



Republic of Ghana

Newsletter Producer Price Index (PPI) April, 2016



Ghana Statistical Service
P.O. Box GP 1098
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Producer Price Inflation Rate in April 2016 is 13.2%

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 annual (year-on-year) monthly producer 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 2016 are provisional, and are subject to revision when additional data become available. All other indicators are final.

April 2016 Producer Inflation

The Producer Price Inflation rate for April 2016 was 13.2 percent. This rate indicates that, between April 2015 and April 2016 (year-on-year), the PPI increased by 13.2 percent. This rate represents a 1.1 percentage point decrease in producer inflation relative to the rate recorded in March 2016 (14.3 %). The month-on-month change in producer price index between March and April 2016 was 1.7 percent (Table 1).

Table1: PPI for March and April 2016

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
March, 2016	p 527.2	p 0.8	p 14.3
March, 2016 rev	527.2	0.8	14.3
April, 2016	p 536.3	p 1.7	p 13.2

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector decreased by 7.6 percentage points over the March 2016 rate of 6.9 percent, to record -0.7 percent in April 2016. Manufacturing, which constitutes more than two-thirds of total industry, increased by 1.9 percentage points to record 12.0 percent. The Utilities sub-sector recorded an inflation rate of 37.1 percent in April 2016 indicating a decrease of 6.3 percentage points over the March 2015 rate of 43.4 percent.

Table 2: PPI and Inflation by Sector, April, 2016 (September 2006= 100)

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	893.4	-0.2	-0.7
Manufacturing	437.2	2.8	12.0
Utilities	785.8	0.0	37.1
ALL INDUSTRY	536.3	1.7	13.2

The data in this table are provisional.

Trends

The year-on-year inflation in ex-factory prices of goods and services was 13.2 percent for April 2016. From April 2015, the rate fluctuated from 19.5 percent to record 23.1 percent in June 2015. The rate then declined consistently from 10.2 percent in July 2015 to 2.9 percent in October 2015. However, it increased to record 11.0 percent in December 2015. In January 2016, the rate increased to record 16.3 percent but declined in February 2016 to 14.5

percent 2016. In March 2016, the rate declined to record 14.3 percent, and then to 13.2 percent in April 2016.

Manufacturing Sector

During the month of April 2016, six out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 12.0 percent (Fig. 2). Manufacture of paper and paper products recorded the highest inflation rate of 42.0 percent while Publishing, printing and recorded media recorded the lowest producer price inflation rate (-5.6%).

Petroleum Price Index

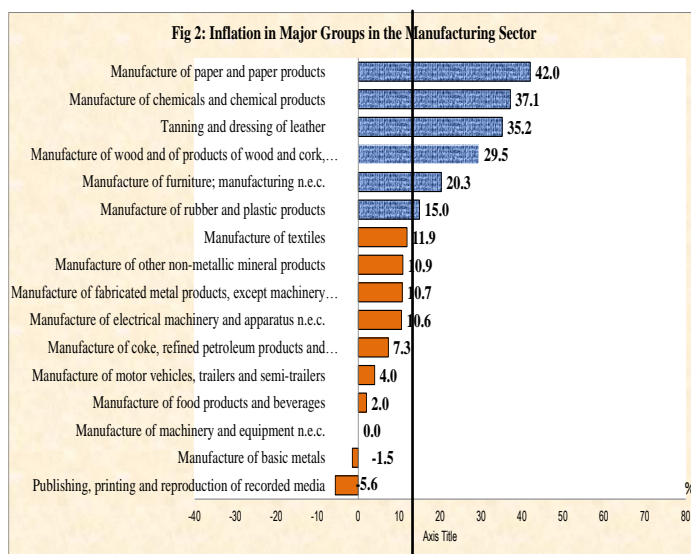
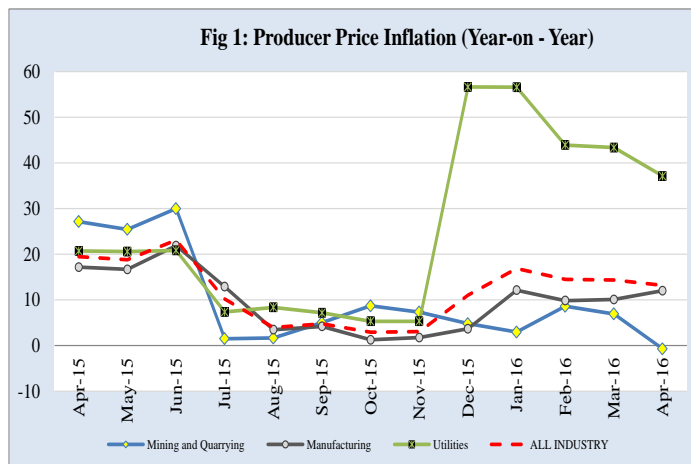
The inflation rate in the petroleum sub-sector was -9.6 percent in April 2015. The rate was the same in May 2016 but it increased to -0.01 percent in June 2015. Subsequently, the rate declined consistently to record -34.5 percent in October, 2015. It, however, increased to -21.8 percent in December 2015 and rose further to record 3.3 percent in January 2016. It then declined to 0.5 percent in February 2016 but increased again to record 2.9 percent in March, 2016 as a result of base drift effect. The rate increased again to 7.9 percent in April 2016 (Fig.3).

Highlights

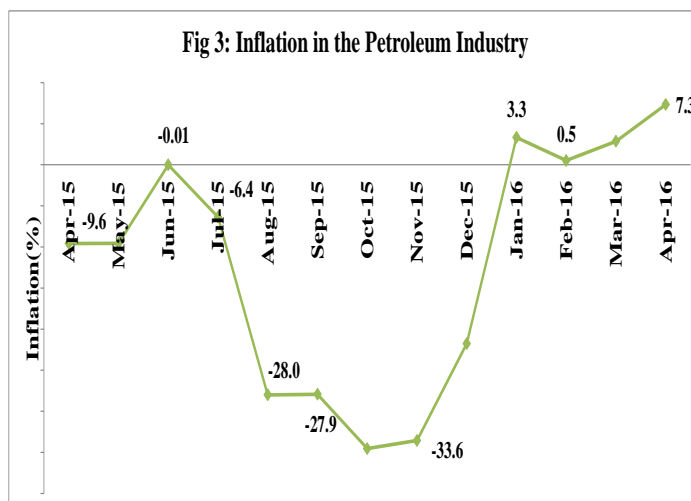
The year-on-year producer inflation for all industry was 13.2 percent in April 2016; the monthly change rate was 1.7 percent.

The utilities sub-sector recorded the highest year-on-year producer price inflation rate of 37.1 percent, followed by the manufacturing sub-sector with 12.0 percent. The mining and quarrying sub-sector recorded the lowest year-on-year inflation rate of -0.7 percent.

The monthly changes in the producer price index indicated that manufacturing recorded the highest monthly change rate of 2.8 percent, followed by utilities sub-sector which remained unchanged. The mining and quarrying sub-sector recorded the lowest inflation rate of -0.2 percent.



12.0%



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.