



Republic of Ghana

Newsletter Producer Price Index (PPI) April, 2015



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P.O. Box GP 1098
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Producer Price Inflation Rate increased to 19.5% in April, 2015

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 April 2015 are provisional, and are subject to revision when additional data become available. All other indicators are final.

April 2015 Producer Inflation

The Producer Price Inflation rate for April 2015 was 19.5 percent. This rate indicates that, between April 2014 and April 2015 (year-on-year), the PPI increased by 19.5 percent, representing a 0.3 percentage point increase in producer inflation relative to the rate recorded in March 2015 (19.2%). The month-on-month change in producer price index between March and April 2015 was 2.8 percent (Table 1).

Table 1: PPI for March and April 2015

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
March, 2015	p 456.8	p 1.4	p 19.1
March, 2015 rev	461.1	0.9	19.2
April, 2015	p 473.8	p 2.8	p 19.5

Provisional

In April 2015, the producer price inflation in the Mining and Quarrying sub-sector increased by 4.2 percentage points over the March 2015 rate of 23.0 percent, to record 27.1 percent in April 2015. Manufacturing, which constitutes more than two-thirds of total industry decreased by 2.3 percentage points to record 17.0 percent. The Utilities sub-sector recorded an inflation rate of 20.7 percent in April 2015 indicating 4.9 percentage points increase over the March 2015 rate of 15.8 percent.

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

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	899.9	7.5	27.1
Manufacturing	390.0	1.0	17.0
Utilities	573.1	4.5	20.7
ALL INDUSTRY	473.8	2.8	19.5

The data in this table are provisional.

Trends

The year-on-year inflation in ex-factory prices of goods and services was 19.5 percent for April 2015. From April 2014, producer price inflation began an upward trend and increased consistently over five months to record 48.6 percent in August 2014. However, from thereon the rate consistently declined to record 19.2 percent in March 2015, but inched up to record 19.5 percent in April, 2015.

Manufacturing Sector

During the month of April 2015, eleven out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 19.5 percent (Fig. 2). Publishing, printing, and reproduction of recorded media recorded the highest inflation rate of 56.0 percent while the manufacture of coke, and refined petroleum products recorded the lowest producer price inflation rate.

Petroleum Price Index

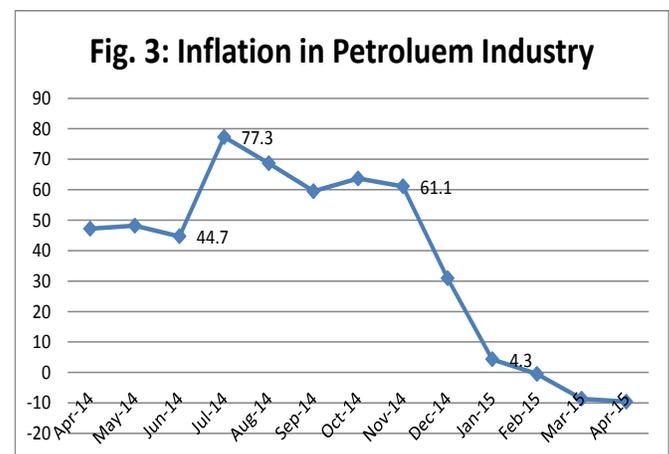
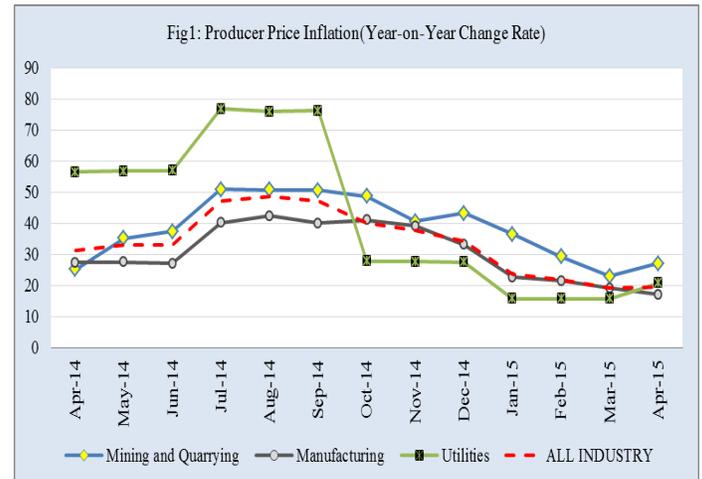
The inflation rate in the petroleum sub-sector was 47.2 percent in April 2014. The rate started rising in July 2014. Thereafter, the rate fluctuated until November, 2014 to record 61.1 percent. Since then, the rate has consistently declined to record -8.7 percent in March 2015 and subsequently to -9.6 percent in April 2015 as a result of base drift effect and the decrease in ex-refinery prices of petroleum products (Fig.3).

Highlights

The year-on-year producer inflation for all industry was 19.5 percent in April 2015; the monthly inflation rate was 2.8 percent.

The mining and quarrying sub-sector recorded the highest year-on-year producer price inflation rate of 27.1 percent, followed by the utilities sub-sector with 20.7 percent. The manufacturing sub-sector recorded the lowest year-on-year inflation rate of 17.0 percent.

The monthly changes in the producer price index indicated that mining and quarrying recorded the highest inflation rate of 7.5 percent, followed by the utilities sub-sector with 4.5 percent. The manufacturing sector recorded the lowest inflation rate of 1.0 percent.



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.