

**Newsletter**

**Quarterly Gross Domestic Product (QGDP)**

**Fourth Quarter 2022**

**Quarter 2019**

**Ghana Statistical Service (GSS)**

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**Main points**

* Ghana provisional real Gross Domestic Product (GDP) in volume terms was estimated to have increased by 3.7% in quarter four (October to December) of 2022 compared to the same period in 2021.
* When seasonally adjusted, Ghana real GDP increased by 0.8% in quarter four (October to December) of 2022; 0.3 percentage points higher than what was recorded in quarter three (July to September) of 2022.
* The Mining & Quarrying, Information & Communication, Public Administration, Defense & Social Security, Crops, and Education sub-sectors were the main drivers of GDP growth for the fourth quarter of 2022.
* Main sub-sectors with more than 10 percentage expansion in quarter four of 2022 are:
  1. Information & Communication (20.5%)
  2. Public Administration, Defense & Social Security (15.7%)
  3. Mining & Quarrying (13.4%)
  4. Education (12.3%)
  5. Health & Social Work (10.5%)
* Seven sub-sectors contracted in quarter four of 2022. These are:
  1. Water Supply, Sewerage, Waste Management & Remediation Activities (-13.4%)
  2. Real Estate (-13.4%)
  3. Electricity (-12.8%).
  4. Manufacturing (-9.6%)
  5. Professional, Administrative & Support Service activities (-7.7%)
  6. Construction (-7.1%)
  7. Fishing (-1.5%)

**Things you need to note about this release.**

Gross Domestic Product (GDP) growth is the main indicator of economic performance. There are three approaches used to measure GDP: the output approach, the expenditure approach, and the income approach.

This Statistical Release contains independently compiled quarterly estimates of the Gross Domestic Product (GDP) for the 4th quarter of 2022 using the production approach. The estimates are based on the 2008 System of National Accounts (SNA), the International Standard Industrial Classification (Rev.4) published by the United Nations, and the Quarterly National Accounts Manual: Concepts, Data Sources and Compilation prepared by the International Monetary Fund (IMF). This means that the methodology, concepts, and classifications are in accordance with the guidelines and recommendations of an internationally agreed system of national accounts. The estimates of real GDP are expressed in terms of the base year, 2013. The Annual GDP estimates are derived independent of the quarterly estimates. Short-term indicators are used to estimate the quarterly GDP (see IMF’s Quarterly National Accounts Manual: Concepts, Data Sources and Compilation) and benchmarked to the annual GDP.

**Current or Nominal GDP** is the value of final goods and services evaluated at current quarter prices.

**Constant or Real GDP** is the value of final goods and services evaluated at base year prices. In Ghana, the base year is 2013. By using the prices from the base-year (or holding prices constant over time), we eliminate the impact of rising prices on GDP to get a measure of “Real” economic activity.

**Seasonal Adjustment**

The quarterly value added, and GDP estimates have been seasonally adjusted. Seasonal adjustment is the process of estimating and removing seasonal effects from time series to reveal non-seasonal features. This process is to provide a clearer view of short-term movements and trends and to allow early identification of turning points.

**Revision Policy**

While most revisions are made to the four most recent quarters of the series, there is no restriction on when an estimate of the quarterly series for a given period can be revised. The main causes of revisions are as follows:

1. Incorporation of additional and improved data: Most revisions reflect the incorporation of a wider range of data. Some data that were not available at the release date are incorporated through revisions into subsequent releases.
2. Reconciliation of quarterly and annual measures: The process of reconciling the quarterly measures with the annual measures can lead to further revisions. The quarterly measures of these series are based on a smaller range of data than the annual measures.
3. The rebased provisional quarterly GDP estimates may be revised further and finalized based on the availability of additional data. The next revision of the quarterly and annual GDP estimates will be done in June 2023.

**Related Publications**

Users may refer to other publications on GDP on the **GSS website:** [**www.statsghana.gov.gh**](about:blank)

**Quarterly real GDP growth: October to December 2022**

Provisional real quarterly gross domestic product (QGDP) growth rate including Oil and Gas, is 3.7% (year on year) in the fourth quarter of 2022. In the same period of 2021, the growth was 5.6%.

GDP growth rate without oil and gas (Non-Oil GDP) for fourth quarter of 2022 is 4.3% which compares to the same period in 2021 with a growth rate of 6.9%.

The Services sector recorded the highest growth of 7.6%, followed by the Agriculture sector with a growth of 3.6% and the Industry sector with a contraction of 1.0 percent growth rate.

**Figure1: Quarterly real GDP growth rate (2020Q4-2022Q4)**

**Real quarterly gross domestic product: October to December 2022**

The **GDP** (Including Oil & Gas) estimate at constant 2013 prices for the 4th quarter of 2022 was **GH¢48,484.4 million** compared to **GH¢46,765.7 million** in the 4th quarter of 2021.

The **Non-oil GDP** at constant 2013 prices for the 4th quarter of 2022 was **GH¢45,708.0 million compared to GH¢43,834.6 million** in the 4th quarter of 2021.

**Table1: Year-on-year growth rates in 4th quarter of 2022**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sector** | **Expanding sub-sectors** |  | **Contracting sub-sectors** | |
| Agriculture  (3.6%) | Livestock  Crops and cocoa  Forestry & Logging | 5.1%  3.6%  2.8% | Fishing | -1.5 |
| Industry  (-1.0%) | Mining & Quarrying | 13.4% | Water Supply, Sewerage, Waste Management &  Remediation Activities  Electricity  Manufacturing  Construction | -13.4%    -12.8%  -9.6%  -7.1% |
| Services  (7.6%) | Information &  Communication  Public Administration &  Defense, Social Security  Education  Health & Social Work  Finance & Insurance  Transport & Storage  Trade, Repair of Vehicle, Household Goods  Hotel & Restaurants  Other Personal Service  Activities | 20.5%    15.7%  12.3%  10.5%  8.6%  3.9%  2.6%  2.4%  0.9% | Real Estate  Professional,  Administrative & Support | -13.4%      -7.7% |

**Nominal quarterly gross domestic product: October to December 2022**

The GDP estimate at current prices in purchaser’s value[[1]](#footnote-1) for the 4th quarter of 2022 was **GH¢186,054.0 million** compared to **GH¢130,139.0 million** in the 4th quarter of 2021.

The **Non-oil GDP** (GDP without Oil and Gas) estimate at current prices for the 4th quarter of 2022 was **GH¢180,099.2 million** compared to **GH¢124,184.2 million** in the 4th quarter of 2021.

**GDP sectoral shares**

The Services sector continue to be the largest sector of the Ghanaian economy in the fourth quarter of 2022 with a share of 45.3 percent of GDP at basic prices. The GDP share of Industry and Agriculture were 36 percent and 18.7 percent respectively.

**Figure 2: Sectoral distribution (%) of nominal GDP at basic prices**

**GDP at basic prices is GH₵173,993.7 million**

**Seasonally Adjusted GDP**

**The Provisional quarter-on-quarter[[2]](#footnote-2) seasonally adjusted Real Gross Domestic Product (including Oil) growth rate for the 4th quarter of 2022 was 0.8 percent.**

For the 4th quarter of 2022, the quarter-on-quarter seasonally adjusted growth rates (see Table 2) were as follows:

* The Agriculture sector expanded by 1.0 percent in 4th quarter of 2022 compared to 1.0 percent in the 3rd quarter of 2022. The Livestock sub-sector increased by 0.6 percentage points from 1.1 percent in the 3rd quarter 2022 to 1.7 percent in the 4th quarter of 2022. In the fourth quarter of 2022, the growth of Crops & Cocoa sub-sector improved marginally to 1.0 percent from 0.9 percent in the 3rd quarter of 2022. The Fishing subsector declined to -0.4 percent in the fourth quarter of 2022 from 2.7 percent recorded in the 3rd quarter of 2022. The Forestry and Logging sub-sector declined by 0.5 percentage points from 1.2 percent in the 3rd quarterof 2022 to 0.7 percent in the fourth quarter of 2022.
* Within the Industry sector which contracted by 0.2 percent (quarter on quarter), the Mining & Quarrying sub-sector declined from 3.7 percent in the 3rd quarter of 2022, to 3.2 percent in the 4th quarter of 2022. The manufacturing sub-sector contracted further by 0.7 percentage points in the 4th quarter of 2022 compared to the -1.8 percent contraction in the 3rd quarter of 2022. There were contractions in the Water Supply, Sewerage, Waste Management & Remediation Activities (-4.1%), Electricity (-3.4%) and construction (-1.8%) sub-sectors in the 4th quarter of 2022 compared to the 3rd quarter.

In the Services sector, Information & Communication sub-sector expanded by 5.0 percent in the 4th quarter of 2022 compared to a growth of 4.5 percent in the 3rd quarter of 2022. Public Administration, Defense & Social Security and Health & Social Work activities recorded growth rates of 3.7 percent and 3.0 percent in quarter four of 2022 from 1.2 percent and 2.6 percent respectively in quarter three of 2022. Finance & Insurance activities expanded by 1.3 percentage points from 1.1 percent in quarter three of 2022 to 2.4 percent in quarter four of the same year.

Transport & Storage expanded to 1.0 percent in the 4th quarter of 2022 compared to a growth of 1.6 percent in the 3rd quarter of 2022. Finance & Insurance maintained its 1.1 percent growth between quarters two and three of 2022.

Real Estate recorded a further decline in growth from -1.9 percent in the 3rd quarter of 2022 to -3.9 percent in the 4th quarter of 2022. There was a further contraction in the activities of Professional, Administrative & Support Services from the -4.2 percent recorded in quarter three of 2022 to -1.7 percent the same year.

The remaining activities, however, expanded within the services sector.

**Table 2: Quarter-on-quarter seasonally adjusted growth rates in 2022Q4**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sector** | **Expanding sub-sectors** |  | **Contracting sub-sectors** | |
| Agriculture  (1.0%) | Livestock  Crops and Cocoa  Forestry & Logging | 1.7%  1.0%  0.7% | Fishing | -0.4% |
| Industry (-0.2%) | Mining & Quarrying | 3.2% | Water Supply, Sewerage, Waste Management & Remediation Activities    Electricity  Manufacturing  Construction | -4.1%  -3.4%  -2.5%  -1.8% |
| Services (1.9%) | Information & Communication  Public Administration &  Defense, Social Security  Education  Finance & Insurance  Health & Social Work  Transport and Storage  Trade; Repair of Vehicles, Household Goods  Hotels & Restaurants  Other Personal Service Activities | 5.0%  3.7%  3.0%  2.4%  2.2%  1.0%  0.7%  0.6%  0.2% | Real Estate  Professional,  Administrative & Support | -3.9%  -1.7%  - |







1. [↑](#footnote-ref-1)
2. Quarter-on-quarter GDP estimates provide a short term (within three months) picture of current economic developments. Estimates are influenced by seasonal patterns that are caused by economic behavior or recurrent exogenous factors such as weather patterns, holidays, religious events, festive seasons, etc. [↑](#footnote-ref-2)