



Republic of Ghana

Newsletter Producer Price Index (PPI) March 2022



April 20, 2022

Producer Price Inflation Rate in March 2022 is 29.3%

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 PPI figure for March 2022 is provisional and is subject to revision when additional data become available. All other indicators are final.

March 2022 Producer Inflation

The Producer Price Inflation rate for March 2022 was 29.3 percent. This rate indicates that between March 2021 and March 2022 (year-on-year), the PPI increased by 29.3 percent. This rate represents a 7.9 percentage point increase in producer inflation relative to the rate recorded in February 2022 (21.4%). The month-on-month change in the producer price index between February 2022 and March 2022 was 6.8 percent. (Table 1)

Table 1: PPI for Jan., Feb. & March 2022

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
January, 2022	873.2	5.1	16.8
February rev. 2022	907.1	3.9	21.4
March, 2022	p968.8	p6.8	p29.3

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector increased by 19.8 percentage points over the February 2022 rate of 13.8 percent to 33.6 percent in March 2022. The producer inflation for the Manufacturing sub-sector, which constitutes more than two-thirds of the total industry, increased by 7.2 percentage points to 36.0 percent. The utility sub-sector recorded a 1.1 percent inflation rate for March 2022.

Table 2: PPI and Inflation by Sector, March 2022 (September 2006= 100)

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	2,691.2	15.7	33.6
Manufacturing	780.8	6.4	36.0
Utilities	908.6	0.6	1.1
ALL INDUSTRY	968.8	6.8	29.3

The data in this table are provisional.

Trends

In March 2021, the producer price inflation rate for all industry was 13.0 percent. The rate decreased to a record 10.9 percent in April 2020 but increased to 11.8 percent in May 2021. The rate decreased continuously to a record 8.1 percent in August

2021. Subsequently, the rate resumes an upward trend to increase continuously to a record 29.3 percent in March 2022.

Manufacturing Sector

In March 2022, two out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 36.0 percent. Manufacture of coke, refined petroleum products and nuclear fuel recorded the highest inflation rate of 67.4 percent, while the Publishing, printing and reproduction of recorded media recorded the least inflation rate of 2.6 percent (Fig. 2).

Petroleum Price Index

The producer inflation rate in the petroleum sub-sector was 31.0 percent in March 2021. The rate decreased to 28.0 percent in April 2021 and subsequently fluctuates to 25.3 percent in August 2021. Thereafter, it increased continuously to 58.4 percent in November 2021 but dropped to 35.0 percent in January 2022. In February 2022 the rate increased to 44.3 percent and inched up to 67.4 percent in March 2022. (Fig 3).

Highlights

The year-on-year producer inflation for all industry was 29.3 percent in March 2022; the monthly change rate was 6.8 percent.

The Manufacturing sub-sector recorded the highest year-on-year producer price inflation rate of 36.0 percent, followed by the Mining and Quarrying sub-sector with 33.6 percent. The Utility sub-sector recorded the lowest year-on-year producer inflation rate of 1.1 percent.

The mining and quarrying sub-sector recorded the highest monthly inflation rate of 15.7 percent, followed by the manufacturing sub-sector recorded a rate of 6.4 percent. The utility sub-sector recorded the least inflation of 0.6 percent.

