



GHANA STATISTICAL SERVICE

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INDUSTRIAL PRODUCER PRICE INDEX (I-PPI)

MAY 2023

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June 21, 2023

Industrial Producer Price Inflation Rate in May 2023 is 32.5%

The Industrial Producer Price Index

The Industrial Producer Price Index (I-PPI) measures the average change over time in the prices received by domestic producers to produce their goods and services. The I-PPI for Ghana reports the producer price indices with reference to March 2020 to February 2021, the index reference period. This release shows the annual (year-on-year) and monthly industrial producer inflation rates for the industry sector, less construction sub-sector for four major sub-sectors (Mining and Quarrying, Manufacturing, Electricity and Gas, Water Supply, Sewerage, and Waste Management). The I-PPI figure for May 2023 is provisional and is subject to revision when additional data becomes available. All other indicators are final.

May 2023 Industrial Producer Inflation

The I-PPI inflation rate for May 2023 was 32.5 percent. This rate indicates that between May 2022 and May 2023 (year-on-year), the I-PPI increased by 32.5 percent. This rate represents a 4.6 percentage point decrease in Industrial producer inflation relative to the rate recorded in April 2023 (37.1%). The month-on-month change in the I-PPI between April 2023 and May 2023 was -3.0 percent (Table 1).

Table 1: I-PPI for April 2023 & May 2023

Month	Index level	Change rate (%)	
	2020-2021=100	Monthly	Yearly
March 2023	214.7	3.1	37.1
April 2023	p208.3	p-3.0	p32.5

p = Provisional

The Industrial producer price inflation in the Mining and Quarrying sub-sector decreased by 8.6 percentage points over the April 2023 rate of 45.1 percent to 36.5 percent in May 2023. The Manufacturing sub-sector decreased by 0.8 percentage points to 25.5 percent in May 2023. Electricity and gas recorded a 51.8 percent inflation rate for May 2023, a decrease of 0.2 percentage points over the April rate of (52.0%). The Water supply, Sewerage, and Waste Management Sub-sector recorded an inflation rate of 31.7 percent.

Table 2: PPI and Inflation by Sector, May 2023 (2020 2021= 100)

Sector	Index level	Change rate (%)	
	2020-2021=100	Monthly	Yearly
Mining and Quarrying	214.7	-6.3	36.5
Manufacturing	212.4	0.8	25.5
Electricity and gas	160.8	-0.1	51.8
Water supply; sewerage, waste management	141.0	0.0	31.7
ALL INDUSTRIES	208.3	-3.0	32.5

The data in this table are provisional.

Mining and Quarrying Sub-Sector

In May 2023, the Extraction of crude and natural gas recorded inflation of 2.3 percent, indicating a decrease of 17.8 percentage points over the April 2023 rate of 20.1 percent. Mining of metal ores

increased to 65.2 percent in May 2023 from 63.7 percent in April 2023. Mining support service activities recorded an inflation rate of 50.5 percent (Fig. 1).

Manufacturing Sub-Sector

In May 2023, fourteen (14) of the 23 major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 25.5 percent. The Manufacture of textiles recorded the highest inflation rate of 111.9 percent, followed by the Manufacture of pharmaceuticals, medicinal chemical and botanical products at 97.5 percent. The repair of installation of machinery and equipment recorded the least inflation of 0.0 percent. (Fig. 2).

Water Supply, Sewerage, and Waste Management Sub-Sector

The water collection, treatment, and supply inflation recorded the highest inflation rate (35.0%) in May 2023. Waste collection, treatment, and disposal activities; materials recovery recorded an inflation rate of 28.4 percent, indicating a decrease of 3.3 percentage points (Fig 3).

Highlights of I-PPI

The year-on-year producer inflation for the industry sector, less construction was 32.5 percent in May 2023; the monthly change rate was -3.0 percent.

The Electricity and gas sub-sector recorded the highest year-on-year producer price inflation rate of 51.8 percent, followed by the Mining and quarrying sub-sector with 36.5 percent. The Manufacturing sub-sector recorded the lowest year-on-year producer inflation rate of 25.5 percent.

The Manufacturing sub-sector recorded the highest monthly inflation rate of 0.8 percent, followed by the Water supply, sewerage, and waste management, with no change in monthly inflation in May 2023. The Mining and quarrying sub-sector recorded the lowest monthly inflation of -6.3 percent in May 2023.

