

FUGALEI MARKET SURVEY REPORT
JANUARY 2008

Monthly Report No. 1/08*

Prepared by: Research and Statistics Department

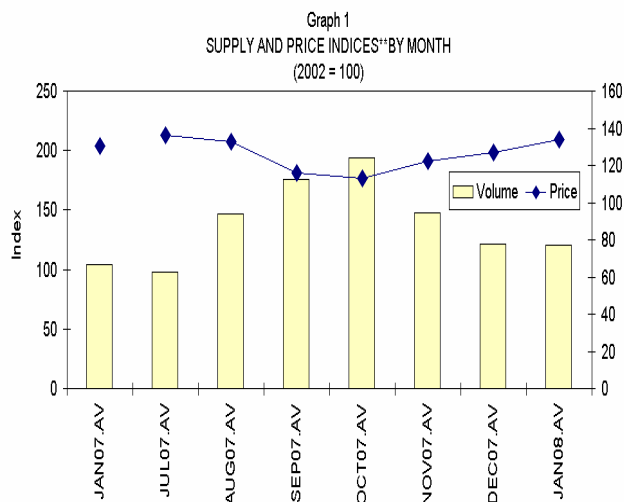
Central Bank of Samoa

Date of Issue: 18 February 2008

OVERVIEW

As a result of heavy downpour, which flooded the Fugalei Market on 25th January 2008, the overall volume of selected produce* available at the Market fell 1 percent in the month under review. Underpinning this drop were lower supplies for taro, ta'amu, head cabbage, Chinese cabbage and cucumber. When compared to January 2007, however, the overall volume index was 16 percent higher.

As a result of lower agricultural supplies in January 2008, the overall price at the Market increased 6 percent, reflecting higher prices for most produce (with the exception of breadfruit, head cabbage, cucumber and pumpkin). And, when compared to January 2007, it was 3 percent higher reflecting strong demand over the year. (See Graph 1 and Tables 4 and 5.)

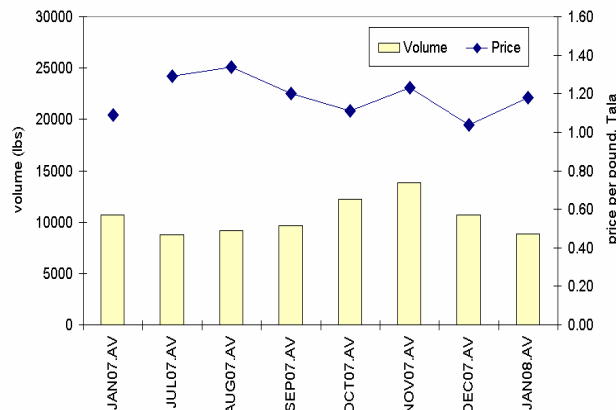


Despite the seasonal wet weather conditions in January 2008, the overall average availability of agricultural produce in the first seven months of the fiscal year 2007/2008 improved 11 percent from the same period of 2006/2007. Due to strong demand pressure, however, the average price level jumped 11 percent in the period under review.

TARO

The supply of taro dropped 17 percent to 8,855 pounds in January 2008, pushing up its price by 13 percent to \$1.18 per pound. And, when compared to January last year, the volume of taro in the month under review was 17 percent lower consequently forcing its price up 8 percent from a year ago. (See Graph 2 and Table 1 and 2.)

Graph 2
SUPPLY AND PRICE OF TARO**

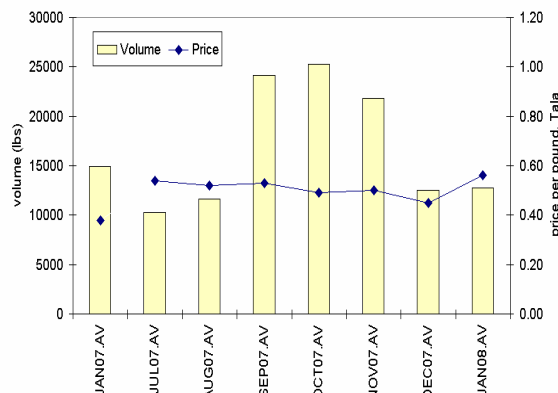


In spite of the decline in the month under review, the average supply of taro in the seven months ending January 2008 jumped 51 percent when compared to the same period ending January 2007. Its average price, however, increased 12 percent in the first seven months of 2007/2008 due to strong demand for this produce.

BANANA

The average supply of banana went up 2 percent in January 2008 to 12,774 pounds. Its average price, however, leapt 24 percent to \$0.56 per pound reflecting the shift in demand for this staple crop as the supply of taro (substitute produce) declined during the month. However, when compared to January 2007, the current volume of banana was 14 percent lower with its price consequently expanding 47 percent. (See graph 3 and Table 1 and 2.)

Graph 3
SUPPLY AND PRICE OF BANANA**



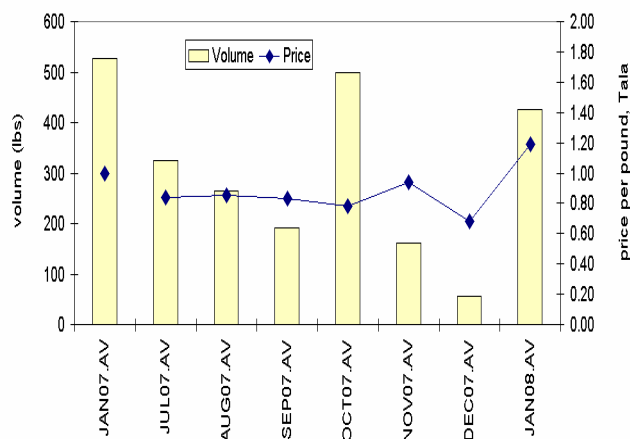
With the increase in the month under review, the average availability of banana (at 16,905 pounds per month) in the first seven months of 2007/2008 rose 11 percent from the same period of 2006/2007. However, reflecting strong demand for banana, its average price was 13 percent higher in the same

period. The quality of banana sold has improved since the end of 2007.

TARO PALAGI

The supply of taro palagi recovered substantially in January 2008 to 426 pounds, a level that was more than seven times higher compared to the previous month but was nevertheless 19 percent lower when compared with January 2007. Strong demand pressure, however, pushed its average price up 75 percent in the month under review to a level 19 percent higher than in the same month of 2007. (See Graph 4 and Tables 1 and 2.)

Graph 4
SUPPLY AND PRICE OF TARO PALAGI**

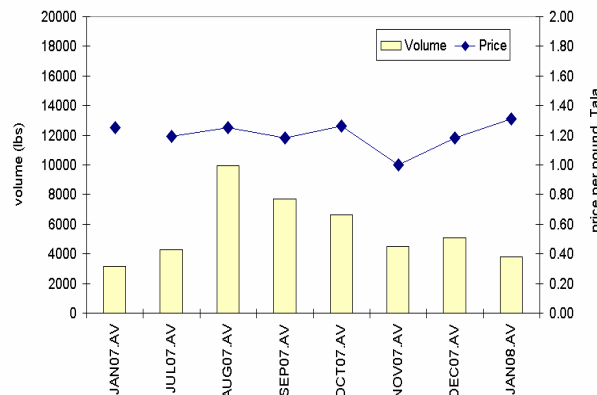


Despite the higher volume in the month under review, the average availability of taro palagi in the first seven months of 2007/2008 (at 274 pounds) shrank 52 percent while its price improved 14 percent when compared with the same period of 2006/07.

TAAMU

The availability of taamu shrank 26 percent (to 3,779 pounds) during the month under review and its price increased 11 percent to \$1.31 per pound. However, when compared with January 2007, the current supply of taamu was 19 percent higher but its price rose 5 percent due to increased demand. (See Graph 5 and Table 1 and 2.)

Graph 5
SUPPLY AND PRICE OF TAAMU**

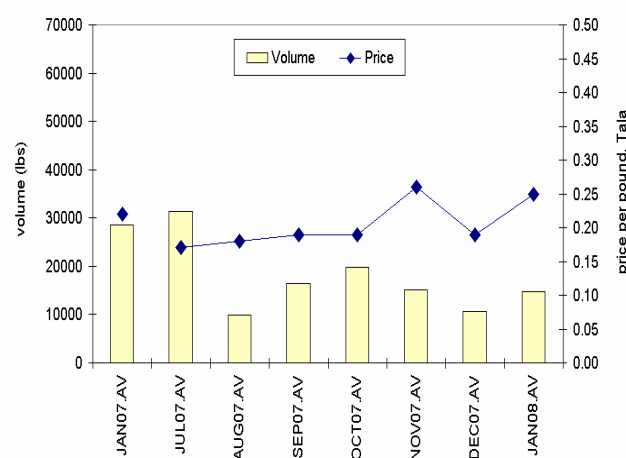


At 5,988 pounds per month, the monthly average availability of taamu to the Market in the seven months to end January 2008 was 17 percent lower than in the same period ending January 2007, pushing up its price by 19 percent.

COCONUT

The volume of coconut at the Market increased 38 percent to 14,817 pounds but its price jumped 32 percent to \$0.25 per pound in January 2008 reflecting stronger demand. When compared with the same month last year, however, coconut supply dropped 48 percent and its price increased 14 percent over the year. (See Graph 6 and Table 1 and 2.)

Graph 6
SUPPLY AND PRICE OF COCONUT

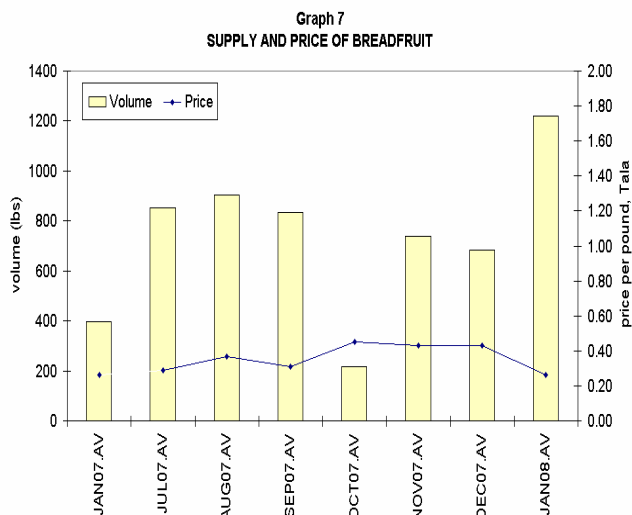


With the increase in January 2008, the average availability of coconut in the first seven months of 2007/08 at 16,876 pounds per month edged up 1 percent when compared with the same period of 2006/07 but its price rose 5 percent due to stronger demand.

BREADFRUIT

In the month under review, the average supply of breadfruit to the Market surged 78 percent to 1,221

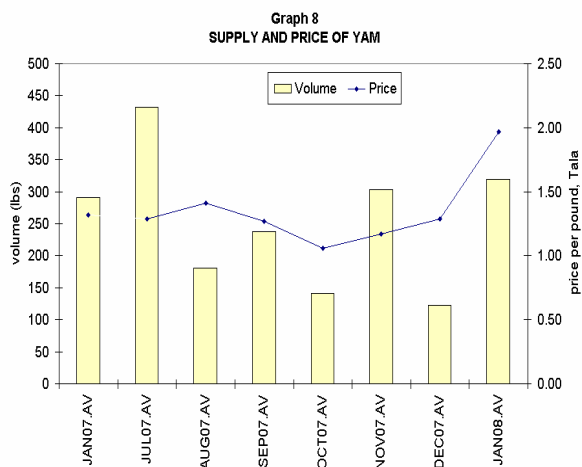
pounds and was more than doubled its volume in January 2007. And, at \$0.26 per pound, the price of breadfruit was 40 percent cheaper than in the previous month but was unchanged from the level in January last year. (See Graph 7 and Table 1 and 3.)



The average availability of breadfruit in the first seven months of fiscal year 2007/08 (at 779 pounds per month) was 16 percent higher than the level in the same period of 2006/07 and its price declined 12 percent.

YAM

The supply of yam in January 2008 jumped more than two fold from the previous month and was 10 percent higher than in January 2007. However, due to increased demand, its price soared 53 percent from December 2007 to a level 49 percent higher than in January 2007. (See Graph 8 and Table 1 and 2).

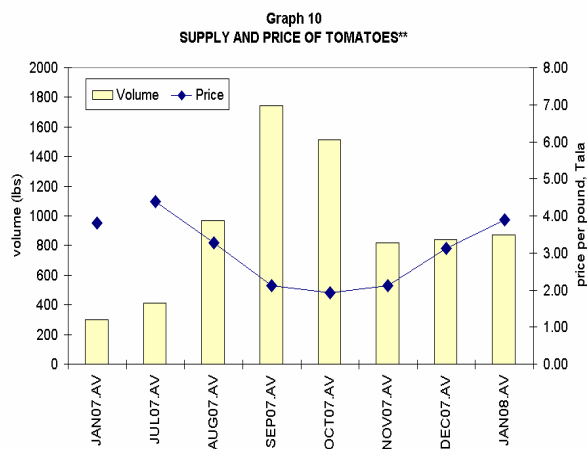
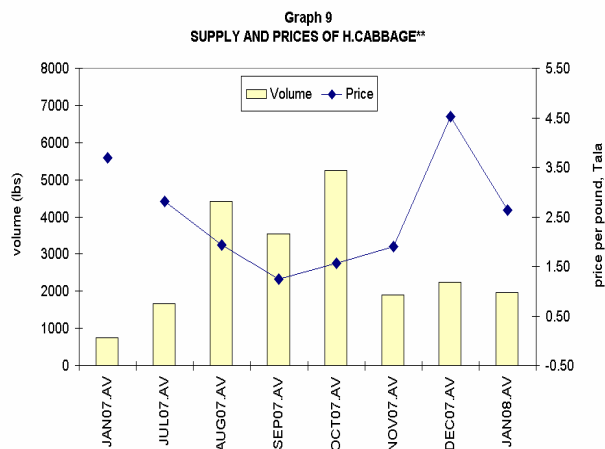


Despite the increase in January 2008, the monthly average availability of yam at the Market in the first

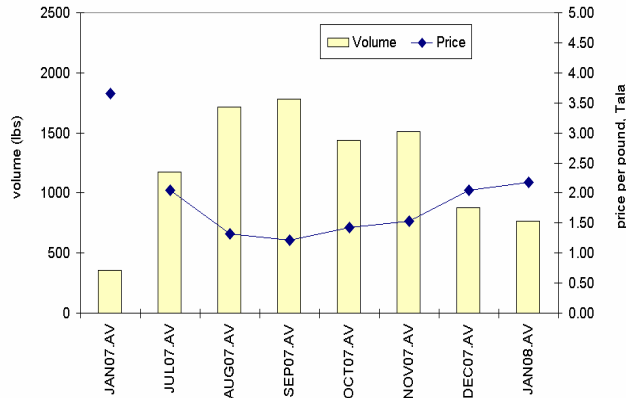
seven months of 2007/08 (at 248 pounds per month) fell 69 percent when compared with the same period of 2006/07. As a result, its price increased 2 percent.

VEGETABLE PRODUCE

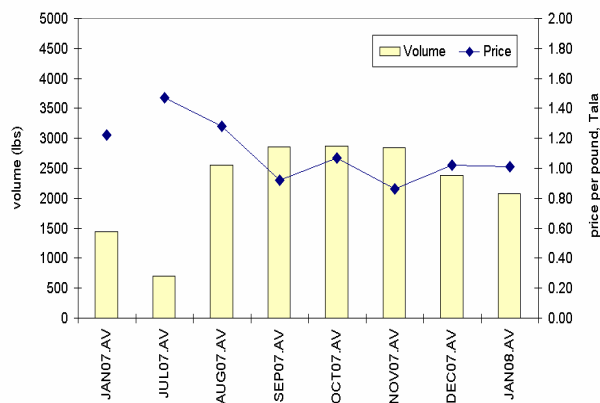
With heavy downpour in January 2008, the supplies of some perishable vegetables to the Fugalei Market were adversely affected. In particular, the availability of Chinese cabbage and cucumber contracted 13 percent each with the price of Chinese cabbage hiking 6 percent as a result while that of cucumber went down 1 percent. Similarly, the supply of head cabbage declined 12 percent but its price weakened 42 percent due to lower demand. On the other hand, the supplies of pumpkin and tomatoes were 31 percent and 4 percent higher than their December 2007 levels, with the price of pumpkin falling 6 percent while that of tomatoes climbed 24 percent. (See Graph 9 to 13 and Tables 1 and 2)



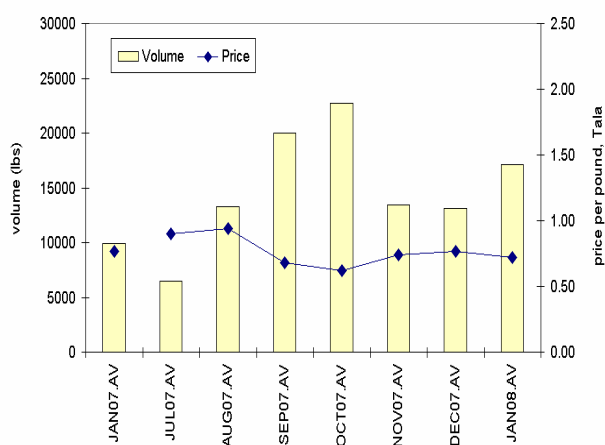
Graph 11
SUPPLY AND PRICE OF CH.CABBAGE**



Graph 12
SUPPLY AND PRICE OF CUCUMBER



Graph 13
SUPPLY AND PRICE OF PUMPKIN**

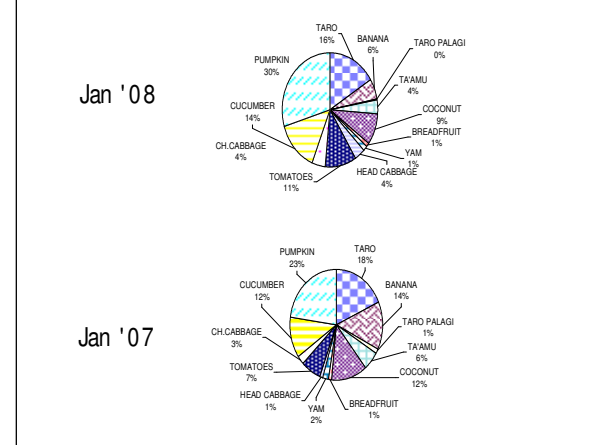


SELLERS

The lower overall volume of agricultural produce to the Market in January 2008 was caused by a 1 percent drop in the number of sellers on the days surveyed. This was largely due to severe flooding of the Fugalei Market on 25th January 2008, discouraging some suppliers in bringing their produce to the Market that day. However, when compared to January 2007, the average number of

sellers present on the days surveyed in January 2008 was 16 percent higher. (See Graph 14 and Table 6)

Graph 14
SELLERS BY COMMODITY

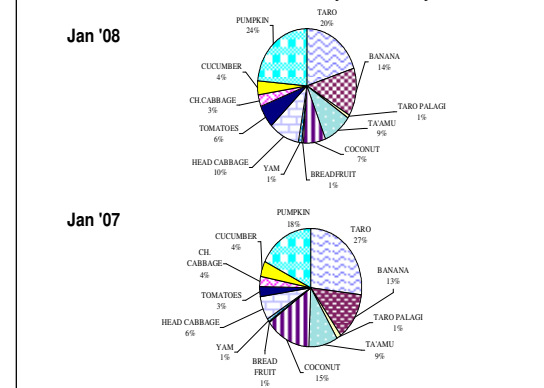


In the month under review, pumpkin sellers remained the largest group at the Market on the days surveyed, with 75 suppliers, same as in December 2007. Sellers of taro, banana and coconut were lower in January 2008 with also a few providing breadfruit and head cabbage. On the other hand, there were marginal increases in suppliers of ta'amu, tomatoes, Chinese cabbage and cucumber.

VALUE OF SUPPLIES

The average value of selected produce supplied to the Market (at \$52,400) in January 2008 was virtually unchanged from the previous month but was 21 percent higher than the same month of 2007. (See Graph 15 and Table 3.)

Graph 15
Distribution of Value by Commodity



Pumpkin contributed the most to the total value of produce surveyed with a share of 24 percent in January 2008 followed by taro and banana shares at 20 percent and 14 percent respectively. Head cabbage and taamu accounted for 10 percent

and 9 percent in that order, ahead of coconut and tomatoes with 7 percent and 6 percent respectively. Relatively lower shares were recorded for the rest of the produce in the month under review.

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@ 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.*

CENTRAL BANK OF SAMOA

18 February 2008