



# Newsletter

## Consumer Price Index (CPI)

### September, 2010



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October 13, 2010

## September Inflation Rate is 9.38%

### September 2010 rate of inflation

The September 2010 inflation rate is 9.38%. The rate is 0.06 percentage point lower than that of August 2010 (9.44%). The rate of inflation is the percentage change in the Consumer Price Index (CPI) over the twelve-month period from September 2009 (310.52) to September 2010 (339.66). The monthly rate which is the percentage change in the CPI over one month showed a decline (-1.51%) for September 2010 compared to that of August 2010 (-0.71%), Table 1.

### The Consumer Price Index

The Consumer Price Index (CPI) is the average price level measured relative to a reference period, usually called the base year, which is equated to 100. The base year for Ghana's CPI is 2002, i.e. (2002 = 100). The CPI of 339.66 in September 2010 suggests that the general level of consumer prices has more than tripled since 2002. The September 2010 CPI was 5.21 points lower than that of August 2010 giving a monthly change of -1.51 percent.

**Table 1: CPI August and September 2010**

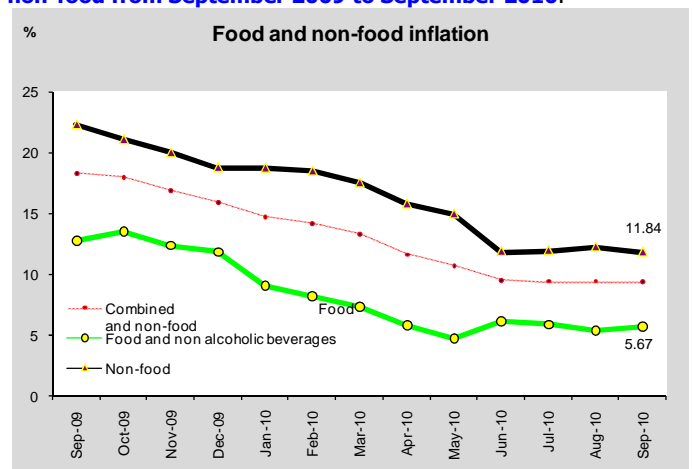
	Index	Change rate	
	2002 = 100	monthly	yearly
2010, August	344.87	-0.71%	9.44%
2010, September	339.66	-1.51%	9.38%

### Inflation trend

The rate of inflation has been falling since June 2009. 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, with the lowest recorded in August 2010 (0.02). The cumulative decline between January 2010 and September 2010 is 5.40 percentage points (from 14.78% to 9.38%).

The downward pressure on 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, falling from 9.08% to 4.69% in May 2010 rising to 6.13% in June 2010 and rising again to 5.67% in September after it has dropped to 5.33% in August 2010.

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

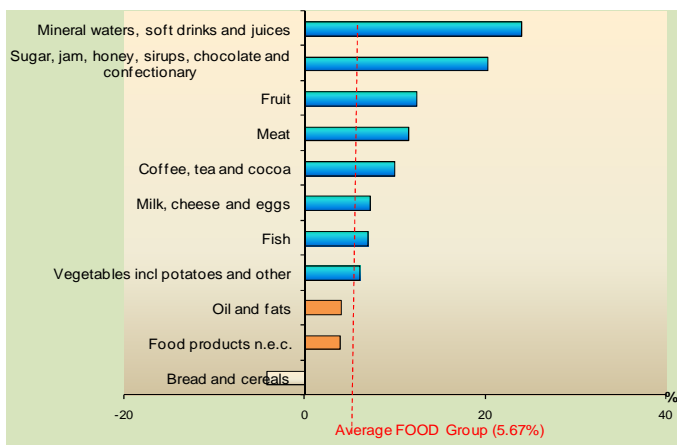


The non-food inflation rate, on the other hand, though declining has been recording double digit inflation rates (Figure 1) falling from 18.79% in January 2010 to 11.84% in September 2010 after it had increased from 11.89 in June 2010 to 12.25% in August 2010.

## Food rate of inflation

In the food group (which has a weight of 44.91 percent), three sub-groups; Bread and cereals (-4.29%), Food products n.e.c (3.87) and Oils and fats (3.99%) recorded inflation rates lower than the group's average. Four sub-groups, comprising of mineral waters etc; sugar, jam etc; fruit; and meat, recorded double digit inflation rates (Figure 2).

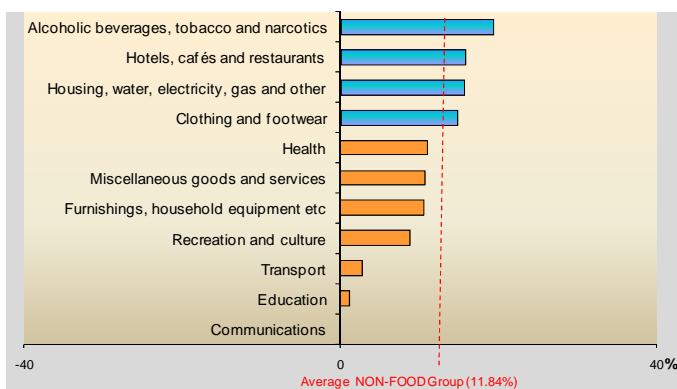
**Figure 2: Inflation in food sub-groups**



## Non-food rate of inflation

Four sub-groups namely; Alcoholic beverages, tobacco and narcotic (19.65%); Hotel and restaurants (17.17%); Housing, water, electricity, gas and other utilities (15.99%); and Clothing and footwear (15.33%) recorded inflation rates above the Non-food group's average of 11.84 percent (Figure 3). Prices of products in the Communications sub-group remain constant throughout the period (0.0% inflation rate).

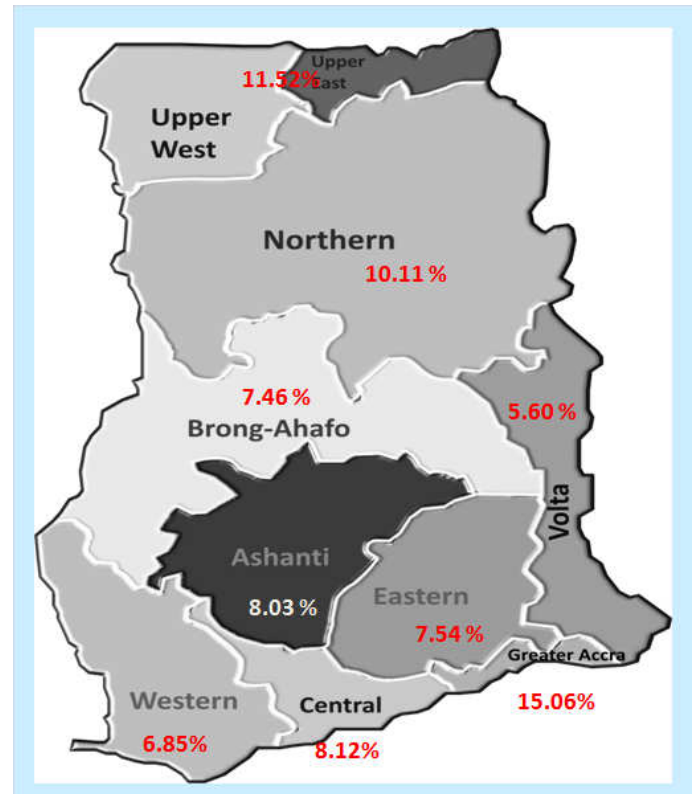
**Figure 3: Inflation in non-food sub-groups**



## Regional differentials

Inflation rates in the regions range from 5.60 percent (Volta region) to 15.06 percent (Greater Accra region). Six regions (Volta, Western, Brong Ahafo, Eastern, Ashanti, and Central) recorded inflation rates below the national rate of 9.38 percent (Figure 4).

**Figure 4: Regional inflation rate – September 2010**



## Dissemination

The 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 10<sup>th</sup> November 2010.

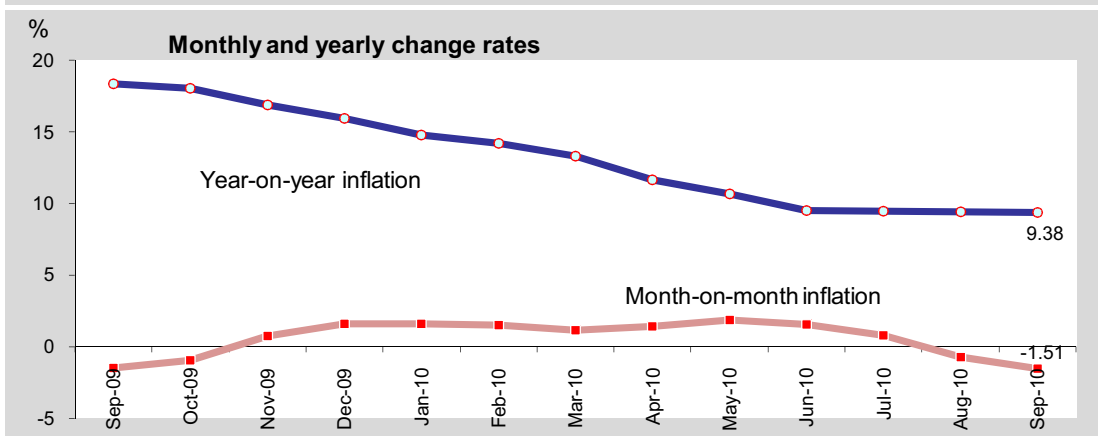
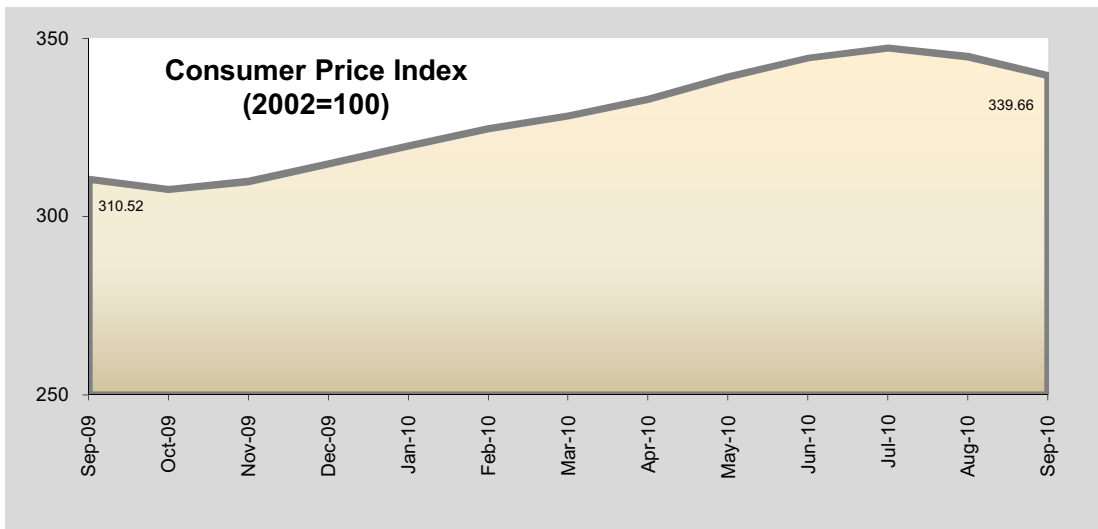
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## Annex 1

### Consumer Price Index (CPI), September 2009 - September 2010

Year / Month	Index 2002 = 100	Change rate (%)	
		Monthly	Yearly
2007 average	<b>218.73</b>	1.01	10.73
2008 average	<b>254.87</b>	1.41	16.46
2009 average	<b>303.93</b>	1.25	19.29
Sep-09	<b>310.52</b>	-1.46	18.37
Oct-09	<b>307.57</b>	-0.95	18.04
Nov-09	<b>309.89</b>	0.75	16.92
Dec-09	<b>314.83</b>	1.59	15.97
Jan-10	<b>319.83</b>	1.59	14.78
Feb-10	<b>324.66</b>	1.51	14.23
Mar-10	<b>328.35</b>	1.14	13.32
Apr-10	<b>332.99</b>	1.41	11.66
May-10	<b>339.21</b>	1.87	10.68
Jun-10	<b>344.52</b>	1.57	9.52
Jul-10	<b>347.35</b>	0.82	9.46
Aug-10	<b>344.87</b>	-0.71	9.44
Sep-10	<b>339.66</b>	-1.51	9.38

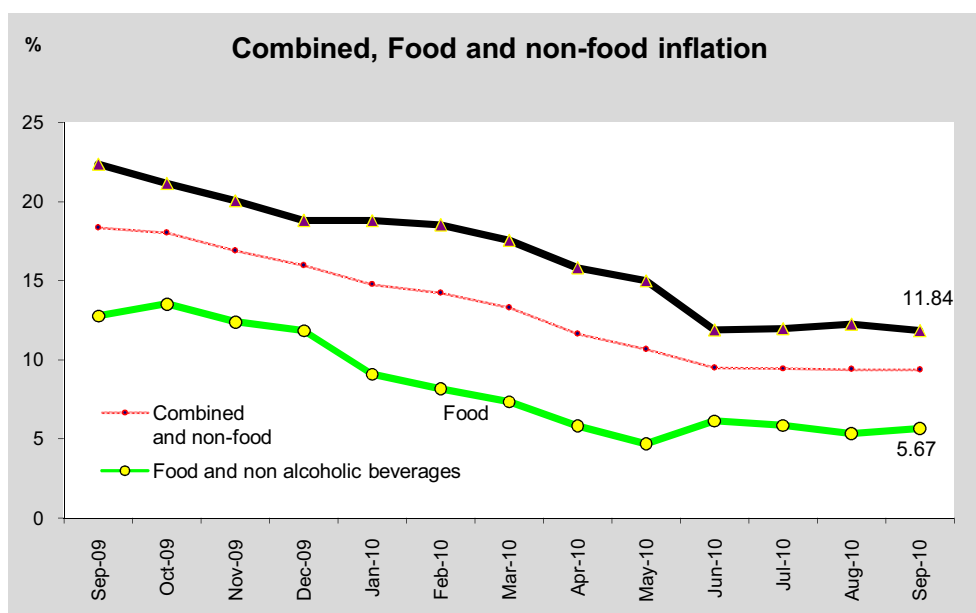


Source: Ghana Statistical Service (GSS)

## Annex 2

### Food and non-food inflation, September 2009 to September 2010

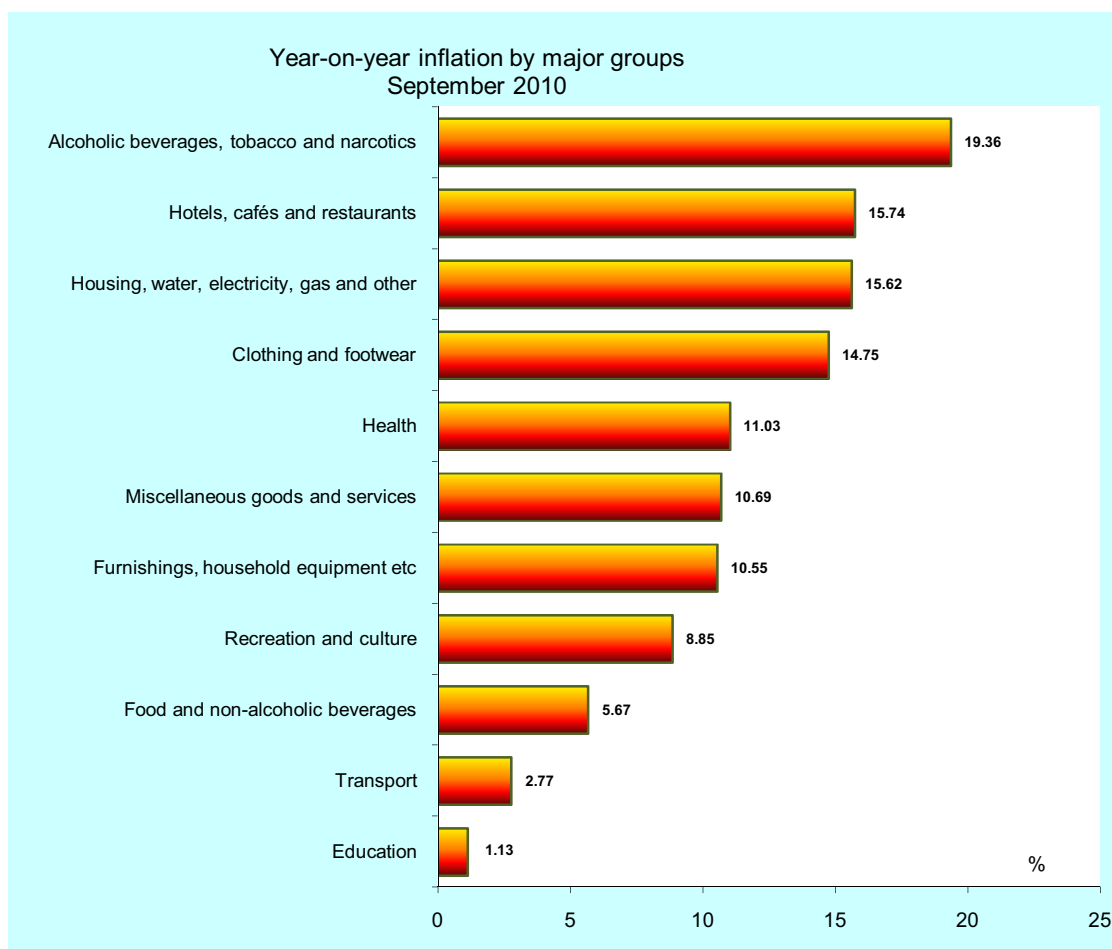
Year / Month	Year-on-year inflation (%)		
	Combined Food and non-food	Food and non alcoholic beverages	Non-food
2007 average	10.73	9.46	11.68
2008 average	16.46	15.10	17.47
2009 average	19.29	15.78	21.83
Sep-09	18.37	12.78	22.38
Oct-09	18.04	13.53	21.15
Nov-09	16.92	12.38	20.05
Dec-09	15.97	11.84	18.82
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
Jul-10	9.46	5.84	11.96
Aug-10	9.44	5.33	12.25
Sep-10	9.38	5.67	11.84



Source: Ghana Statistical Service (GSS)

**Annex 3**  
**Inflation by COICOP major groups, September 2010**

item (COICOP classification)	Index 2002 = 100	Change rate (%)	
		Monthly	Yearly
<b>Combined (Food and non-food)</b>	<b>339.66</b>	<b>-1.51</b>	<b>9.38</b>
Communications	272.95	0.00	0.00
Education	281.45	0.00	1.13
Transport	496.68	0.01	2.77
Food and non-alcoholic beverages	290.57	-3.30	5.67
Recreation and culture	526.26	-0.10	8.85
Furnishings, household equipment etc	299.52	0.21	10.55
Miscellaneous goods and services	283.79	0.24	10.69
Health	561.96	0.11	11.03
Clothing and footwear	267.21	0.16	14.75
Housing, water, electricity, gas and other	447.01	0.10	15.62
Hotels, cafés and restaurants	523.80	-0.39	15.74
Alcoholic beverages, tobacco and narcotics	345.10	0.09	19.36



Source: Ghana Statistical Service (GSS)

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

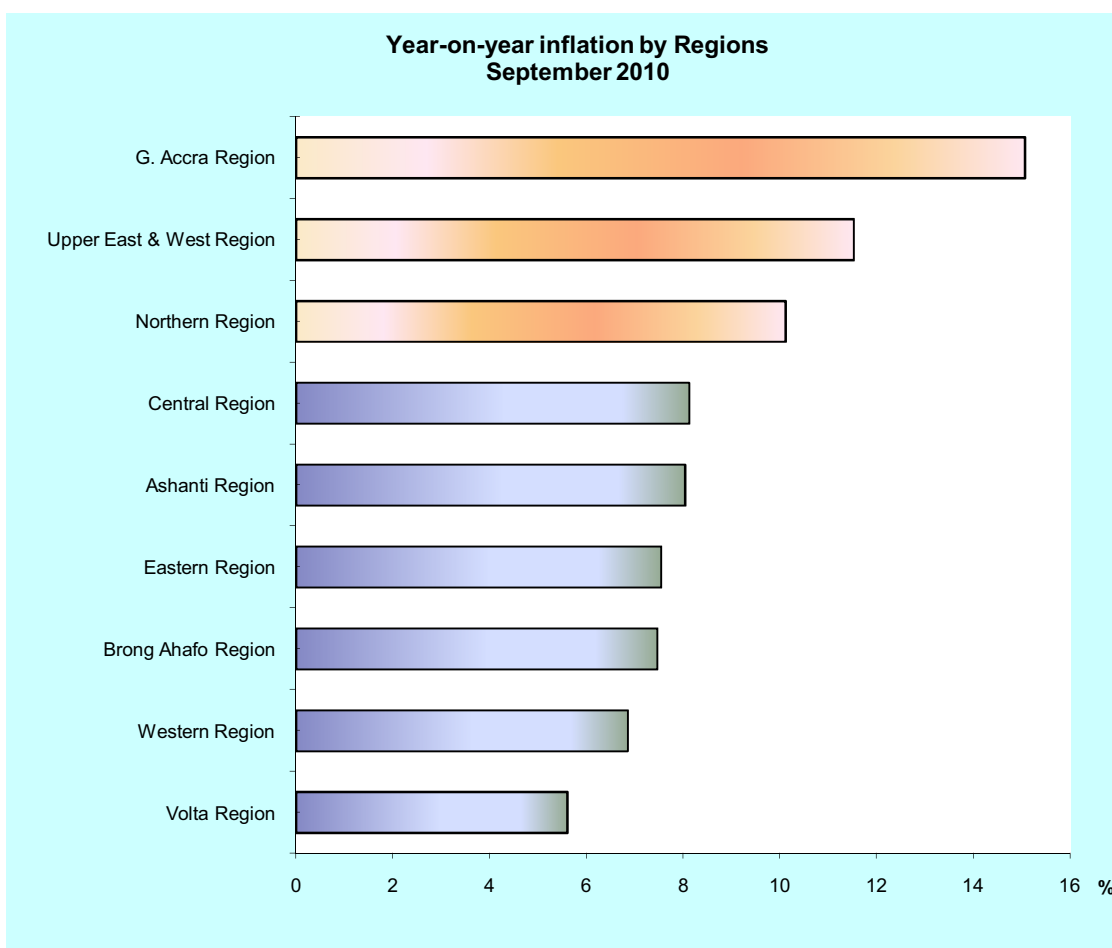
	Weight	Year-on-year inflation (%)	Contribution to inflation (%)
<b>Combined (Food and non-food)</b>	<b>100.00</b>	<b>9.38</b>	<b>100.00</b>
<b>Food and non-alcoholic beverages</b>	<b>44.91</b>	<b>5.67</b>	<b>28.77</b>
Mineral waters, soft drinks and juices	0.95	23.90	2.45
Sugar, jam, honey, sirups, chocolate and confectionary	1.17	20.19	2.57
Vegetables incl potatoes and other	12.46	6.09	8.22
Fruit	2.12	12.29	2.83
Meat	4.07	11.47	5.06
Coffee, tea and cocoa	0.69	9.88	0.74
Milk, cheese and eggs	1.69	7.24	1.33
Fish	10.24	7.00	7.76
Food products n.e.c.	1.06	3.87	0.44
Oil and fats	2.48	3.99	1.07
Bread and cereals	7.97	-4.29	-3.71
<b>Non-food</b>	<b>55.09</b>	<b>11.84</b>	<b>71.23</b>
Alcoholic beverages, tobacco and narcotics	2.23	19.36	4.68
Hotels, cafés and restaurants	8.28	15.74	14.13
Housing, water, electricity, gas and other	6.98	15.62	11.82
Clothing and footwear	11.29	14.75	18.04
Health	4.33	11.03	5.17
Miscellaneous goods and services	2.99	10.69	3.47
Furnishings, household equipment etc	7.83	10.55	8.95
Recreation and culture	3.04	8.85	2.92
Transport	6.21	2.77	1.86
Education	1.60	1.13	0.20
Communications	0.31	0.00	0.00

Source: Ghana Statistical Service (GSS)

## Annex 5

### Consumer Price Index (CPI) by Regions, September 2010

Region	Index	Change rate (%)	
	2002 = 100	Monthly	Yearly
<b>NATIONAL</b>	<b>339.66</b>	<b>-1.51</b>	<b>9.38</b>
Volta Region	368.68	<b>-2.16</b>	<b>5.60</b>
Western Region	352.28	<b>-0.64</b>	<b>6.85</b>
Brong Ahafo Region	299.70	<b>-3.04</b>	<b>7.46</b>
Eastern Region	342.74	<b>-2.17</b>	<b>7.54</b>
Ashanti Region	320.13	<b>-1.53</b>	<b>8.03</b>
Central Region	346.56	<b>-1.66</b>	<b>8.12</b>
Northern Region	326.91	<b>-2.35</b>	<b>10.11</b>
Upper East & West Region	357.04	<b>-0.71</b>	<b>11.52</b>
G. Accra Region	350.67	<b>-0.82</b>	<b>15.06</b>



Source: Ghana Statistical Service (GSS)

**Annex 6**  
**Regional CPI, September 2010**

Region	Combined Food and non-food	Food and non alcoholic Beverages	Non-food
<b>Index (2002=100)</b>			
Western Region	352.28	327.31	371.93
Central Region	346.56	246.48	443.48
G. Accra Region	350.67	315.69	375.39
Eastern Region	342.74	302.80	380.12
Volta Region	368.68	413.49	328.74
Ashanti Region	320.13	252.14	373.02
Brong Ahafo Region	299.70	241.55	350.40
Northern Region	326.91	252.46	391.54
Upper East & West Region	357.04	288.46	426.45
<b>NATIONAL</b>	<b>339.66</b>	<b>290.57</b>	<b>379.68</b>
<b>Month-on-month inflation</b>			
Western Region	-0.64	-1.75	0.15
Central Region	-1.66	-3.27	-0.77
G. Accra Region	-0.82	-2.12	-0.03
Eastern Region	-2.17	-4.34	-0.49
Volta Region	-2.16	-3.49	-0.63
Ashanti Region	-1.53	-3.53	-0.44
Brong Ahafo Region	-3.04	-6.83	-0.61
Northern Region	-2.35	-5.66	-0.40
Upper East & West Region	-0.71	-1.45	-0.21
<b>NATIONAL</b>	<b>-1.51</b>	<b>-3.30</b>	<b>-0.36</b>
<b>Year-on-year inflation</b>			
Western Region	6.85	6.55	7.05
Central Region	8.12	0.88	12.47
G. Accra Region	15.06	17.10	13.89
Eastern Region	7.54	2.89	11.29
Volta Region	5.60	2.47	9.35
Ashanti Region	8.03	2.99	10.88
Brong Ahafo Region	7.46	-0.20	12.65
Northern Region	10.11	0.70	16.19
Upper East & West Region	11.52	7.84	14.19
<b>NATIONAL</b>	<b>9.38</b>	<b>5.67</b>	<b>11.84</b>

Source: Ghana Statistical Service (GSS)