



Newsletter Consumer Price Index (CPI) October 2019



+233-302-682677, +233-302-664382

info@statsghana.gov.gh

November 13

Summary

- National year-on-year inflation from October 2018 to October 2019 was 7.7%.
- Food and Non-alcoholic beverages inflation was 7.0% and average Non-food Inflation was 8.2 %
- Inflation is predominantly driven by food and transportation, even though the contribution of food on inflation went down.
- Inflation was 11.8% in the Greater Accra Region and 3.6 % in the Upper East Region.
- Inflation of imported goods was 8.9%, while the inflation of local goods was 5.9% on average.

CPI

The Consumer Price Index (CPI) measures proportionate changes in the prices of a fixed basket of goods and services that households in Ghana consume. This index is then referenced to the price level in 2018, the base year, which has an index of 100. Changes in this index can be expressed as inflation (see Table 1).

October 2019 Inflation

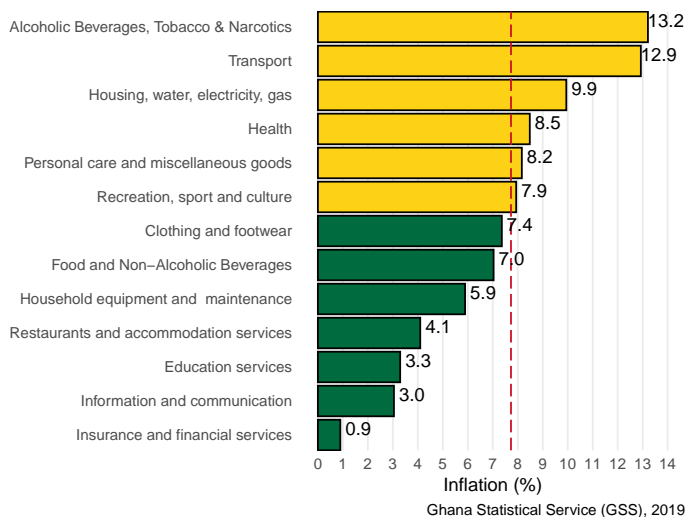


Figure 1: Year-on-year Inflation October 2019, by Division. Inflation was highest for the 'Alcoholic beverages, tobacco & narcotics,' 'Transport,' and 'Housing, water, electricity & gas' Divisions.

The national year-on-year inflation rate was 7.7% in October 2019, up by 0.1 percentage point from the 7.6% recorded in September 2019. Month-on-month inflation between September 2019 and October 2019 was 0.4%. Alcoholic beverages, tobacco & narcotics (13.2%) and Transport (12.9%) were the Divisions with the highest rates of inflation (see Figure 1). Due to its relative importance in consumption, Food is still the main driver of inflation in Ghana, but less so than in the two previous months (see Figure 2). Compared to previous months, Transport is now a larger driver of inflation. This is mostly due to increased prices in both bus fares and fuels.

Table 1: Consumer Price Indices August 2019 to October 2019

Month	CPI (2018 = 100)	Change (inflation %)	
		Monthly	Yearly
Aug - 2019	108.7	-	7.8
Sep - 2019	108.6	-0.1	7.6
Oct - 2019	109.0	0.4	7.7

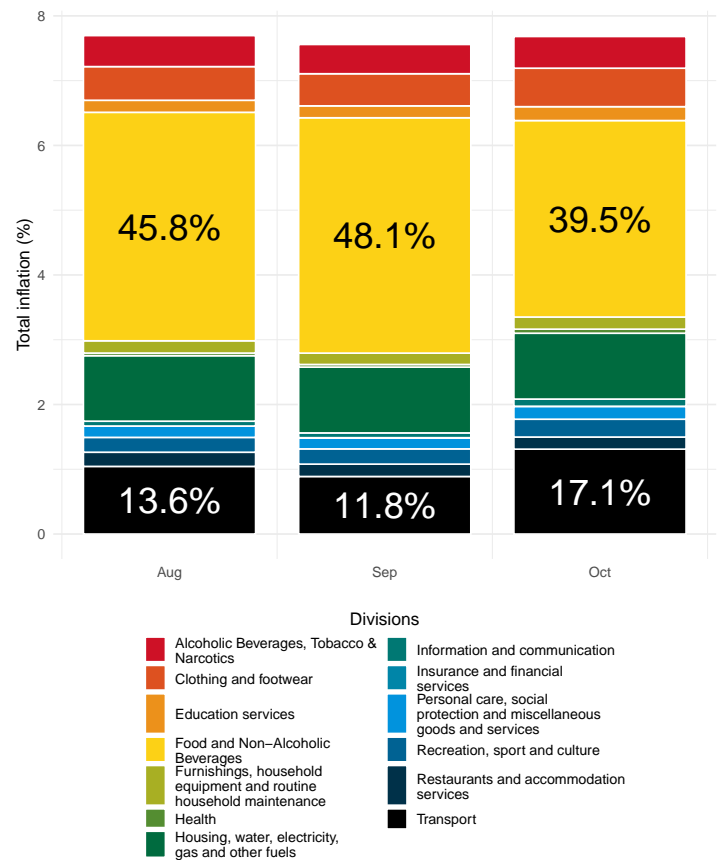


Figure 2: Drivers of year-on-year inflation over the last 3 months. The contribution of Transport increased, while the contribution of Food decreased. Total inflation did not differ much from month-to-month in the last 3 months.

Food and non-food Inflation Regional Inflation

The Food and Non-alcoholic beverages Division recorded a year-on-year inflation rate of 7.0%. This is 1.5 percentage points lower than what was recorded in September 2019 (8.5%). Between September 2019 and October 2019 the price level of Food and Non-alcoholic beverages went down slightly (-1.2%). This decline is predominantly driven by a decline in price levels of vegetables and fruits (see Figure 3). National Non-food year-on-year for October 2019 inflation was 8.2%, up from 7.0% recorded in September 2019. Non-food classes with the highest year-on-year inflation include: Transport services of goods (37.5%), Narcotics (33.8%), Passenger transport (14.1%), Alcoholic beverages (12.4%), Maintenance of dwellings (11.7%), Electricity, gas and fuels (11.7%), and Information and communication services (8.4%). Inflation of imported goods was 8.9%, while the inflation of local goods was 5.9% on average.

At the regional level, the year-on-year inflation ranged from 3.6% in Upper East to 11.8% in the Greater Accra Region (see Figure 4).

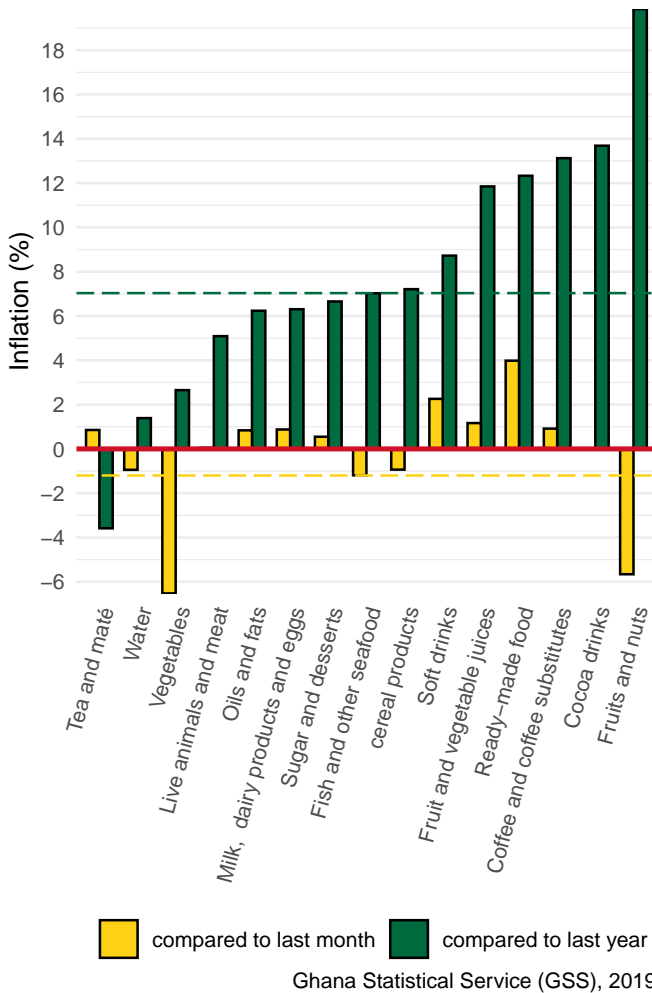


Figure 3: Year-on-year and month-on-month Food Subclass inflation, October 2019.

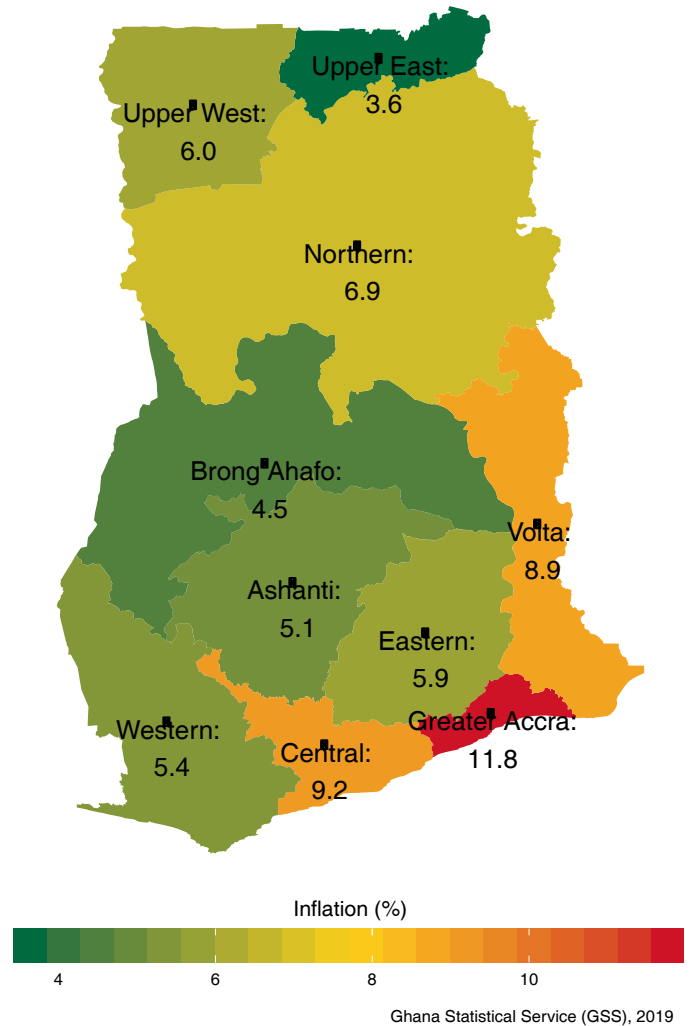


Figure 4: Year-on-year inflation per region

More Information

Visit the GSS website (www.statsghana.gov.gh) for further information or contact: Mr. John F.K. Agyaho (Head, Price Statistics, GSS) at john.agyaho@statsghana.gov.gh.