



Republic of Ghana

Newsletter Producer Price Index (PPI) November, 2013



Ghana Statistical Service
P.O. Box GP 1098
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Producer Price Inflation Rate Increased to 13.7% in November 2013

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 producer price changes since September 2006, as well as the annual (year-on-year) and monthly 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 the month of November 2013 are provisional, and are subject to revision when additional data become available. All other indicators are final.

November 2013 Producer Inflation

The Producer Price Inflation increased by 13.7 percent between November 2012 and November 2013 (year-on-year), representing an increase in producer inflation by 2.1 percentage points relative to the rate recorded in October 2013 (11.6%). The month-on-month change in producer prices between October 2013 and November 2013 was 1.5 percent (Table 1).

Table 1: PPI for October 2013 and November 2013

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
October, 2013	p 331.8	p 6.2	p 11.6
October, 2013 rev	332.0	6.2	11.6
November, 2013	p 337.0	p 1.5	p 13.7

P: Provisional

In November 2013, the producer price inflation in the Mining and Quarrying subsector increased by 2.8 percentage points over the October 2013 rate of -17.7 percent, to record -14.9 percent. Manufacturing which constitutes more than two-thirds of total industry, increased by 2.2 percentage point to record 15.5 percent. The rate for the Utilities sub-sector rose by 0.3 percentage points relative to October 2013 (40.5%) to record 40.8 percent in November 2013.

Table 2: PPI and Inflation by Sector, November, 2013 (September 2006= 100)

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	537.0	1.2	-14.9
Manufacturing	286.7	1.9	15.5
Utilities	426.8	0.2	40.8
ALL INDUSTRY	337.0	1.5	13.7

The data in this table are provisional

Trends

During the 12-month period (November 2012 to November 2013), the highest year-on-year inflation of 17.1 percent for all industry was recorded in December 2012 and the lowest was in August 2013 (4.7%). The producer price inflation fluctuated from November 2012 until March 2013 when it declined continuously over a five-month period to record the lowest rate of 4.7 percent in August 2013. In

September 2013, however, the rate inched up to record 5.8 percent it increased sharply to 11.6 percent in October, 2013. In November 2013, the rate further increased to 13.7 percent.

Manufacturing Sector

During the month of November 2013, seven out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 15.5 percent (Fig. 2). Manufacture of machinery and equipment n.e.c. recorded the highest inflation rate (76.0%) whilst producer prices in the manufacture of electrical machinery and apparatus n.e.c. recorded the lowest inflation rate (-5.5) over the one year period.

Petroleum Price Index

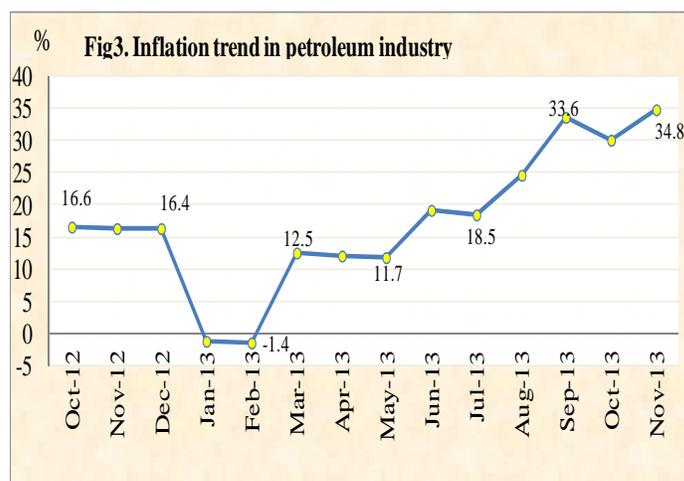
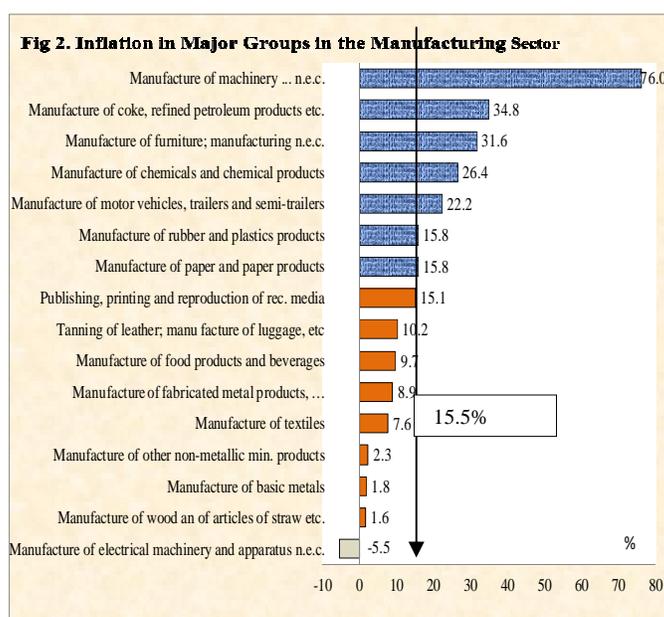
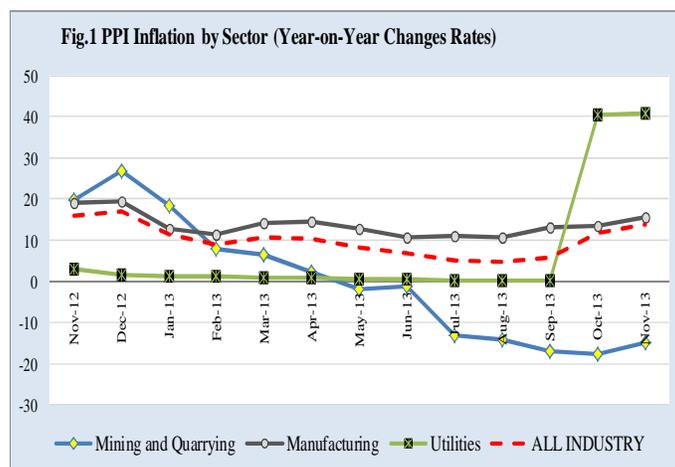
Between November and December 2012, the inflation rate in the petroleum sub-sector remained relatively stable. It dropped in January 2013 but rose in March 2013. However, the inflation rate increased consistently to record 33.6 percent in September 2013 as a result of increases in the prices of petroleum products but decreased in October 2013 to record a rate of 30.0 percent. In November 2013, the rate increased to 34.8 percent due to increases in petroleum prices. (Fig.3)

Highlights

The year-on-year producer inflation for all industry was 13.7 percent in November 2013; the monthly inflation rate was 1.5 percent.

The utilities sub-sector recorded the highest year-on-year producer price inflation rate of 40.8 percent, followed by the manufacturing sub-sector (15.5%). The mining and quarrying sub-sector recorded an inflation rate of -14.9 percent.

The monthly changes in the producer price index indicated that manufacturing recorded a monthly inflation rate of 1.9 percent while mining and quarrying recorded 1.2 percent. Utilities sub-sector recorded the lowest rate (0.2%).



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 any further explanation, please contact the Industrial Statistics Section of the GSS or call 0302-682640.