



Republic of Ghana

Newsletter Producer Price Index (PPI) August 2021



September 15, 2021

Producer Price Inflation Rate in August 2021 is 8.1%

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 figure for August 2021 are provisional and are subject to revision when additional data become available. All other indicators are final.

August 2021 Producer Inflation

The Producer Price Inflation rate for August 2021 was 8.1 percent. This rate indicates that between August 2020 and August 2021 (year-on-year), the PPI increased by 8.1 percent. This rate represents a 0.3 percentage point decrease in producer inflation relative to the rate recorded in July 2021 (8.4%). The month-on-month change in producer price index between July 2021 and August 2021 was 0.5 percent. (Table 1)

Table 1: PPI for June, July & August 2021

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
June, 2021	769.7	1.1	10.1
July rev. 2021	770.6	0.1	8.4
August, 2021	p774.8	p0.5	p8.1

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector decreased by 5.4 percentage points over the July 2021 rate of 2.2 percent to record -3.2 percent in August 2021. The producer inflation for the Manufacturing sub-sector, which constitutes more than two-thirds of the total industry, increased by 0.8 percentage points to record 12.8 percent. The utility sub-sector recorded 0.2 percent inflation rate for August 2021.

Table 2: PPI and Inflation by Sector, August 2021 (September 2006= 100)

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	2,050.3	-0.4	-3.2
Manufacturing	600.2	0.9	12.8
Utilities	900.0	0.0	0.2
ALL INDUSTRY	774.8	0.5	8.1

The data in this table are provisional.

Trends

In August 2020, the producer price inflation rate for all industry was 9.0 percent. The rate increased to 9.7 percent in September 2020 but declined consistently to record 7.0 percent in December 2020. In March 2021, the rate increased to 13.0

percent, but in April 2021, it declined to 10.9 percent. In May 2021, the rate rose to 11.8 percent but decreased continuously to 8.1 percent in August 2021.

Manufacturing Sector

In August 2021, four out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 12.8 percent. Manufacture of coke, refined petroleum products and nuclear fuel recorded the highest inflation rate of 25.3 percent, while the Manufacture of textiles recorded the least inflation rate of 0.3 percent (Fig. 2).

Petroleum Price Index

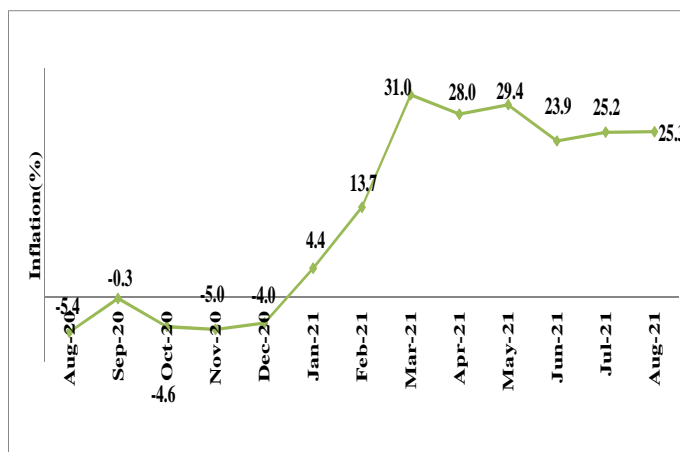
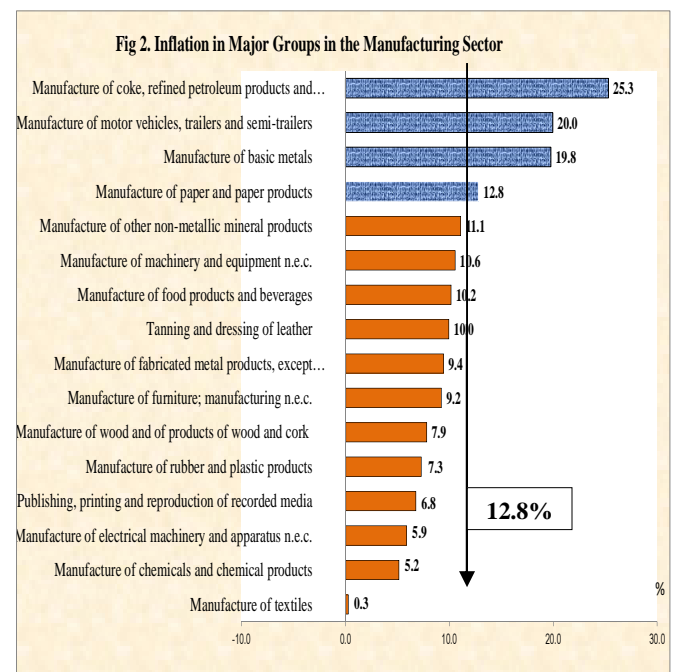
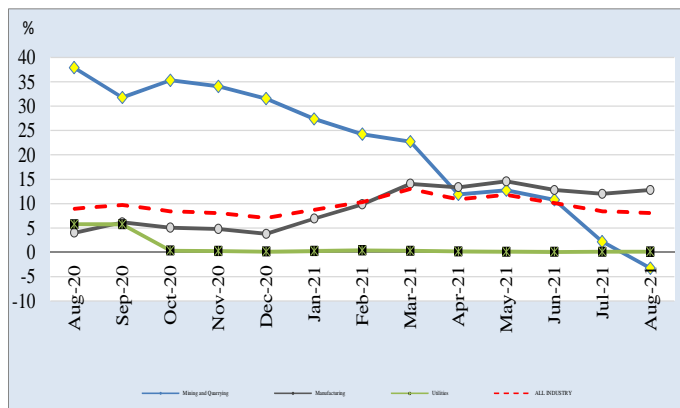
The producer inflation rate in the petroleum sub-sector was -5.4 percent in August 2020. The rate fluctuated between September 2020 (-0.3%) and December 2020 (-4.0%). Subsequently, the rate increased continuously to pick at 31.0 percent in March 2021 but declined to 23.9 percent in June 2021. The rate increased to record 25.3 percent in August 2021. (Fig 3).

Highlights

The year-on-year producer inflation for all industry was 8.1 percent in August 2021; the monthly change rate was 0.5 percent.

The Manufacturing sub-sector recorded the highest year-on-year producer price inflation rate of 12.8 percent, followed by the Utility sub-sector with 0.2 percent. The Mining and Quarrying sub-sector recorded the lowest year-on-year producer deflation rate of -3.2 percent.

The manufacturing sub-sector recorded the highest monthly inflation rate of 0.9 percent, while the utility sub-sector recorded no change in inflation (0%). The mining and quarrying sub-sectors recorded the least monthly deflation rate of -0.4 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 Business & 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.