



Newsletter Producer Price Index (PPI) February, 2010



Republic of Ghana

Ghana Statistical
Service (GSS)
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Producer Price Inflation is 22.57 %

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).

February 2010 Producer Inflation

In February 2010 the Price Index with reference to the base period (September 2006) was 191.23, after recording 190.78 in January 2010. With this, the monthly change rate for February 2010 (i.e., the percentage change in the PPI between January 2010 and February 2010) was **0.24** percent (Table 1).

Table 1: PPI January and February 2010

Month	Index level	Monthly	Yearly
	Sept '06=100	Change rate (%)	
January	r 190.78	r 1.38	r 26.34
February	191.23	0.24	22.57

r: revised

The respective yearly change (i.e., the percentage change in the PPI between February 2009 and February 2010) was 22.57 percent, indicating a 3.77 percentage points lower than that for January 2010 (Table 1).

Table 2: PPI and Inflation by Sectors for February 2010

Month	Index level	Monthly	Yearly
	Sept '06=100	Change rate (%)	
Mining & Quarrying	316.89	-1.96	24.57
Manufacturing	176.97	0.76	28.15
Utilities	159.47	0.01	0.42
INDUSTRY	191.23	0.24	22.57

r: revised

Manufacturing, the most important industrial sub-sector (with 69.75 percent share of all industry), recorded an inflation rate of 28.15 percent.

Mining and Quarrying (with 13.97 percent share of all industry) recorded inflation rate of 24.48 percent. The sub-sector also recorded the highest monthly change rate.

Utilities, (which includes production, transmission and distribution of electricity; collection, purification and distribution of water), recorded 0.42 percent inflation.

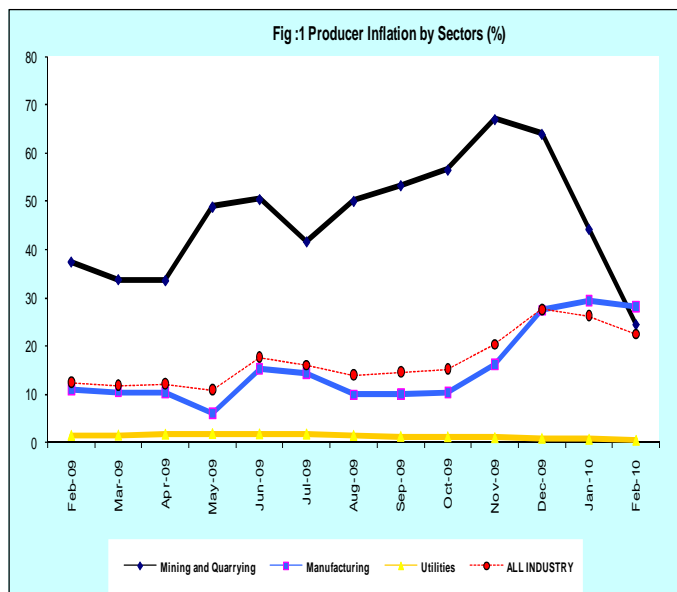
Trends

The all industry year-on-year inflation rate for February 2010 was significantly higher than the rate recorded in the same period in 2009 (12.6%). The inflation rate had been relatively stable for the first five months of 2009, averaging 11.69 percent.

There was however an upsurge in the rate in June 2009, recording 17.77 percent before declining to

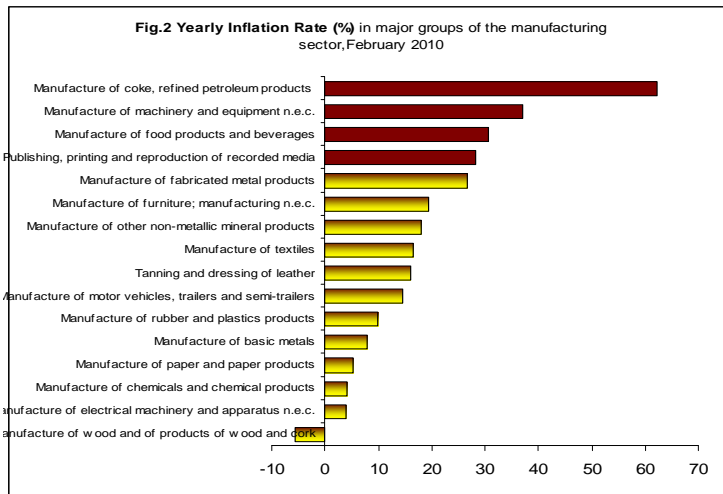
14.12 percent in August 2009. The rate increased thereafter and recorded the highest rate of 27.69 percent for the month of December 2009. Subsequently, the inflation rates in industry have been falling in the first two months of 2010.

Between February 2009 and January 2010, mining and quarrying sub sector exhibited the highest inflation rates followed by manufacturing. The picture was however different in February 2010, as the manufacturing sector recorded the highest among the three sectors. Utilities sector recorded the lowest inflation rates, below 2 percent (figure 1).



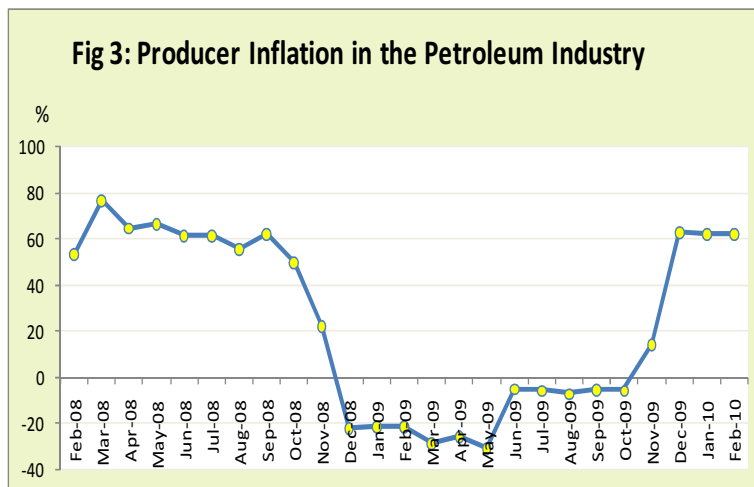
Manufacturing Sector

There was an appreciable inflation in the manufacture of coke and refined petroleum products (62.26%), while manufacture of wood and of products of wood and cork recorded negative inflation rates of 5.66 percent. Four out of sixteen groups recorded inflation rates higher than the manufacturing sector average (figure 2).



Petroleum Price Index

Change rates in this group have had a major influence on the manufacturing sector. Between January 2009 and October 2009, producer inflation in this industry recorded a negative rate. It however recorded a positive rate thereafter, with the highest rate for the year 2009 being December 2009 (63.04%). The industry recorded a 2009 yearly average producer inflation of -6.67 percent. The rate for February 2010 compared to January 2010 was virtually unchanged (figure 3).

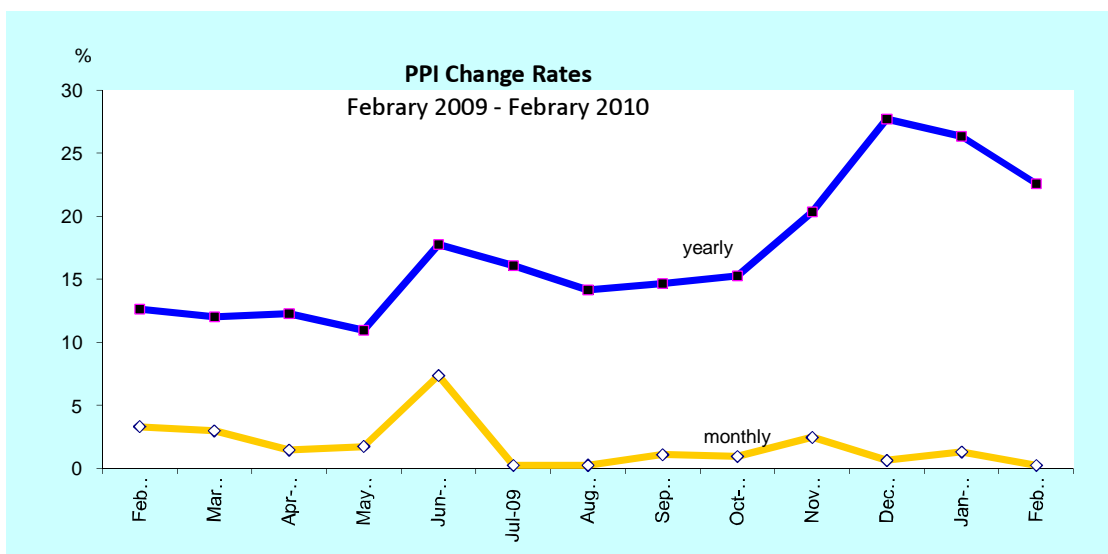


Copies of the Newsletter may be obtained from the information desk of Statistical Service or the GSS website at statsghana.gov.gh.. For details of the PPI and for any further explanation, please contact the Industrial Statistics Section of the Statistical Service or call 021-682640/39.

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	172.60	2.08	15.44
February-09	156.02	3.32	12.60
March-09	160.68	2.99	11.99
April-09	163.03	1.46	12.24
May-09	165.87	1.74	10.94
June-09	178.12	7.38	17.77
July-09	178.54	0.24	16.09
August-09	178.98	0.25	14.12
September-09	180.92	1.08	14.63
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	r 190.78	r 1.30	r 26.34
February-10	191.23	0.24	22.57

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)				
February-09	254.58	138.10	158.80	156.02
March-09	259.04	143.76	159.10	160.68
April-09	257.54	146.98	159.28	163.03
May-09	276.27	148.66	159.55	165.87
June-09	283.34	164.09	159.62	178.12
July-09	287.93	163.72	159.80	178.54
August-09	289.41	164.08	159.73	178.98
September-09	297.93	165.60	159.64	180.92
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	r 323.22	r 175.63	159.46	r 190.78
February-10	316.89	176.97	159.47	191.23
Monthly Change Rates (%)				
February-09	13.62	1.80	0.25	3.32
March-09	1.75	4.10	0.19	2.99
April-09	-0.58	2.24	0.11	1.46
May-09	7.27	1.14	0.17	1.74
June-09	2.56	10.38	0.05	7.38
July-09	1.62	-0.22	0.11	0.24
August-09	0.51	0.22	-0.05	0.25
September-09	2.94	0.93	-0.06	1.08
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	r -0.97	r 2.18	-0.02	r 1.30
February-10	-1.96	0.76	0.01	0.24
Yearly Change Rates (%)				
February-09	37.48	11.03	1.49	12.60
March-09	33.80	10.55	1.56	11.99
April-09	33.61	10.43	1.73	12.24
May-09	48.88	6.11	1.87	10.94
June-09	50.46	15.38	1.80	17.77
July-09	41.65	14.35	1.78	16.09
August-09	50.07	9.99	1.49	14.12
September-09	53.33	10.11	1.30	14.63
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	r 44.25	r 29.48	0.66	r 26.34
February-10	24.48	28.15	0.42	22.57

Source: Ghana Statistical Service (GSS)

Annex 3: Producer Price Index by Sectors /Industry Groups

ISIC CODE	INDUSTRY GROUP DESCRIPTION)	(ISIC)	WEIGHTS (%)	INDEX LEVEL (September 2006 = 100)		MONTHLY INFLATION RATE (%)		ANNUAL INFLATION RATE (%)	
				Jan-10	Feb-10	Jan-10	Feb-10	Jan-10	Feb-10
	All Industries		100.00	190.78	191.23	1.30	0.24	26.34	22.57
C	Mining and quarrying		13.97	323.22	316.89	-0.97	-1.96	44.25	24.48
D	Manufacturing		69.75	175.63	176.97	2.18	0.76	29.48	28.15
E	Electricity, and water supply (Utilities)		16.28	159.46	159.47	-0.02	0.01	0.66	0.42
C	Mining and quarrying		100.00						
C13	Mining of metal ores		95.01	339.14	332.23	-0.55	-2.04	47.73	26.72
C132	Mining of non-ferrous metal ores, except uranium and thorium ores		95.01	339.14	332.23	-0.55	-2.04	47.73	26.72
C14	Other mining and quarrying		4.99	97.73	97.73	-10.90	0.00	-20.19	-20.19
C141	Quarrying of stone, sand and clay		3.42	90.18	90.18	-13.16	0.00	-23.75	-23.75
C142	Mining and quarrying n.e.c.		0.87	134.01	134.01	-1.48	0.00	-4.50	-4.50
D	Manufacturing		100.00						
D15	Manufacture of food products and beverages		25.64	199.05	199.60	6.51	0.28	32.14	30.70
D151	Production, processing and preservation of meat, fish, fruit, vegetables, oils and fats		4.60	217.19	215.68	0.80	-0.69	31.03	23.27
D152	Manufacture of dairy products		4.31	169.89	169.89	0.00	0.00	35.00	35.00
D153	Manufacture of grain mill products, starches and starch products, and prepared animal feeds		4.66	226.81	226.81	3.58	0.00	-1.60	-1.60
D154	Manufacture of other food products		4.80	169.91	174.83	-1.94	2.89	22.08	21.37
D155	Manufacture of beverages		7.27	216.43	219.09	22.94	1.23	59.81	60.88
D17	Manufacture of textiles		4.27	148.71	148.71	-0.32	0.00	16.60	16.48
D171	Spinning, weaving and finishing of textiles		4.28	148.71	148.71	-0.32	0.00	16.60	16.48
D19	Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear		0.12	215.06	217.02	9.51	0.91	11.76	16.13
D192	Manufacture of footwear		0.12	215.06	217.02	9.51	0.91	11.76	16.13
D20	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials		9.03	194.67	194.50	3.83	-0.09	-7.85	-5.66
D201	Sawmilling and planing of wood		4.94	213.28	209.29	0.65	-1.87	-10.57	-11.59
D202	Manufacture of products of wood, cork, straw and plaiting materials		4.10	148.68	149.18	-1.85	0.34	22.20	21.82
D21	Manufacture of paper and paper products		0.62	144.74	147.16	3.40	1.68	5.30	5.32
D210	Manufacture of paper and paper products		0.62	144.74	147.16	3.40	1.68	5.30	5.32
D22	Publishing, printing and reproduction of recorded media		1.14	232.11	229.42	-8.72	-1.16	41.47	28.23
D221	Publishing		0.40	243.20	243.20	0.00	0.00	46.14	46.14
D222	Printing and service activities related to printing		0.74	226.09	222.24	-14.67	-1.70	39.36	17.27
D23	Manufacture of coke, refined petroleum products and nuclear fuel		22.94	161.99	159.92	-0.24	-1.28	62.18	62.26

ISIC CODE	INDUSTRY GROUP DESCRIPTION)	(ISIC)	WEIGHTS (%)	INDEX LEVEL (September 2006 = 100)		MONTHLY INFLATION RATE (%)		ANNUAL INFLATION RATE (%)	
				Jan-10	Feb-10	Jan-10	Feb-10	Jan-10	Feb-10
				D232	Manufacture of refined petroleum products		22.94	161.99	159.92
D24	Manufacture of chemicals and chemical products		10.15	154.50	154.73	2.36	0.15	4.90	4.24
D241	Manufacture of basic chemicals		0.54	228.31	228.31	0.00	0.00	35.17	35.17
D242	Manufacture of other chemical products		9.45	154.53	154.77	2.44	0.15	4.57	3.90
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	154.99	151.48	-1.09	-2.26	16.14	9.92
D251	Manufacture of rubber products		0.76	164.64	176.93	-32.94	7.47	-18.33	-2.63
D252	Manufacture of plastics products		3.14	152.82	145.71	8.54	-4.65	26.33	12.93
D26	Manufacture of other non-metallic mineral products		8.20	177.50	183.60	0.42	3.44	25.77	18.08
D269	Manufacture of non-metallic mineral products n.e.c.		8.20	177.50	183.60	0.42	3.44	25.77	18.08
D27	Manufacture of basic metals		5.02	143.69	160.10	-0.07	11.42	-3.03	7.89
D271	Manufacture of basic iron and steel		2.02	175.69	179.85	-0.02	2.37	-5.73	-1.54
D272	Manufacture of basic precious and non-ferrous metals		2.65	123.29	147.40	-0.11	19.56	-0.91	16.37
D28	Manufacture of fabricated metal products, except machinery and equipment		3.70	261.96	253.91	3.88	-3.07	30.37	26.73
D281	Manufacture of structural metal products, tanks, reservoirs and steam generators		1.55	271.04	272.63	8.90	0.59	47.52	38.92
D289	Manufacture of other fabricated metal products; metalworking service activities		2.15	255.66	242.60	0.39	-5.11	17.51	19.24
D29	Manufacture of machinery and equipment n.e.c.		0.42	278.34	278.34	0.00	0.00	37.02	37.02
D292	Manufacture of special-purpose machinery		0.42	278.34	278.34	0.00	0.00	37.02	37.02
D31	Manufacture of electrical machinery and apparatus n.e.c.		0.41	113.66	113.66	-3.09	0.00	3.99	3.84
D313	Manufacture of insulated wire and cable		0.41	113.66	113.66	-3.09	0.00	3.99	3.84
D34	Manufacture of motor vehicles, trailers and semi-trailers		0.05	197.06	189.24	-2.51	-3.96	20.29	14.46
D342	Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers		0.05	197.06	189.24	-2.51	-3.96	20.29	14.46
D36	Manufacture of furniture; manufacturing n.e.c.		2.44	186.82	191.34	1.35	2.42	20.53	19.33
D361	Manufacture of furniture		2.33	186.98	191.59	0.84	2.47	20.65	19.40
D369	Manufacturing n.e.c.		0.11	182.54	184.16	16.92	0.89	17.10	17.86
E	Utilities		100.00						
E40	Electricity and water supply		93.25	157.33	157.35	-0.02	0.01	0.71	0.45
E401	Production, transmission and distribution of electricity		93.25	157.33	157.35	-0.02	0.01	0.71	0.45
E41	Collection, purification and distribution of water		6.75	192.98	192.98	0.00	0.00	0.00	0.00
E410	Collection, purification and distribution of water		6.75	192.98	192.98	0.00	0.00	0.00	0.00

Source: Ghana Statistical Service (GSS)