



Republic of Ghana

# Newsletter Producer Price Index (PPI) November, 2011



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## Producer Price Inflation Increases to 17.28% in November 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 changes since September 2006, as well as the annual (year-on-year) and monthly inflation rates, for all industry and three major sub-sectors of industry (Mining and Quarrying, Manufacturing, and Utilities) for the last twelve months. The figures for the month of November 2011 are provisional, and are subject to revision in the release when additional data would be available. All other indicators are final.

### November 2011 Producer Inflation

The producer price index increased 17.28 percent between November 2010 and November 2011 (year-on-year), representing a slight increase in producer inflation of 0.88 percentage points relative to the rate in October 2011 (16.40%). The month-on-month producer prices increased 1.90 percent, after recording a slight decrease (-1.25%) in October 2011 (Table 1).

**Table 1: PPI for October and November 2011**

Month	Index Sept'06 =100	Change rate (%)	
		Monthly	Yearly
October 2011	249.76	-1.25	16.40
<b>November 2011</b>	<b>p254.51</b>	<b>p1.90</b>	<b>p17.28</b>

p: provisional

Producer price inflation in the mining and quarrying sector increased by 4.92 percentage points over the October 2011 rate (31.45%) to record 36.36 percent. Manufacturing, which constitutes more than two-thirds of total industry, increased marginally to 16.50 percent, from a rate of 16.24 percent in October 2011. The lowest year-on-year price change of 7.71 was recorded in the Utilities sector (Table 2) for the month of November 2011.

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

Sector	Index	Change rate (%)	
		Monthly	Yearly
Mining & Quarrying	527.58	7.08	36.36
Manufacturing	206.80	1.23	16.50
Utilities	294.65	0.00	7.71
<b>INDUSTRY</b>	<b>254.51</b>	<b>1.90</b>	<b>17.28</b>

The data in this table are provisional

### Trends

The November 2011 inflation rate was 17.28, was 0.88 percentage point higher than the October rate.

During the 12-month period (November 2010 to November 2011), all industry recorded the highest producer inflation rate of 24.29% in April 2011. The inflation rate rose steadily from November 2010 peaking in April 2011. It declined between May and June, and resumed the increase until September 2011 (19.59 %). The rate declined in October 2011

and increased slightly in November 2011, recording a change rate of 17.28% percent. The rate remains lower than those from January to May 2011, which ranged from 20.85 and 24.29 percent.

### Manufacturing Sector

During the month of November 2011, six out of the sixteen major groups in the manufacturing sector recorded inflation rates higher than the sector average of 16.50 percent (Fig. 2). Manufacture of textiles recorded the highest inflation rate (40.12%), whilst tanning and dressing of leather and manufacture of hand luggage recorded the lowest, and the only negative rate (-2.59%).

### Petroleum Price Index

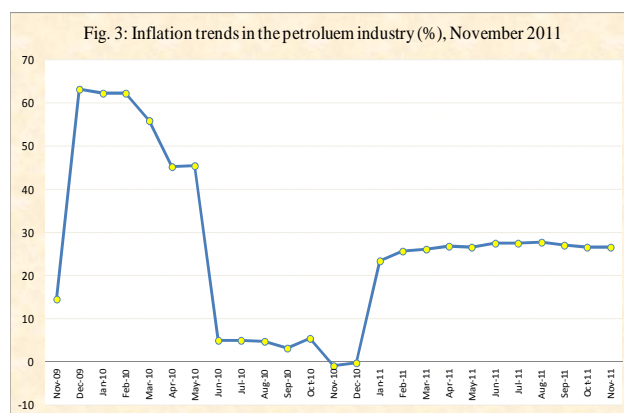
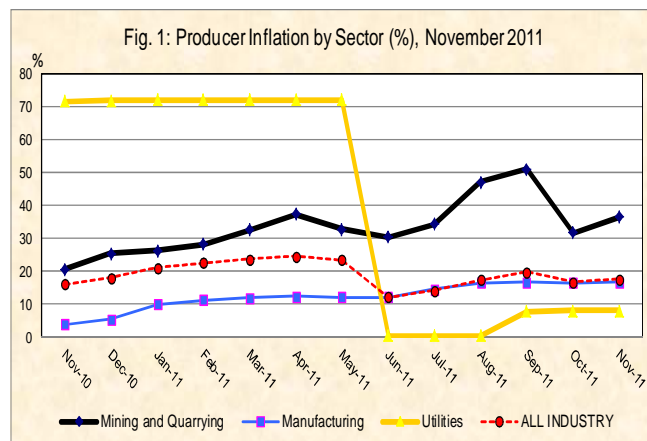
Over the last two years, inflation in the petroleum industry subgroup recorded four major significant changes in December 2009, April 2010, June 2010, and January 2011. The price increase in January 2011, resulted in a sharp rise in inflation for this subgroup in January 2011 (23.39 %), but has remained stable since then, recording 26.46 percent in November 2011 (Fig 3).

### Highlights

The year-on-year producer inflation for all industry in November 2011 is 17.28%; the monthly rate is 1.90 percent.

Mining and quarrying recorded the highest year-on-year rate of 36.36%, followed by manufacturing (16.50%). Utilities recorded the lowest rate of 7.71%.

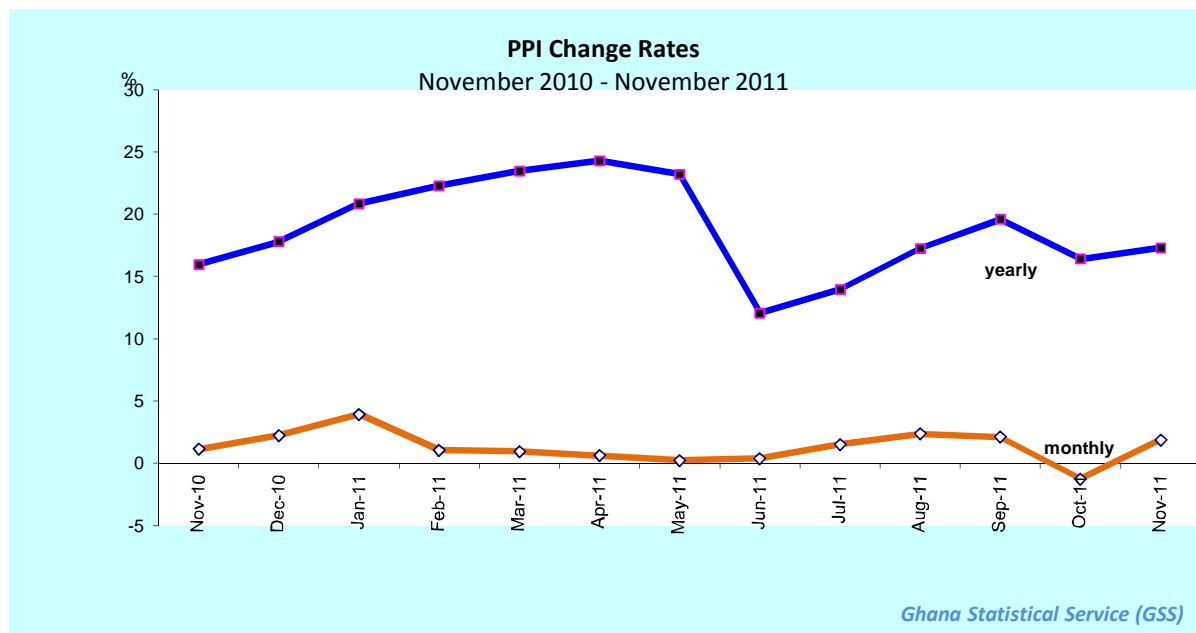
Between October and November 2011, mining and quarrying recorded the highest monthly change of 7.08 %, followed by manufacturing (1.23%). There was no change in inflation rate in the utilities sector (0.00%).



**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
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	235.29	0.97	23.46
April-11	236.76	0.63	24.29
May-11	237.36	0.25	23.20
June-11	238.27	0.38	12.05
July-11	241.93	1.54	13.94
August-11	247.67	2.37	17.24
September-11	252.92	2.12	19.59
October-11	249.76	-1.25	16.40
November-11	p 254.51	p 1.90	p 17.28

p: provisional



**Annex 2: Producer Price Index by Sectors, November 2010 - November 2011**

Year / Month	Mining and Quarrying	Manufacturing	Utilities	ALL INDUSTRY
Index (2006=100)				
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	196.61	274.15	235.29
April-11	444.31	196.75	274.15	236.76
May-11	450.34	196.95	274.16	237.36
June-11	455.35	197.58	274.17	238.27
July-11	463.25	201.33	274.20	241.93
August-11	516.01	203.20	274.26	247.67
September-11	533.56	204.39	294.47	252.92
October-11	492.72	204.29	294.65	249.76
November-11	p 527.58	p 206.80	p 294.65	p 254.51
Monthly Change Rates (%)				
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	0.34	0.01	0.97
April-11	4.55	0.07	0.00	0.63
May-11	1.36	0.10	0.00	0.25
June-11	1.11	0.32	0.01	0.38
July-11	1.73	1.90	0.01	1.54
August-11	11.39	0.93	0.02	2.37
September-11	3.40	0.58	7.37	2.12
October-11	-7.65	-0.05	0.06	-1.25
November-11	p 7.08	p 1.23	p 0.00	p 1.90
Yearly Change Rates (%)				
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	11.83	71.96	23.46
April-11	37.07	12.22	71.97	24.29
May-11	32.60	11.84	71.84	23.20
June-11	30.15	11.99	0.27	12.05
July-11	34.18	14.32	0.29	13.94
August-11	46.93	16.31	0.31	17.24
September-11	50.74	16.55	7.67	19.59
October-11	31.45	16.24	7.74	16.40
November-11	p 36.36	p 16.50	p 7.71	p 17.28

p: provisional

### Annex 3: Producer Price Index by Sectors /Industry Groups, October - November 2011

ISIC CODE	INDUSTRY GROUP (ISIC DESCRIPTION)	WEIGHTS (%)	INDEX LEVEL (September 2006 = 100)		MONTHLY INFLATION RATE (%)		ANNUAL INFLATION RATE (%)	
			Oct-11	Nov-11 (provisional)	Oct-11	Nov-11 (provisional)	Oct-11	Nov-11 (provisional)
	All Industries	100.00	249.76	254.51	-1.25	1.90	16.40	17.28
C	Mining and quarrying	13.97	492.72	527.58	-7.65	7.08	31.45	36.36
D	Manufacturing	69.75	204.29	206.80	-0.05	1.23	16.24	16.50
E	Electricity, and water supply (Utilities)	16.28	294.65	294.65	0.06	0.00	7.74	7.71
<b>C</b>	<b>Mining and quarrying</b>	<b>100.00</b>						
C13	Mining of metal ores	95.01	523.44	562.02	-7.83	7.37	33.11	38.31
C132	Mining of non-ferrous metal ores, except uranium and thorium ores	95.01	523.44	562.02	-7.83	7.37	33.11	38.31
C14	Other mining and quarrying	4.99	109.27	109.27	-0.17	0.00	6.66	6.58
C141	Quarrying of stone, sand and clay	3.42	101.08	101.08	0.00	0.00	8.63	8.53
C142	Mining and quarrying n.e.c.	0.87	148.38	148.38	-4.17	0.00	-22.42	-22.42
<b>D</b>	<b>Manufacturing</b>	<b>100.00</b>						
D15	Manufacture of food products and beverages	25.64	224.26	231.14	-0.15	3.07	15.98	15.26
D151	Production, processing and preservation of meat, fish, fruit, vegetables, oils and fats	4.60	233.15	246.25	-1.19	5.62	20.20	21.64
D152	Manufacture of dairy products	4.31	192.38	192.38	0.00	0.00	11.82	4.31
D153	Manufacture of grain mill products, starches and starch products, and prepared animal feeds	4.66	298.51	298.51	0.62	0.00	32.19	27.40
D154	Manufacture of other food products	4.80	206.15	209.20	0.02	1.48	11.53	12.21
D155	Manufacture of beverages	7.27	222.85	243.17	-0.10	9.12	9.00	18.94
D17	Manufacture of textiles	4.27	208.25	208.25	0.00	0.00	40.12	40.12
D171	Spinning, weaving and finishing of textiles	4.28	208.25	208.25	0.00	0.00	40.12	40.12
D19	Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear	0.12	215.92	215.92	4.91	0.00	-2.59	-2.59
D192	Manufacture of footwear	0.12	215.92	215.92	4.91	0.00	-2.59	-2.59
D20	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	9.03	191.73	193.72	-1.37	1.04	5.32	5.52
D201	Sawmilling and planing of wood	4.94	195.40	198.04	-1.29	1.35	2.29	3.67
D202	Manufacture of products of wood, cork, straw and plaiting materials	4.10	182.57	182.98	-1.58	0.23	13.98	10.79
D21	Manufacture of paper and paper products	0.62	199.90	199.90	0.39	0.00	20.61	20.61
D210	Manufacture of paper and paper products	0.62	199.90	199.90	0.39	0.00	20.61	20.61
D22	Publishing, printing and reproduction of recorded media	1.14	284.34	299.38	0.00	5.29	22.73	29.18
D221	Publishing	0.40	329.88	329.88	0.00	0.00	35.64	35.64
D222	Printing and service activities related to printing	0.74	262.21	283.95	0.00	8.29	16.44	26.02
D23	Manufacture of coke, refined petroleum products and nuclear fuel	22.94	203.53	203.77	0.03	0.12	26.57	26.46
D232	Manufacture of refined petroleum products	22.94	203.53	203.77	0.03	0.12	26.57	26.46

ISIC CODE	INDUSTRY GROUP (ISIC DESCRIPTION)	WEIGHTS (%)	INDEX LEVEL (September 2006 = 100)		MONTHLY INFLATION RATE (%)		ANNUAL INFLATION RATE (%)	
			Oct-11	Nov-11 (provisional)	Oct-11	Nov-11 (provisional)	Oct-11	Nov-11 (provisional)
D24	Manufacture of chemicals and chemical products	10.15	170.70	170.70	0.01	0.00	13.04	14.38
D241	Manufacture of basic chemicals	0.54	254.14	254.14	0.00	0.00	11.54	11.54
D242	Manufacture of other chemical products	9.45	170.99	170.99	0.01	0.00	13.33	14.73
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	173.87	177.45	0.47	2.06	9.76	10.89
D251	Manufacture of rubber products	0.76	255.60	258.02	1.44	0.95	23.08	17.99
D252	Manufacture of plastics products	3.14	159.34	163.01	0.25	2.31	7.28	9.74
D26	Manufacture of other non-metallic mineral products	8.20	193.05	193.60	-0.00	0.29	8.26	8.57
D269	Manufacture of non-metallic mineral products n.e.c.	8.20	193.05	193.60	-0.00	0.29	8.26	8.57
D27	Manufacture of basic metals	5.02	182.84	183.28	0.02	0.24	12.70	12.97
D271	Manufacture of basic iron and steel	2.02	231.54	231.54	0.00	0.00	25.71	25.71
D272	Manufacture of basic precious and non-ferrous metals	2.65	152.75	153.39	0.03	0.42	3.71	4.14
D28	Manufacture of fabricated metal products, except machinery and equipment	3.70	267.97	277.12	0.15	3.41	4.76	8.34
D281	Manufacture of structural metal products, tanks, reservoirs and steam generators	1.55	268.72	290.02	0.36	7.93	10.93	19.73
D289	Manufacture of other fabricated metal products; metalworking service activities	2.15	267.41	267.43	0.00	0.01	-0.30	-0.29
D29	Manufacture of machinery and equipment n.e.c.	0.42	384.26	384.26	-7.00	0.00	38.05	38.05
D292	Manufacture of special-purpose machinery	0.42	384.26	384.26	-7.00	0.00	38.05	38.05
D31	Manufacture of electrical machinery and apparatus n.e.c.	0.41	167.89	167.89	0.00	0.00	14.99	14.99
D313	Manufacture of insulated wire and cable	0.41	167.89	167.89	0.00	0.00	14.99	14.99
D34	Manufacture of motor vehicles, trailers and semi-trailers	0.05	210.66	211.59	2.10	0.45	10.55	8.37
D342	Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.05	210.66	211.59	2.10	0.45	10.55	8.37
D36	Manufacture of furniture; manufacturing n.e.c.	2.44	234.04	234.72	1.70	0.29	21.13	21.70
D361	Manufacture of furniture	2.33	233.31	233.43	1.86	0.05	20.57	20.85
D369	Manufacturing n.e.c.	0.11	293.22	278.42	10.45	-5.05	58.51	50.51
<b>E</b>	<b>Utilities</b>	<b>100.00</b>						
E40	Electricity and water supply	93.25	299.37	299.37	0.07	0.00	7.79	7.76
E401	Production, transmission and distribution of electricity	93.25	299.37	299.37	0.07	0.00	7.79	7.76
E41	Collection, purification and distribution of water	6.75	235.12	235.12	0.00	0.00	7.00	7.00
E410	Collection, purification and distribution of water	6.75	235.12	235.12	0.00	0.00	7.00	7.00