



Republic of Ghana

Newsletter Producer Price Index (PPI) November, 2015



Ghana Statistical Service
P.O. Box GP 1098
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Producer Price Inflation Rate in November 2015 is 3.0%

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 producer price indices with reference to September 2006, the base period. This release shows the producer price changes since October 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 2015 are provisional, and are subject to revision when additional data become available. All other indicators are final.

November 2015 Producer Inflation

The Producer Price Inflation rate for November 2015 was 3.0 percent. This rate indicates that, between November 2014 and November 2015 (year-on-year), the PPI increased by 3.0 percent, representing a 0.1 percentage point increase in producer inflation relative to the rate recorded in October 2015 (2.9 %). The month-on-month change in producer price index between October and November 2015 was -0.7 percent (Table 1).

Table1: PPI for October and November 2015

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
October, 2015	p 478.0	p -0.7	p 2.8
October, 2015 rev	478.7	-0.5	2.9
November, 2015	p 475.1	p -0.7	p 3.0

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector decreased by 1.4 percentage point over the October 2015 rate of 8.7 percent, to record 7.3 percent in November 2015. Manufacturing, which constitutes more than two-thirds of total industry increased by 0.5 percentage point to record 1.7 percent. The Utilities sub-sector recorded an inflation rate of 5.3 percent in November 2015 indicating no change in the inflation rate.

Table 2: PPI and Inflation by Sector, November, 2015 (September 2006= 100)

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	810.3	-5.5	7.3
Manufacturing	402.5	0.2	1.7
Utilities	573.5	0.0	5.3
ALL INDUSTRY	475.1	-0.7	3.0

The data in this table are provisional.

Trends

The year-on-year inflation in ex-factory prices of goods and services was 3.0 percent for November 2015. From November 2014, the producer price inflation rate consistently declined to record 19.2 percent in March 2015. It inched up to record 19.5 percent in April, 2015 and then declined to 18.8 percent in May 2015. It however, increased again in June 2015 to record 23.1 percent. The rate declined

consistently from 10.2 percent in July 2015 to 2.9 percent in October 2015. However, it inched up slightly to record 3.0 percent in November 2015.

Manufacturing Sector

During the month of November 2015, twelve out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 1.7 percent (Fig. 2). Manufacture of paper and paper products recorded the highest inflation rate of 67.2 percent while the manufacture of coke, refined petroleum and nuclear fuel recorded the lowest producer price inflation rate.

Petroleum Price Index

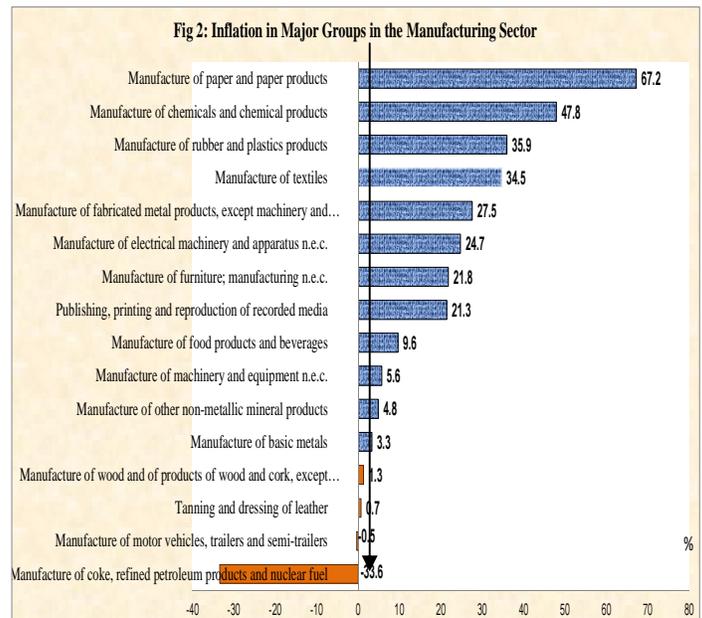
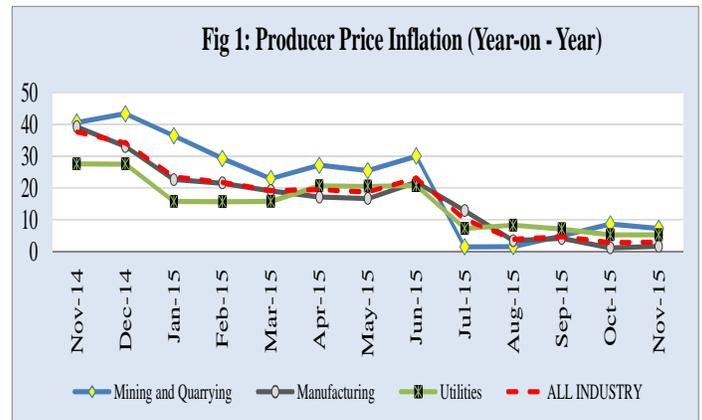
The inflation rate in the petroleum sub-sector was 61.1 percent in November 2014. Subsequently, the rate consistently declined to record -8.7 percent in March 2015 and -9.6 percent in May 2015 as a result of base drift effect and the decrease in ex-refinery prices of petroleum products. The rate however, increased in June 2015 to record -0.01 percent as a result of the increase in petroleum prices but decreased to -6.4 percent in July 2015 due to base drift effect. In August 2015, the rate declined to -28.0 percent due to the decrease in prices of petroleum products. The rate declined in October 2015 to record -34.5 percent. It increased slightly in November 2015 to record -33.6 percent (Fig.3).

Highlights

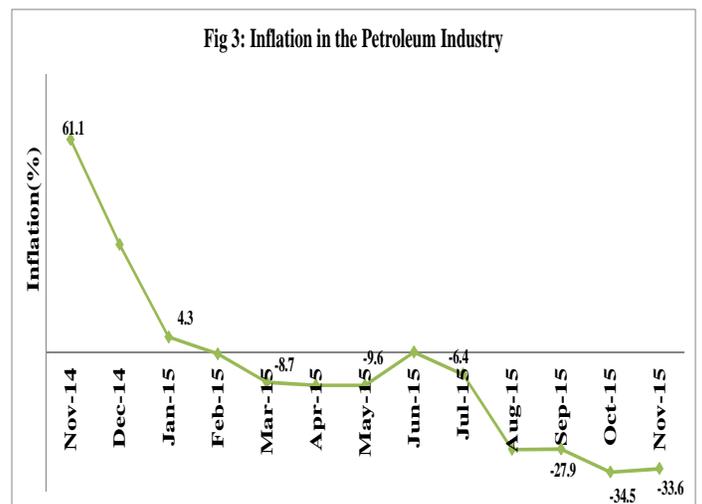
The year-on-year producer inflation for all industry was 3.0 percent in November 2015; the monthly change rate was -0.7 percent.

The mining and quarrying sub-sector recorded the highest year-on-year producer price inflation rate of 7.3 percent, followed by the utilities sub-sector with 5.3 percent. The manufacturing sub-sector recorded the lowest year-on-year inflation rate of 1.7 percent.

The monthly changes in the producer price index indicated that manufacturing recorded the highest inflation rate of 0.2 percent, followed by the utilities sub-sector with no change. The mining and quarrying sub-sector recorded the lowest rate of -5.5 percent.



1.7%



Copies of the Newsletter may be obtained from the information desk of Ghana 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 GSS or call 0302-682640.