



Newsletter Producer Price Index (PPI) January, 2018



Republic of Ghana

February 28, 2018

Producer Price Inflation Rate in January 2018 is 7.7%

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 January 2018 are provisional, and are subject to revision when additional data become available. All other indicators are final.

January 2018 Producer Inflation

The Producer Price Inflation rate for January 2018 was 7.7 percent. This rate indicates that, between January 2017 and January 2018 (year-on-year), the PPI increased by 7.7 percent. This rate represents a 1.0 percentage point decrease in producer inflation relative to the rate recorded in December 2017 (8.7%). The month-on-month change in producer price index between December 2017 and January 2018 was 1.2 percent (Table 1).

Table1: PPI for December and January 2018

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
December, 2017	p574.9	p0.9	P8.9
December, 2017 rev	574.2	0.8	8.7
January, 2018	p581.0	p1.2	P7.7

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector decreased by 0.8 percentage point over the December 2017 rate of 19.1 percent to record 18.3 percent in January 2018. The producer inflation for Manufacturing which constitutes more than two-thirds of total industry decreased by 1.3 percentage point, to record 7.3 percent. The utilities sub-sector recorded an inflation rate of 0.2 percent in January 2018 indicating a decrease of 0.2 percentage point relative to the rate recorded in December 2017.

Table 2: PPI and Inflation by Sector, January 2018 (September 2006= 100)

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	1,145.9	4.2	18.3
Manufacturing	462.4	0.8	7.3
Utilities	797.3	0.0	0.2
ALL INDUSTRY	581.0	1.2	7.7

The data in this table are provisional.

Trends

In January 2017, the producer price inflation rate for all industry was 3.1 percent. 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. In August 2017, the rate

increased to 6.6 percent and then to 7.5 percent in September 2017. The rate increased again to 8.3 percent in October 2017 but declined to 7.1 percent in November 2017. In December 2017, the rate increased to 8.7 percent but decreased to 7.7 percent in January 2018.

Manufacturing Sector

During the month of January 2018, six out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 7.3 percent. Manufacture of refined petroleum products recorded the highest inflation rate of 29.0 percent while manufacturing of food products and beverages recorded the lowest producer price inflation rate of -3.1% (Fig. 2).

Petroleum Price Index

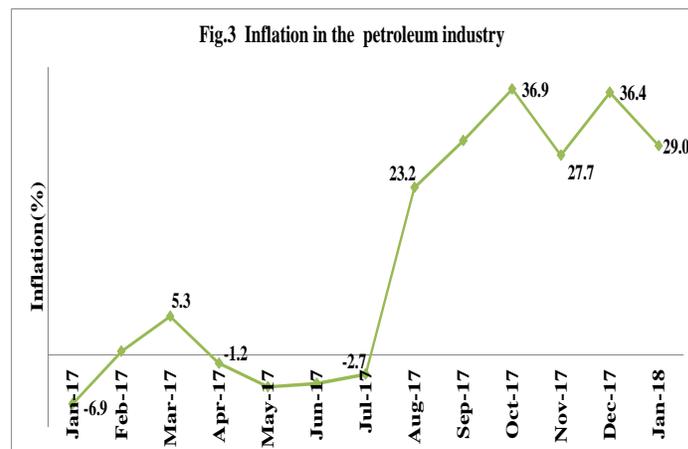
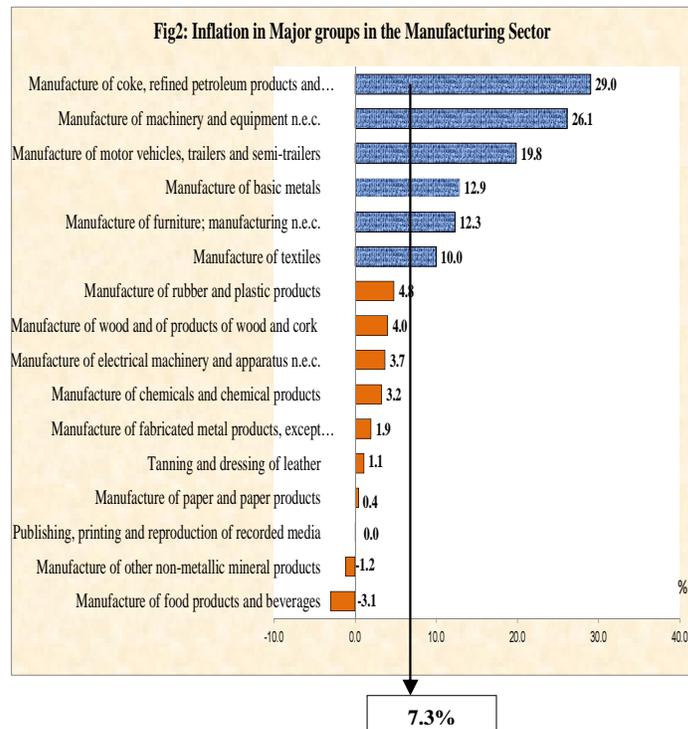
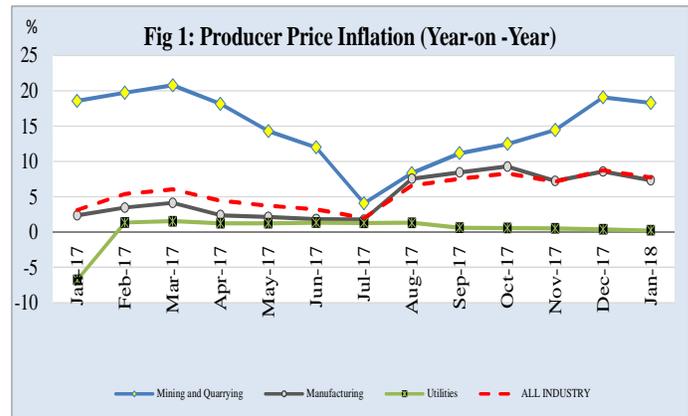
The producer inflation rate in the petroleum sub-sector was -6.9 percent in January 2017. The rate increased consistently to 5.3 percent in March 2017. It declined to -1.2 percent in April 2017 and then to -4.5 percent in May 2017. Subsequently, it increased consistently to record 36.9 percent in October 2017 but declined to 27.7 percent in November 2017. The rate increased to 36.4 percent in December 2017 but declined to 29.0 percent in January 2018. (Fig 3).

Highlights

The year-on-year producer inflation for all industry was 7.7 percent in January 2018; the monthly change rate was 1.2 percent.

The Mining and Quarrying sub-sector recorded the highest year-on-year producer price inflation rate of 18.3 percent followed by the Manufacturing sub-sector with 7.3 percent. The Utilities sub-sector recorded the lowest year-on-year producer inflation rate of 0.2 percent.

With respect to the monthly changes, Mining and quarrying recorded the highest rate of 4.2 percent followed by the Manufacturing sub-sector with 0.8 percent. The Utilities sub-sector recorded no change.



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 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