



Republic of Ghana

Newsletter Producer Price Index (PPI) July 2021



August 18, 2021

Producer Price Inflation Rate in July 2021 is 8.4%

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

July 2021 Producer Inflation

The Producer Price Inflation rate for July 2021 was 8.4 percent. This rate indicates that between July 2020 and July 2021 (year-on-year), the PPI increased by 8.4 percent. This rate represents a 1.7 percentage point decrease in producer inflation relative to the rate recorded in June 2021 (10.1%). The month-on-month change in producer price index between June 2021 and July 2021 was 0.1 percent. (Table 1)

Table1: PPI for May, June & July 2021

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
May, 2021	761.8	2.0	11.8
June rev. 2021	769.7	1.1	10.1
July, 2021	p770.6	p0.1	p8.4

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector decreased by 7.3 percentage points over the June 2021 rate of 9.5 percent to record 2.2 percent in July 2021. The producer inflation for the Manufacturing sub-sector, which constitutes more than two-thirds of the total industry, decreased by 0.8 percentage points to record 12.0 percent. The utility sub-sector recorded 0.1 percent inflation rate for July 2021.

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

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	2,058.5	-0.0	2.2
Manufacturing	595.0	0.2	12.0
Utilities	899.7	0.0	0.1
ALL INDUSTRY	770.6	0.1	8.4

The data in this table are provisional.

Trends

In July 2020, the producer price inflation rate for all industry was 9.3 percent. The rate decreased to 9.0 percent in August 2020. It 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. However, in April 2021, it declined to 10.9 percent. In May 2021, the rate rose to 11.8 percent but decreased to 8.4 percent in July 2021.

Manufacturing Sector

In July 2021, four out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 12.0 percent. Manufacture of coke, refined petroleum products and nuclear fuel recorded the highest inflation rate of 25.2 percent, while the Manufacture of electrical machinery and apparatus n.e.c. recorded the least inflation rate of 0.0 percent (Fig. 2).

Petroleum Price Index

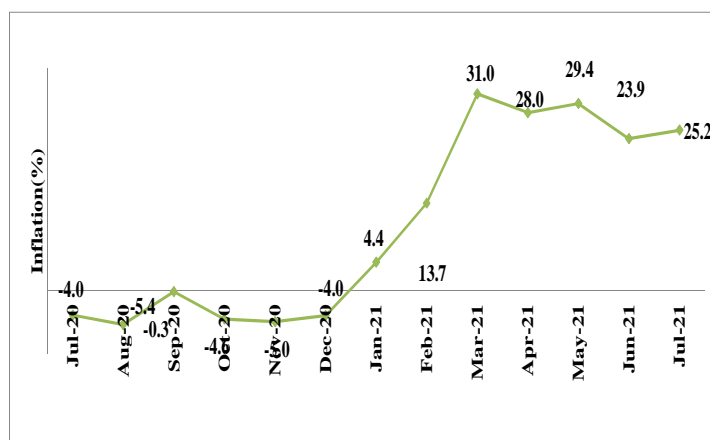
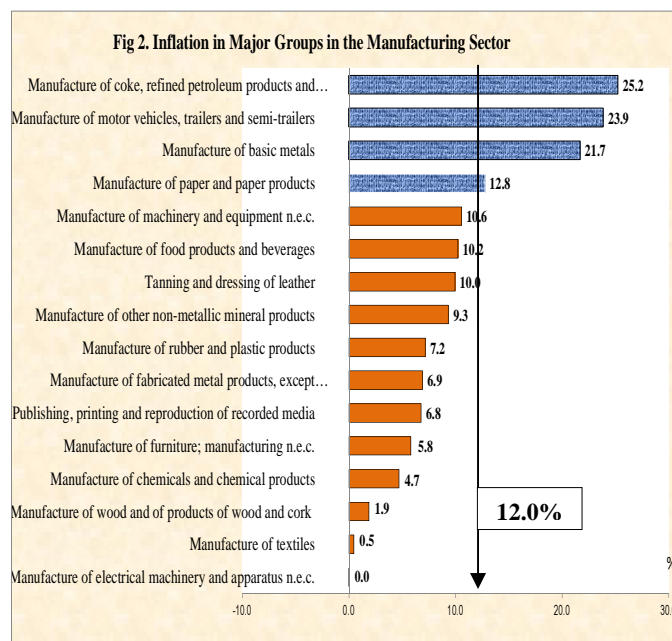
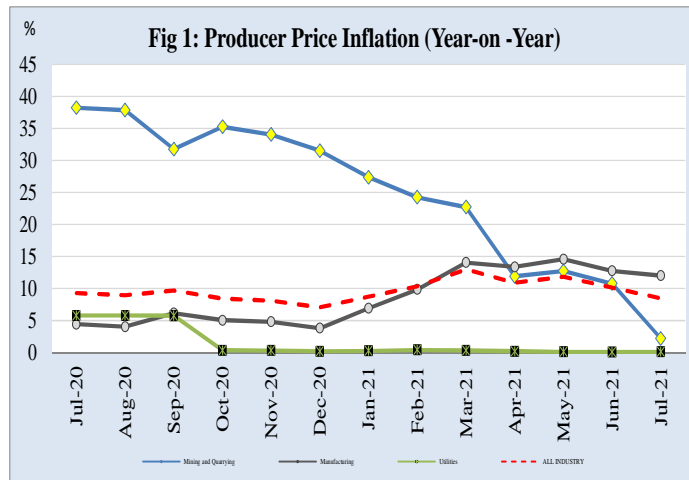
The producer inflation rate in the petroleum sub-sector was -4.0 percent in July 2020. The rate fluctuated between August 2020 (-5.4%) and November 2020 (-5.0%). Subsequently, the rate increased continuously to pick at 31.0 percent in March 2021 but declined to 23.9 percent in June 2021. The rate increased to record 25.2 percent in July 2021. (Fig 3).

Highlights

The year-on-year producer inflation for all industry was 8.4 percent in July 2021; the monthly change rate was 0.1 percent.

The Manufacturing sub-sector recorded the highest year-on-year producer price inflation rate of 12.0 percent, followed by the Mining and Quarrying sub-sector with 2.2 percent. The Utility sub-sector recorded the lowest year-on-year producer inflation rate of 0.1 percent.

The manufacturing sub-sector recorded the highest monthly inflation rate of 0.2 percent, while the utility and mining and quarrying sub-sectors recorded no change in inflation (0%).



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.