

PRESS RELEASE

GHANA, July 2022

**CONSUMER PRICE INDEX AND
INFLATION**

10th August 2022



**GHANA
STATISTICAL SERVICE**

In this release, we present:

- Definition and Measurement of Consumer Price Index (CPI) and Rate of Inflation
- CPI and Rate of Inflation for July 2022
- Dominant Divisions of Rate of Inflation for July 2022
- Disaggregation of Rate of Inflation for July 2022
- Highlights of CPI and Rate of Inflation for July 2022



Definition and measurement of CPI and rate of inflation (1/3)

- CPI measures changes in the price of a fixed basket of goods and services purchased by households
- The assumption is that the basket is purchased each month, hence as price changes each month, the total price of the basket will also change
- The rate of inflation is the relative change in CPI between periods
- Inflation is reported year-on-year (annual inflation) and month-on-month (monthly inflation), and granulated to determine regional and commodity type and source of inflation

Definition and measurement of CPI and rate of inflation (2/3)

- CPI does not measure price levels
- CPI is a price perspective measure and cost-of-living index is an expenditure oriented measure
- Data (market readings) are captured monthly
- Key variables are prices, quantities and expenditure weights of items
- Price reference year is 2018 (2018 = 100)



Definition and measurement of CPI and rate of inflation (3/3)

- Prices are collected for approximately 39,500 products every month.
- Price collection is done in 44 markets
- Prices are collected from 7,726 outlets.
- Products are ordered in a hierarchy of 13 Divisions, 44 Groups, 98 Classes, 156 Subclasses and 307 Items.
- Every Item can only be part of one Subclass, and every Subclass can only be part of one Class, etc.



Consumer Price Index and Rate of Inflation for July. 2022

- CPI for July 2022 was 173.0 relative to 121.3 in July 2021
- Year-on-year inflation rate for July 2022 was 31.7%
- This means that in the month of July 2022 the general price level was 31.7% higher than July 2021
- Month-on-month inflation between June 2022 and July 2022 was 3.1%

Month	CPI	Inflation		Quarterly Averages
		Monthly	Yearly	
Jun-2021	129.2	1.3%	7.8%	
Jul-2021	131.3	1.6%	9.0%	Q3: 9.8%
Aug-2021	131.7	0.3%	9.7%	
Sept-2021	132.5	0.6%	10.6%	
Oct-2021	133.3	0.6%	11.0%	
Nov-2021	135.2	1.4%	12.2%	Q4: 11.9%
Dec-2021	136.9	1.2%	12.6%	
Jan-2022	139.7	2.1%	13.9%	Q1: 16.3%
Feb-2022	143.0	2.4%	15.7%	
Mar-2022	148.8	4.0%	19.4%	
Apr-2022	156.5	5.1%	23.6%	
Ma2022	162.8	4.1%	27.6%	Q2: 27.0%
Jun-2022	167.7	3.0%	29.8%	
Jul-2022	173.0	3.1%	31.7%	



Disaggregation of July 2022 rate of inflation

- Food inflation (0.437) was 32.3%
 - Last month this was 30.7%
 - Average over last 12 month was 19.4%
 - Month-on-month Food inflation was 3.3%.
- Non-food Inflation (0.563) was 31.3%
 - Last month this was 29.1 %
 - Average over last 12 month was 17.2%
 - Month-on-month Non-Food inflation was 3.0%
- Inflation for locally produced items was 30.9%
- Inflation for imported items was 33.9%

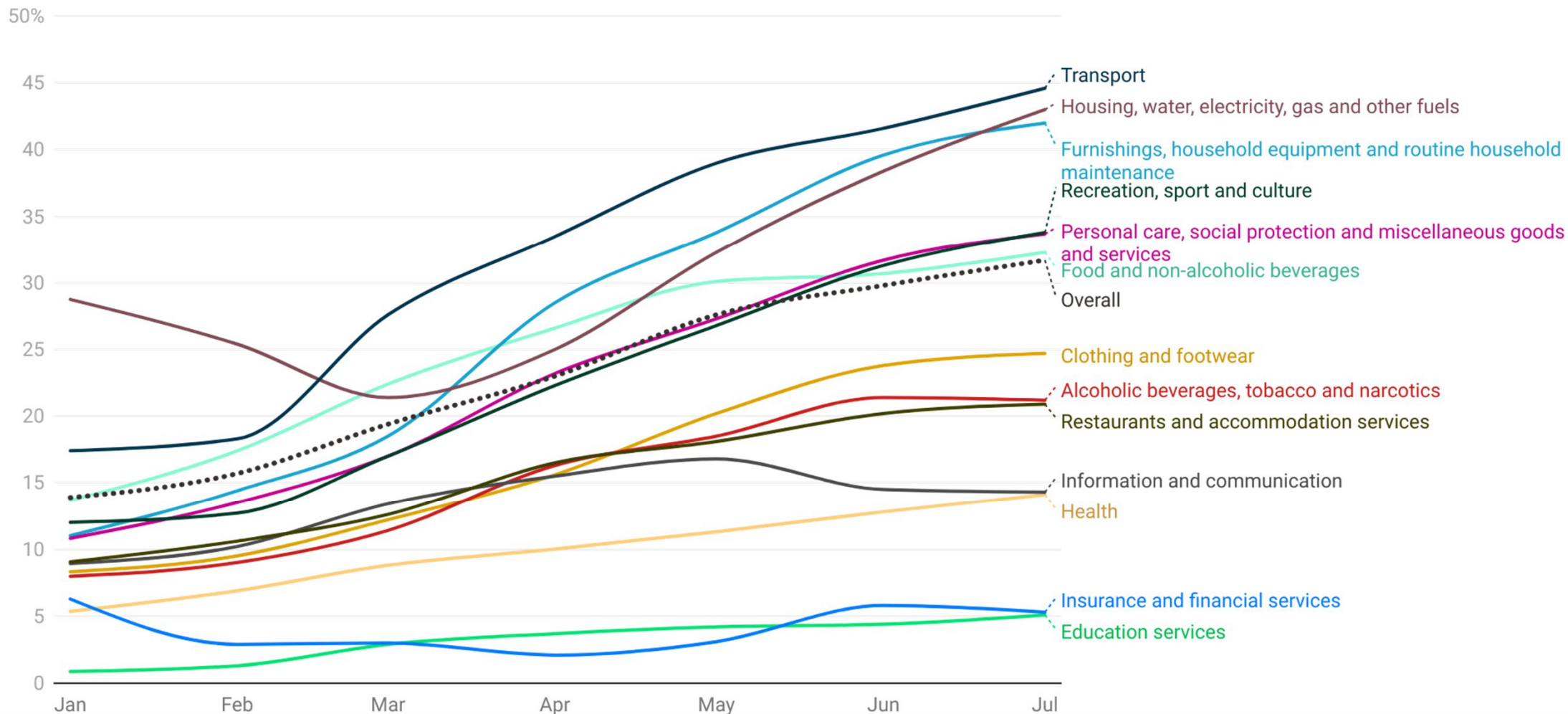


Disaggregation of year-on-year inflation by Division (1/2)

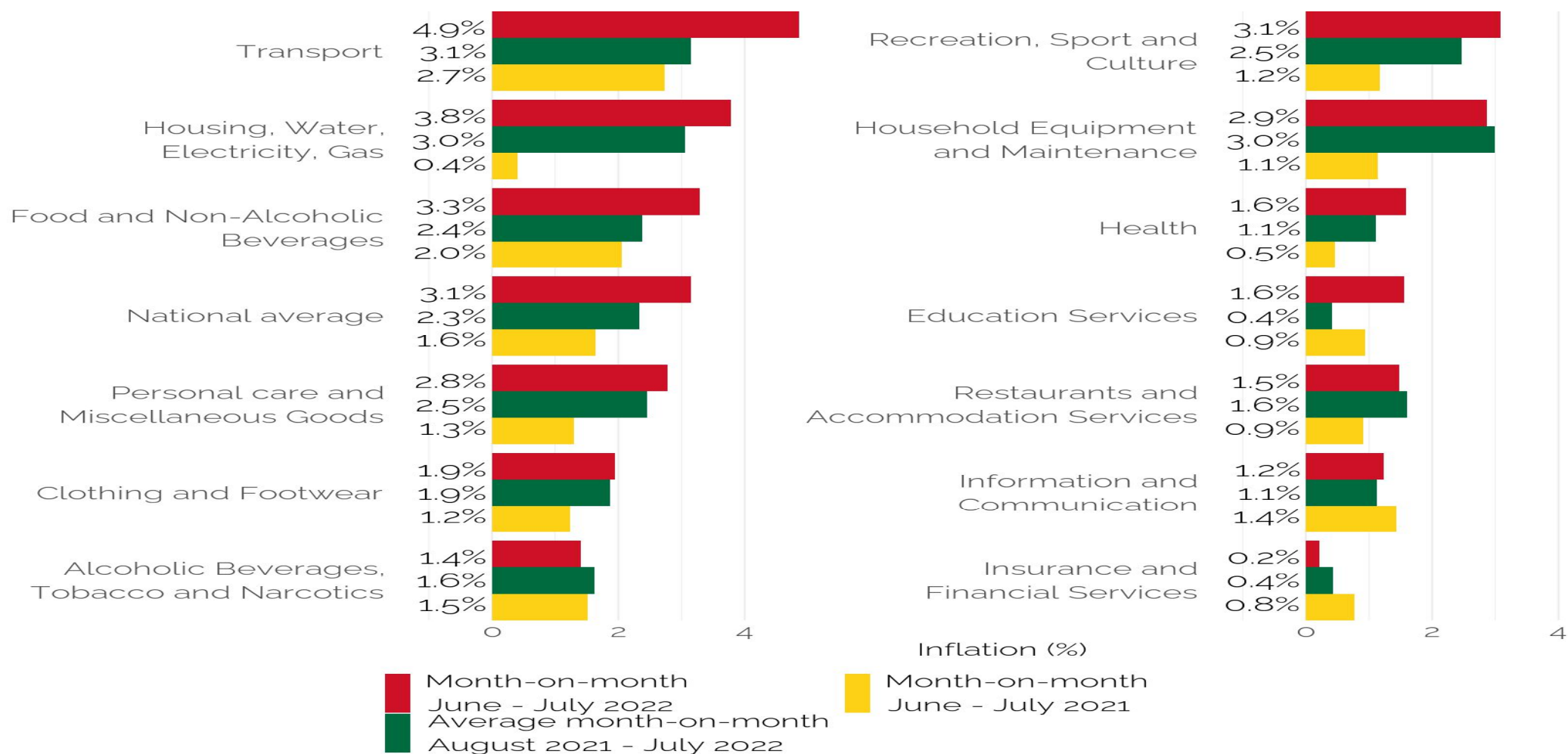
Divisions	Y-o-Y	M-o-M
Transport	44.6	4.9
Housing, Water Electricity, Gas and Other Fuels	43.0	3.8
Furnishings, Household Equipment and Routine Household Maintenance	42.0	2.9
Recreation, Sport and Culture	33.8	3.1
Personal Care, Social Protection and Miscellaneous Goods and Services	33.7	2.8
Food an Non-Alcoholic Beverages	32.3	3.3
Clothing and Footwear	24.7	1.9
Alcoholic Beverages, Tobacco and Narcotics	21.2	1.4
Restaurants and Accommodation Services	20.9	1.5
Informationand Communication	14.3	1.2
Health	14.1	1.6
Insurance and Financial services	5.3	0.2
Education Services	5.1	1.6



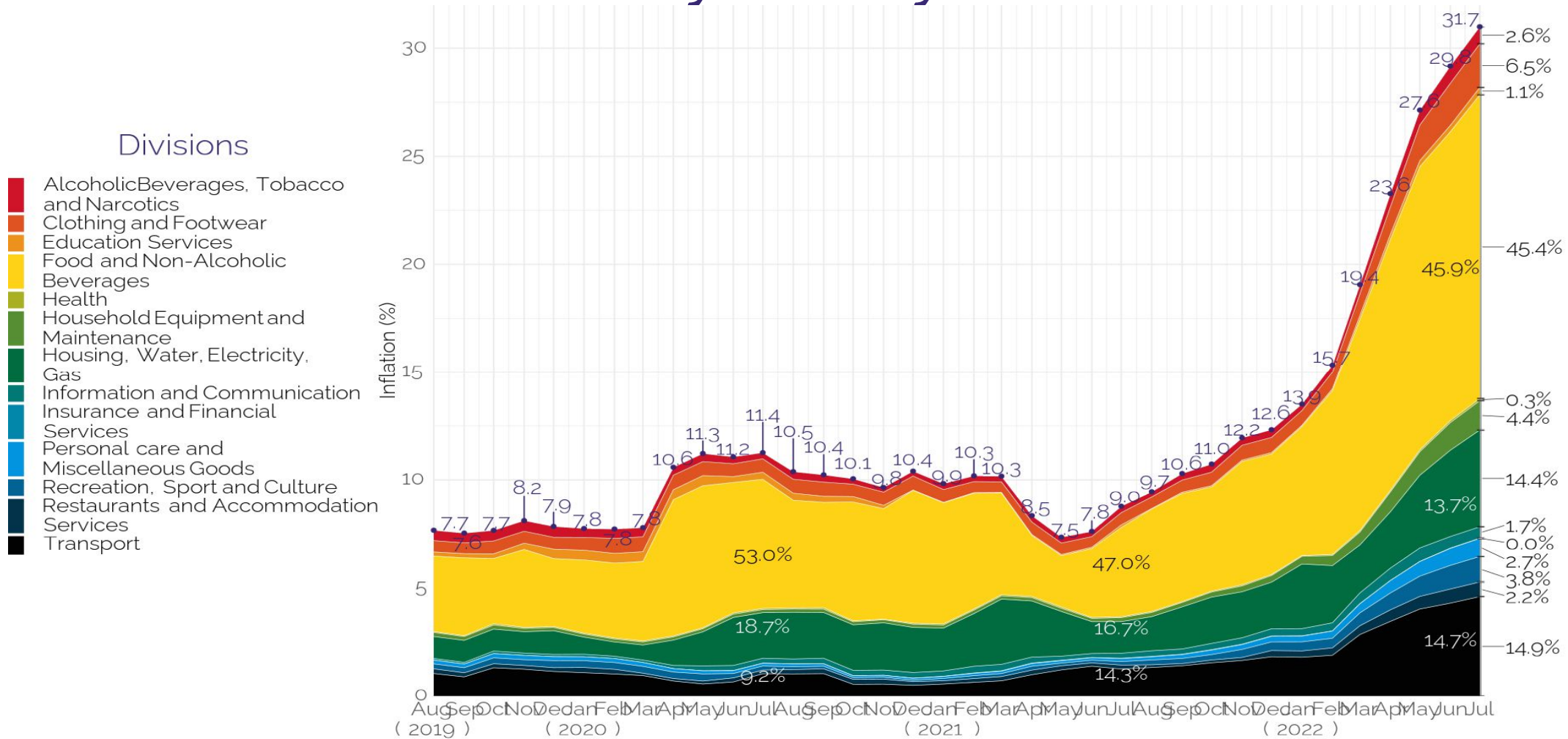
Disaggregation of year-on-year inflation by Division (2/2)



Disaggregation of month-on-month inflation

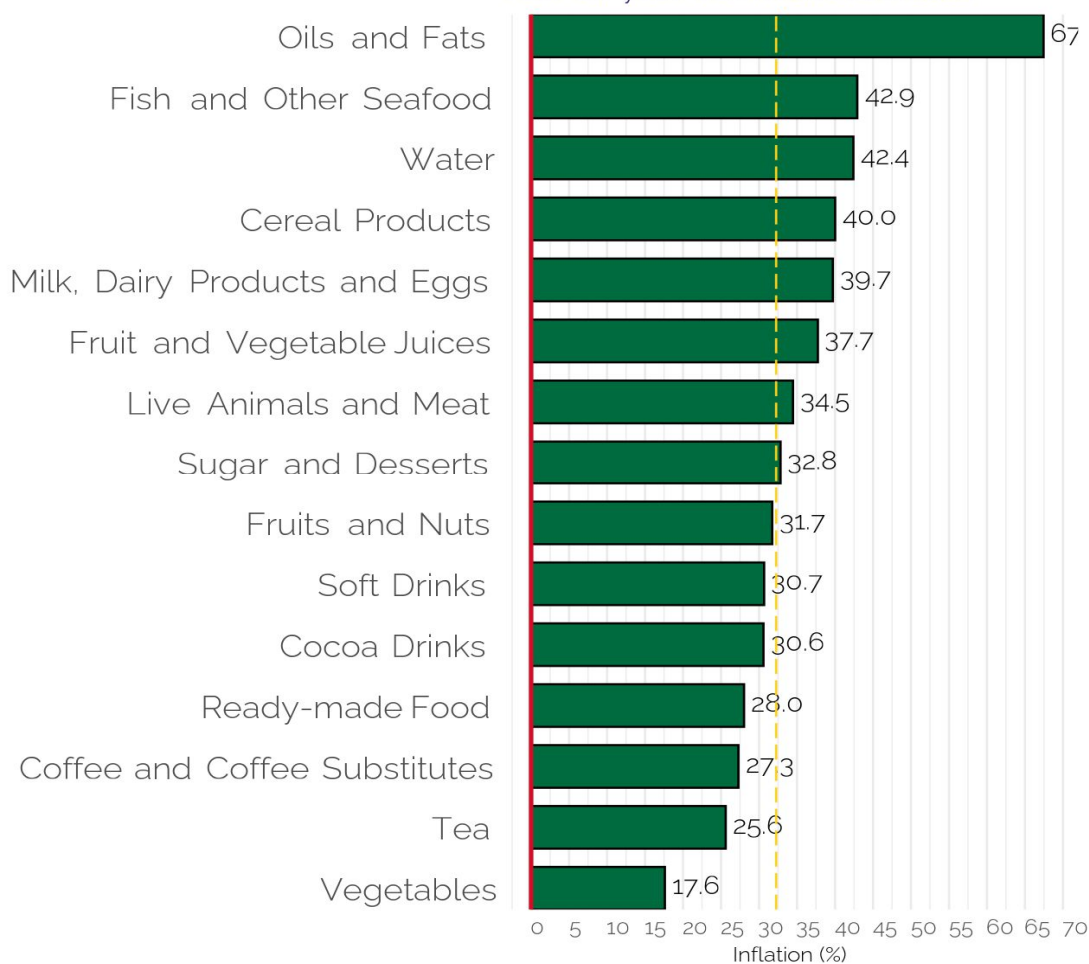


Contribution of year-on-year inflation

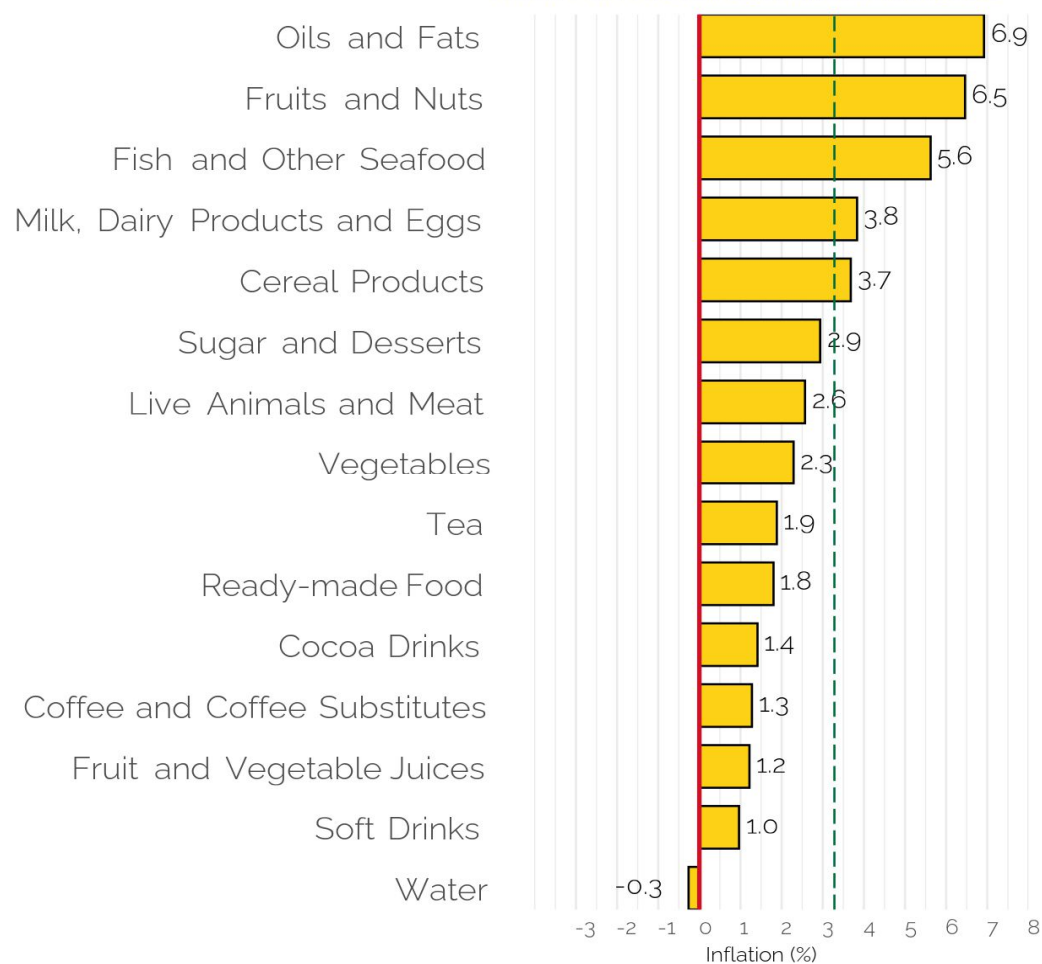


Disaggregation of YoY and MoM Food-inflation by Subclass

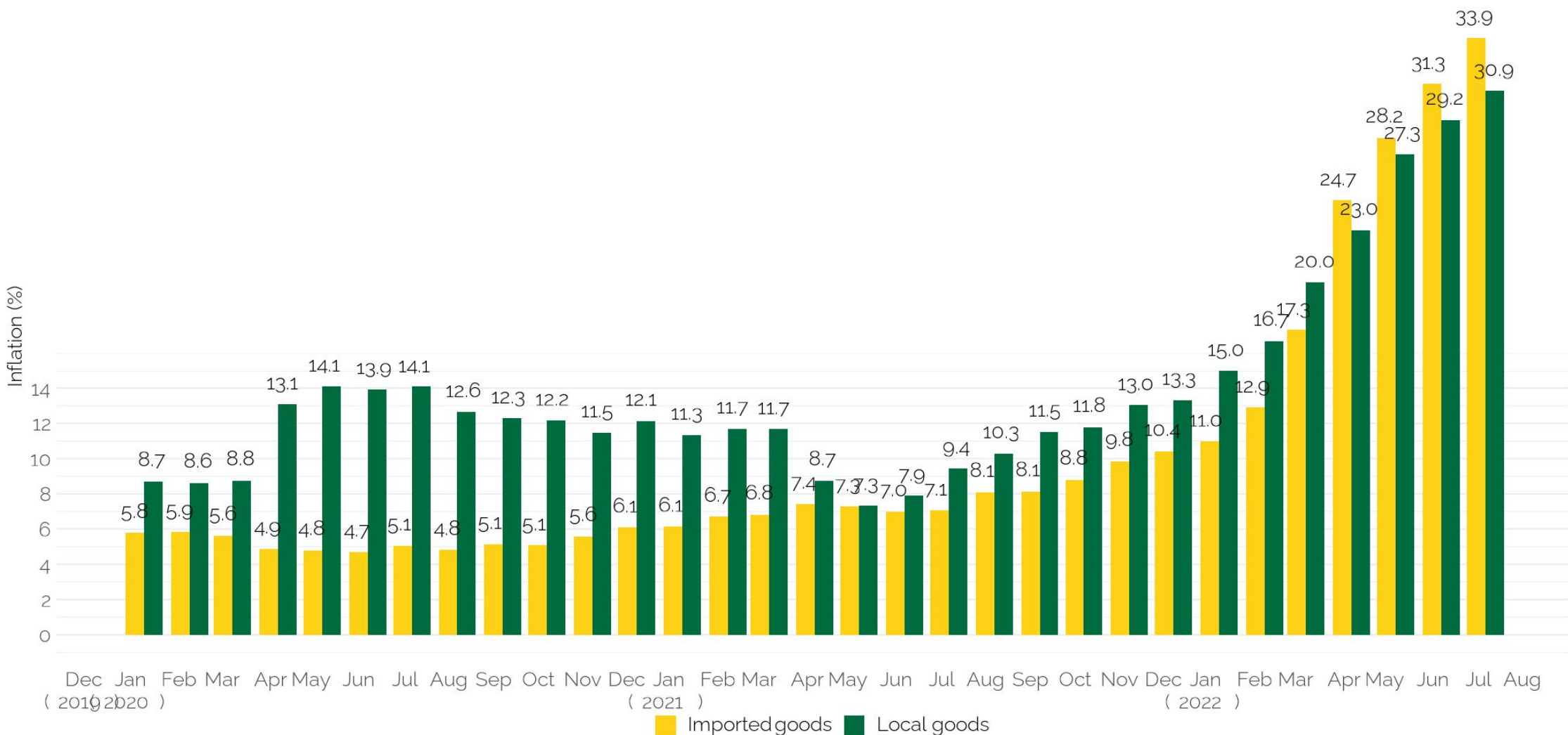
Year-on-year Food inflation Jul 2022



Month-on-month Food inflation Jul 2022



Imported and local inflation January 2020 – July 2022

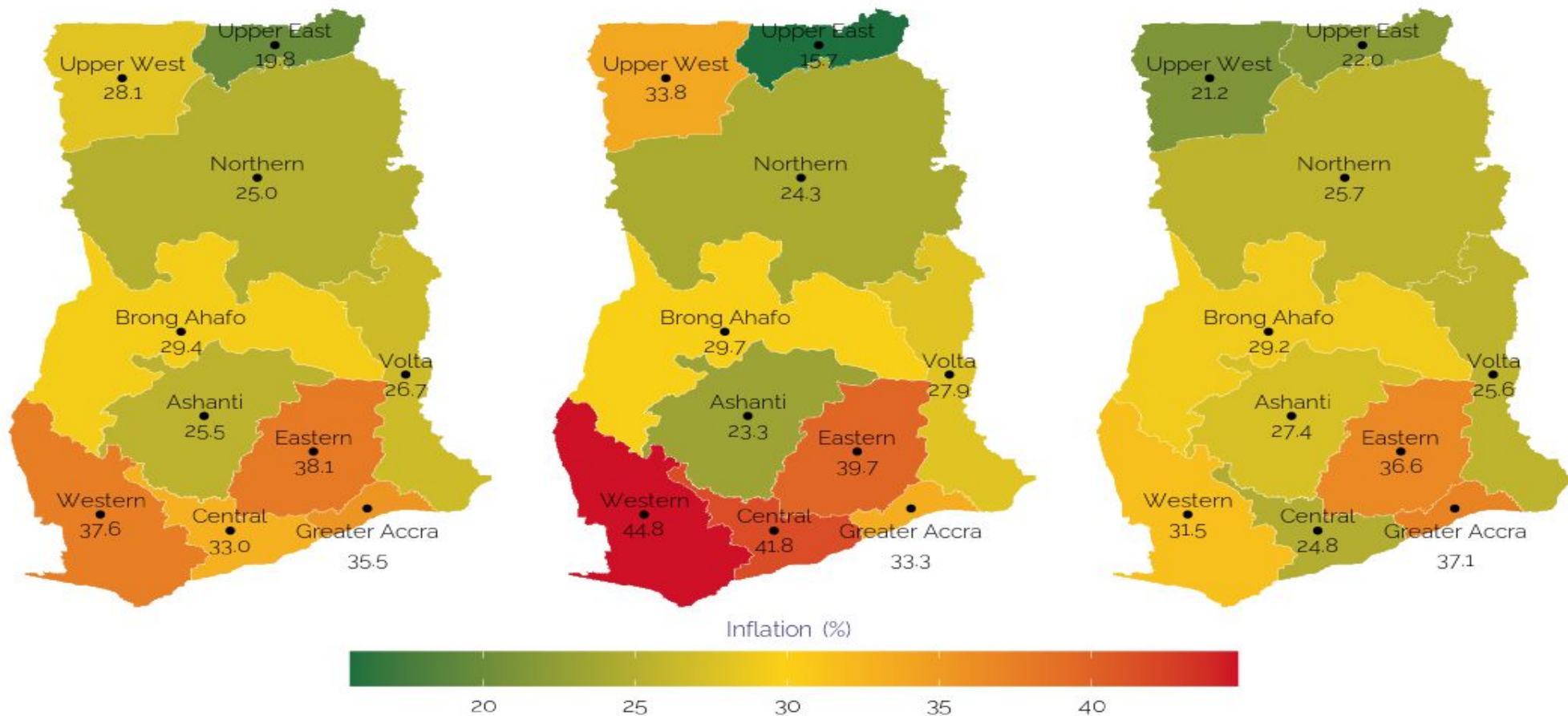


July 2022 regional rates of inflation

Overall inflation

Food inflation

Non-Food inflation



Disaggregation of inflation in Eastern and Western Regions for July 2022

Year-on-year inflation (%), Eastern Region

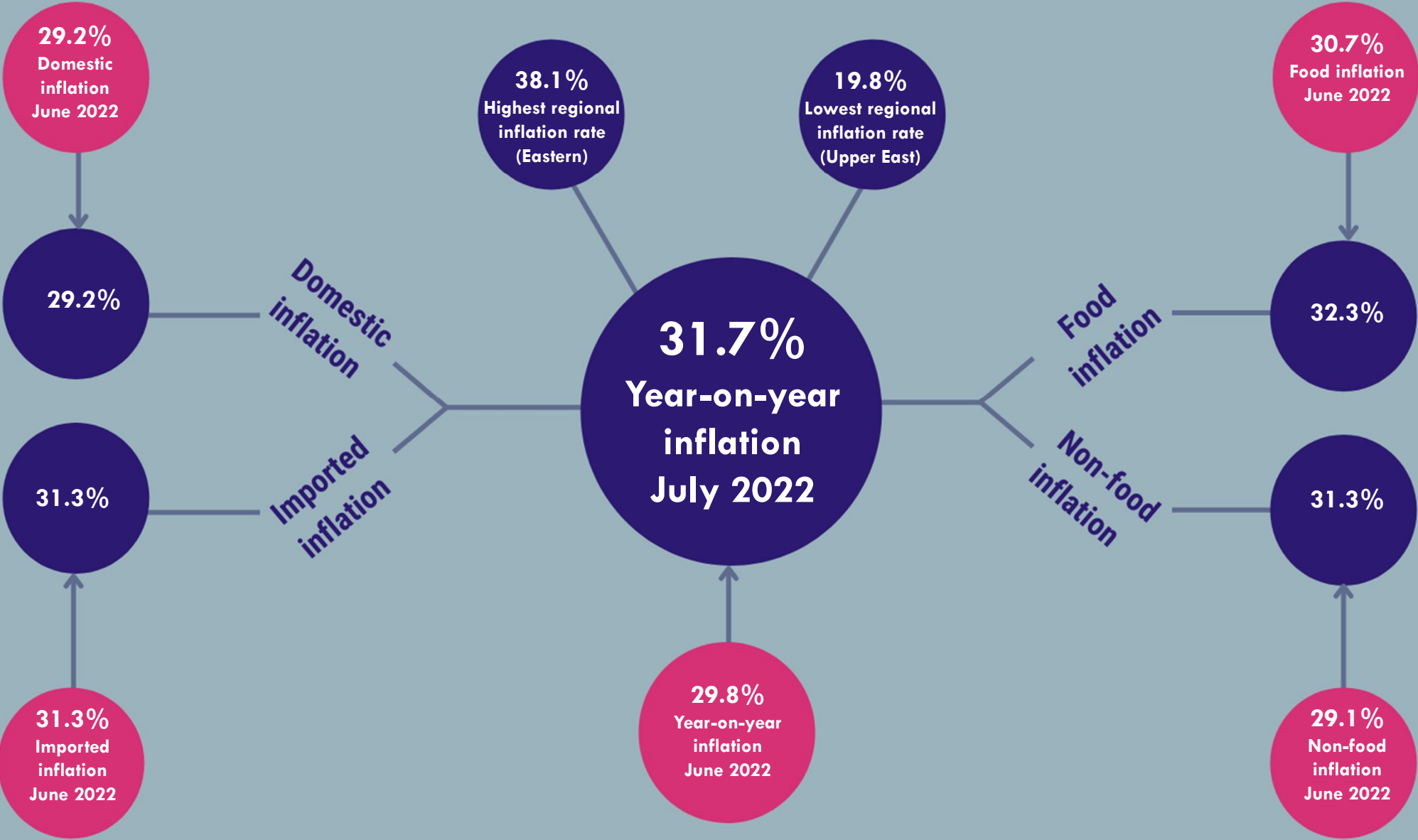
Eastern Region	Weight	(%)
Transport	0.7	53.2
Housing, Water, Electricity, Gas	0.8	49.6
Household Equipment and Maintenance	0.4	46.5
Personal care and Miscellaneous Goods	0.3	41.7
Food and Non-Alcoholic Beverages	4.9	39.7
Restaurants and Accommodation Services	0.5	36.5
Education Services	0.5	30.6
Recreation, Sport and Culture	0.4	29.7
Alcoholic Beverages, Tobacco and Narcotics	0.4	26.2
Clothing and Footwear	0.9	24.8
Health	0.1	24.6
Information and Communication	0.3	12.8
Insurance and Financial Services	0.0	0.0
Eastern - Overall		38.1

Year-on-year Food inflation (%) Western Region

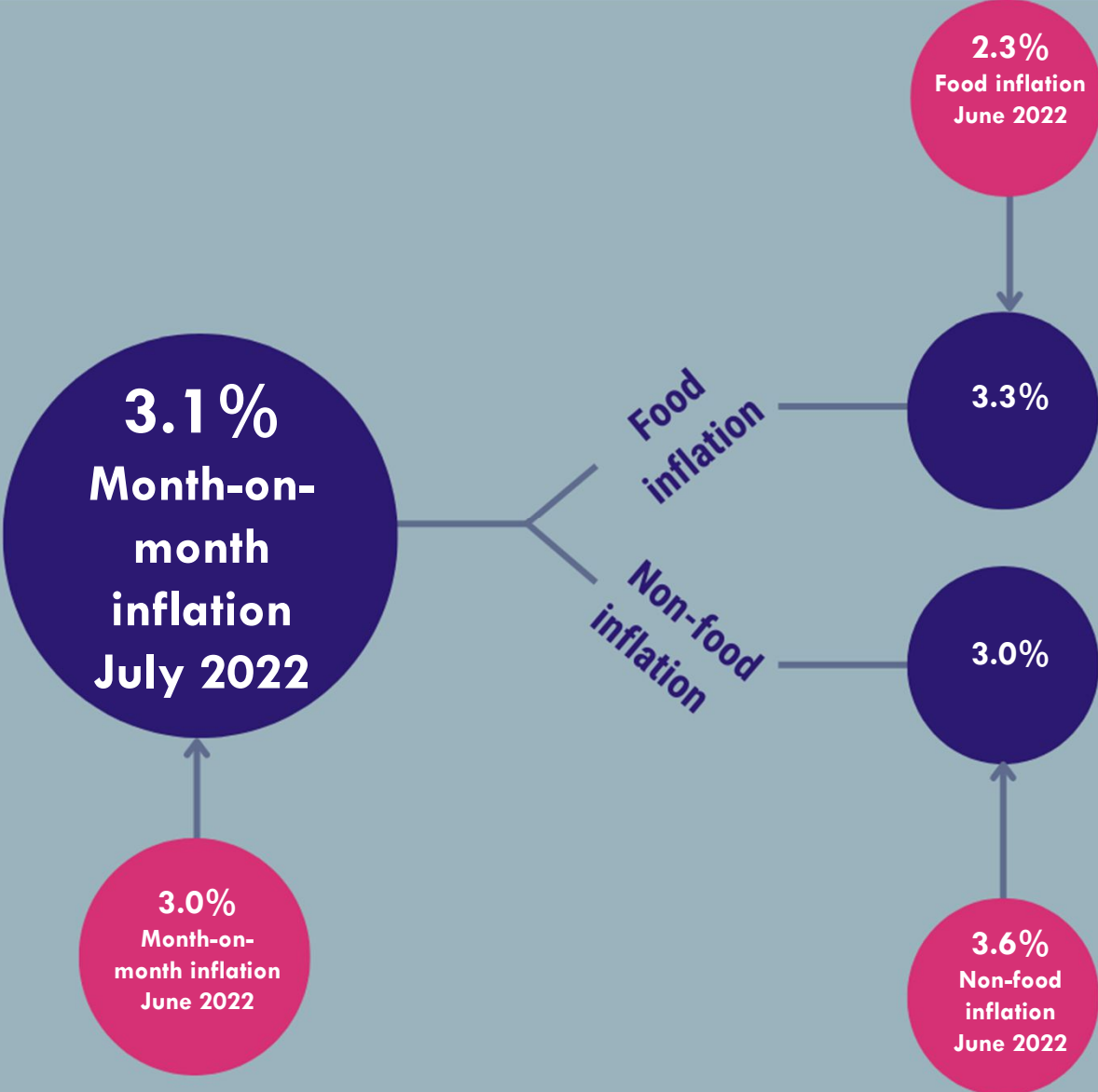
Western Region - Food	Weight	(%)
Fish and Other Seafood	1.0	59.6
Cereal Products	0.8	54.9
Cocoa Drinks	0.0	50.2
Oils and Fats	0.1	47.0
Water	0.1	44.7
Milk, Dairy Products and Eggs	0.1	42.0
Live Animals and Meat	0.3	41.5
Fruits and Nuts	0.1	39.2
Coffee and Coffee Substitutes	0.0	36.1
Soft Drinks	0.1	35.5
Vegetables	0.8	31.5
Sugar and Desserts	0.1	31.3
Ready-made Food	0.6	30.3
Tea	0.0	26.8
Fruit and Vegetable Juices	0.0	26.3
Western Region - Food		44.8



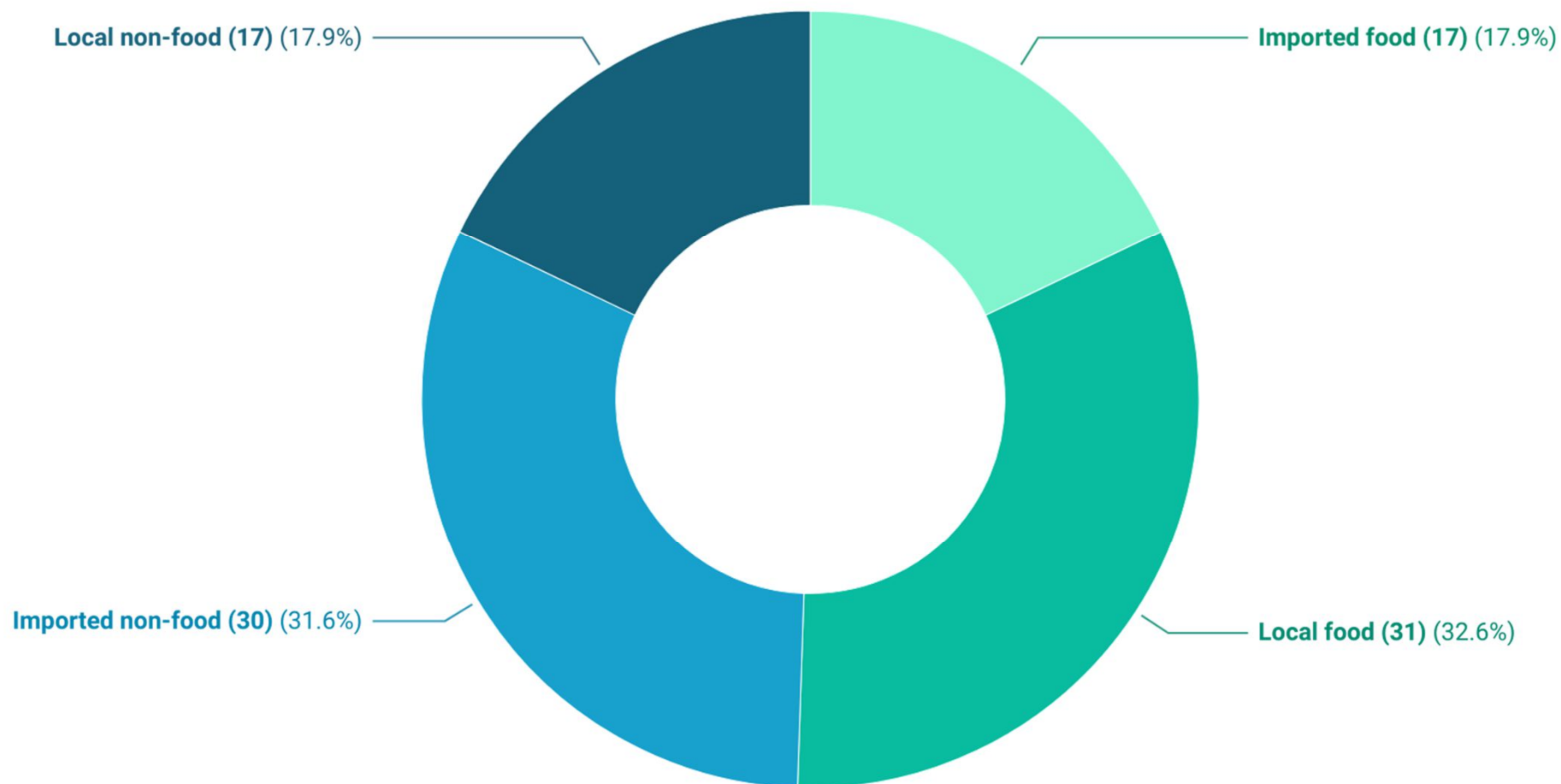
Highlights



Highlights (2/2)



Additional Policy Considerations (1/2)



Additional Policy Considerations (2/2)

Item Name	Item Type	Weight	Year-on-year Inflation	Month-on-month Inflation
1 Bus and Trotro Fares	Non-food, local	5.8	42.3%	4.1%
2 Cooked Rice	Food, local	3.8	27.2%	1.6%
3 Payment For Rents	Non-food, local	3.7	46.4%	6.9%
4 Rice(Imported)	Food, imported	3.2	29.3%	1.4%
5 Public/Private Secondary School Fees (SSS)	Non-food, local	3.0	7.6%	2.8%
6 Herrings -Smoked	Food, local	2.5	51.3%	10.0%
7 Accommodation (Hotel)	Non-food, local	2.3	24.8%	1.9%
8 Bread	Food, local	2.1	56.1%	8.5%
9 Pre-Primary And Primary Education	Non-food, local	2.0	-1.1%	0.4%
10 Fish (River)	Food, local	1.8	32.5%	0.5%



Additional Pointers for Household Decision Making

- The inflation rates recorded each month have differential impacts on household depending on the basket of items purchased by each household.
- Given households' taste, disposal income and availability of alternatives, the basket of items purchased can be varied in response to the soaring prices.
- Top fifteen items with the highest upward change in year-on-year inflation for July 2022.

	Item Name	Item Type	Year-on-year Inflation
1	Grapes	Food, imported	114.6%
2	Diesel	Non-food, imported	113.5%
3	Petrol	Non-food, imported	83.2%
4	Solid Fuels (firewood)	Non-food, local	81.4%
5	Washing Soap	Non-food, imported	74.6%
6	Coconut Oil	Food, local	73.9%
7	Gas	Non-food, imported	70.3%
8	Groundnut Oil	Food, local	70.0%
9	Vegetable Oil	Food, imported	68.8%
10	Wheat Flour	Food, local	67.2%
11	Millet	Food, local	65.7%
12	Bambara Beans	Food, local	65.0%
13	Palm Oil (Red Oil)	Food, local	63.1%
14	Sunflower Cooking Oil	Food, imported	63.0%
15	Watermelon	Food, local	62.5%



End of Press Release for July 2022 Consumer Price Index

For enquiries, please contact:

https://statsghana.gov.gh/gssmain/fileUpload/Price%20Indices/CPI_Technical_Guide_v5_Published_14102020.pdf

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