



Newsletter Consumer Price Index (CPI) June, 2010



Ghana Statistical Service (GSS)
P.O. Box GP 1098, Accra

Tel: +233-302-682677, +233-302- 664382

Fax No. +233-302-664304

July 14, 2010

Inflation rate falls to single digit – June 2010 rate is 9.52%

June 2010 rate of inflation

The June 2010 inflation rate is 9.52%. The rate is 1.16 percentage points lower than that of May 2010 (10.68%). The rate of inflation is the percentage change in the Consumer Price Index (CPI) over the twelve-month period from June 2009 (314.57) to June 2010 (344.52). The monthly change is the percentage change in the CPI over one month (Table 1). The monthly rate for June (1.57) was also lower than that of May (1.87).

percentage points) followed by January (1.19 percentage points and June (1.16 percentage points). The other months recorded declines below 1 percentage point. The cumulative decline between January 2010 and June 2010 is 5.26 percentage points (from 14.78% to 9.52%). The food and non-alcoholic beverages group has been recording single digit inflation rate since January 2010 falling from 9.08% to 4.69% in May 2010 increased to 6.13 % in June 2010. The non-food inflation rate, on the other hand, though declining has been recording double digit inflation rates (Figure 1).

The Consumer Price Index

The Consumer Price Index (CPI) is the average price level measured relative to a reference period, usually called a base year. The base year for Ghana's CPI is 2002, which is equated to 100. The June 2010 CPI was 5.31 points above that of May 2010.

Figure1: Rate of inflation disaggregated between food and non-food from June 2009 to June 2010.

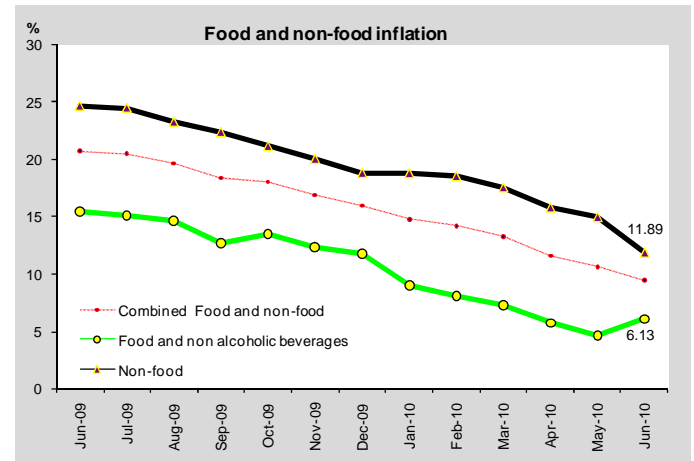


Table 1: CPI May and June 2010

	Index	Change rate (%)	
	2002 = 100	Monthly	Yearly
May	339.21	1.87	10.68
June	344.52	1.57	9.52

Food rate of inflation

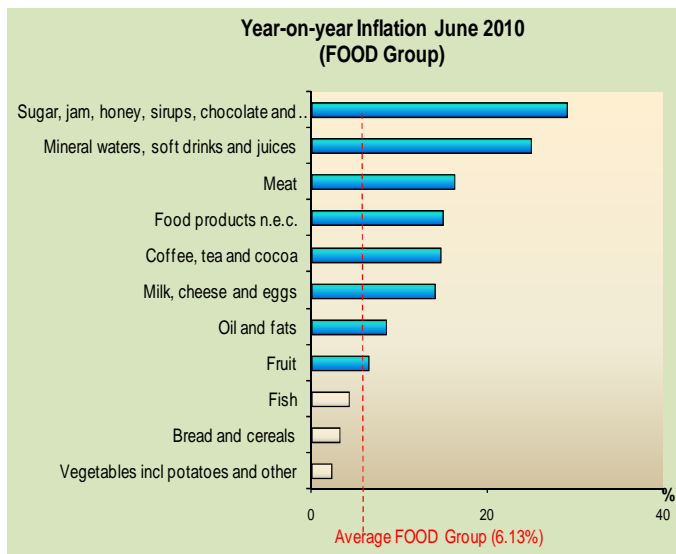
Inflation trend

The rate of inflation has been falling for 12 consecutive months. The largest decline in 2010 was recorded in April (1.66

percentage points) followed by January (1.19 percentage points and June (1.16 percentage points). The other months recorded declines below 1 percentage point. The cumulative decline between January 2010 and June 2010 is 5.26 percentage points (from 14.78% to 9.52%). The food and non-alcoholic beverages group has been recording single digit inflation rate since January 2010 falling from 9.08% to 4.69% in May 2010 increased to 6.13 % in June 2010. The non-food inflation rate, on the other hand, though declining has been recording double digit inflation rates (Figure 1).

syrups, chocolate and confectionery (29.02%) and Mineral waters, soft drinks and juices (24.90%), Figure 2.

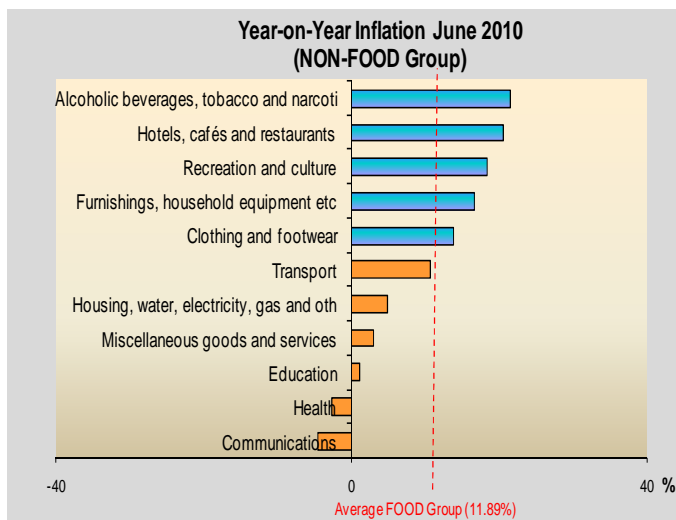
Figure 2: Inflation in food subgroups



Non-food rate of inflation

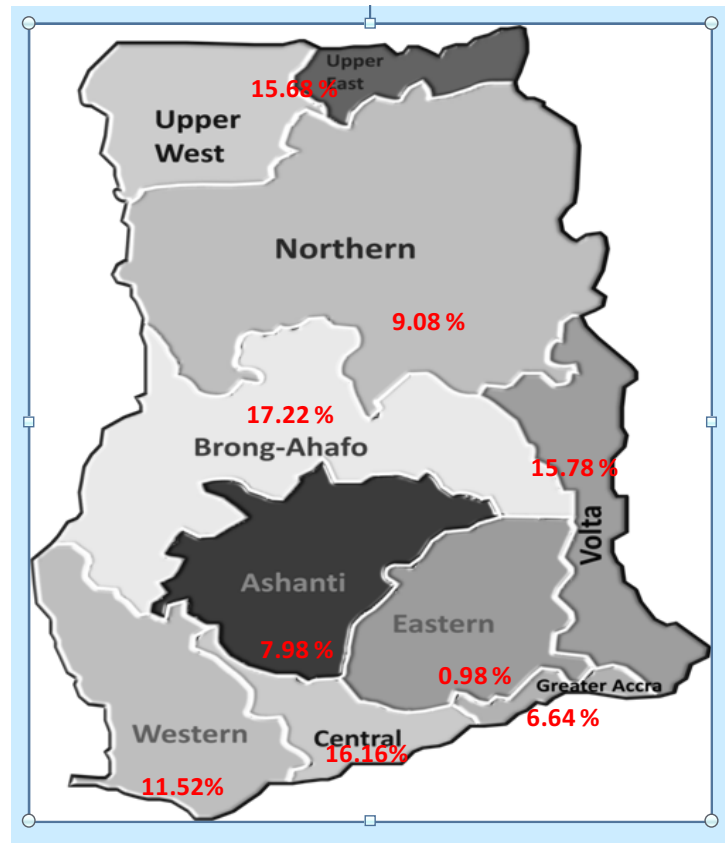
Inflation in the non-food group (which accounts for 55.09 percent of average household expenditure) had five out of eleven of its subgroups recording inflation rates above the group average of 11.89 percent. Alcoholic beverages, tobacco and narcotic (21.51%), Hotel and restaurants (20.49%) and Recreation and culture (18.31%) are among the subgroups that recorded high inflation rates. The Health and Communications subgroups recorded negative inflation rate of -2.61% and -4.51% respectively (Figure 3).

Figure 3: Inflation in non-food subgroups



Regional differentials

Inflation rates in the regions range from 0.98 percent (Eastern region) to 17.22 percent (Brong-Ahafo region). Four regions (Eastern, Greater Accra, Ashanti and Northern) recorded inflation rates below the national rate of 9.52 percent (Annex 5).



Dissemination

Detailed information on the series is contained in the CPI User's guide available 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 11th August 2010.

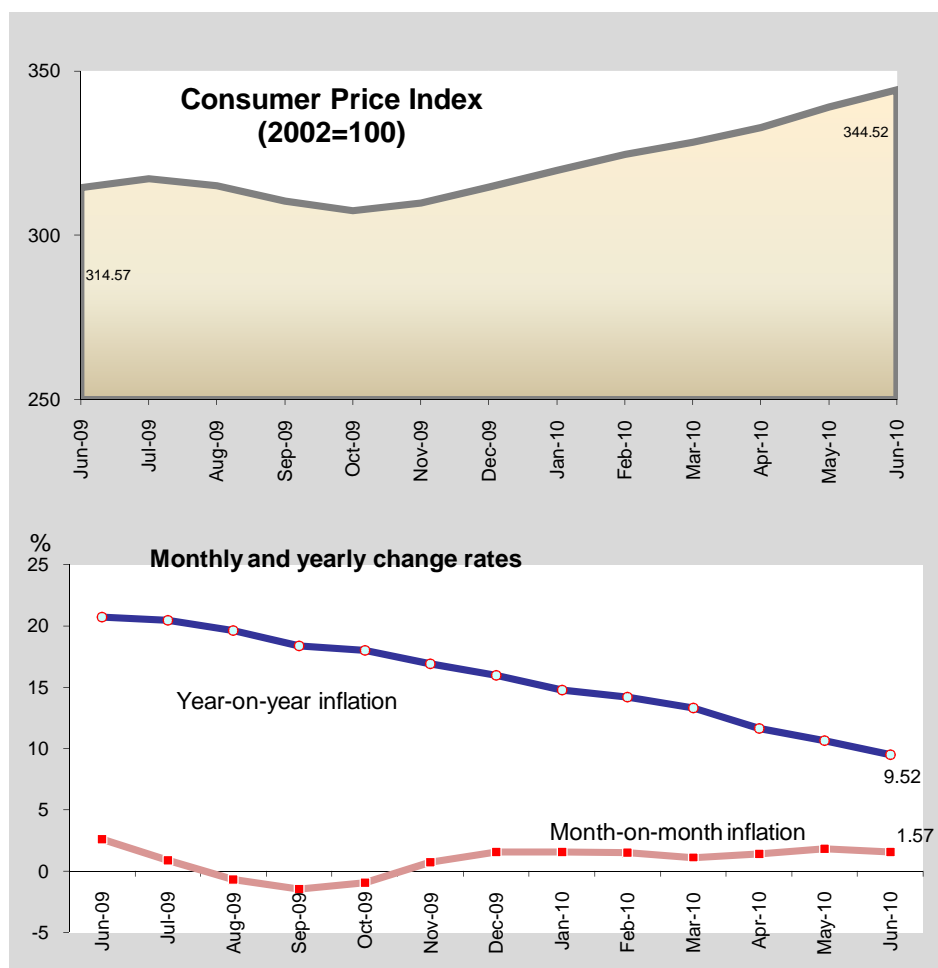
Visit our website at: www.statsghana.gov.gh

Send your comments, suggestions and requests to: econsstats@statsghana.gov.gh

Annex 1

Consumer Price Index (CPI), June 2009 - June 2010

Year / Month	Index 2002 = 100	Change rate (%)	
		Monthly	Yearly
2007 average	218.73	1.01	10.73
2008 average	254.87	1.41	16.46
2009 average	303.93	1.25	19.29
Jun-09	314.57	2.64	20.74
Jul-09	317.33	0.88	20.50
Aug-09	315.13	-0.69	19.65
Sep-09	310.52	-1.46	18.37
Oct-09	307.57	-0.95	18.04
Nov-09	309.89	0.75	16.92
Dec-09	314.83	1.59	15.97
Jan-10	319.83	1.59	14.78
Feb-10	324.66	1.51	14.23
Mar-10	328.35	1.14	13.32
Apr-10	332.99	1.41	11.66
May-10	339.21	1.87	10.68
Jun-10	344.52	1.57	9.52

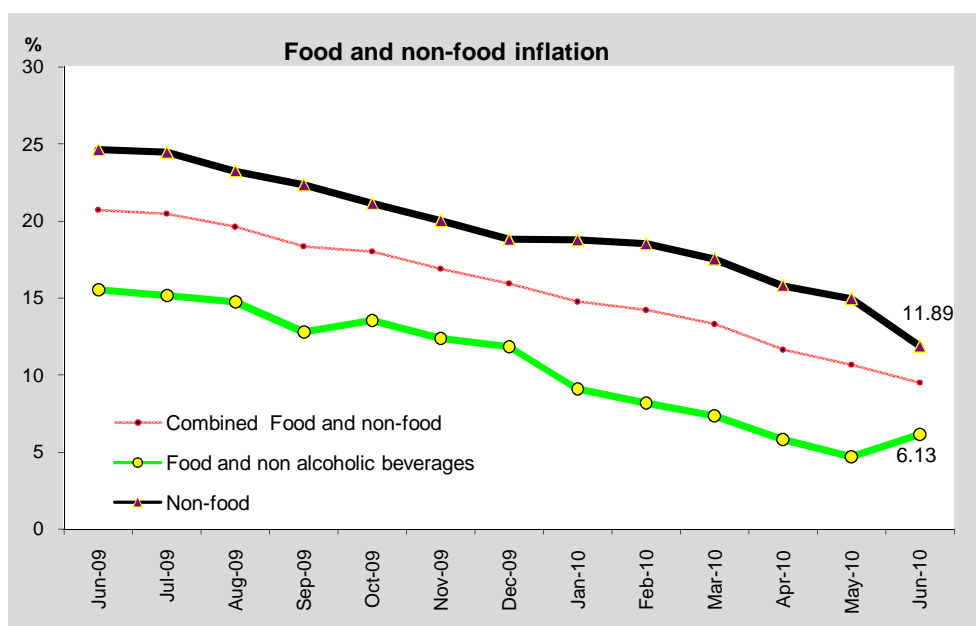


Source: Ghana Statistical Service (GSS)

Annex 2

Food and non-food inflation, June 2009 to June 2010

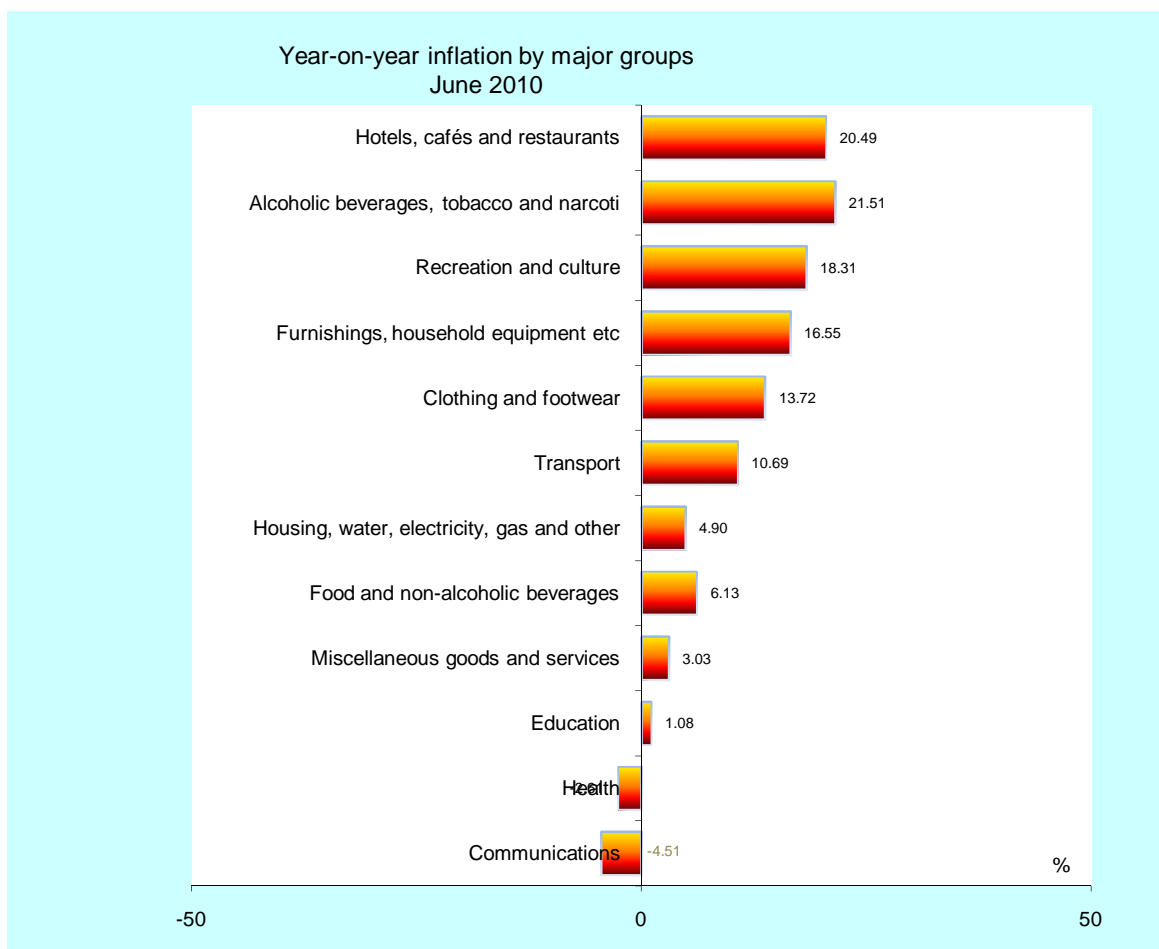
Year / Month	Year-on-year inflation (%)		
	Combined Food and non-food	Food and non alcoholic beverages	Non-food
2007 average	10.73	9.46	11.68
2008 average	16.46	15.10	17.47
2009 average	19.29	15.78	21.83
Jun-09	20.74	15.54	24.66
Jul-09	20.50	15.17	24.48
Aug-09	19.65	14.75	23.25
Sep-09	18.37	12.78	22.38
Oct-09	18.04	13.53	21.15
Nov-09	16.92	12.38	20.05
Dec-09	15.97	11.84	18.82
Jan-10	14.78	9.08	18.79
Feb-10	14.23	8.17	18.54
Mar-10	13.32	7.35	17.55
Apr-10	11.66	5.81	15.82
May-10	10.68	4.69	14.98
Jun-10	9.52	6.13	11.89



Source: Ghana Statistical Service (GSS)

Annex 3
Inflation by COICOP major groups, June 2010

item (COICOP classification)	Index 2002 = 100	Change rate (%)	
		Monthly	Yearly
Combined (Food and non-food)	344.52	1.57	9.52
Communications	272.95	0.00	-4.51
Health	559.90	1.23	-2.61
Education	280.93	0.06	1.08
Miscellaneous goods and services	282.12	1.51	3.03
Food and non-alcoholic beverages	305.43	2.27	6.13
Housing, water, electricity, gas and other	409.22	0.31	4.90
Transport	494.72	0.29	10.69
Clothing and footwear	265.87	1.05	13.72
Furnishings, household equipment etc	297.51	1.03	16.55
Recreation and culture	526.71	1.36	18.31
Alcoholic beverages, tobacco and narcoti	341.08	2.15	21.51
Hotels, cafés and restaurants	525.49	0.81	20.49



Source: Ghana Statistical Service (GSS)

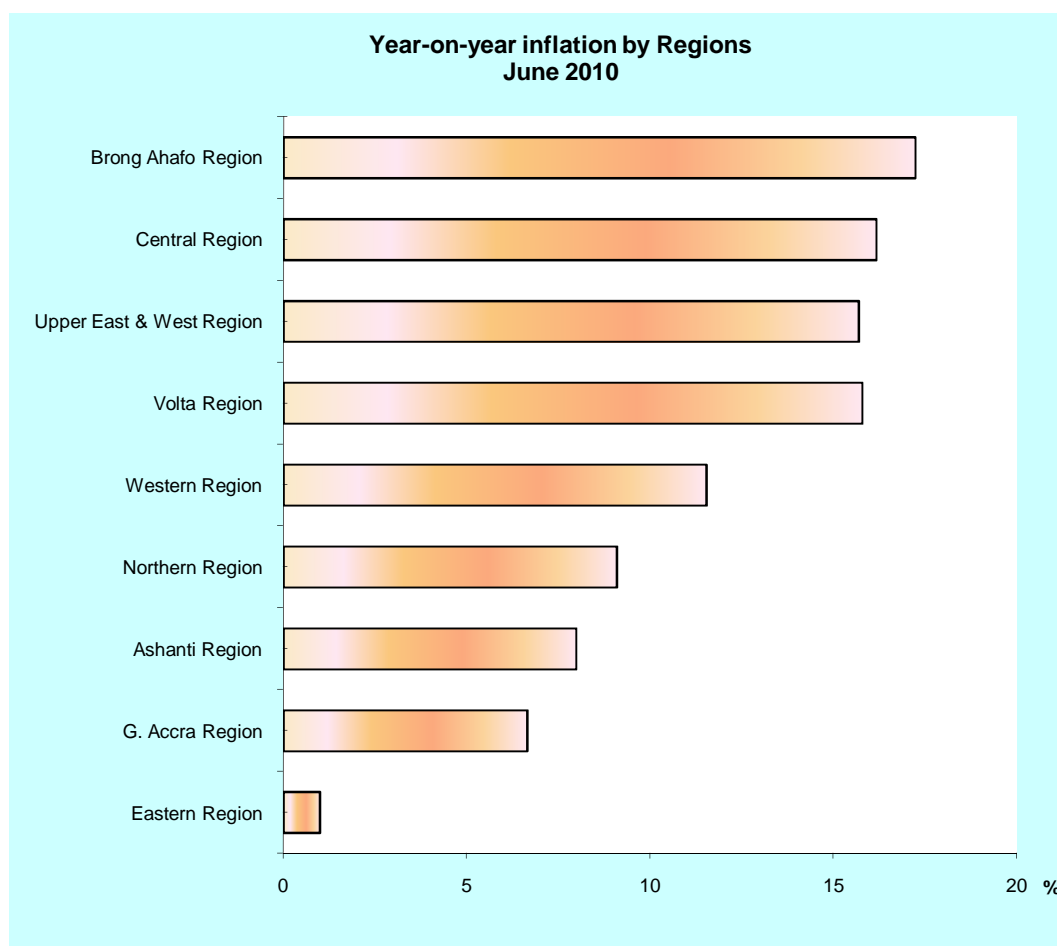
Annex 4**Contribution of major groups and subgroups to June 2010 inflation**

	Weight	Year-on-year inflation (%)	Contribution to inflation (%)
Combined (Food and non-food)	100.00	9.52	100.00
Food and non-alcoholic beverages	44.91	6.13	60.69
Sugar, jam, honey, syrups, chocolate and confectionary	1.17	29.02	3.54
Mineral waters, soft drinks and juices	0.95	24.90	2.45
Meat	4.07	16.30	6.89
Coffee, tea and cocoa	0.69	14.68	1.05
Food products n.e.c.	1.06	14.96	1.65
Milk, cheese and eggs	1.69	14.03	2.46
Oils and fats	2.48	8.47	2.19
Fruit	2.12	6.50	1.43
Bread and cereals	7.97	3.27	2.71
Fish	10.24	4.25	4.52
Vegetables including potatoes and other	12.46	2.25	2.91
Non-food	55.09	11.89	31.80
Recreation and culture	3.04	18.31	5.79
Hotels, cafes and restaurants	8.28	20.49	17.63
Alcoholic beverages, tobacco, narcoti	2.23	21.51	4.98
Transport	6.21	10.69	6.89
Furnishing, household equipment etc	7.83	16.55	13.45
Clothing and footwear	11.29	13.72	16.09
Housing, water, electricity, gas and other	6.98	4.90	3.56
Miscellaneous goods and services	2.99	3.03	0.94
Health	4.33	-2.61	-1.17
Education	1.60	1.08	0.18
Communications	0.31	-4.51	-0.15

Source: Ghana Statistical Service (GSS)

Annex 5
Consumer Price Index (CPI) by Regions, June 2010

Region	Index	Change rate (%)	
	2002 = 100	Monthly	Yearly
NATIONAL	344.52	1.57	9.52
Eastern Region	352.56	1.93	0.98
G. Accra Region	349.74	1.24	6.64
Ashanti Region	326.92	1.37	7.98
Northern Region	338.62	0.85	9.08
Western Region	352.49	1.20	11.52
Volta Region	378.95	1.81	15.78
Upper East & West Region	359.98	4.13	15.68
Central Region	347.74	1.06	16.16
Brong Ahafo Region	309.72	2.93	17.22



Source: Ghana Statistical Service (GSS)

Annex 6
Regional CPI, June 2010

Region	Combined Food and non-food	Food and non alcoholic Beverages	Non-food
Index (2002=100)			
Western Region	352.49	332.73	368.04
Central Region	347.74	255.05	437.50
G. Accra Region	349.74	324.01	367.93
Eastern Region	352.56	323.77	379.51
Volta Region	378.95	437.21	327.03
Ashanti Region	326.92	270.53	370.79
Brong Ahafo Region	309.72	264.15	349.45
Northern Region	338.62	279.94	389.56
Upper East & West Region	359.98	296.58	424.14
NATIONAL	344.52	305.43	376.39
Month-on-month inflation			
Western Region	1.20	1.38	1.08
Central Region	1.06	0.78	1.21
G. Accra Region	1.24	2.83	0.27
Eastern Region	1.93	2.31	1.62
Volta Region	1.81	1.80	1.82
Ashanti Region	1.37	1.65	1.22
Brong Ahafo Region	2.93	5.50	1.30
Northern Region	0.85	1.06	0.72
Upper East & West Region	4.13	6.30	2.65
NATIONAL	1.57	2.27	1.10
Year-on-year inflation			
Western Region	11.52	14.24	9.67
Central Region	16.16	9.24	20.47
G. Accra Region	6.64	12.68	3.20
Eastern Region	0.98	-7.38	8.83
Volta Region	15.78	26.95	4.79
Ashanti Region	7.98	2.62	11.28
Brong Ahafo Region	17.22	11.62	21.24
Northern Region	9.08	8.26	9.60
Upper East & West Region	15.68	11.78	18.60
NATIONAL	9.52	6.13	11.89

Source: Ghana Statistical Service (GSS)