



Newsletter Producer Price Index (PPI) October, 2010



Republic of Ghana

Ghana Statistical Service
(GSS)

P.O. Box GP 1098, Accra

November 24, 2010

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Producer Price Inflation Increases slightly to 17.68 in October 2010.

The Producer Price Index

The Producer Price Index (PPI) measures the average change over time in the prices received by domestic producers for the production of their goods and services. The PPI for Ghana reports the price indices with reference to September 2006, the base period. This release shows the producer price growth since September 2006, as well as the annual (point-to-point) and monthly inflation rates, for all industry and three major sub-sectors of industry (Mining and Quarrying, Manufacturing, and Utilities).

October 2010 Producer Inflation

In October 2010 the Price Index with reference to the base period (September 2006) was 214.92, after recording 211.49 in September 2010. This translates to a monthly change rate (i.e., the percentage change in the PPI between September 2010 and October 2010) of **1.62** percent, after 0.12 percent in September 2010 (Table 1).

Table 1: PPI September and October 2010

Month	Index Sept06 =100	Change rate (%)	
		Monthly	Yearly
September	r 211.49	r 0.12	r 16.90
October	214.92	1.62	17.68

r: revised

The respective yearly change (i.e., the percentage change in the PPI between October 2009 and October 2010) was **17.68** percent, indicating a 0.78

percentage points higher than that for September 2010 (Table 1).

Table 2: PPI and Inflation by Sectors for October 2010 (September 2006=100)

Sector	Index	Change rate (%)	
		Monthly	Yearly
Mining & Quarrying	374.84	5.90	21.40
Manufacturing	176.13	0.44	5.77
Utilities	273.49	0.00	71.33
INDUSTRY	214.92	1.62	17.68

r: revised

Manufacturing, the largest industrial sub-sector (with 69.75 percent share of all industry), recorded an inflation rate of 5.77 percent.

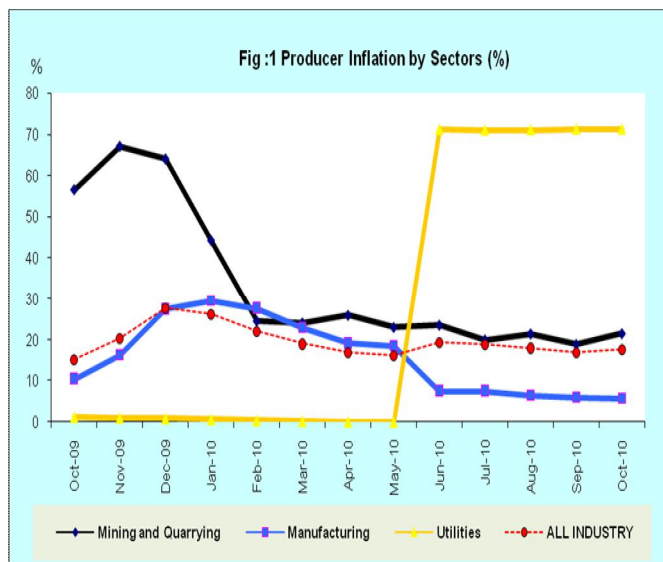
Mining and Quarrying (with 13.97 percent share of all industry) recorded inflation rate of 21.40 percent.

Utilities, (which includes production, transmission and distribution of electricity; collection, purification and distribution of water), recorded inflation rate of 71.33 percent.

Trends

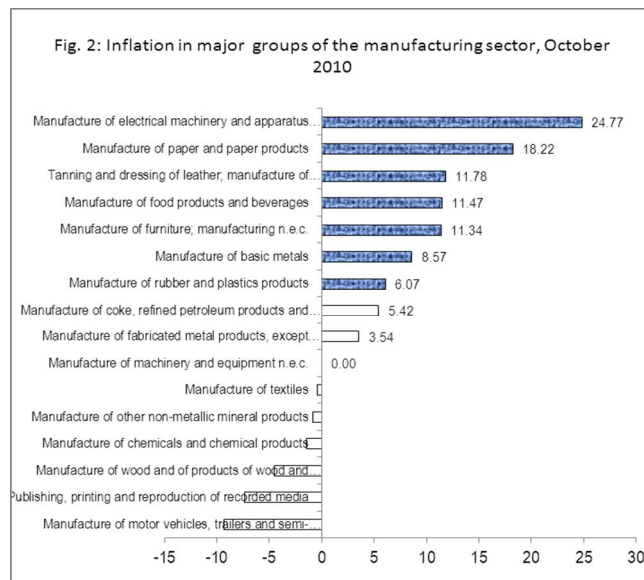
Inflation rate for October 2010 was higher than the rate recorded in the same period in 2009 (15.26%). The all industry year-on-year average inflation for the first ten months of 2010 was 19.15 percent.

During the 12-month period (October 2009 to October 2010), the all industry recorded the highest inflation rate in December 2009 (27.71 %). Between January 2010 and May 2010, the rates declined, but increased in June 2010 and started declining steadily between July and September 2010. This trend ended in October 2010.



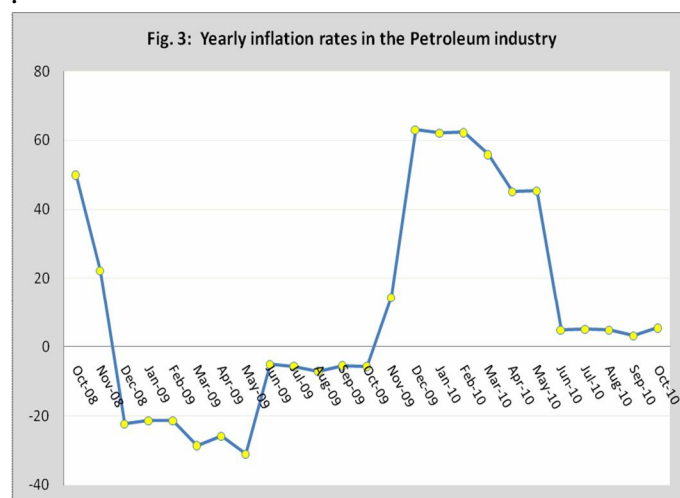
Manufacturing Sector

Seven out of the sixteen major groups in the manufacturing sector recorded inflation rates higher than the manufacturing sector average (figure 2). Manufacture of electrical machinery and apparatus recorded the highest inflation rate (24.77%) while manufacture of motor vehicles, trailers and semi-trailers, publishing, printing and reproduction of recorded media, manufacture of wood and of wood products and cork, and manufacture of chemical and chemical products, and manufacture of other non-metallic minerals recorded negative inflation rates of 9.27, 7.31, 4.54, 1.48, and 0.83 percent respectively (figure 2).



Petroleum Price Index

Between October 2009 and December 2009, producer inflation in the manufacture of petroleum products group recorded a sharp increase. Inflation in this sector stabilized for the first two months of 2010, but dropped between March and June 2010. The rate for October 2010 was slightly higher (2.29 percentage points) than that of September 2010 (fig 3).

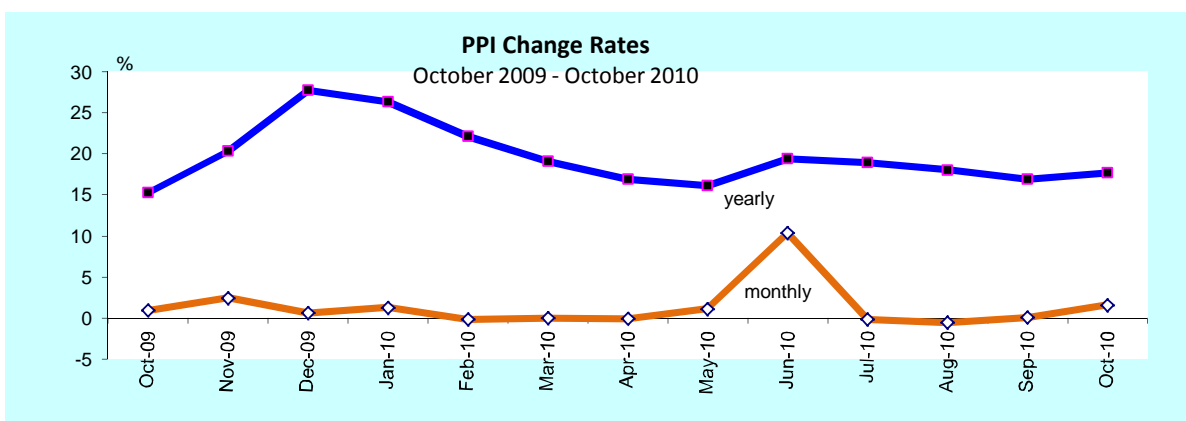


Copies of the Newsletter may be obtained from the information desk of Statistical Service or the GSS website at statsghana.gov.gh. For details of the PPI and for any further explanation, please contact the Industrial Statistics Section of the Statistical Service or call 0302-682640.

Annex 1: Producer Price Index

Year / Month	Index level	Monthly	Yearly
	Sept 2006=100	Change Rate (%)	
2007 Average	113.41	2.41	.
2008 Average	149.44	0.79	32.36
2009 Average	172.54	2.08	15.40
October-09	182.64	0.95	15.26
November-09	187.14	2.46	20.36
December-09	188.32	0.63	27.71
January-10	190.78	1.30	26.34
February-10	190.56	-0.11	22.13
March-10	190.57	0.01	19.07
April-10	190.49	-0.04	16.91
May-10	192.66	1.14	16.15
June-10	212.65	10.38	19.39
July-10	212.33	-0.15	18.93
August-10	211.25	-0.51	18.03
September-10	r 211.49	r 0.12	r 16.90
October-10	214.92	1.62	17.68

r: revised



Source: Ghana Statistical Service (GSS)

Annex 2: Producer Price Index by Sectors

Year / Month	Mining and Quarrying	Manufacturing	Utilities	ALL INDUSTRY
Index (2006=100)				
October-09	308.75	166.52	159.63	182.64
November-09	321.48	171.08	159.50	187.14
December-09	326.39	171.89	159.49	188.32
January-10	323.22	175.63	159.46	190.78
February-10	316.89	176.26	159.47	190.56
March-10	321.30	175.81	159.43	190.57
April-10	324.14	175.81	159.42	190.49
May-10	339.62	176.09	159.55	192.66
June-10	349.87	176.43	273.43	212.65
July-10	345.25	176.11	273.41	212.33
August-10	351.19	174.70	273.41	211.25
September-10	353.96	r 175.36	273.49	r 211.49
October-10	374.84	176.13	273.49	214.92
Monthly Change Rates (%)				
October-09	3.63	0.56	-0.00	0.95
November-09	4.12	2.74	-0.08	2.46
December-09	1.53	0.47	-0.01	0.63
January-10	-0.97	2.18	-0.02	1.30
February-10	-1.96	0.36	0.01	-0.11
March-10	1.39	-0.25	-0.03	0.01
April-10	0.88	-0.28	-0.01	-0.04
May-10	4.78	0.44	0.08	1.14
June-10	3.02	0.19	71.38	10.38
July-10	-1.32	-0.18	-0.01	-0.15
August-10	1.72	-0.80	0.00	-0.51
September-10	0.79	r 0.38	0.03	r 0.12
October-10	5.90	0.44	0.00	1.62
Yearly Change Rates (%)				
October-09	56.56	10.50	1.21	15.26
November-09	67.05	16.29	1.02	20.36
December-09	63.99	27.48	0.88	27.71
January-10	44.25	29.48	0.66	26.34
February-10	24.48	27.64	0.42	22.13
March-10	24.04	22.92	0.20	19.07
April-10	25.86	19.10	0.09	16.91
May-10	22.93	18.45	0.00	16.15
June-10	23.48	7.52	71.30	19.39
July-10	19.91	7.57	71.09	18.93
August-10	21.35	6.48	71.17	18.03
September-10	18.81	r 5.89	71.32	r 16.90
October-10	21.40	5.77	71.33	17.68

Source: Ghana Statistical Service (GSS)

Annex 3: Producer Price Index by Sectors /Industry Groups

ISIC CODE	INDUSTRY GROUP (ISIC DESCRIPTION)	WEIGHTS (%)	INDEX LEVEL (September 2006 = 100)		MONTHLY INFLATION RATE (%)		ANNUAL INFLATION RATE (%)	
			Sep-10	Oct-10	Sep-10	Oct-10	Sep-10	Oct-10
	All Industries	100.00	211.49	214.92	0.12	1.62	16.90	17.68
C	Mining and quarrying	13.97	353.96	374.84	0.79	5.90	18.81	21.40
D	Manufacturing	69.75	175.36	176.13	0.38	0.44	5.89	5.77
E	Electricity, and water supply (Utilities)	16.28	273.49	273.49	0.03	0.00	71.32	71.33
C	Mining and quarrying	100.00						
C13	Mining of metal ores	95.01	371.48	393.24	0.82	5.86	20.21	22.17
	Mining of non-ferrous metal ores, except							
C132	uranium and thorium ores	95.01	371.48	393.24	0.82	5.86	20.21	22.17
C14	Other mining and quarrying	4.99	102.46	102.45	0.01	-0.01	-14.52	-6.48
C141	Quarrying of stone, sand and clay	3.42	93.06	93.06	0.01	-0.01	-19.70	-10.38
C142	Mining and quarrying n.e.c.	0.87	191.26	191.26	0.00	0.00	39.86	41.50
D	Manufacturing	100.00						
D15	Manufacture of food products and beverages	25.64	195.03	195.60	0.09	0.30	12.08	11.47
	Production, processing and preservation of meat, fish, fruit, vegetables, oils and							
D151	fats	4.60	191.64	193.97	3.56	1.22	-11.77	-8.89
D152	Manufacture of dairy products	4.31	172.04	172.04	0.00	0.00	16.74	16.02
	Manufacture of grain mill products, starches and starch products, and							
D153	prepared animal feeds	4.66	240.31	240.31	0.00	0.00	10.01	9.82
D154	Manufacture of other food products	4.80	184.84	184.84	-1.82	0.00	23.30	13.70
D155	Manufacture of beverages	7.27	203.46	204.44	-1.12	0.48	23.52	21.82
D17	Manufacture of textiles	4.27	148.62	148.62	0.18	0.00	7.59	-0.38
	Spinning, weaving and finishing of							
D171	textiles	4.28	148.62	148.62	0.18	0.00	7.59	-0.38
	Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear							
D19		0.12	221.66	221.66	2.48	0.00	8.08	11.78
D192	Manufacture of footwear	0.12	221.66	221.66	2.48	0.00	8.08	11.78
	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and							
D20	plaiting materials	9.03	179.75	181.08	-0.07	0.74	-6.46	-4.54
D201	Sawmilling and planing of wood	4.94	191.03	191.03	0.00	0.00	-14.90	-11.53
	Manufacture of products of wood, cork, straw and plaiting materials							
D202		4.10	151.15	155.51	-0.12	2.89	7.00	4.21
	Manufacture of paper and paper							
D21	products	0.62	151.34	152.25	0.00	0.60	17.59	18.22
	Manufacture of paper and paper							
D210	products	0.62	151.34	152.25	0.00	0.60	17.59	18.22
	Publishing, printing and reproduction of recorded media							
D22		1.14	234.75	235.69	0.00	0.40	34.92	-7.31
D221	Publishing	0.40	243.20	243.20	0.00	0.00	46.14	0.00
	Printing and service activities related to printing							
D222		0.74	230.26	230.58	0.00	0.14	27.01	-12.97
	Manufacture of coke, refined petroleum products and nuclear fuel							
D23		22.94	160.10	160.80	0.37	0.44	3.13	5.42
	Manufacture of refined petroleum products							
D232		22.94	160.10	160.80	0.37	0.44	3.13	5.42

ISIC CODE	INDUSTRY GROUP (ISIC DESCRIPTION)	WEIGHTS (%)	INDEX LEVEL (September 2006 = 100)		MONTHLY INFLATION RATE (%)		ANNUAL INFLATION RATE (%)	
			Sep-10	Oct-10	Sep-10	Oct-10	Sep-10	Oct-10
D24	Manufacture of chemicals and chemical products	10.15	151.00	151.00	0.60	0.00	-1.48	-1.48
D241	Manufacture of basic chemicals	0.54	227.85	227.85	0.00	0.00	18.27	18.27
D242	Manufacture of other chemical products	9.45	150.88	150.88	0.61	0.00	-1.81	-1.81
D243	Manufacture of man-made fibres	0.16	109.63	109.63	0.00	0.00	0.01	0.01
D25	Manufacture of rubber and plastics products	3.90	152.81	158.41	0.44	3.66	2.73	6.07
D251	Manufacture of rubber products	0.76	196.20	207.67	2.12	5.84	-2.27	1.27
D252	Manufacture of plastics products	3.14	143.74	148.52	0.03	3.32	3.79	7.24
D26	Manufacture of other non-metallic mineral products	8.20	178.37	178.40	0.18	0.02	-0.87	-0.83
D269	Manufacture of non-metallic mineral products n.e.c.	8.20	178.37	178.40	0.18	0.02	-0.87	-0.83
D27	Manufacture of basic metals	5.02	162.23	162.23	0.00	0.00	8.55	8.57
D271	Manufacture of basic iron and steel	2.02	184.18	184.18	0.00	0.00	4.23	4.24
D272	Manufacture of basic precious and non-ferrous metals	2.65	147.29	147.29	0.00	0.00	11.95	11.99
D28	Manufacture of fabricated metal products, except machinery and equipment	3.70	258.77	253.64	-3.65	-1.98	12.30	3.54
D281	Manufacture of structural metal products, tanks, reservoirs and steam generators	1.55	249.65	242.25	-7.61	-2.96	14.06	3.48
D289	Manufacture of other fabricated metal products; metalworking service activities	2.15	266.87	263.62	-0.16	-1.22	10.77	3.51
D29	Manufacture of machinery and equipment n.e.c.	0.42	278.34	278.34	0.00	0.00	37.02	0.00
D292	Manufacture of special-purpose machinery	0.42	278.34	278.34	0.00	0.00	37.02	0.00
D31	Manufacture of electrical machinery and apparatus n.e.c.	0.41	146.01	146.01	0.00	0.00	24.49	24.77
D313	Manufacture of insulated wire and cable	0.41	146.01	146.01	0.00	0.00	24.49	24.77
D34	Manufacture of motor vehicles, trailers and semi-trailers	0.05	190.56	190.56	8.83	0.00	-7.49	-9.27
D342	Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.05	190.56	190.56	8.83	0.00	-7.49	-9.27
D36	Manufacture of furniture; manufacturing n.e.c.	2.44	193.19	193.22	-0.07	0.02	12.35	11.34
D361	Manufacture of furniture	2.33	193.48	193.52	-0.00	0.02	12.20	11.15
D369	Manufacturing n.e.c.	0.11	184.98	184.98	-1.98	0.00	18.91	19.20
E	Utilities	100.00						
E40	Electricity and water supply	93.25	277.73	277.74	0.03	0.00	76.31	76.33
E401	Production, transmission and distribution of electricity	93.25	277.73	277.74	0.03	0.00	76.31	76.33
E41	Collection, purification and distribution of water	6.75	219.74	219.74	0.00	0.00	13.86	13.86
E410	Collection, purification and distribution of water	6.75	219.74	219.74	0.00	0.00	13.86	13.86

Source: Ghana Statistical Service (GSS)