



Newsletter Consumer Price Index (CPI) April 2011



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May 11, 2011

The rate of Inflation falls to 9.02 %

April 2011 rate of inflation

The April 2011 inflation rate fell to 9.02%, 0.11 percentage points lower than that of March (9.13%).

The rate of inflation is the percentage change in the Consumer Price Index (CPI) over the twelve-month period from April 2010 (332.99) to April 2011 (363.02).

The monthly change (1.31%) is the percentage change in the CPI over one month i.e. between March 2011 and April 2011, (Table 1).

The Consumer Price Index

The Consumer Price Index (CPI) measures the average price level relative to those of 2002 average price level, (the base year). The CPI shows how much the average price level rose from the base year, which is 100 to April 2011 (363.02). (Figure1). The April 2011 CPI was 30.0 points above that of April 2010 and this means that the general price level went up by 30.0 points from April 2010 to April 2011.

Inflation trend

The rate of inflation fell continuously over 18 months from 20.74% in June 2009 to 8.58% in December 2010, with declines of more than 1 percentage point occurring four times

Table 1: CPI March 2011, April 2011

CPI -March, April 2011			
Month	Index	Change rate	
	2002 = 100	monthly	yearly
2011, March	358.34	1.11%	9.13%
2011, April	363.02	1.31%	9.02%

Figure1: Consumer Price Index from April 2010 to April 2011

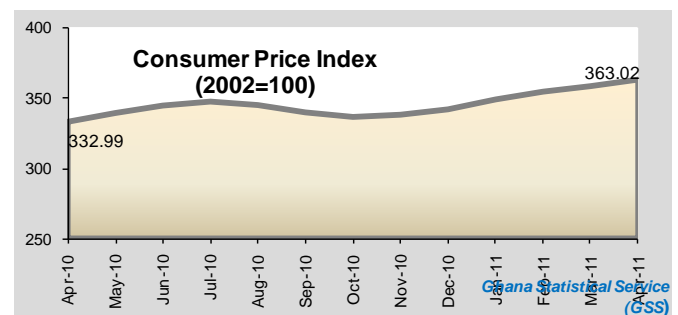
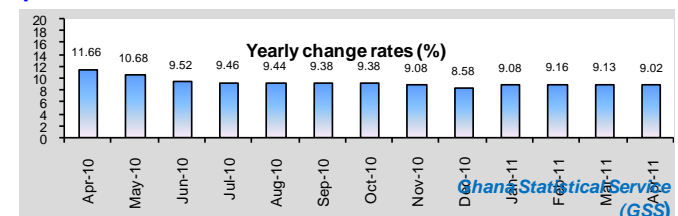


Figure2: Year-on-year Inflation rates from April 2010 to April 2011



during the period (September 2009, November 2009, February 2010 and April 2010) (Figure 2). There was a change in the trend as the rate inched up by 0.5 and 0.08 percentage points in January and February 2011 respectively. Inflation declined

by 0.03 percentage points in March and further declined by 0.11 in April 2011.

Main contributors to the rate of inflation

The downward trend in inflation can be attributed to both the food and non-alcoholic beverages group and the non-food group.

The food and non-alcoholic beverages group has been recording single digit inflation rate since January 2010. The non-food inflation rate, on the other hand, though declining has been recording double digit inflation rates (Annex 2).

In the food group (which has a weight of 44.91%) sub groups with the highest inflation rates are Sugar, jam, honey, syrups, chocolate and confectionary (14.77%), Mineral waters, soft drinks and juices (14.11%), and Fruit (12.62%); the average April food inflation rate is 4.18%, (Figure 3).

The non-food group with a weight of 55.09% had major influence on the rate of inflation. In April 2011 there was an appreciable inflation rate in Transport (21.72%), Alcoholic beverages, tobacco and narcotics (15.81%) and Housing, water, electricity, gas and other (15.24%); the average April non-food inflation rate is 12.16%, (Figure 4).

Regional differentials

Inflation rates in the regions range from 5.24% (Volta region) to 12.31% (Greater Accra region). The Upper East and West, Ashanti and Greater Accra regions recorded inflation rates above the national rate of 9.02% (Annex 5).

Dissemination

Detailed information on the series is contained in the CPI User's guide at GSS. The target publication date of the monthly newsletter is 15th of the month. It is released on the second Wednesday of each month, and on the third, when the 15th of the month falls on Wednesday. The next release date is 15th June 2011.

Figure 3: April 2011 Food Inflation

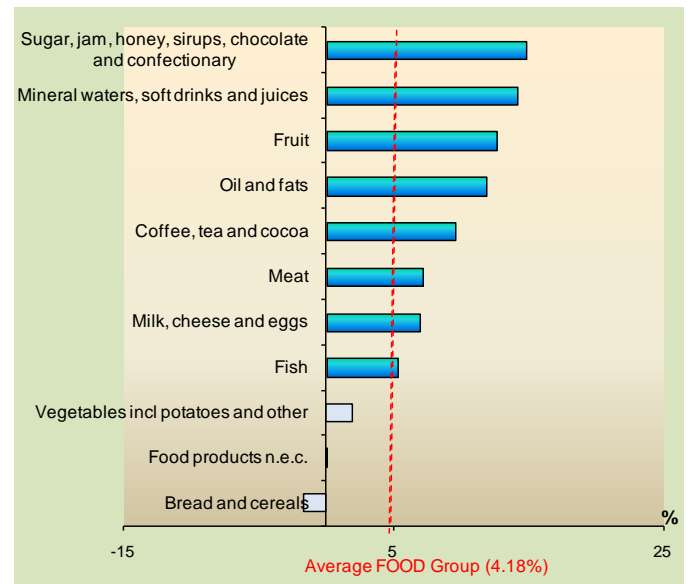


Figure 4: April 2011 Non-Food Inflation

