

FUGALEI MARKET SURVEY REPORT
MAY 2008

Monthly Report No. 5/08*

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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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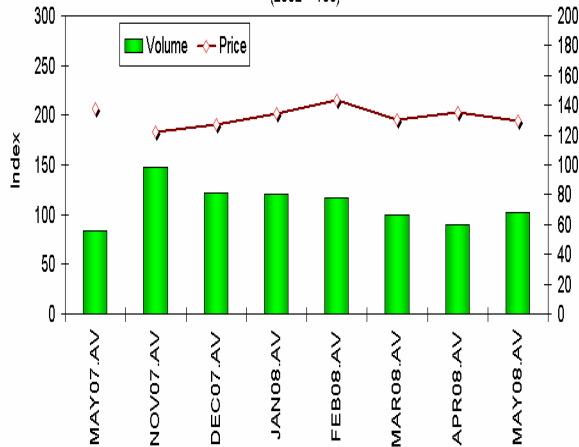
May 2008

OVERVIEW

Associated with the seasonal demand during the annual Malua Conference for the Congregational Christian Church of Samoa and Mother's Day holiday, the overall volume of selected produce supplied to the Market in May 2008 expanded 13 percent from the previous month, a level that was also 21 percent higher than in the same month of 2007. The rise in the overall level of supply from the previous month reflected increases in the volume of most staple and vegetable produce with the exception of taro, taro palagi and cucumber. As a result, the overall price index at the Fugalei Market decreased 4 percent in May 2008 and was 6 percent lower than in May 2007. (See Graph 1 and Tables 4 & 5.)

forcing its price up 18 percent from a year ago. (See Graph 2 and Table 1 and 2.)

Graph 1
SUPPLY AND PRICE INDICES** BY MONTH
(2002 = 100)

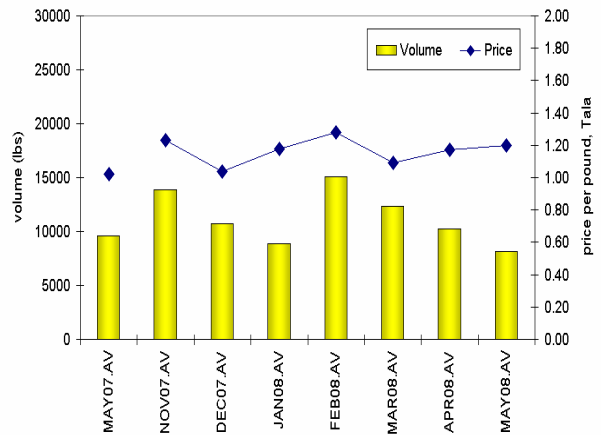


With this month's increased supply, the overall average availability of agricultural produce in the first eleven months of the fiscal year 2007/2008 improved 13 percent from the same period of 2006/2007. However, due to strong demand pressure, the average price level jumped 7 percent in the period under review.

TARO

The supply of taro dropped 20 percent to 8,184 pounds in May 2008, pushing up its price by 3 percent to \$1.20 per pound. And, when compared to May last year, the volume of taro in the month under review was 15 percent lower consequently

Graph 2
SUPPLY AND PRICE OF TARO**

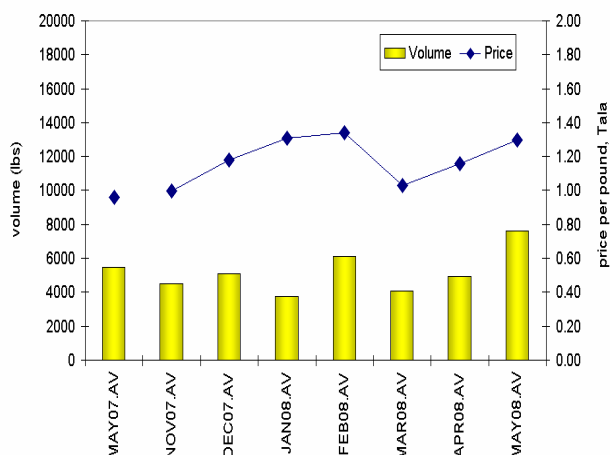


In spite of its decline in the month under review, the average supply of taro in the eleven months ending May 2008 was 44 percent higher when compared to the same period ending May 2007. Its average price, however, increased 13 percent in the first eleven months of 2007/2008 due to strong demand for this produce.

TA'AMU

The average supply of ta'amu increased 53 percent in May 2008 to 7,603 pounds, consequently pushing its price up 12 percent to \$1.30 per pound. When compared with the same month of 2007, the availability of ta'amu was 39 percent higher and its price expanded 35 percent due to strong demand as substitute products (breadfruit and yam) were relatively more expensive. (See Graph 3 and Table 1 and 2.)

Graph 3
SUPPLY AND PRICE OF TA'AMU**

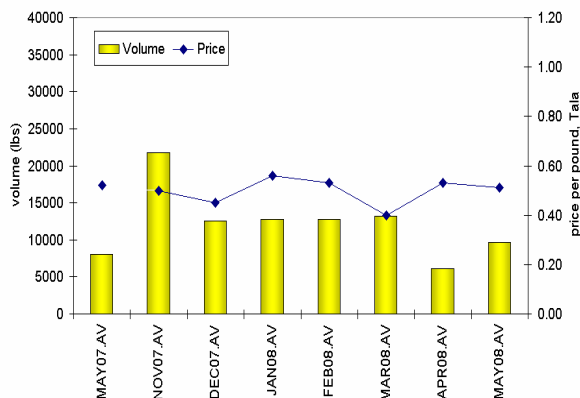


Despite the higher volume in the month under review, the average availability of ta'amu in the first eleven months of 2007/2008 (at 5,881 pounds) shrank 5 percent while its price gained 21 percent when compared with the same period of 2006/07.

BANANA

The average supply of banana increased 58 percent in May 2008 to 9,673 pounds. As a result, its average price dropped 4 percent to \$0.51 per pound. And, when compared to May 2007, the current volume of banana was 20 percent higher with its price lower by 2 percent over the year. (See Graph 4 and Table 1 and 2.)

Graph 4
SUPPLY AND PRICE OF BANANA**

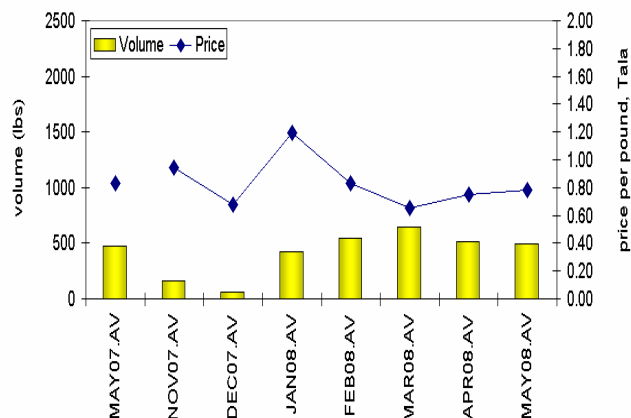


With the increase in the month under review, the average availability of banana (at 14,552 pounds per month) in the first eleven months of 2007/2008 rose 3 percent from the same period of 2006/2007. However, reflecting strong demand for banana, its average price was 13 percent higher in the same period. The quality of banana sold has improved since the end of 2007.

TARO PALAGI

With hikes in the supplies of taro and taamu (substitutes), the availability of taro palagi fell 4 percent (to 493 pounds) in the month under review and its price increased 4 percent to \$0.78 per pound. However, when compared with May 2007, the current supply of taro palagi was 4 percent higher driving its price down 6 percent. (See Graph 5 and Table 1 and 2.)

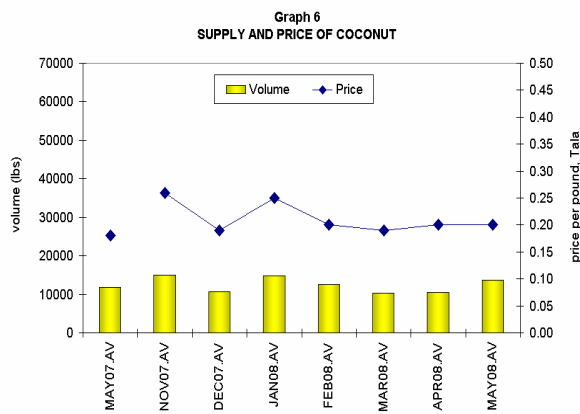
Graph 5
SUPPLY AND PRICE OF TARO PALAGI**



At 375 pounds per month, the monthly average availability of taro palagi to the Market in the eleven months to end May 2008 was 37 percent lower than in the same period ending May 2007, pushing up its price by 15 percent over the year.

COCONUT

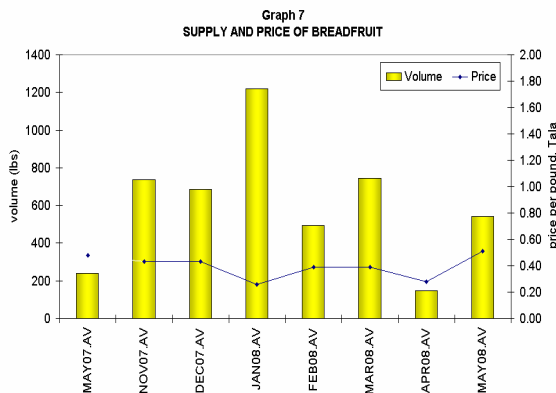
The volume of coconut at the Market increased 32 percent to 13,730 pounds but its price remained unchanged at \$0.20 per pound in May 2008 reflecting stronger demand. When compared with the same month last year, however, coconut supply jumped 17 percent and its price increased 11 percent over the year. (See Graph 6 and Table 1 and 2.)



Despite the increase in May 2008, the average availability of coconut in the first eleven months of 2007/08 at 15,007 pounds per month dropped 14 percent when compared with the same period of 2006/07. As a result, its price rose 5 percent.

BREADFRUIT

In the month under review, the average supply of breadfruit to the Market surged more than three fold to 540 pounds and more than double its volume in May 2007. However, at \$0.51 per pound, the price of breadfruit was 82 percent higher than in the previous month and was 6 percent above the level in May last year. (See Graph 7 and Table 1 and 2.)

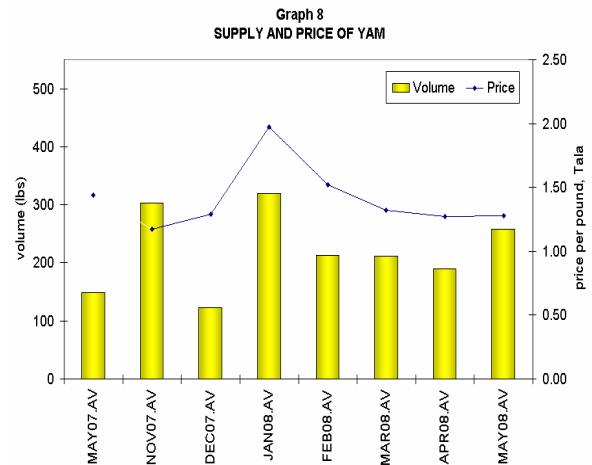


Despite the drop in the month under review, the average availability of breadfruit in the first eleven months of fiscal year 2007/08 (at 671 pounds per month) was 17 percent higher than in the same period of 2006/07, consequently driving its price down by 8 percent.

YAM

The supply of yam increased 36 percent from its level last month and was 73 percent higher than the

level in May last year. However, due to increased demand, its price edged up 1 percent from April 2008 to a level that was nevertheless 11 percent lower than in May 2007. (See Graph 8 and Table 1 and 2).



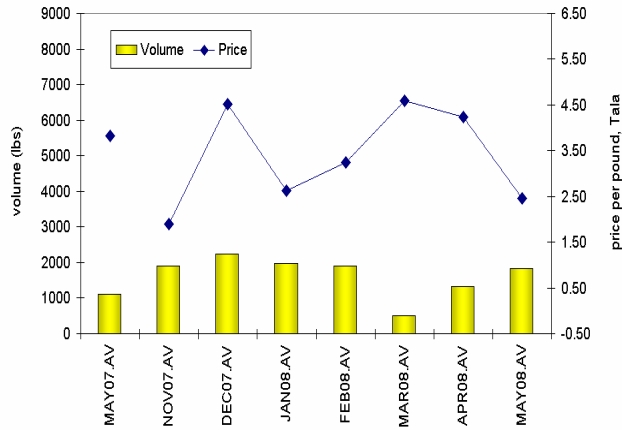
Despite the increased volume in May 2008, the average availability of yam in the first eleven months of 2007/2008 (at 237 pounds) was 58 percent lower than the level in the same period of 2006/2007, pushing its price up 2 percent.

VEGETABLE PRODUCE

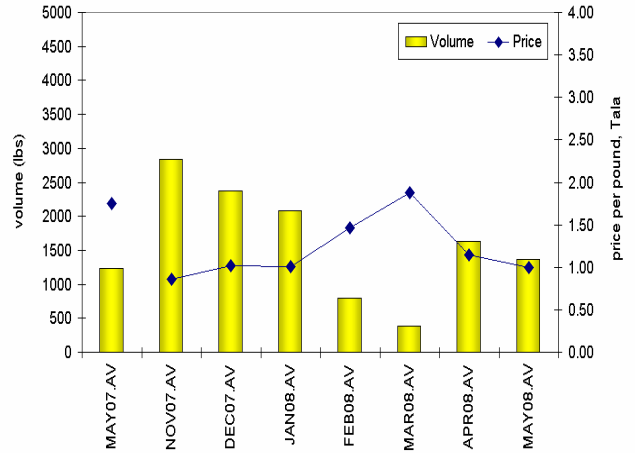
Most vegetable produce were available in huge quantities in May 2008 as suppliers geared up for the seasonal demand associated with the Mother's Day holiday and annual Malua Conference for the Congregational Christian Church of Samoa.

The average supplies of Chinese cabbage, head cabbage, tomatoes and pumpkin rose 46 percent, 39 percent, 2 percent and 3 percent respectively. Consequently, the prices of Chinese cabbage and head cabbage fell 35 percent and 42 percent while that of tomatoes and pumpkin jumped 5 percent and 3 percent due to higher demand. On the downside, the supply of cucumber dropped 16 percent from the previous month while its price also declined 13 percent. (See Graph 9 to 13 and Tables 1 and 2.)

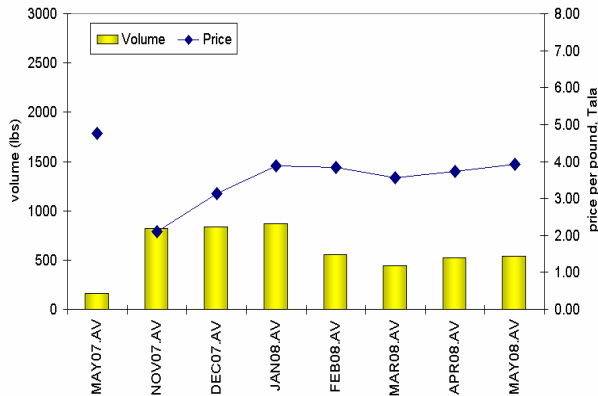
Graph 9
SUPPLY AND PRICES OF H.CABBAGE**



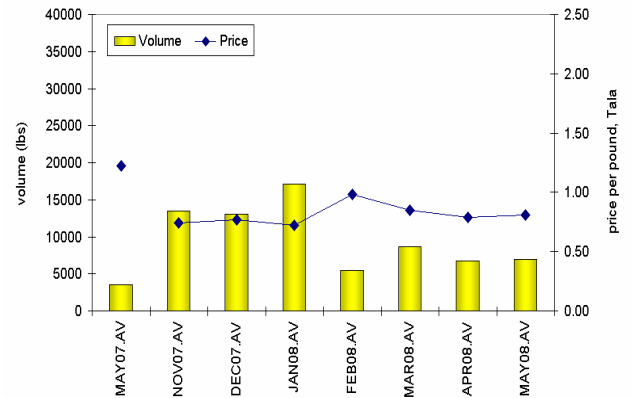
Graph 12
SUPPLY AND PRICE OF CUCUMBER



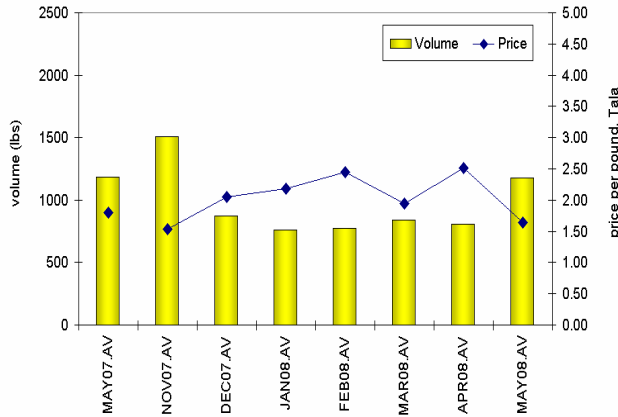
Graph 10
SUPPLY AND PRICE OF TOMATOES**



Graph 13
SUPPLY AND PRICE OF PUMPKIN**



Graph 11
SUPPLY AND PRICE OF CH.CABBAGE**

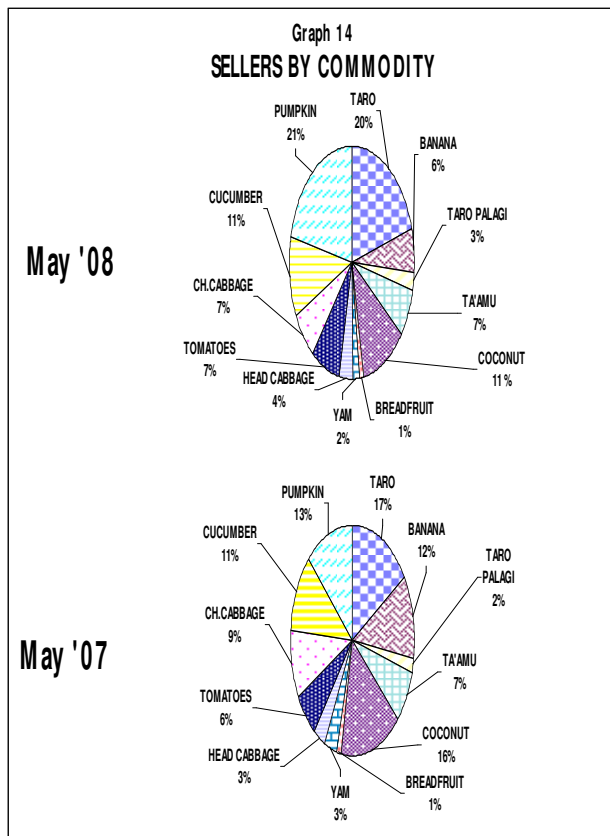


SELLERS

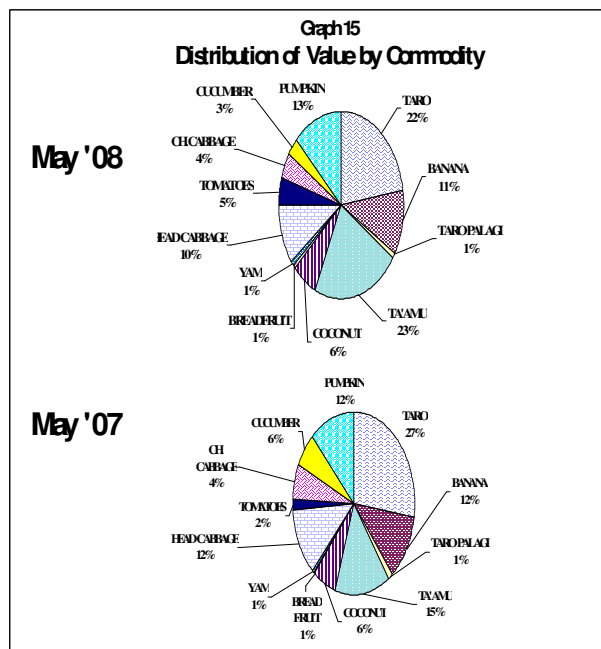
Reflecting the expansion in supplies, the number of sellers on the days surveyed in May 2008 increased 8 percent to 251, a level that was 51 percent higher than that of May 2007. The higher number of sellers in the month under review was those supplying taro palagi, taamu, coconut, breadfruit and most vegetables.

With the increased number of pumpkin sellers in the month under review, it remained the largest group of suppliers at the Market with a 21 percent share that was just above those selling taro, which accounted for 20 percent of the total number of sellers. At 11 percent shares each were those supplying cucumber and coconut with sellers of taamu, tomatoes and Chinese cabbage accounting for 7 percent shares each in May 2008. Banana suppliers made up 6 percent of total sellers during the month while those supplying head cabbage and taro palagi contributed 4 percent and 3 percent

respectively. The remaining shares of 2 percent and 1 percent in that order reflected the fewer number of yam and breadfruit sellers. (See Graph 14 and Table 6.)



amongst taro palagi, breadfruit and yam. (See Graph 15 and Table 3.)



VALUE OF SUPPLIES

As a result of the higher price levels in May 2008, the average value of selected produce increased 8 percent to \$43,900; a level that was 23 percent above the same month of 2007.

Taamu contributed the largest share (23 percent) of the total value of produce supplied to the Market in May 2008, up from 14 percent in April 2008, and 15 percent in May 2007. Taro, despite its lower value, accounted for 22 percent, which was lower than its shares of 30 percent and 28 percent respectively in April 2008 and May last year. Pumpkin and banana contributed 13 percent and 11 percent shares respectively in the month under review while head cabbage and coconut accounted for 10 percent and 6 percent of the total value of produce supplied to the Market in May 2008. Tomatoes, Chinese cabbage and cucumber recorded lower shares of 5 percent, 4 percent and 3 percent in that order in the month under review while the remaining 3 percent was equally distributed

@ 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
25th June 2008
