



GHANA STATISTICAL SERVICE

MONTHLY PRESS RELEASES



CONSTRUCTION PRODUCER PRICE INDEX (C-PPI)

AUGUST 2023

www.statsghana.gov.gh

September 20, 2023

Construction Producer Price Inflation Rate in August 2023 is 24.6%

The Construction Producer Price Index

The Producer Price Index (PPI) measures the average change over time in the prices received by domestic producers to produce their goods and services. The PPI for Ghana reports the producer price indices with index reference of March 2020 – February 2021 = 100. This release shows construction's annual (year-on-year) and monthly producer inflation rates. The C-PPI figure for August 2023 is provisional and is subject to revision when additional data becomes available. All other indicators are final.

August 2023 C-PPI

The rate for Construction Producer Price inflation for August 2023 was 24.6 percent. This rate indicates that between August 2022 and August 2023 (year-on-year), the C-PPI increased by 24.6 percent. This rate represents a 6.1 percentage point increase in producer inflation relative to the rate recorded in July 2023 (18.5%). The month-on-month change in the C-PPI between July 2023 and August 2023 was 6.8 percent (Table 1).

Table1: C-PPI for July 2023 & August 2023

Month	Index level	Change rate (%)	
	2020-2021=100	Monthly	Yearly
July 2023	157.4	0.1	18.5
Aug. 2023	p168.1	p6.8	p24.6

p = Provisional

The inflation in the construction of buildings sub-sector decreased by 4.5 percentage points over the July 2023 rate of 24.5 percent to 20.0 percent in August 2023. The rate for the civil engineering sub-sector increased by 10.7 percentage points to 27.2 percent in August 2023. The specialized construction activities sub-sector recorded a 7.0 percent inflation rate for August 2023 compared with 6.8 percent in July 2023.

Table 2: C-PPI and Inflation by sub-Sector, August 2023 (Q1 2021= 100)

Sector	Index level	Change rate (%)	
	2020-2021=100	Monthly	Yearly
Construction of buildings	252.2	0.4	20.0
Civil engineering	142.7	9.9	27.2
Specialized construction activities	123.8	0.8	7.0
ALL CONSTRUCTION	168.1	6.8	24.6

The data in this table are provisional.

Civil Engineering Sector

In August 2023, the construction of utility projects recorded the highest inflation in the Civil Engineering Sector, with 134.9 percent, while inflation for the construction of roads and railways increased by 10.8 percentage points to 27.2 percent (Fig. 1).

Specialized Construction Sector

The inflation rate for Building completion and finishing in the specialized construction industry increased by 16.8 percentage points to 95.3 percent in August 2023 after recording 78.5 in July 2023. Other specialized construction activities decreased by 10.0 percentage points in August 2023 from 43.7 percent in July 2023. The electrical, plumbing, and other construction installations recorded an inflation rate of 6.3 percent in August 2023, an increase of 0.3 percentage points (Fig 2).

Highlights

The year-on-year producer inflation for construction was 24.6 percent in August 2023; the monthly change rate is 6.8 percent.

The civil engineering sub-sector recorded the highest year-on-year producer price inflation rate of 27.2 percent, followed by the construction of buildings sub-sector with 20.0 percent. The specialized construction sub-sector recorded the lowest year-on-year producer inflation rate of 7.0 percent.

The civil engineering sub-sector recorded the highest monthly inflation rate of 9.9 percent, followed by the specialized construction activities sub-sector with 0.8 percent, and the construction of buildings sub-sector recorded the lowest month-on-month inflation rate of 0.4 percent in August 2023.

Fig 1: CPPI in Civil engineering Sector

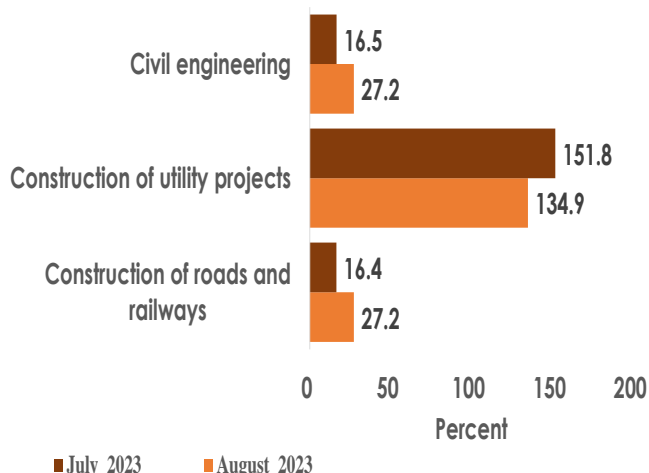


Fig 2: CPPI in Specialised Construction Activities (Year-on-Year)



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 further explanation, please contact the Business & Industrial Statistics Section of the GSS or call 0302-682640. You may also contact us at the following address: Ghana Statistical Service, P. O. Box GP1098, Accra, Ghana.