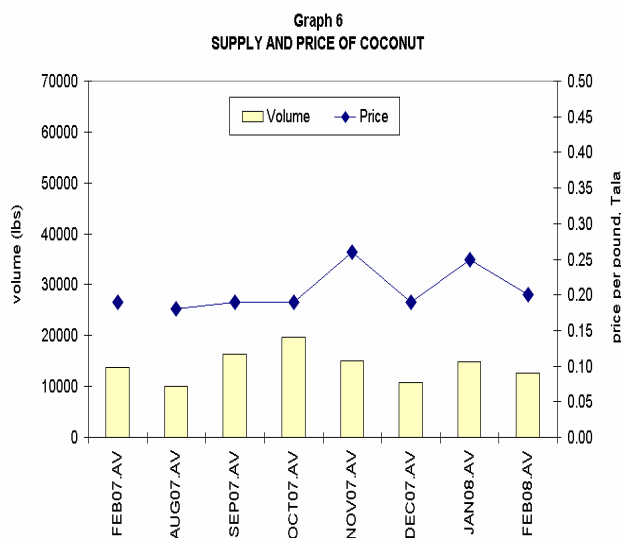


In the first eight months of 2007/2008, the average availability of taro palagi (at 308 pounds per month) was 53 percent lower than in the same period of 2006/2007, exerting upward pressure on its price, which rose 14 percent in the period under review. Also contributing to the higher price level over 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 in February 2008 decreased 15 percent to 12,565 pounds. Its price, however, shrank 20 percent to \$0.20 per pound reflecting weaker demand

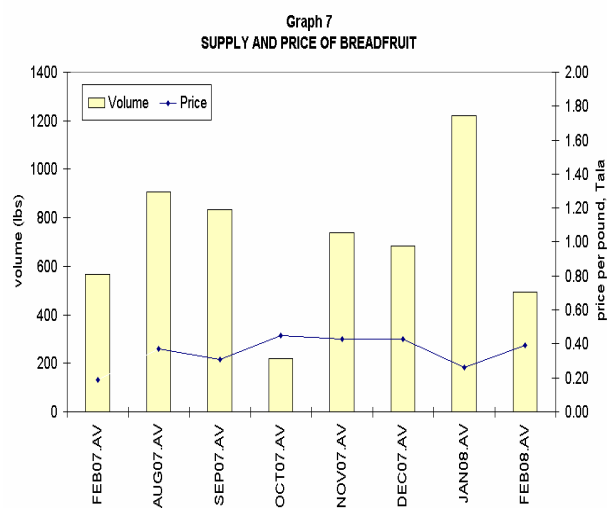
for this commodity. When compared with the same month in 2007, the current supply of coconut was also 8 percent lower with its price 5 percent higher as a consequence. (See Graph 6 and Tables 1 and 2.)



In spite of the decrease in February 2008, the average availability of coconut at the Market in the first eight months of the fiscal year 2007/2008 (at 16,337 pounds per month) remained unchanged from the same period in 2006/2007. Due to stronger demand, however, its price was 5 percent higher.

BREADFRUIT

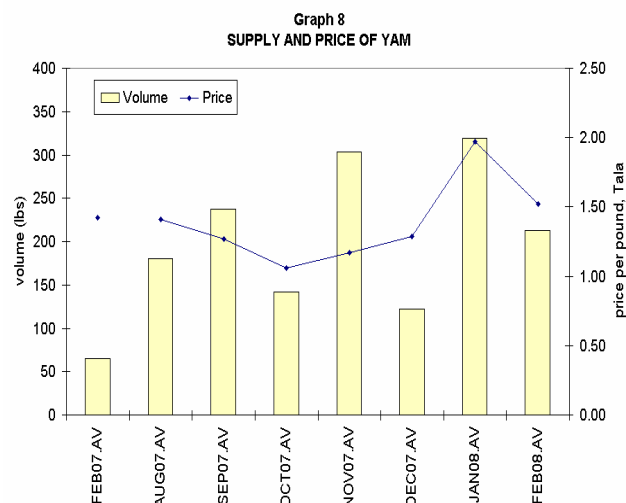
As the breadfruit season wound down, the average supply of breadfruit, at 492 pounds, in the month under review fell 60 percent from the level in January 2008 and was 13 percent lower than in February last year. Consequently, at \$0.39 per pound, the price of breadfruit increased 50 percent from the previous month and was more than double the level in February last year. (See Graph 7 and Table 1 and 3.)



The average availability of breadfruit in the first eight months of fiscal year 2007/08 (at 743 pounds per month) was 13 percent higher than the level in the same period of 2006/2007 and its average price was 5 percent lower as a result.

YAM

In February 2008, the supply of yam declined 33 percent from the previous month but increased more than two-fold from the level in February last year. And, with demand for this staple food crop shifting to other substitute crops available at the Fugalei Market, the average price for yam decreased 23 percent from January 2008 to a level that was nevertheless 7 percent higher than in February 2007. (See Graph 8 and Table 1 and 2.)

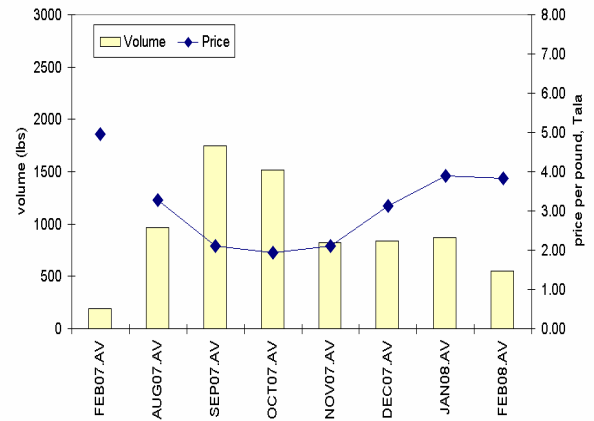


The lower volume of yam supplied in February 2008 contributed to the overall 66 percent decline in the average availability of this food crop at the Market in the first eight months of 2007/2008 (to 244 pounds per month). As a result, its price edged up 2 percent.

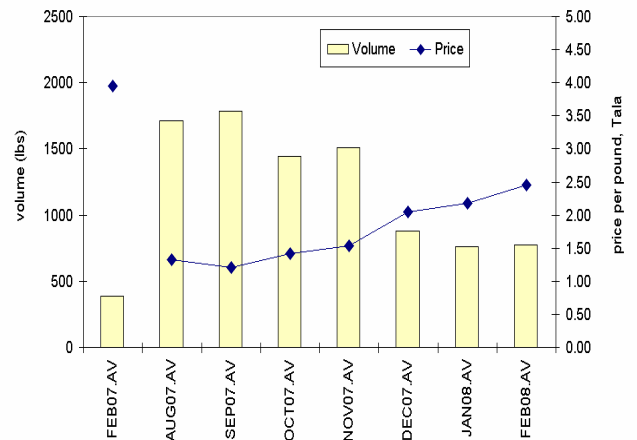
VEGETABLE PRODUCE

With wet weather conditions lingering on in February 2008, the supply of most perishable vegetables was largely affected in the month under review. In particular, the volume of head cabbages, tomatoes, cucumber and pumpkin dropped 4 percent, 37 percent, 62 percent and 68 percent respectively. Consequently, the prices of head cabbage, cucumber and pumpkin rose 24 percent, 45 percent and 36 percent respectively while that of tomatoes fell 2 percent due to lower demand. On the positive side, the supply of Chinese cabbage improved 2 percent from the previous month but stronger demand for reddish vegetable in February 2008 saw its price jump 12 percent. (See Graphs 9 to 13 and Tables 1 and 2)

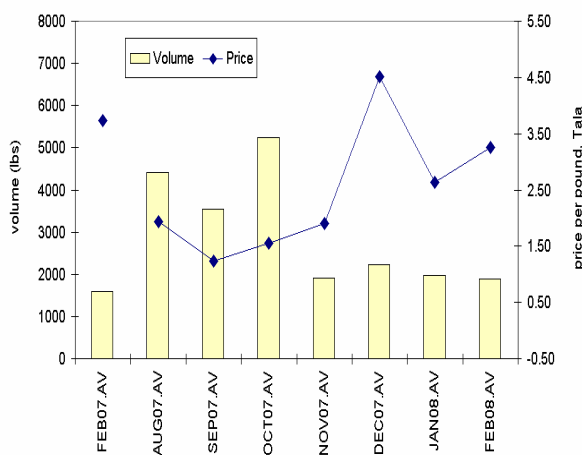
Graph 10
SUPPLY AND PRICE OF TOMATOES**



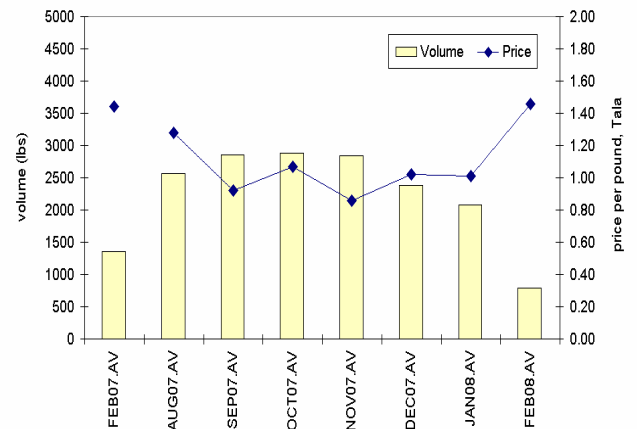
Graph 11
SUPPLY AND PRICE OF CH.CABBAGE**

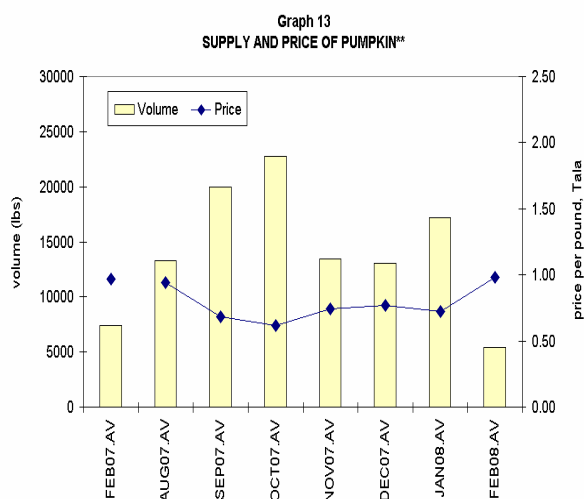


Graph 9
SUPPLY AND PRICES OF H.CABBAGE**



Graph 12
SUPPLY AND PRICE OF CUCUMBER





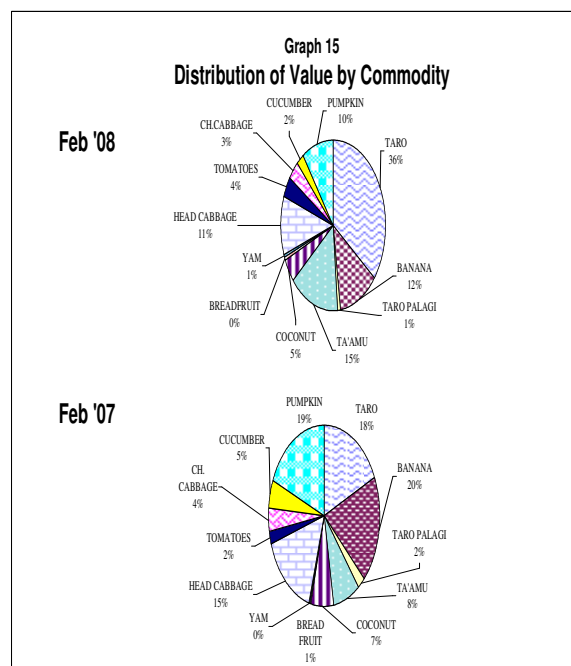
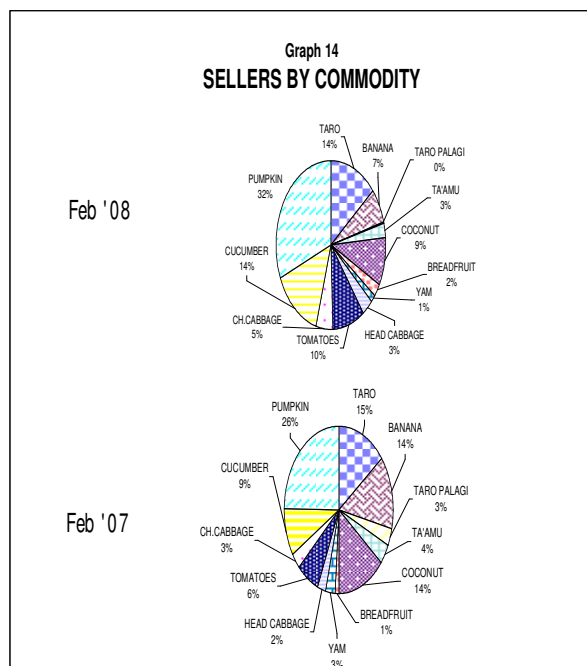
with suppliers of banana, breadfruit, coconut and Chinese cabbage also rising. On the other hand, there was a reduction in the number of taro, taamu and tomato sellers whilst those supplying taro palagi, yam, head cabbage and cucumber remained unchanged.

VALUE OF SUPPLIES

As a result of the higher price levels in February 2008, the average value of selected produce supplied to the Market increased 4 percent to \$54,400; a level that was 42 percent above the same month of 2007. (See Graph 15 and Table 3.)

SELLERS

Corresponding to the slight overall supply of agricultural produce to the Fugalei Market in February 2008, the number of sellers (at 251) on the days surveyed in the month under review was just one supplier short of the previous month. However, when compared to February 2007, the current number of sellers was 24 percent higher reflecting increased suppliers of vegetables and taro over the year. (See Graph 14 and Table 6)



Reflecting the substantial increase in its volume supplied in February 2008, taro contributed the most to the total value of produce surveyed, with a share of 36 percent, up from 20 percent in the previous month and 18 percent in February 2007. Taamu followed with a 15 percent share; higher than its contributions in the previous month (9 percent share) and a year ago (8 percent share). On the other hand, banana, head cabbage, pumpkin and coconut registered shares of 12 percent, 11 percent, 10 percent and 5 percent respectively in the month under review, which were all lower than their shares in January 2008 and February 2007. Relatively lower shares were

In the month under review, pumpkin sellers increased to 79 to remain the largest group,

recorded for the rest of the other commodities in February 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

25 March 2008