



FUGALEI MARKET SURVEY JANUARY 2009

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 Samoa Bureau of Statistic (formerly Statistical Services Division of the Ministry of Finance).

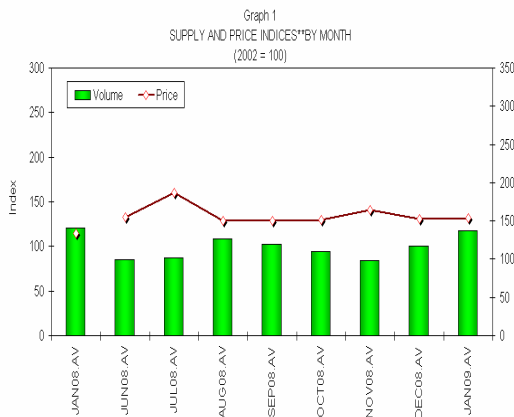
Issue No. 1/09

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OVERVIEW

The Central Bank's survey of the Fugalei Market recorded an 18 percent jump in the overall volume of selected produce supplied to the Market in January 2009. This current level, however, was 2 percent lower when compared with the same month last year. The expansion in the overall supply of agricultural produce in the month under review reflected increased availability of taro, taro palagi, coconut, Chinese cabbage and pumpkin which offset reductions in the supplies of banana, taamu, breadfruit, yam and most vegetables. According to farmers, this month's increased supply of agricultural produce to the Market was influenced not only by seasonal wet weather conditions, but also controlled provision by individual sellers based on their financial need from time to time, particularly with preparations for the start of another school year.

Despite this month's increased volume of agricultural produce, strong demand saw the price index at the Fugalei Market edge up 1 percent from its December 2008 level, but was 15 percent higher than in January 2008. (See Graph 1 and Tables 4 & 5.)

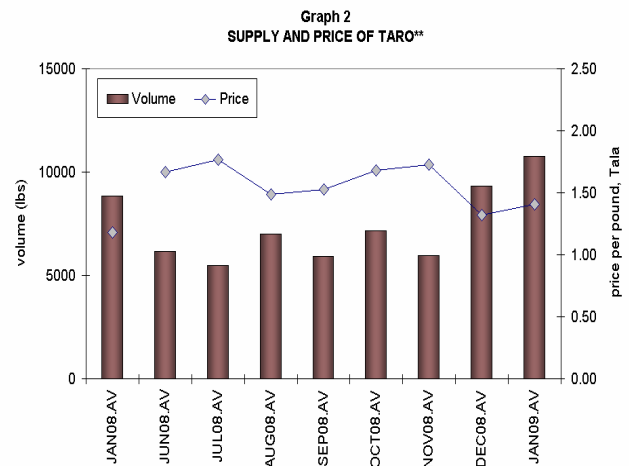


In spite of the improved supplies of agricultural produce in the month under review, the overall average availability in the first seven months of the fiscal year

2008/09 was 31 percent lower than the same period of 2007/08 reflecting the prolonged dry weather conditions that affected food supplies at the start of the fiscal year. As a result, the average price level jumped 26 percent in the period under review.

TARO

While the supply of taro (10,747 pounds) jumped 15 percent in the month under review, higher demand saw its price increase 7 percent to \$1.41 per pound. And, when compared to January 2008, the current volume of taro was 21 percent higher, with its price up 19 percent from a year ago due to stronger demand. (See Graph 2 and Tables 1 and 2.)

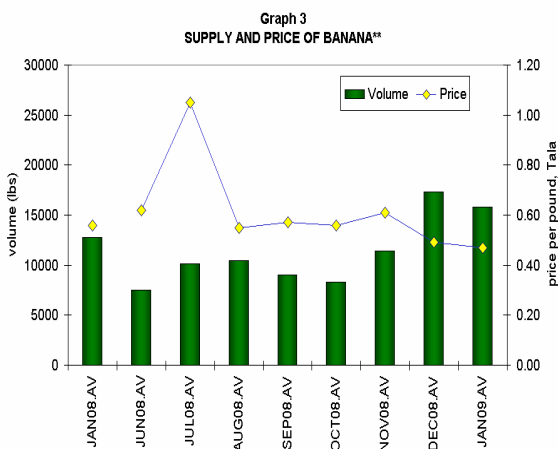


Despite this month's higher volume, the average availability of taro (at 7,370 pounds) was 30 percent lower in the first seven months of 2008/09 compared to the same period of 2007/08. Its average price, consequently, rose 30 percent over the same period.

BANANA

The average supply of banana in January 2009, at 15,763 pounds, was 9 percent lower from

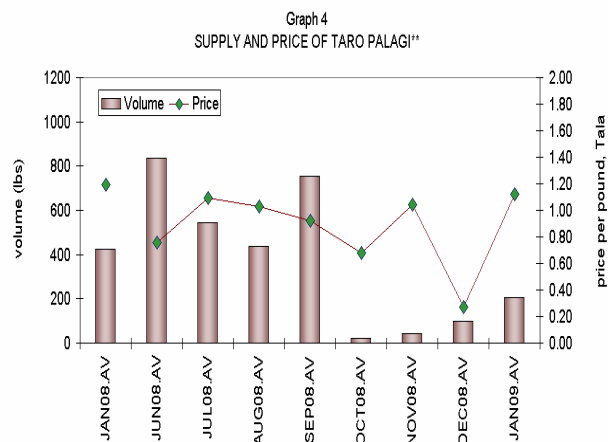
December 2008. And, as demand shifted to its closest substitutes; taro and taro palagi, banana prices declined 4 percent to an average \$0.47 per pound. However, when compared with the same month of 2008, the current volume of banana was 23 percent higher, decreasing its average price by 16 percent over the year. (See Graph 3 and Tables 1 and 2.)



The lower supply of banana in the month under review contributed to a 30 percent drop in its average volume in the seven months ending January 2009 (at 11,766 pounds per month). As a result, its average price was 20 percent higher than the corresponding period of 2007/08.

TARO PALAGI

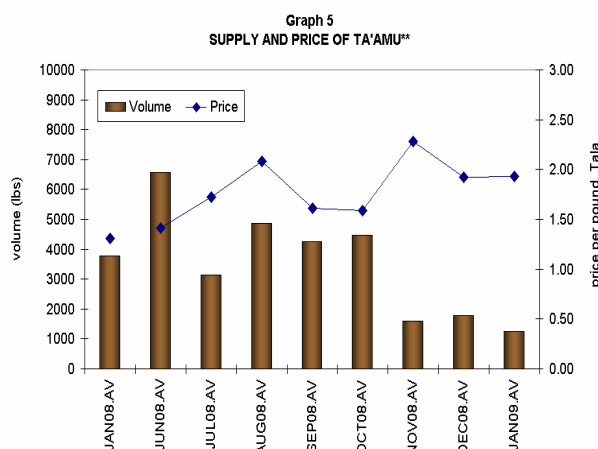
The supply of taro palagi recovered substantially in January 2009 to 207 pounds, a level that was more than doubled that of the previous month but was nevertheless 51 percent lower when compared to January 2008. Strong demand, however, exerted upward pressure on its average price, which more than quadrupled to \$1.12 per pound in the month under review, a level that was 6 percent lower than a year ago. (See Graph 4 and Tables 1 and 2.)



The plentiful supply of taro palagi in January 2009 saw its average availability in the first seven months of 2008/09 increase 10 percent to 302 pounds per month. On the other hand, higher demand, particularly from small home-based taro chips manufacturers who were the main buyers, drove its price up 1 percent in the first seven months of 2008/09.

TAAMU

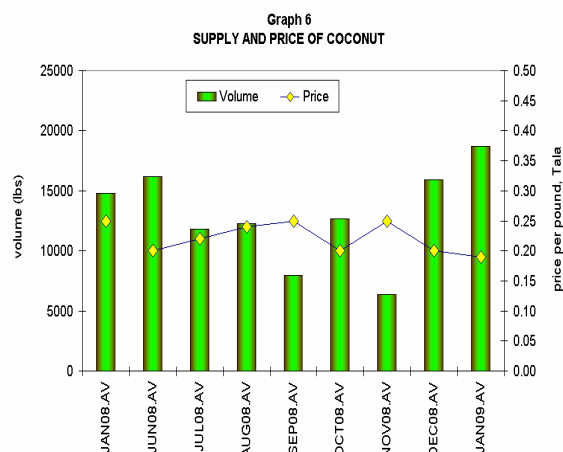
The volume of ta'amu available at the Fugalei Market decreased 30 percent to 1,255 pounds in the month under review, in response to increased supplies of its close substitutes, taro and taro palagi. The price of taamu, as a consequence, rose 1 percent to \$1.93 per pound. Nevertheless, when compared with the same month of 2008, the current supply of taamu was 67 percent lower and its price was 47 percent higher. (See Graph 5 and Table 1 and 2.)



With the lower supply of ta'amu in January 2009, its average availability in the seven months of 2008/09 decreased 49 percent to 3,052 pounds per month. As a result, its average price leapt 57 percent to \$1.88 per pound.

COCONUT

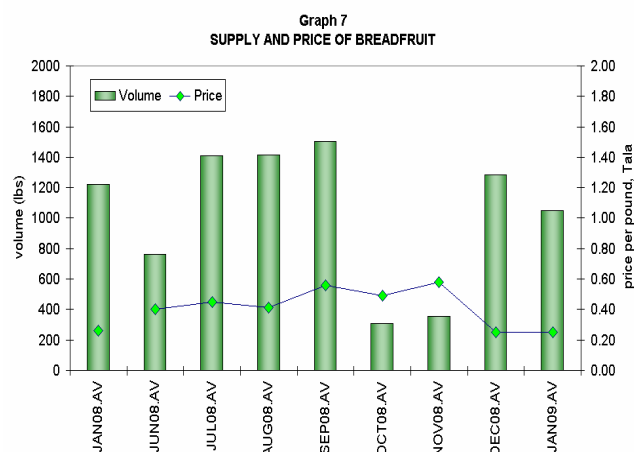
The volume of coconut at the Market increased 18 percent to 18,708 pounds, reducing its price by 5 percent to \$0.19 per pound in January 2009. When compared with the same month last year, the current supply of coconuts was 26 percent higher, pushing its current price level down 24 percent from a year ago. (See Graph 6 and Tables 1 and 2.)



Despite the increase in January 2009, the average availability of coconut (at 12,239 pound per month) in the first seven months of 2008/09 dropped 27 percent from the same period of 2007/08. As a result, its price rose 10 percent in the comparable period.

BREADFRUIT

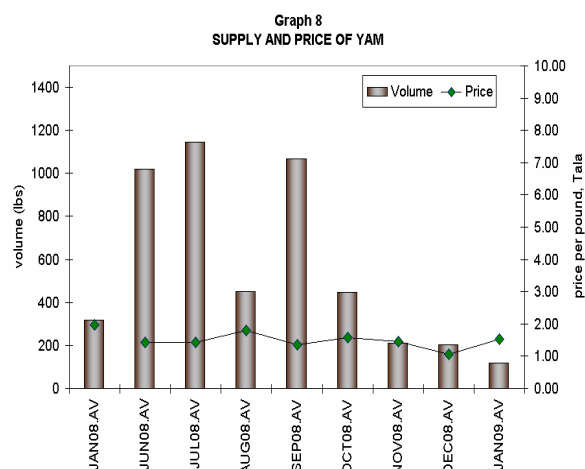
The average supply of breadfruit fell 18 percent to 1,052 pounds in the month under review and was 14 percent lower than in January 2008. And, combined with weak demand for this staple produce during the month under review, the price of breadfruit remained steady at \$0.25 per pound from the previous month, 4 percent below the level in January 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 seven months of fiscal year 2008/09 (at 1,048 pound per month) was 34 percent higher than in the same period of 2007/08, while its price shot up 19 percent in the period under review.

YAM

In January 2009, the supply of yam shrank 42 percent from the previous month and its price increased 44 percent to \$1.53 per pound. When compared with the same month in 2008, the current supply of yam was 63 percent lower with its price contracting 22 percent reflecting weak demand for this staple crop. (See Graph 8 and Tables 1 and 2.)



Despite the drop in the month review, the average availability of yam in the first seven months of 2008/09 more than doubled the level of the same period in 2007/08. Due to increased

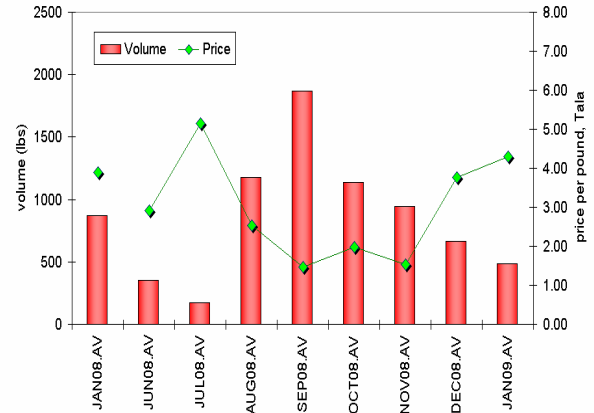
demand, however, its average price was 8 percent higher over the comparable period.

VEGETABLE PRODUCE

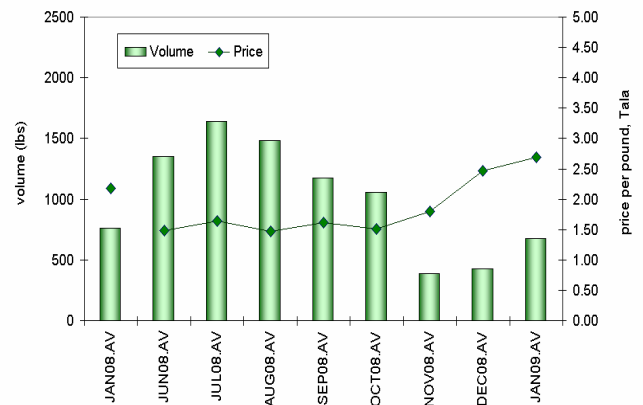
The supply of most perishable vegetables was largely affected in the month under review as the seasonal wet weather conditions took its toll on vegetable growers. In particular, the volume of head cabbages, tomatoes and cucumber tumbled 60 percent, 27 percent and 57 percent respectively. Consequently, the price of head cabbage, tomatoes and cucumber soared 6 percent, 14 percent and 17 percent in the month under review.

On the upside, there was an increased supply of Chinese cabbage (up 58 percent) with pumpkin in huge abundance (up 228 percent). As a consequence, pumpkin prices fell 29 percent in January 2009 while strong demand for Chinese cabbage saw its price jump 9 percent. Compared to January 2008, the supplies of most vegetable produce were lower, and their prices consequently higher (except for pumpkin, which was 4 percent cheaper than last year). (See Graphs 9 to 13 and Table 1 and 2.)

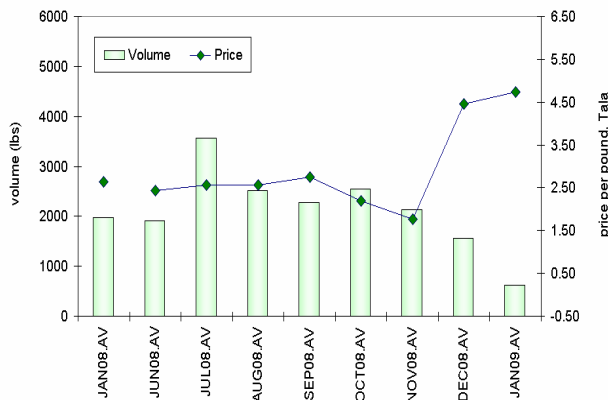
**Graph 10
SUPPLY AND PRICE OF TOMATOES****



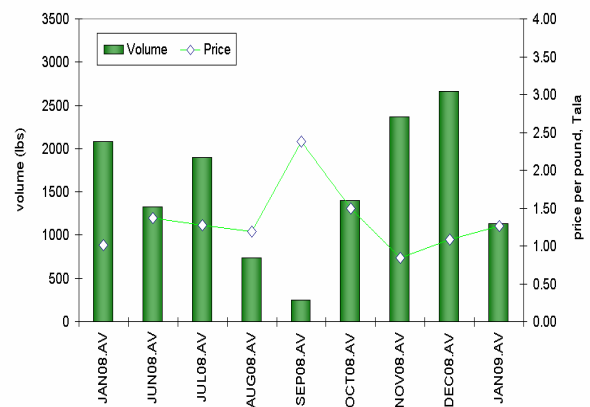
**Graph 11
SUPPLY AND PRICE OF CH.CABBAGE****

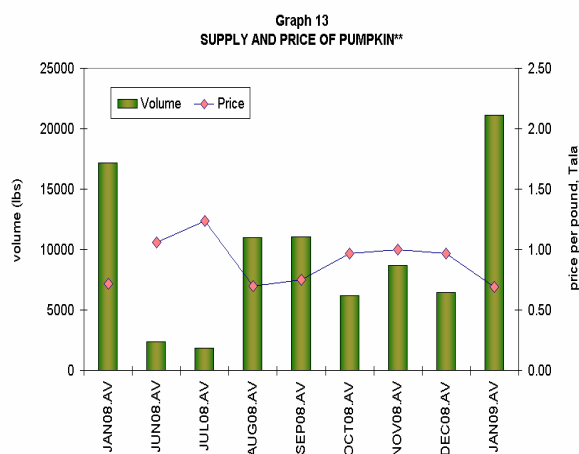


**Graph 9
SUPPLY AND PRICES OF H.CABBAGE****



**Graph 12
SUPPLY AND PRICE OF CUCUMBER**





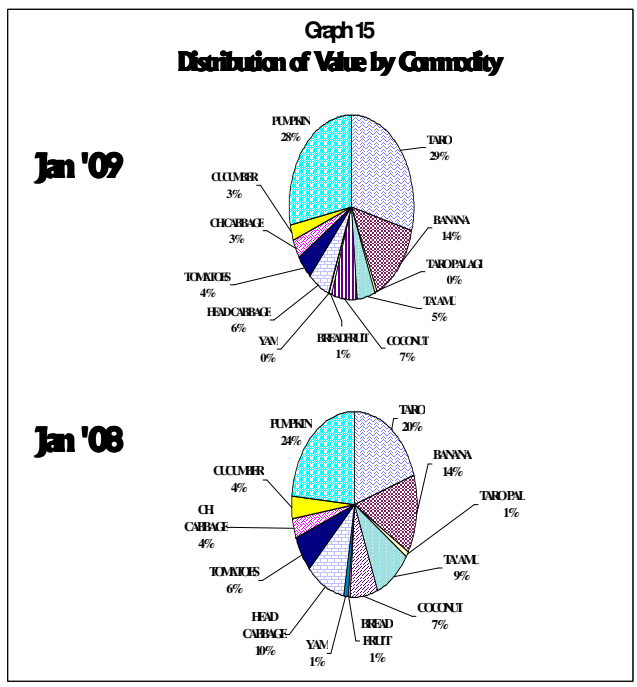
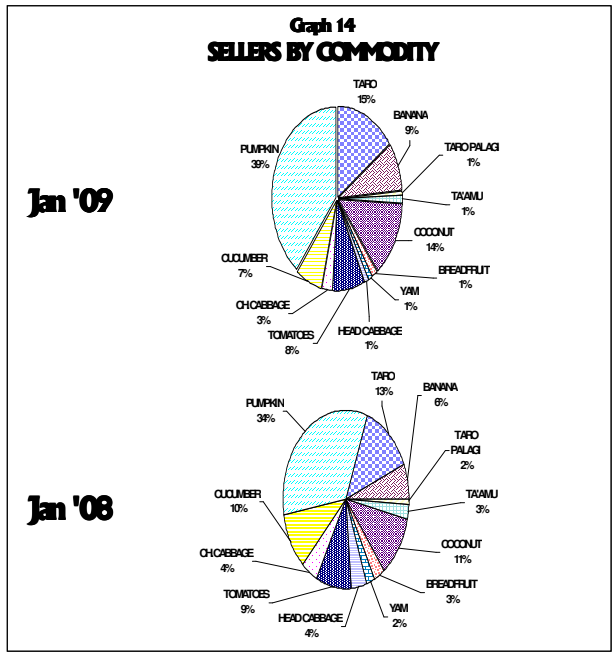
SELLERS

Reflecting the expansion in the overall supply, the number of sellers (321) on the days surveyed in January 2009 was 25 percent higher than in the previous month, and 9 percent above the same month last year. (See Graph 14 and Table 6.)

In the days surveyed in the month under review, there were a total of 127 **pumpkin** sellers, which accounted for 40 percent of the total number of sellers at the Market during January 2009. This was up from 77 in December 2008 and 98 in January 2008 or its share of 30 percent in the previous month and 33 percent in January last year. Second in line, were those supplying **taro**, which increased to 49 from 33 sellers in December 2008 and 39 in January 2008. Consequently, its' share of the total number of sellers rose to 15 percent, from 13 percent each in the previous month and January a year ago. **Coconut** sellers followed with a total of 44, up from 25 and 33 in December 2008 and January 2008. As a proportion of the total number of sellers, this was equivalent to a 14 percent share in January 2009, up from its 10 percent and 11 percent shares in the previous month and January 2008. Suppliers of **banana**, likewise, increased in the month under review with 28 compared to 24 and 19 in December 2008 and January last year. This was represented by a 9 percent share that was similar to the previous month but higher than the 6 percent share of a year ago. There were 9 sellers of **Chinese cabbage** in the month under review, up from 7 in December 2008 but lower than the 12 in January 2008. As a percentage of the total number of sellers in the month under review, those supplying Chinese cabbage was steady at 3 percent

from December 2008 and lower than its 4 percent contribution last year. And, after an absence in the previous month, there were 2 sellers of **taro palagi** in January 2009, which was similar to those supplying this crop last year. The return of suppliers of taro palagi to the Market accounted for 1 percent of the total number of sellers in the month under review.

On the other hand, there was a reduction in the number of **tomato** sellers (down to 26 from 31 in December 2008 and 27 in January 2008), which was reflected by its lower share (8 percent) in the month under review, from 12 percent in the previous month and 9 percent in January last year. Likewise, the sellers of **cucumber** decreased to 21, from 34 in December 2008 and 31 in January 2008. This was equivalent to its lower share of 7 percent in the month under review compared to the previous month (13 percent) and a year ago (10 percent). Suppliers of **head cabbage** decreased significantly to 4 from 12 and 11 in December 2008 and January last year, respectively a trend that was reflected by its lower share in the month under review (of 1 percent) from that of the previous month (5 percent) and January 2008 (4 percent). Similarly, there were 4 sellers of **breadfruit** and **yam** during the month, down slightly from December 2008 but significantly lower than a year ago. By percentage, this was equivalent to shares of 1 percent each for these staple crops compared to their 2 percent shares each in the previous month and 3 percent and 2 percent respectively in January last year. **Taamu** seller fell to 5 from 6 in December 2008 and 8 in January 2008, equivalent to its 1 percent share in the month under review and lower than those of the comparable periods.



VALUE OF SUPPLIES

As a result of the higher volume and price levels in January 2009, the average value of selected produce increased 9 percent to \$52,000; a level that was 1 percent below the same month of 2008. (See Graph 15 and Table 3.)

Taro contributed the largest share (29 percent) of the total value of produce supplied to the Market in January 2009, up from 26 percent in December 2008, and 20 percent in January 2008. Likewise, pumpkin and Chinese cabbage registered contributions of 28 percent and 3 percent respectively in the month under review compared to 13 percent and 2 percent in December 2008 and 24 percent and 3 percent in a year earlier. Coconut and taro palagi accounted for 7 percent and 0.4 percent of the total value of agricultural supplies of the Fugalei Market in January 2009, similar to that of December 2008 and January last year. Banana, despite its lower value, accounted for 14 percent, which was down from its share of 18 percent in December 2008 but similar to that of January last year. Head cabbage and taamu contributed 6 percent and 5 percent shares respectively in the month under review while tomatoes, cucumber and breadfruit accounted for 4 percent, 3 percent and 1 percent of the total value of produce supplied to the Market in January 2009. Relatively lower shares were recorded for the remaining commodities surveyed in January 2009.

@ 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
27th February 2009**
