



Newsletter Producer Price Index (PPI) March, 2011



Republic of Ghana

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Producer Price Inflation Increases to 23.39% in March 2011.

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). The current monthly data are provisional, and are subject to revision in the following month. All other data are final.

March 2011 Producer Inflation

In March 2011, the Price Index with reference to the base period (September 2006) was 235.14, after recording 233.03 in February 2011. This translates to a monthly change rate (i.e., the percentage change in the PPI between February and March 2011) of **0.91** percent, after recording 1.07 percent in February 2011 (Table 1).

Table 1: PPI February and March 2011

Month	Index Sept'06 =100	Change rate (%)	
		Monthly	Yearly
February 2011	233.03	1.07	22.29
March 2011	p235.14	p 0.91	p23.39

p: provisional

The respective yearly change (i.e., the percentage change in the PPI between March 2010 and March 2011) was **23.39** percent, indicating a 1.10 percentage points higher than that for February 2011 (Table 1).

Table 2: PPI and Inflation by Sector, March 2011 (September 2006=100)

Sector	Index	Change rate (%)	
		Monthly	Yearly
Mining & Quarrying	424.99	4.83	32.27
Manufacturing	196.23	0.15	11.61
Utilities	274.15	0.01	71.96
INDUSTRY	235.14	0.91	23.39

The data in this table is provisional

Manufacturing, the largest industrial sub-sector (with 69.75 percent share of all industry), recorded an inflation rate of 11.61 percent.

Mining and Quarrying (with 13.97 percent share of all industry) recorded inflation rate of 32.27 percent.

Utilities, (which includes production, transmission and distribution of electricity; collection, purification and distribution of water), recorded inflation rate of 71.96 percent.

Trends

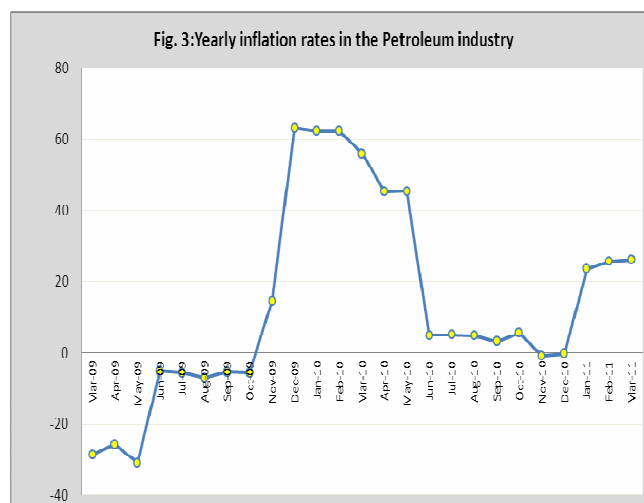
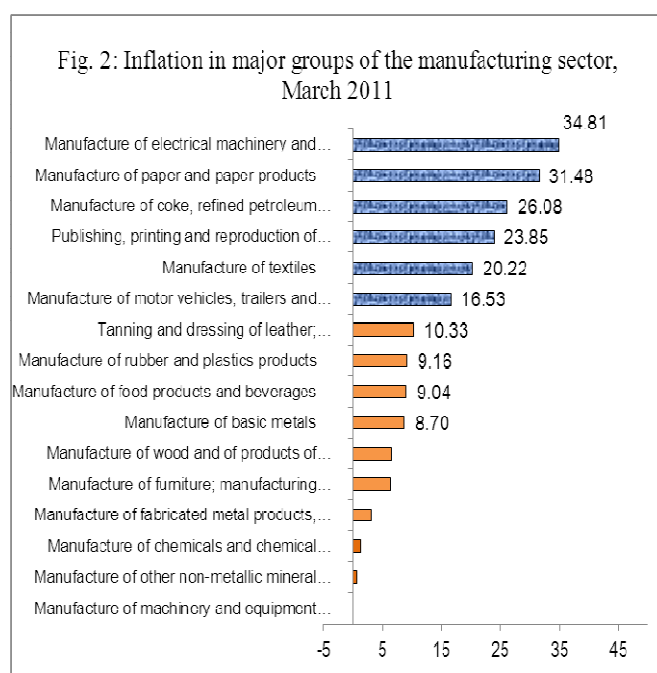
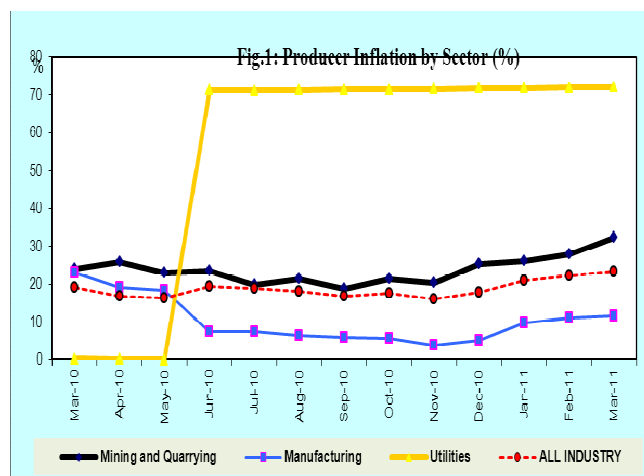
The March 2011 inflation rate is the highest (23.39%) over the 12-month period. Between March 2010 and May 2010, the rates declined, but increased in June 2010. Thereafter, the rates were quite stable until November 2010. From December 2010 to March 2011, the rates have been rising steadily (Fig. 1).

Manufacturing Sector

Six out of the sixteen major groups in the manufacturing sector recorded inflation rates higher than the manufacturing sector average of 11.61 percent. Manufacture of electrical machinery and apparatus recorded the highest inflation rate (34.81%), while manufacture of machinery and equipment n.e.c did not change (Fig. 2).

Petroleum Price Index

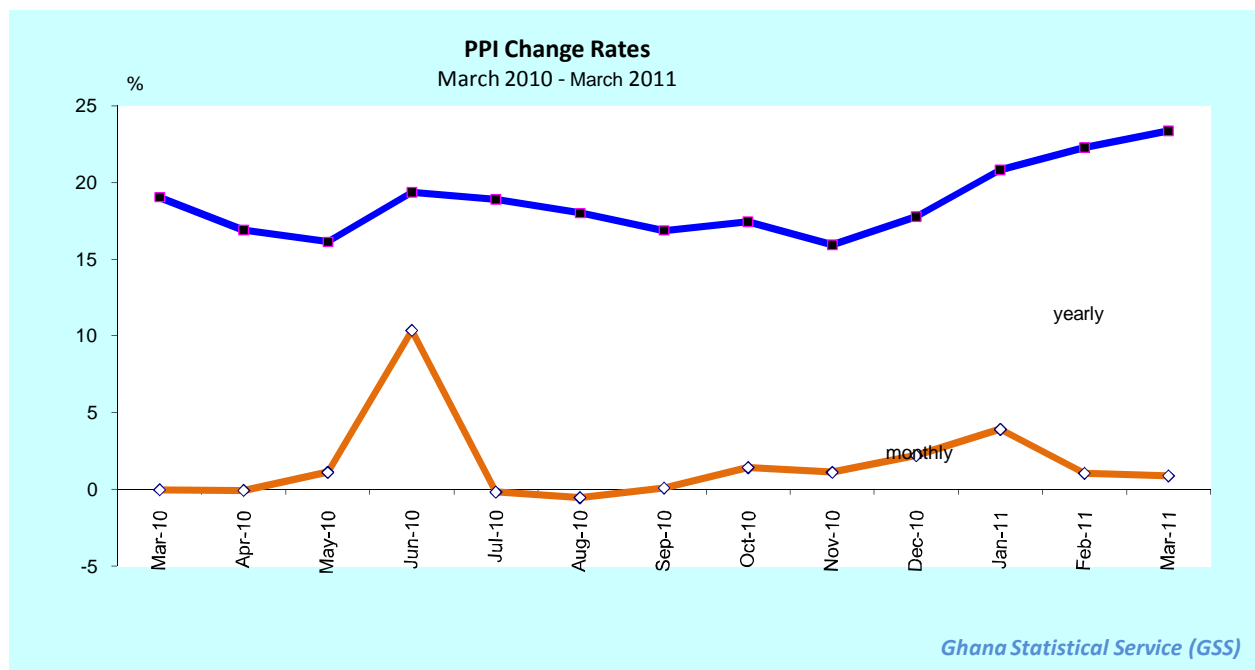
Between October 2009 and December 2009, producer inflation in the manufacture of petroleum products group recorded a sharp increase. Inflation in this sector stabilized for the first two months of 2010, but dropped between March and June 2010. The rate declined in November 2010 after increasing slightly in October 2010. In January 2011 inflation in the petroleum industry jumped and continued to increase in March 2011 recording a rate of 26.08 % (Fig 3).



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
2010 Average	204.68	1.41	18.76
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	211.49	0.12	16.90
October-10	214.57	1.45	17.48
November-10	217.01	1.14	15.96
December-10	221.83	2.22	17.79
January-11	230.55	3.93	20.85
February-11	233.03	1.07	22.29
March-11	p 235.14	p 0.91	p 23.39

p: provisional



Annex 2: Producer Price Index by Sectors

Year / Month	Mining and Quarrying	Manufacturing	Utilities	ALL INDUSTRY
Index (2006=100)				
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	175.36	273.49	211.49
October-10	374.84	175.75	273.49	214.57
November-10	386.89	177.51	273.56	217.01
December-10	408.90	180.67	273.94	221.83
January-11	407.32	192.66	273.97	230.55
February-11	405.42	195.94	274.12	233.03
March-11	424.99	p 196.23	274.15	p 235.14
Monthly Change Rates (%)				
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	0.38	0.03	0.12
October-10	5.90	0.22	0.00	1.45
November-10	3.22	1.00	0.02	1.14
December-10	5.69	1.78	0.14	2.22
January-11	-0.39	6.64	0.01	3.93
February-11	-0.47	1.70	0.06	1.07
March-11	4.83	p 0.15	0.01	p 0.91
Yearly Change Rates (%)				
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	5.89	71.32	16.90
October-10	21.40	5.54	71.33	17.48
November-10	20.35	3.76	71.50	15.96
December-10	25.28	5.11	71.76	17.79
January-11	26.02	9.69	71.81	20.85
February-11	27.94	11.16	71.89	22.29
March-11	32.27	p 11.61	71.96	p 23.39

p: provisional

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 (%)	
			Feb-11	Mar-11 (provisional)	Feb-11	Mar-11 (provisional)	Feb-11	Mar-11 (provisional)
	All Industries	100.00	233.03	235.14	1.07	0.91	22.29	23.39
C	Mining and quarrying	13.97	405.42	424.99	-0.47	4.83	27.94	32.27
D	Manufacturing	69.75	195.94	196.23	1.70	0.15	11.16	11.61
E	Electricity, and water supply (Utilities)	16.28	274.12	274.15	0.06	0.01	71.89	71.96
C	Mining and quarrying	100.00						
C13	Mining of metal ores	95.01	427.50	449.06	-0.15	5.04	28.67	33.37
C132	Mining of non-ferrous metal ores, except uranium and thorium ores	95.01	427.50	449.06	-0.15	5.04	28.67	33.37
C14	Other mining and quarrying	4.99	104.61	104.82	-0.26	0.20	7.05	4.61
C141	Quarrying of stone, sand and clay	3.42	95.54	95.84	0.00	0.32	5.95	3.00
C142	Mining and quarrying n.e.c.	0.87	154.84	154.84	-19.04	0.00	15.54	15.54
D	Manufacturing	100.00						
D15	Manufacture of food products and beverages	25.64	217.07	217.23	3.69	0.07	8.80	9.04
D151	Production, processing and preservation of meat, fish, fruit, vegetables, oils and fats	4.60	217.59	215.82	2.84	-0.81	0.89	-0.22
D152	Manufacture of dairy products	4.31	192.38	192.38	0.00	0.00	13.24	13.24
D153	Manufacture of grain mill products, starches and starch products, and prepared animal feeds	4.66	276.23	276.23	17.89	0.00	21.79	21.79
D154	Manufacture of other food products	4.80	219.63	223.48	0.87	1.75	25.63	27.97
D155	Manufacture of beverages	7.27	208.58	208.58	0.08	0.00	-4.63	-4.04
D17	Manufacture of textiles	4.27	178.78	178.78	6.79	0.00	20.22	20.22
D171	Spinning, weaving and finishing of textiles	4.28	178.78	178.78	6.79	0.00	20.22	20.22
D19	Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	0.12	229.11	229.11	1.94	0.00	5.57	10.33
D192	Manufacture of footwear	0.12	229.11	229.11	1.94	0.00	5.57	10.33
D20	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	9.03	192.59	193.36	1.62	0.40	-0.98	6.58
D201	Sawmilling and planing of wood	4.94	197.96	197.96	0.00	0.00	-5.41	3.63
D202	Manufacture of products of wood, cork, straw and plaiting materials	4.10	179.38	181.94	6.08	1.43	20.24	21.82
D21	Manufacture of paper and paper products	0.62	193.75	193.75	0.00	0.00	31.66	31.48
D210	Manufacture of paper and paper products	0.62	193.75	193.75	0.00	0.00	31.66	31.48
D22	Publishing, printing and reproduction of recorded media	1.14	279.68	281.44	12.38	0.63	23.08	23.85
D221	Publishing	0.40	329.88	329.88	35.64	0.00	35.64	35.64
D222	Printing and service activities related to printing	0.74	255.60	258.09	1.42	0.98	16.72	17.86
D23	Manufacture of coke, refined petroleum products and nuclear fuel	22.94	200.91	201.38	0.51	0.24	25.63	26.08
D232	Manufacture of refined petroleum products	22.94	200.91	201.38	0.51	0.24	25.63	26.08

ISIC CODE	INDUSTRY GROUP (ISIC DESCRIPTION)	WEIGHTS (%)	INDEX LEVEL (September 2006 = 100)		MONTHLY INFLATION RATE (%)		ANNUAL INFLATION RATE (%)	
			Feb-11	Mar-11 (provisional)	Feb-11	Mar-11 (provisional)	Feb-11	Mar-11 (provisional)
D24	Manufacture of chemicals and chemical products	10.15	158.03	156.61	0.00	-0.90	2.13	1.22
D241	Manufacture of basic chemicals	0.54	227.85	227.85	0.00	0.00	-0.20	0.00
D242	Manufacture of other chemical products	9.45	158.18	156.72	0.00	-0.92	2.21	1.26
D243	Manufacture of man-made fibres	0.16	109.63	109.63	0.00	0.00	0.00	0.00
D25	Manufacture of rubber and plastics products	3.90	166.20	167.80	2.00	0.96	9.71	9.16
D251	Manufacture of rubber products	0.76	238.37	228.19	8.24	-4.27	34.72	22.58
D252	Manufacture of plastics products	3.14	153.15	156.50	0.99	2.19	5.11	6.56
D26	Manufacture of other non-metallic mineral products	8.20	178.62	178.62	0.00	0.00	0.60	0.60
D269	Manufacture of non-metallic mineral products n.e.c.	8.20	178.62	178.62	0.00	0.00	0.60	0.60
D27	Manufacture of basic metals	5.02	173.52	173.61	0.29	0.05	8.53	8.70
D271	Manufacture of basic iron and steel	2.02	244.34	244.34	0.00	0.00	36.51	36.51
D272	Manufacture of basic precious and non-ferrous metals	2.65	151.79	151.89	0.40	0.07	2.98	3.24
D28	Manufacture of fabricated metal products, except machinery and equipment	3.70	263.71	264.25	0.66	0.21	3.86	3.21
D281	Manufacture of structural metal products, tanks, reservoirs and steam generators	1.55	263.00	264.27	0.13	0.48	-3.53	-5.11
D289	Manufacture of other fabricated metal products; metalworking service activities	2.15	264.24	264.24	1.06	0.00	8.92	8.92
D29	Manufacture of machinery and equipment n.e.c.	0.42	278.34	278.34	0.00	0.00	0.00	0.00
D292	Manufacture of special-purpose machinery	0.42	278.34	278.34	0.00	0.00	0.00	0.00
D31	Manufacture of electrical machinery and apparatus n.e.c.	0.41	167.89	167.89	0.00	0.00	47.71	34.81
D313	Manufacture of insulated wire and cable	0.41	167.89	167.89	0.00	0.00	47.71	34.81
D34	Manufacture of motor vehicles, trailers and semi-trailers	0.05	213.19	217.54	5.07	2.04	12.65	16.53
D342	Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.05	213.19	217.54	5.07	2.04	12.65	16.53
D36	Manufacture of furniture; manufacturing n.e.c.	2.44	203.10	203.78	0.22	0.33	6.15	6.45
D361	Manufacture of furniture	2.33	202.00	202.69	0.23	0.34	5.43	5.75
D369	Manufacturing n.e.c.	0.11	238.25	238.25	0.00	0.00	29.37	29.04
E	Utilities	100.00						
E40	Electricity and water supply	93.25	278.42	278.45	0.06	0.01	76.95	77.02
E401	Production, transmission and distribution of electricity	93.25	278.42	278.45	0.06	0.01	76.95	77.02
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