



Newsletter Consumer Price Index (CPI) April 2020



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Summary

- National year-on-year inflation from April 2019 to April 2020 was 10.6%.
- National month-on-month inflation from March 2020 to April 2020 was 3.2%.
- Food and Non-alcoholic beverages inflation was 14.4% and average Non-food inflation 7.7%.
- Regional inflation was between 15.1% in Greater Accra and 2.3% in the Upper East Region.

Government Statistician Says:

“The average national inflation stood at 10.6%. Food inflation (14.4%) outpaced Non-food inflation (7.7%), especially in the two regions with areas which were under partial COVID-19 lockdown, Greater Accra (20.8%) and Ashanti (18.2%).”

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 of 2018, the base year. Relative changes in this index can be expressed as inflation (see Table 1).

April 2020 Inflation

The national year-on-year inflation rate was 10.6% in April 2020, which is 2.8 percentage points higher than last month. Month-on-month inflation between March 2020 and April 2020 was 3.2%. These are highest recorded year-on-year and month-on-month inflation rates since the CPI rebasing in August of last year. Only two of the thirteen Divisions had higher than average inflation rates, Food and Non-Alcoholic Beverages (14.4%) and Housing, Water, Electricity, and Gas (11.2%), See Figure 1.

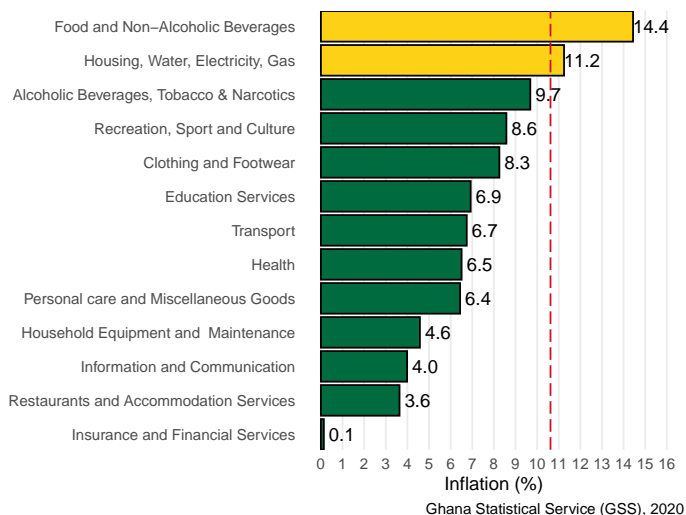


Figure 1: Year-on-year inflation April 2020, by Division. Inflation was highest for the ‘Food and Non-Alcoholic Beverages,’ and ‘Housing, Water, Electricity, and Gas’ Divisions.

Table 1: Consumer Price Indices August 2019 to April 2020.

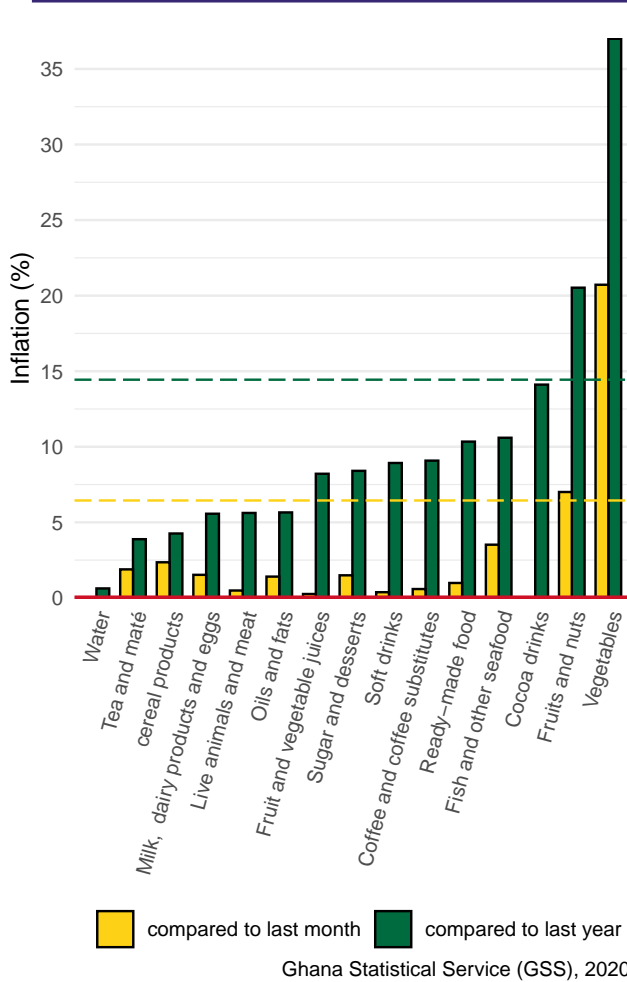
Month	CPI (2018 = 100)	Change (inflation %)	
		Monthly	Yearly
Aug - 2019	108.6	-	7.8
Sep - 2019	108.5	0.0	7.6
Oct - 2019	109.0	0.4	7.7
Nov - 2019	109.7	0.7	8.2
Dec - 2019	110.0	0.3	7.9
Jan - 2020	111.6	1.4	7.8
Feb - 2020	112.1	0.4	7.8
Mar - 2020	113.0	0.8	7.8
Apr - 2020	116.6	3.2	10.6

Food and Non-food Inflation

The Food and Non-alcoholic Beverages Division recorded a year-on-year inflation rate of 14.4%. This is 6 percentage point higher than March 2020 (8.4%) and 6.5 percentage points higher than the average Food inflation rate recorded in the previous eight months (7.9%). This translates to Food being the predominant driver of year-on-year inflation. Food contributed 59.6% of the year-on-year inflation in April 2020. In the previous eight months this contribution was on average 44.1%. Month-on-month Food inflation stood at 6.4%, meaning that Between March 2020 and April 2020 the average price level of Food and Non-alcoholic beverages increased by 6.4%. Food is also the predominant driver of month-on-month inflation (see Figure 4 on the final page).

Within the Food Division, Vegetables (+37%) and Fruits & Nuts (+ 20.5%) were the Subclasses with the highest rates of inflation for both year-on-year and month-on-month inflation.

Within the Housing, Water, Electricity, and Gas Division (+11.2%), the Subclasses ‘Solid Fuels (16.7%)’ and ‘Materials for the Maintenance and Repair of Dwelling (13.1%)’ recorded the highest inflation rates.



Regional Inflation

At the regional level, the overall year-on-year inflation ranged from 2.3% in the Upper East Region to 15.1% in Greater Accra. When comparing Food to Non-food inflation, there are clear differences between regions. Greater Accra (20.8%) and Ashanti (18.2%) had the highest rates of Food inflation, while Eastern Region saw the highest Non-food inflation (12.5%). Upper East, Northern, Eastern, and Central Region experienced higher Non-Food than Food inflation, the opposite was true for the other six regions (See Figure 3).

Imported and Local Inflation

Inflation of imported goods was 4.9%, while the inflation of local goods was 13.1% on average. This is the highest rate of local inflation and the lowest rate of imported goods inflation since the rebasing in August 2019. Month-on-month inflation for imported goods was 0%, while month-on-month inflation for local goods was 4.5%. The main contributor to local inflation was the inflation of locally produced foods.

Figure 2: Year-on-year and month-on-month Food Subclass inflation, April 2020.

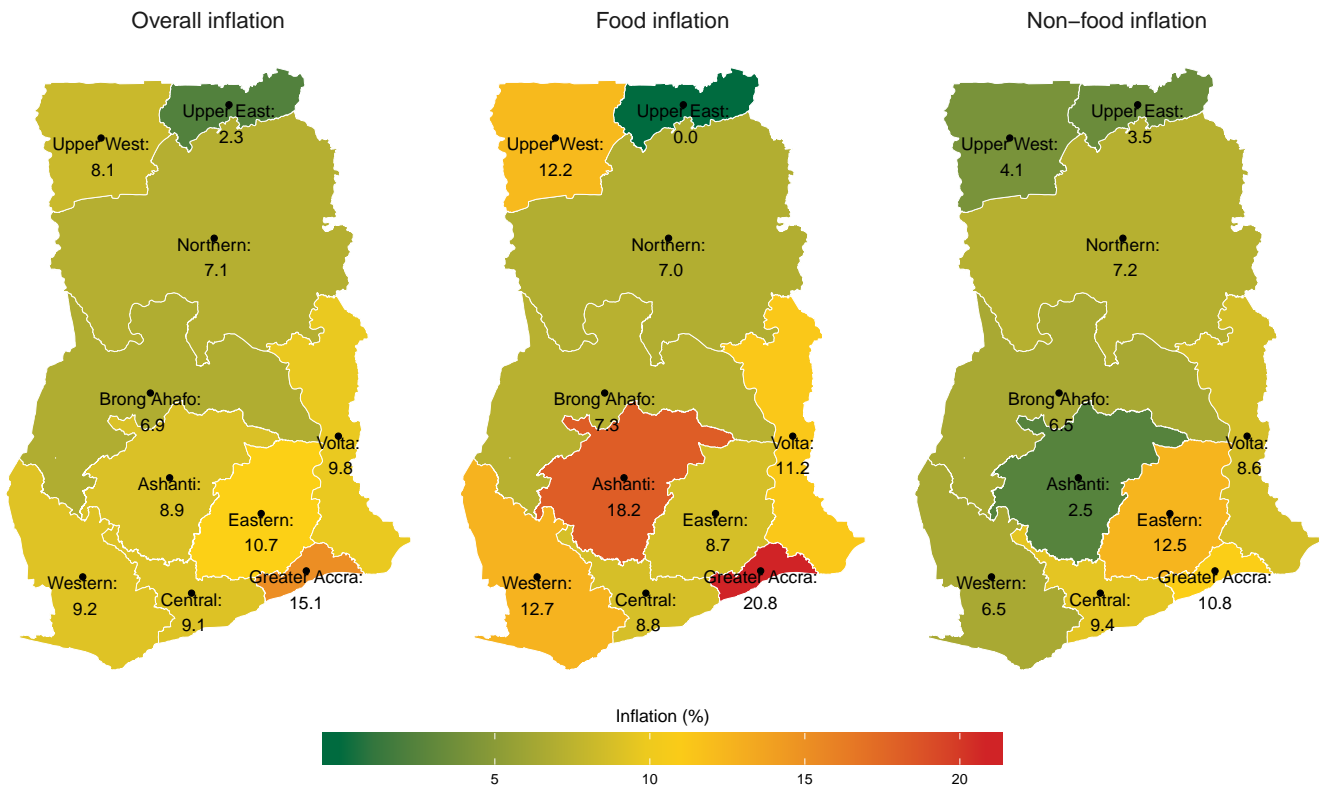


Figure 3: Year-on-year overall, Food and Non-Food inflation rates for April 2020 by region.

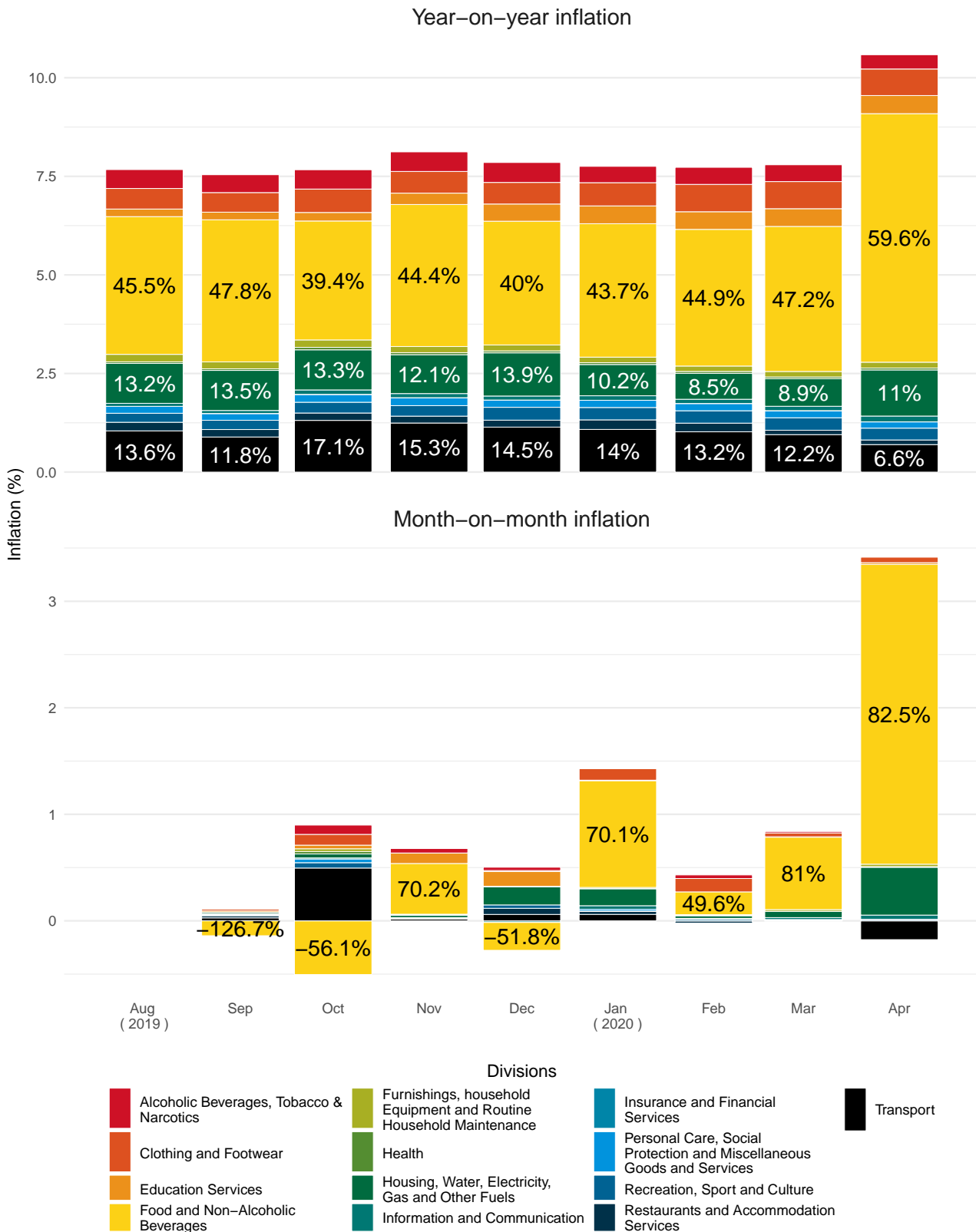


Figure 4: Composition of year-on-year and month-on-month inflation over the last nine months. Food inflation contributed the majority (59.6%) of the total April 2020 inflation (10.6%). For the month April 2020, we see that month-on-month inflation (3.2% in total) is for over 82% driven by Food inflation.

More Information

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Visit the GSS website (www.statsghana.gov.gh) for further information and detailed annexes or contact: Mr. John F.K. Agyaho