



Republic of Ghana

Newsletter Producer Price Index (PPI) March, 2018



April 25, 2018

Producer Price Inflation Rate in March 2018 is 3.7%

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

March 2018 Producer Inflation

The Producer Price Inflation rate for March 2018 was 3.7 percent. This rate indicates that, between March 2017 and March 2018 (year-on-year), the PPI increased by 3.7 percent. This rate represents a 1.8 percentage point decrease in producer inflation relative to the rate recorded in February 2018 (5.5%). The month-on-month change in producer price index between February 2018 and March 2018 was -0.3 percent (Table 1).

Table1: PPI for February and March 2018

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
February, 2018	p581.4	p0.1	p5.5
February, 2018 rev	581.4	0.1	5.5
March, 2018	P579.5	p-0.3	p3.7

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector decreased by 3.4 percentage points over the February 2018 rate of 9.2 percent to record 5.8 percent in March 2018. The producer inflation for Manufacturing which constitutes more than two-thirds of total industry decreased by 1.8 percentage point to record 4.2 percent. The utilities sub-sector recorded inflation of -0.6 percent in March 2018 indicating a decrease of 0.6 percentage point relative to the rate recorded in February 2018.

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

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	1,144.2	-0.6	5.8
Manufacturing	461.5	-0.2	4.2
Utilities	792.8	0.5	-0.6
ALL INDUSTRY	579.5	-0.3	3.7

The data in this table are provisional.

Trends

In March 2017, the producer price inflation rate for all industry was 6.0 percent. This declined consistently to record 2.0 percent in July 2017. Subsequently it increased consistently to record 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 consistently to record 5.5 percent in February 2018. In March 2018, the rate declined again to 3.7 percent.

Manufacturing Sector

During the month of March 2018, six out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 4.2 percent. Manufacture of machinery and equipment n.e.c recorded the highest inflation rate of 26.1 percent, while manufacturing of food products and beverages recorded the lowest producer price inflation rate of -3.7% (Fig. 2).

Petroleum Price Index

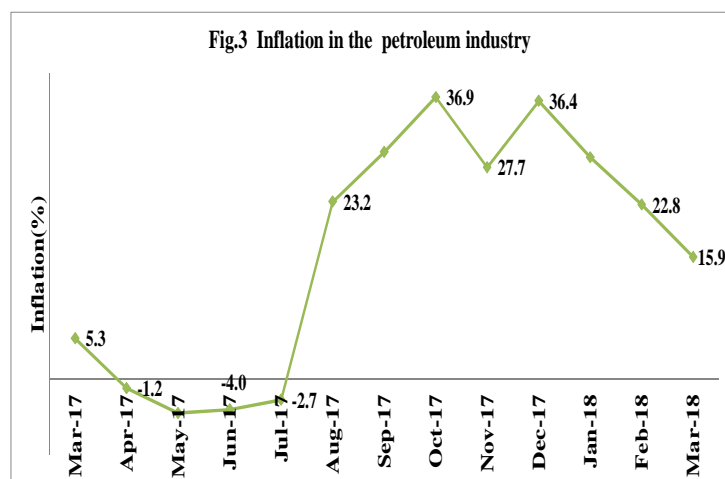
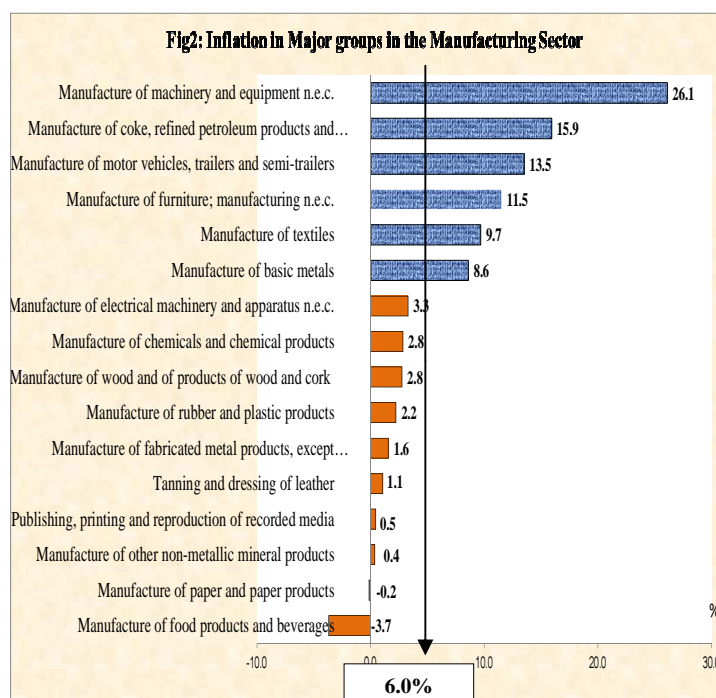
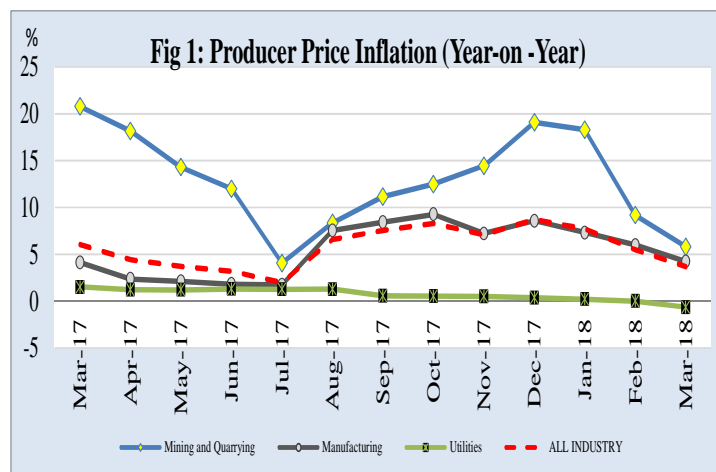
The producer inflation rate in the petroleum sub-sector was 5.3 percent in March 2017. The rate declined to -1.2 percent in April 2017 and then to -4.5 percent in May 2017. Subsequently, it increased consistently to record 36.9 percent in October 2017 but declined to 27.7 percent in November 2017. The rate increased to 36.4 percent in December 2017 but declined consistently to record 15.9 percent in March 2018 (Fig 3).

Highlights

The year-on-year producer inflation for all industry was 3.7 percent in March 2018; the monthly change rate was -0.3 percent.

The Mining and Quarrying sub-sector recorded the highest year-on-year producer price inflation rate of 5.8 percent, followed by the Manufacturing sub-sector with 4.2 percent. The Utilities sub-sector recorded the lowest year-on-year producer inflation of -0.6 percent.

With respect to the monthly changes, Manufacturing recorded the highest inflation rate of -0.2 percent followed by utilities sub-sector with -0.5 percent. Mining and quarrying sub-sector recorded the lowest rate with -0.6 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 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