



# Newsletter Producer Price Index (PPI) July, 2017



Republic of Ghana

August 23, 2017

## Producer Price Inflation Rate in July 2017 is 2.0%

### 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 annual (year-on-year) and 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 July 2017 are provisional, and are subject to revision when additional data become available. All other indicators are final.

### June 2017 Producer Inflation

The Producer Price Inflation rate for July 2017 was 2.0 percent. This rate indicates that, between July 2016 and July 2017 (year-on-year), the PPI increased by 2.0 percent. This rate represents a 1.2 percentage points decrease in producer inflation relative to the rate recorded in June 2017 (3.2%). The month-on-month change in producer price index between June 2017 and July 2017 was -0.2 percent (Table 1).

**Table1: PPI for June and July 2017**

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
June, 2017	p555.5	p1.1	p3.6
June,2017 rev	553.3	0.7	3.2
<b>July, 2017</b>	<b>p552.4</b>	<b>p-0.2</b>	<b>p2.0</b>

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector decreased by 7.9 percentage points over the June 2017 rate of 12.0 percent to record 4.1 percent in July 2017. The producer inflation for Manufacturing, which constitutes more than two-thirds of total industry and the utilities sub-sector, remained unchanged.

**Table 2: PPI and Inflation by Sector, July 2017 (September 2006= 100)**

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	1,062.3	-1.1	4.1
Manufacturing	437.0	0.0	1.8
Utilities	796.8	0.0	1.3
<b>ALL INDUSTRY</b>	<b>552.4</b>	<b>-0.2</b>	<b>2.0</b>

The data in this table are provisional.

### Trends

In July 2016, the producer price inflation rate for all industry was 10.4 percent. It increased to 11.1 percent in August, 2016. The rate declined in September 2016 to record 9.7 percent but increased to 11.9 percent in November 2016, but it declined consistently to 3.1 percent in January 2017. In February 2017, the rate increased to 5.4 percent and then to 6.0 percent in March 2017 but declined consistently to record 2.0 percent in July 2017.

## Manufacturing Sector

During the month of July 2017, eight out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 1.8 percent. Manufacture of machinery and equipment n.e.c recorded the highest inflation rate of 26.1 percent while manufacturing of paper and paper products recorded the lowest producer price inflation rate of -5.4% (Fig. 2).

## Petroleum Price Index

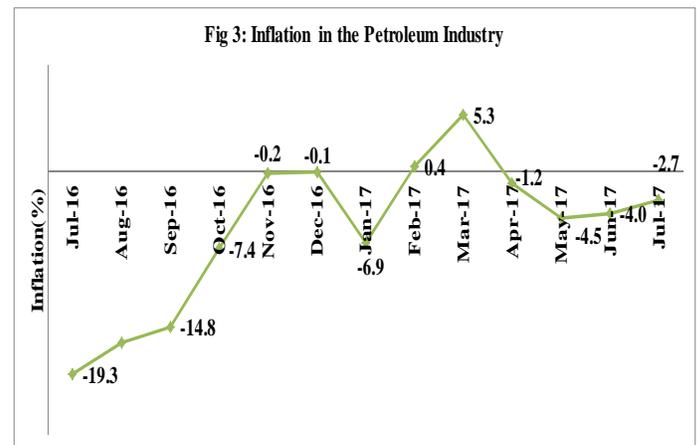
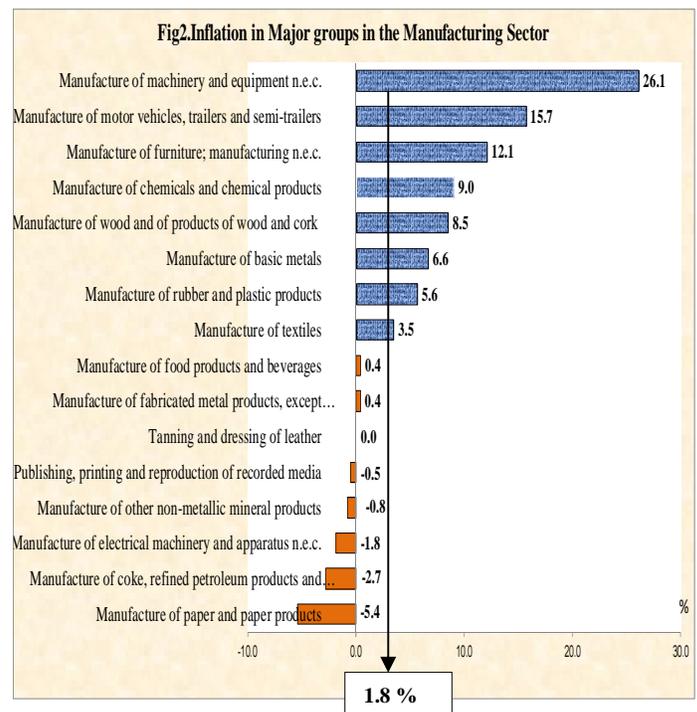
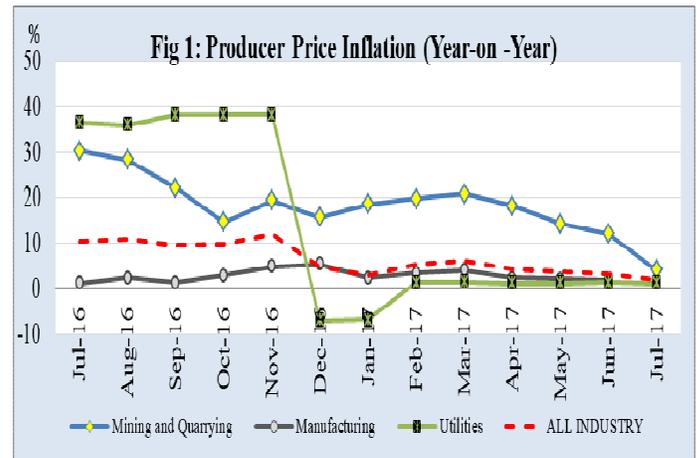
The producer inflation rate in the petroleum sub-sector was -19.3 percent in July 2016. The rate increased consistently to record -0.1 percent in December 2016. The rate declined to -6.9 percent in January 2017 but increased to 5.3 percent in March 2017. It subsequently declined to -4.5 percent in May 2017. In June 2017, it increased slightly to -4.0 percent, and then to -2.7 percent in July 2017 (Fig 3).

## Highlights

The year-on-year producer inflation for all industry was 2.0 percent in July 2017; the monthly change rate was -0.2 percent.

The Mining and Quarrying sub-sector recorded the highest year-on-year producer price inflation rate of 4.1 percent, followed by the Manufacturing sub-sector with 1.8 percent. The Utilities sub-sector recorded the lowest year-on-year producer inflation rate of 1.3 percent.

With respect to the monthly changes, the Manufacturing and utilities sub-sectors did not record a change. The Mining and Quarrying sub-sector recorded the lowest rate of -1.1 percent.



Copies of the Newsletter may be obtained from the information desk of Ghana Statistical Service or the GSS website at [statsghana.gov.gh](http://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. You may also contact us at the following address: Ghana Statistical Service, P. O. Box GP1098, Accra, Ghana