



Newsletter Consumer Price Index (CPI) May 2021



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Summary

- National inflation from May 2020 to May 2021 was 7.5%.
- National month-on-month inflation from April 2021 to May 2021 was 0.8%.
- Food and Non-Alcoholic Beverages inflation was 5.4% and average Non-Food inflation 9.2%.
- Regional inflation was between 12.3% in Greater Accra and 2.6% in Western Region.

Government Statistician Says:

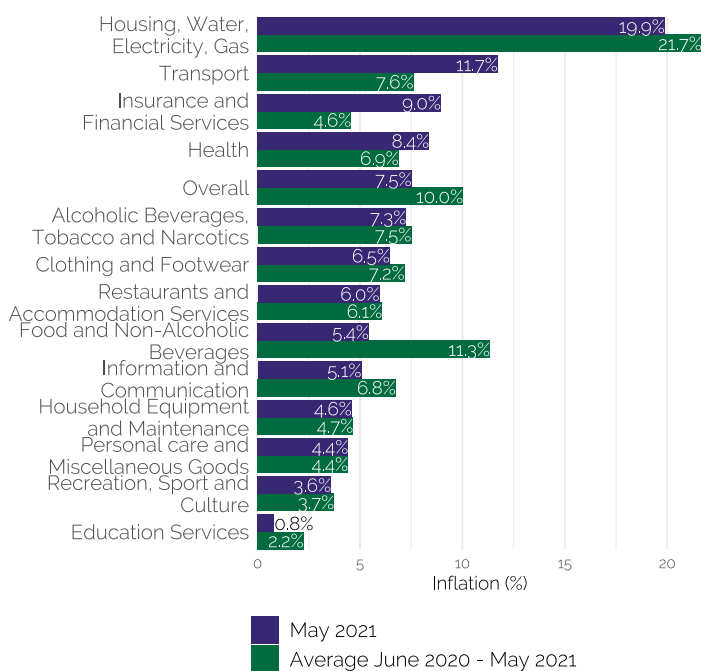
"May 2021 inflation was 7.5%. After a year of high year-on-year inflation due to a peak in inflation in April and May 2020, we now observe rates that are comparable to the pre-covid situation."

May 2021 Inflation

The national year-on-year inflation rate was 7.5% in May 2021, which is one percentage point lower than the 8.5% recorded in April 2021 (see Table 1). Month-on-month inflation between April and May 2021 was 0.8% (0.7 percentage point lower than what was recorded in April). 'Housing, Water, Electricity, Gas' (19.9% down from 25.0% last month) recorded the highest inflation. See Figure 1, for the inflation rates of all Divisions. One year ago, in May 2020 we observed a peak in inflation (11.3%). Because such a peak did not occur this year, year-on-year inflation is relatively low this month.

Table 1: Consumer Price Indices December 2019 to May 2021.

Month	CPI (2018 = 100)	Change (inflation %)	
		Monthly	Yearly
Dec	110.0	0.3	7.9
Jan - 2020	111.6	1.4	7.8
Feb	112.1	0.4	7.8
Mar	113.0	0.8	7.8
Apr	116.6	3.2	10.6
May	118.6	1.7	11.3
June	119.8	1.0	11.2
July	120.5	0.5	11.4
Aug	120.0	-0.4	10.5
Sep	119.8	-0.2	10.4
Oct	120.1	0.2	10.1
Nov	120.4	0.3	9.8
Dec	121.5	0.9	10.4
Jan - 2021	122.7	0.9	9.9
Feb	123.6	0.8	10.3
Mar	124.7	0.9	10.3
Apr	126.6	1.5	8.5
May	127.6	0.8	7.5



Regional Inflation

At the regional level, the overall year-on-year inflation ranged from 2.6% in Western Region to 12.3% in Greater Accra Region (see Figure 3). Upper West Region recorded the highest month-on-month inflation (4.3%) (see Figure 7). Three regions saw a stark decline in Food inflation as compared to last month. Western Region went from 6.5% to 0.4%, Eastern from 8.2% to 4.3%, and Ashanti from 9.8% to 5.9%. On the other hand, Volta Region saw an increase in Food Inflation (5.6% to 9.8%).

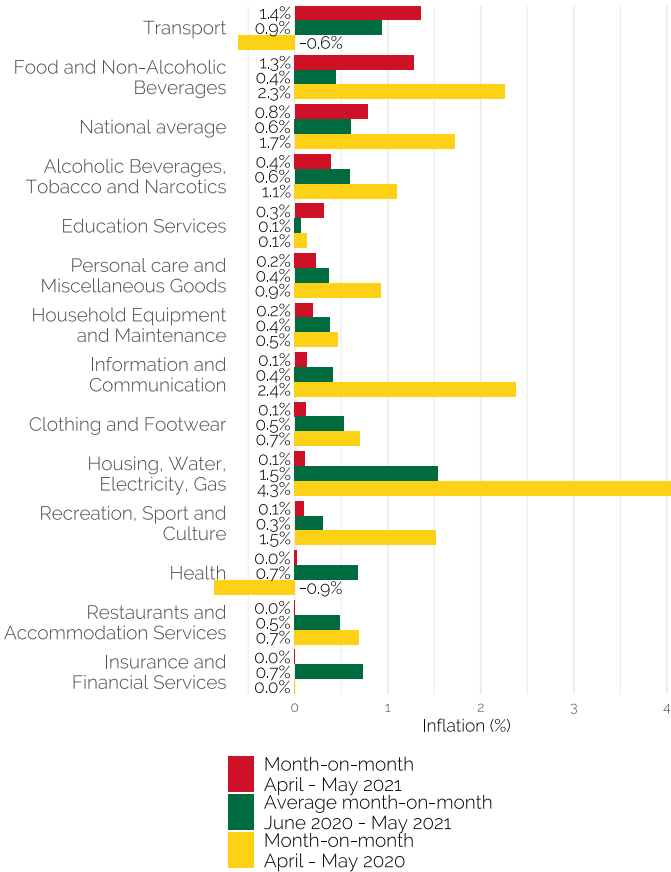
Figure 1: Year-on-year inflation May 2021 and the average over the last 12 months, by Division.



Food and Non-Food Inflation

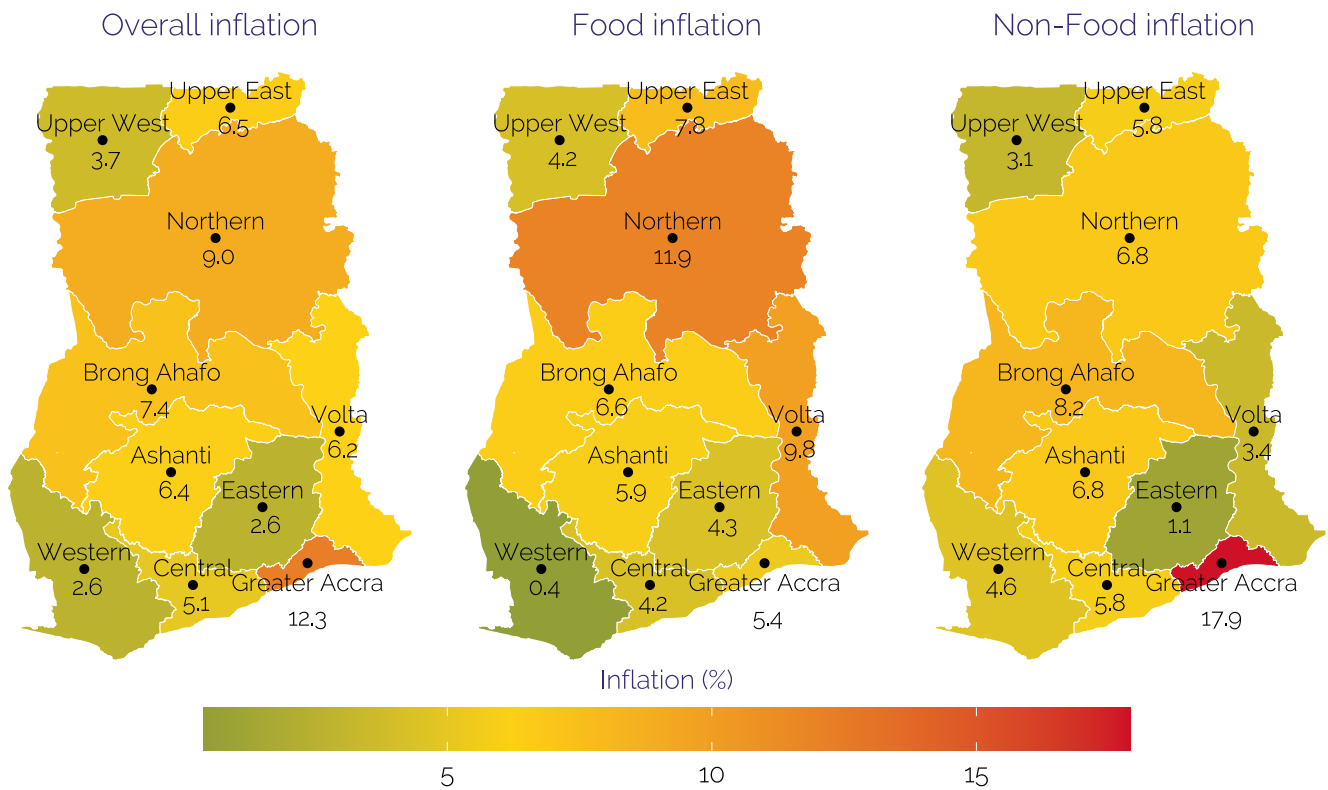
This month Food inflation (5.4%) was both lower than last month (6.5%) and the average of the previous 12 months (11.3%). This further leads to Food inflation decreasing in its contribution to total inflation to 32.3%, the lowest contribution observed since the CPI basket was rebased in 2018 (see Figure 6 on the final page). Overall month-on-month Food inflation was 1.3%, which is above the average month-on-month inflation. Low Food inflation is driven by negative inflation for vegetables (-3.5%) (see Figure 4). All Non-Food Divisions recorded positive month-on-month inflation of max 1.4% (See Figure 2).

Lik Food inflation, Non-Food year-on-year inflation on average went down this month compared to last month (from 8.8% to 10.0%). Out of the 13 Divisions, ten had lower or equal year-on-year inflation in May 2021 than the rolling average over the last 12 months. Transport is the Non-Food Division that recorded the biggest difference compared to the 12-month average (11.7% compared to 7.6%) (see Figure 1). This Transport inflation is driven by the inflation of Diesel (37.7% year-on-year and 10.0% month-on-month) and Petrol (34.0% year-on-year and 8.0% month-on-month). This relatively high Transport Inflation leads the Transport Division to contribute 16.5% to total inflation, the highest percentage since October 2019.



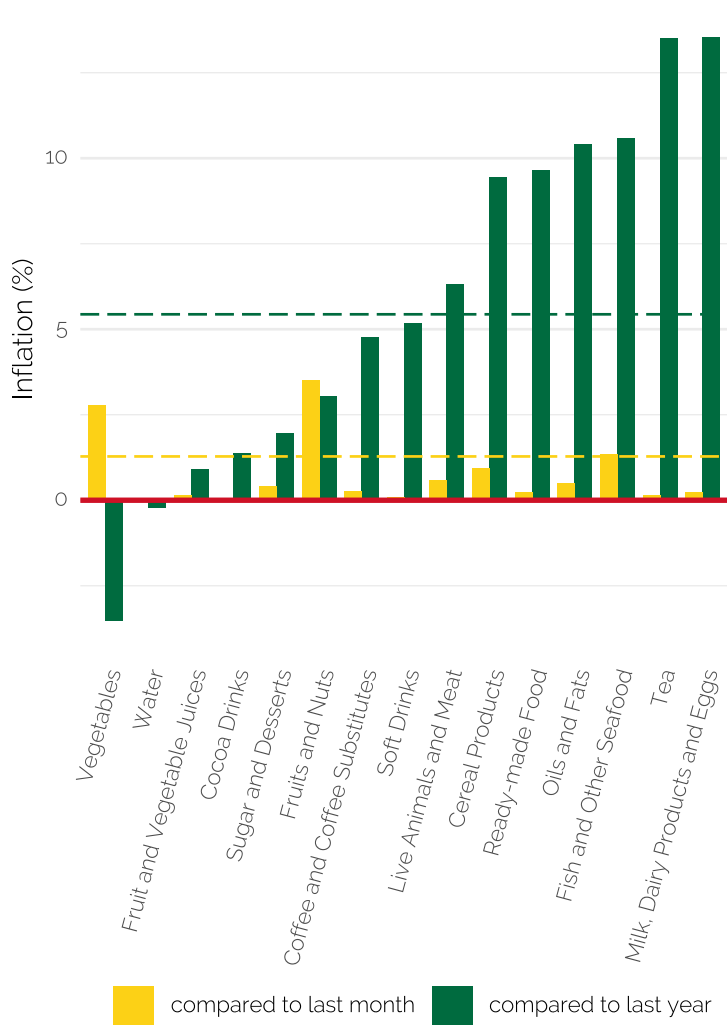
Ghana Statistical Service (GSS), 2021

Figure 2: National month-on-month inflation rates for different Divisions.



Ghana Statistical Service (GSS), 2021

Figure 3: Year-on-year overall, Food and Non-Food inflation rates for May 2021 by region.



Looking at Figure 5, it becomes clear that in seven regions month-on-month Transport Inflation was above 1%. As shown in Figure 5, on a month-on-month basis, Upper West Region recorded the highest overall inflation (4.3%) and Western Region the lowest (0.1%).

Imported and Local Inflation

The inflation for imported goods was 7.3% (down from 7.4% last month), while the inflation for locally produced items was also 7.3% on average (down from the 8.7% recorded last month). Month-on-month inflation for imported goods was 0.8% and for locally produced goods 0.6%.

More Information

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

Ghana Statistical Service (GSS), 2021
Figure 4: Year-on-year and month-on-month Food Subclass inflation, May 2021.

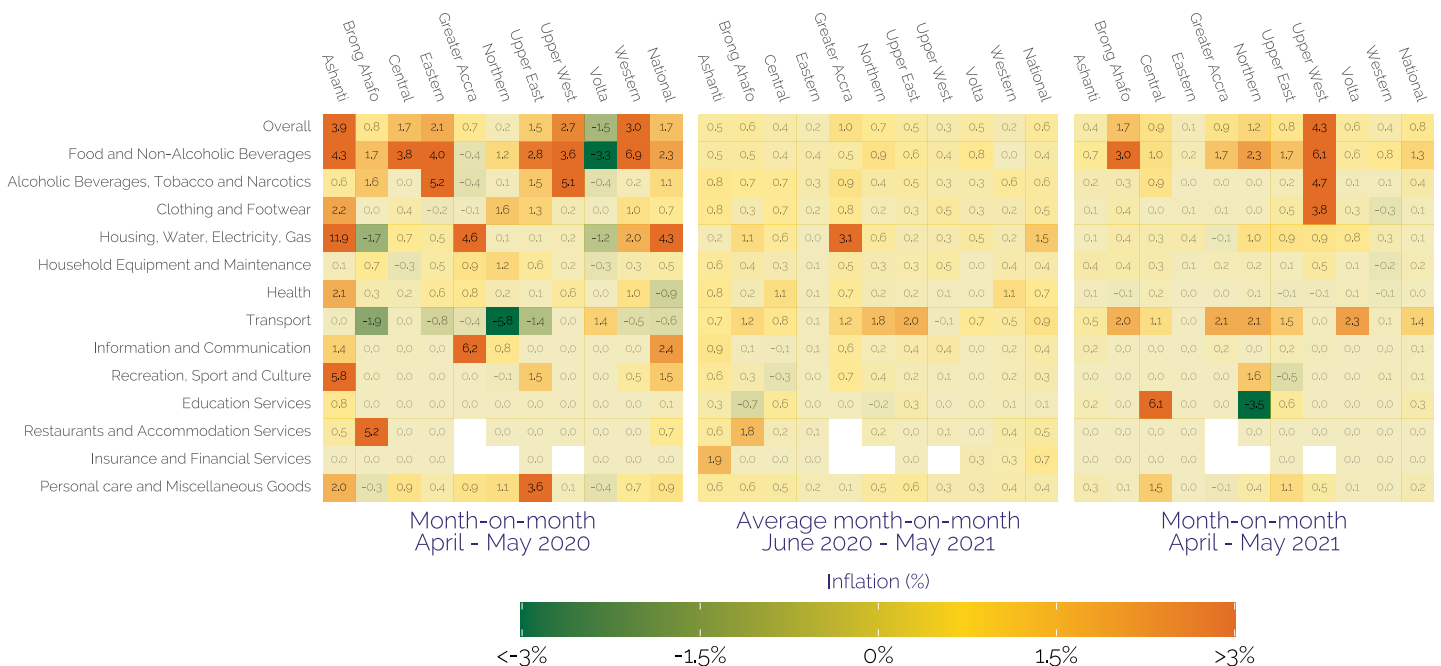


Figure 5: Heatmap tabulating the month-on-month inflation statistics for 10 regions and 13 Divisions in addition to the National and Overall averages. The month-on-month inflation for the period April 2021 to May 2021 is given, as well as the month-on-month inflation for April 2020 to May 2020 and the average month-on-month inflation between June 2020 and May 2021.

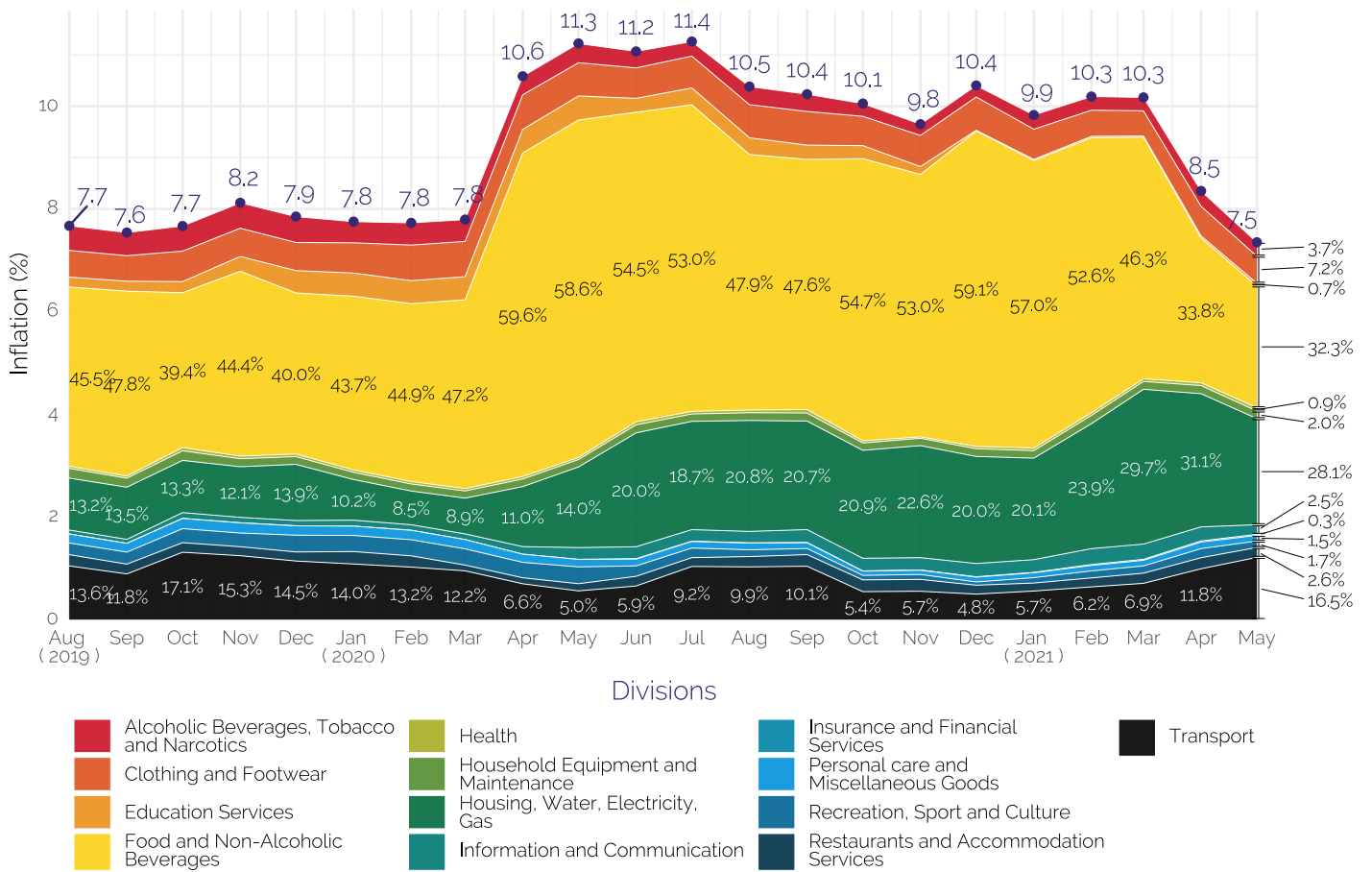


Figure 6: Composition of year-on-year inflation. Total height indicates total inflation and percentages indicate the contribution to total inflation. For all months, the contribution of the 'Transport', 'Housing' and 'Food' Divisions is shown and for the current month, the contribution of all 13 Divisions is shown on the right side of the plot.

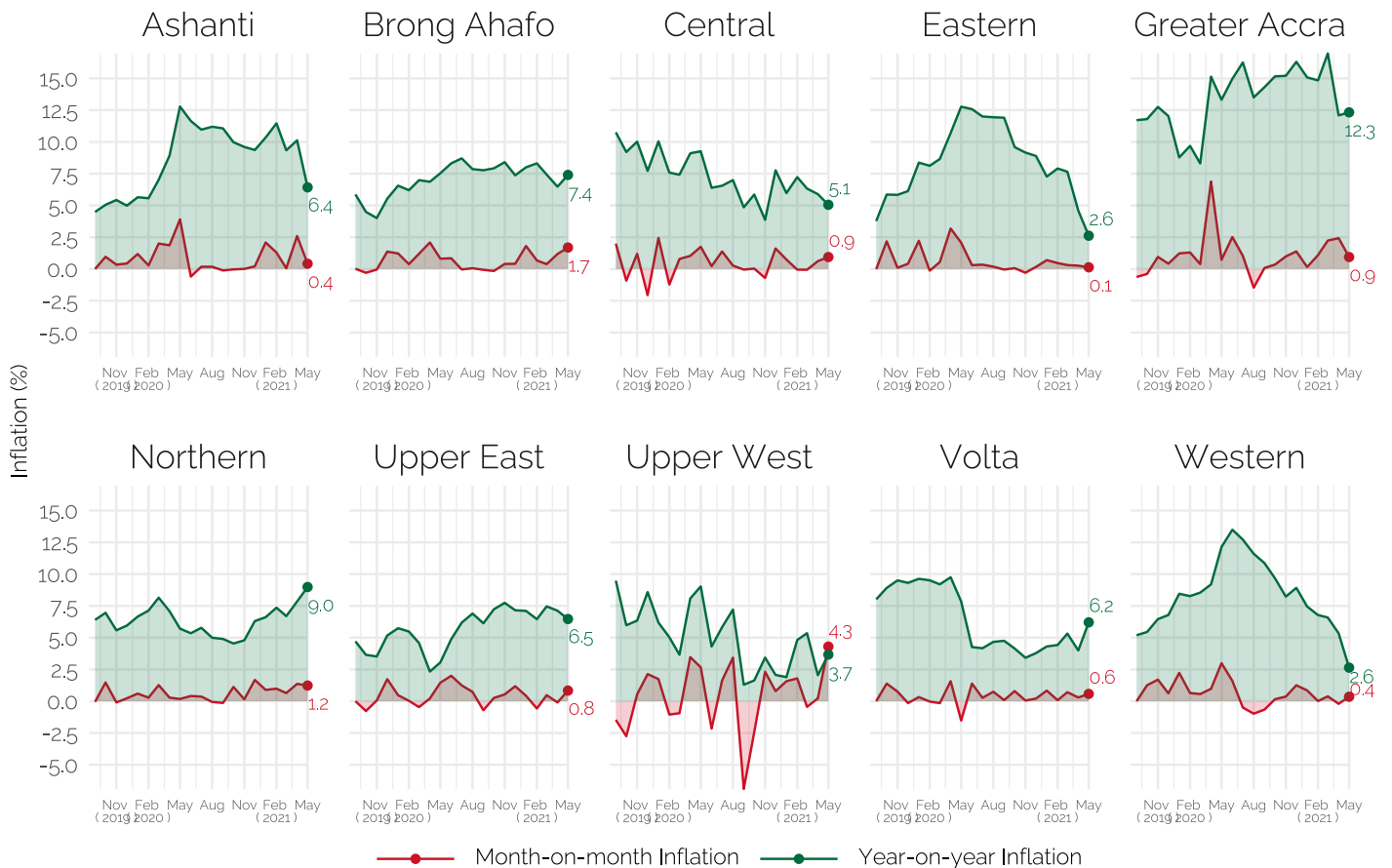


Figure 7: Both year-on-year and month-on-month inflation by region.