



Newsletter Consumer Price Index (CPI) December 2019



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

info@statsghana.gov.gh

08-Jan-2020

Summary

- National year-on-year inflation from December 2018 to December 2019 was 7.9%.
- Food and Non-alcoholic beverages inflation was 7.2% and average Non-food inflation was 8.5%.
- Inflation is predominantly driven by Food, Transportation, and Housing.
- Inflation was 12.0% in the Greater Accra Region and 5.0% in the Ashanti Region.
- Inflation of imported goods was 6.1%, while the inflation of local goods was 8.7% 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. Relative changes in this index can be expressed as inflation (see Table 1).

Table 1: Consumer Price Indices Aug 2019 to Dec 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
Nov - 2019	109.7	0.7	8.2
Dec - 2019	110.0	0.3	7.9

December 2019 Inflation

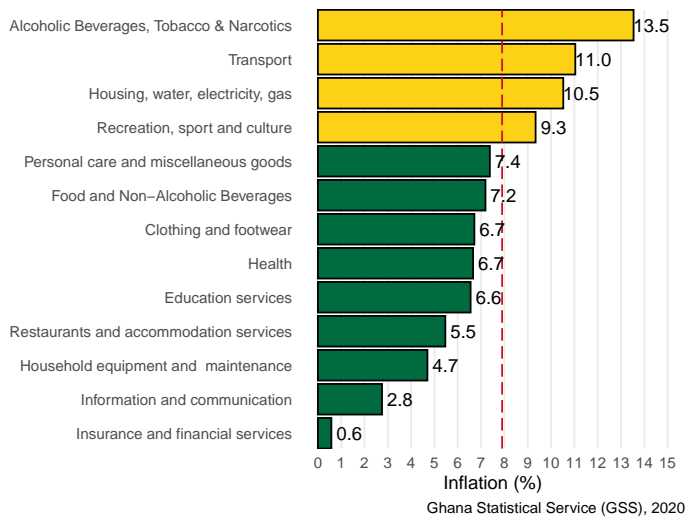


Figure 1: Year-on-year inflation December 2019, by Division. Inflation was highest for the 'Alcoholic beverages, tobacco & narcotics,' 'Transport,' and 'Housing, water, electricity & gas' Divisions.

The national year-on-year inflation rate was 7.9% in December 2019, .3 percentage points lower than the 8.2% recorded in November 2019. Month-on-month inflation between November 2019 and December 2019 was .3%. Alcoholic Beverages, Tobacco & Narcotics (13.5%), Transport (11.0%), and Housing (10.5%) 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 than last month (see Figure 2).

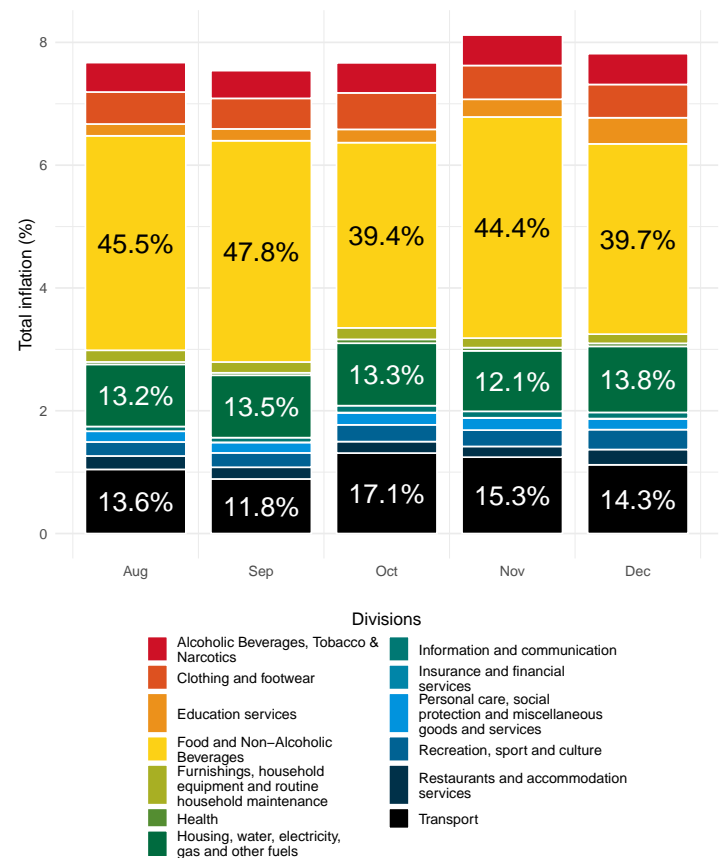


Figure 2: Composition of year-on-year inflation over the last five months. The contribution of Housing increased, while the contribution of Food decreased. Total inflation did not differ much month-on-month in the last months.

Food and Non-food Inflation

The Food and Non-alcoholic beverages Division recorded a year-on-year inflation rate of 7.2%. This is 1.2 percentage points lower than what was recorded in November 2019 (8.4%). National Non-food year-on-year inflation for December 2019 was 8.5%, up from 8.0% recorded in November 2019. Between November 2019 and December 2019 the price level of Food and Non-alcoholic beverages went down slightly (-.6%). This fall is predominantly driven by a decrease in price levels of Vegetables and Fish (see Figure 3). This stands in contrast the increase in Food inflation between October 2019 and November 2019 (+1.1%). Non-food Subclasses with the highest year-on-year inflation include: Other transport services (34.5%), Postal and courier services (31.5%), Narcotics (28.1%), and Garden products (24.7%). Maintenance and repair of personal transport equipment (-10.6%), Education (not defined by level) (-8.1%), Cars (-2.3%), Sound equipment (-2.3%), and Electric appliances for personal care (-2.2%) had negative year-on-year inflation rates.

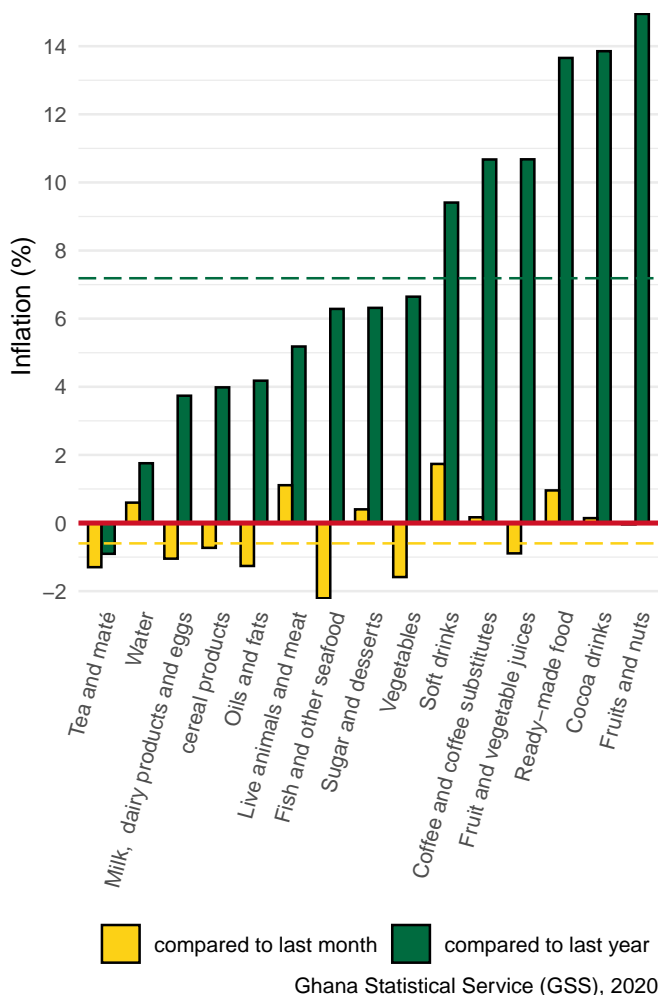


Figure 3: Year-on-year and month-on-month Food Subclass inflation, December 2019.

Regional Inflation

At the regional level, the year-on-year inflation ranged from 5.0% in Ashanti Region to 12.0% in the Greater Accra Region (see Figure 4).

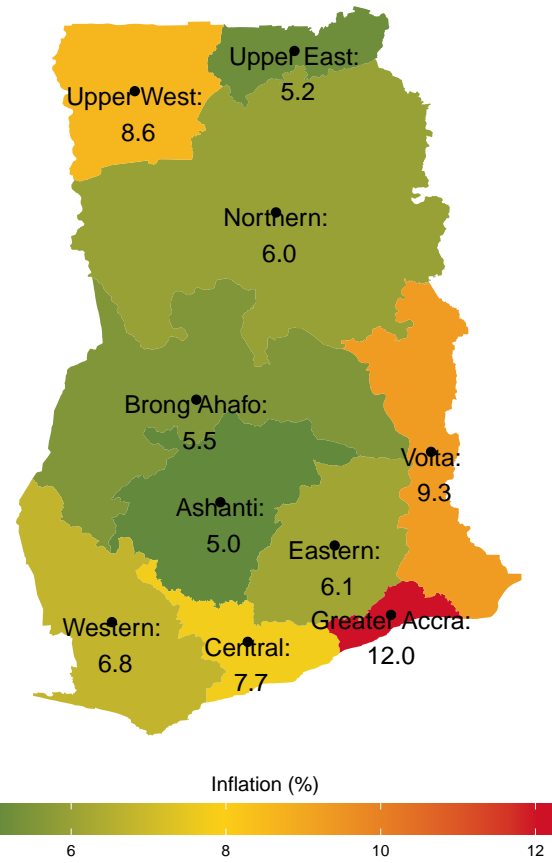


Figure 4: Year-on-year, December 2019 inflation per region.

Imported and Local Inflation

Inflation of imported goods was 6.1%, while the inflation of local goods was 8.7% on average (See Figure 5). This is the highest rate of local inflation and the lowest rate of inflation for imported goods since August 2019. Month-on-month inflation for imported goods was -.2%, while month-on-month inflation for local goods was .5%.

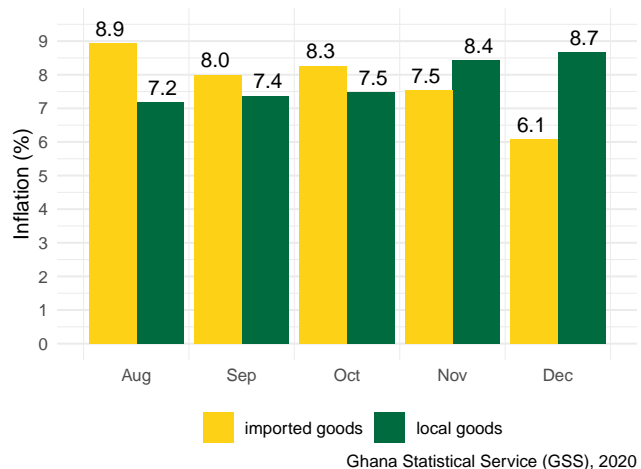


Figure 5: Comparing inflation of locally produced goods and imported goods over the last 5 months.

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.