PRESS RELEASE

GHANA PRODUCER PRICE INDEX AND INFLATION

OCTOBER 2023

22nd NOVEMBER 2023

GHANA
STATISTICAL SERVICE

In this release, we present:

- Definition and Measurement of the Producer Price Index (PPI)
- Producer Price Index and Producer Inflation for October 2023
- Disaggregation of the October 2023 Producer Inflation
- Highlights of October 2023 Producer Inflation

Definition and Measurement of PPI and Inflation (1/2)

- The Producer Price Index (PPI) measures the average change over time in the selling prices of goods and services as received by domestic producers.

- Price collected for the computation of PPI are known as factory gate prices, which are the prices firms assign to their products.

- These prices exclude sales and excise taxes, government subsidies other costs incurred by other intermediaries and consumers

- The rate of Producer Inflation is the relative change in PPI between periods

Definition and Measurement of PPI and Inflation (2/2)

- PPI computation is based on a fixed basket of products.
- Firms are the primary source of data
- Firms are selected based on the Integrated Business Establishment Survey
- Variables for the computation of PPI are weights, prices, quantities and products.
- Two reference periods for the computation of PPI are the **weight** reference (industry and product shares) and the **index** reference for price comparison.
- The computation is done from a dual time perspective, monthly and annually

Reference Periods - PPI and Inflation

- Weight Reference-2019
  - Weight reference at the industry level is based on 2019 Gross Value Output (GVO)
  - Selection of firms is based on the Integrated Business Establishment Survey (II)
- Index Reference (Price Comparison)– March 2020 to February 2021 =100

PPI Weights

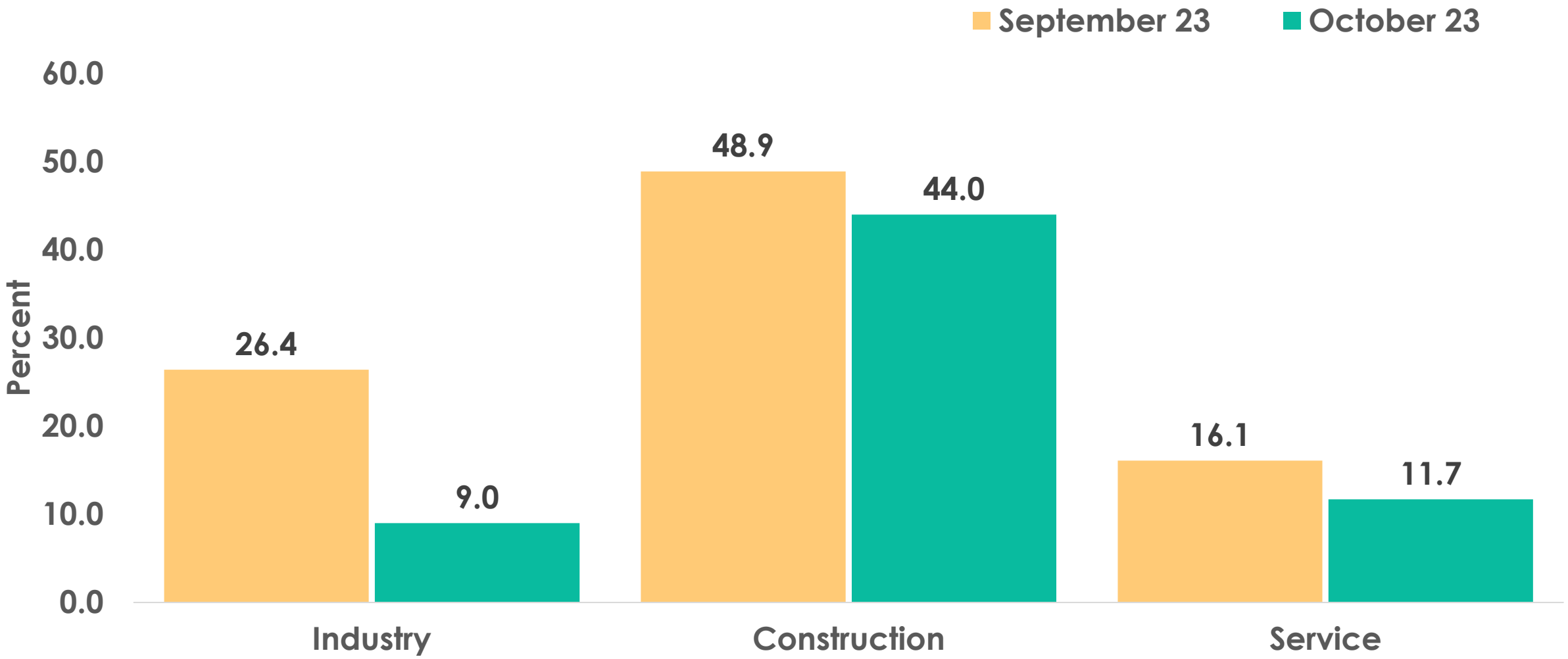
Sub-Sectors	Weight
All Sectors	100.0%
Mining	43.7%
Manufacturing	35.0%
Electricity and gas	4.3%
Water Supply; Sewerage, Waste Management	2.3%
Construction	0.9%
Transportation and Storage	2.4%
Accommodation and Food Service	0.4%
Information and Communication	11.1%

Producer Price Index and Producer Inflation for October 2023

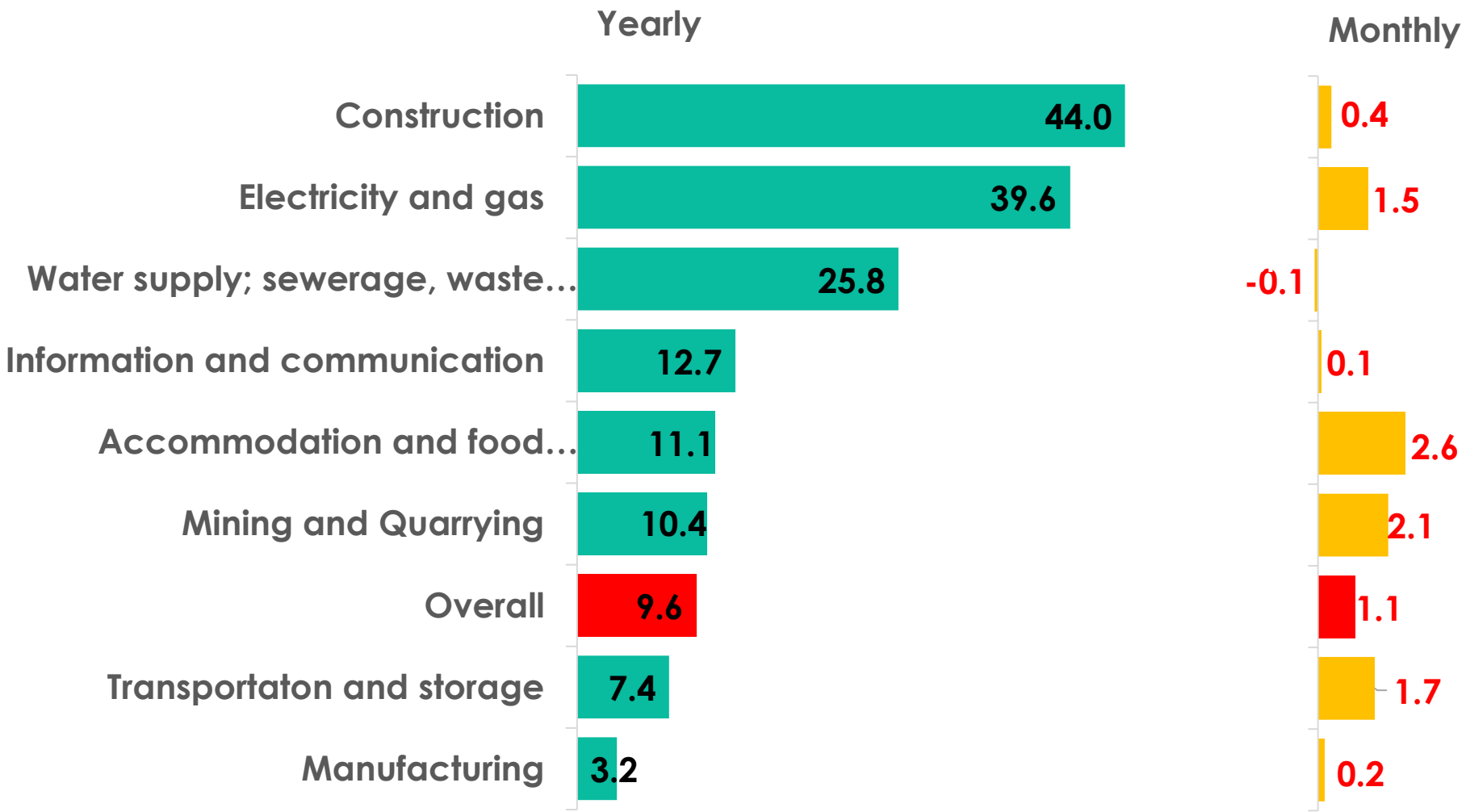
- Year-on-year inflation rate at ex-factory prices for all goods and services was 9.6 % in October 2023.
- The monthly producer inflation rate was 1.1%.

Month	PPI (03/2020-02/2021 =100)	Inflation	
		Monthly	Yearly
Sep. 2023	200.7	2.7	25.1
Oct. 2022	185.0	15.3	63.5
Oct. 2023	**p202.9**	**p1.1**	**p9.6**
p = provisional			

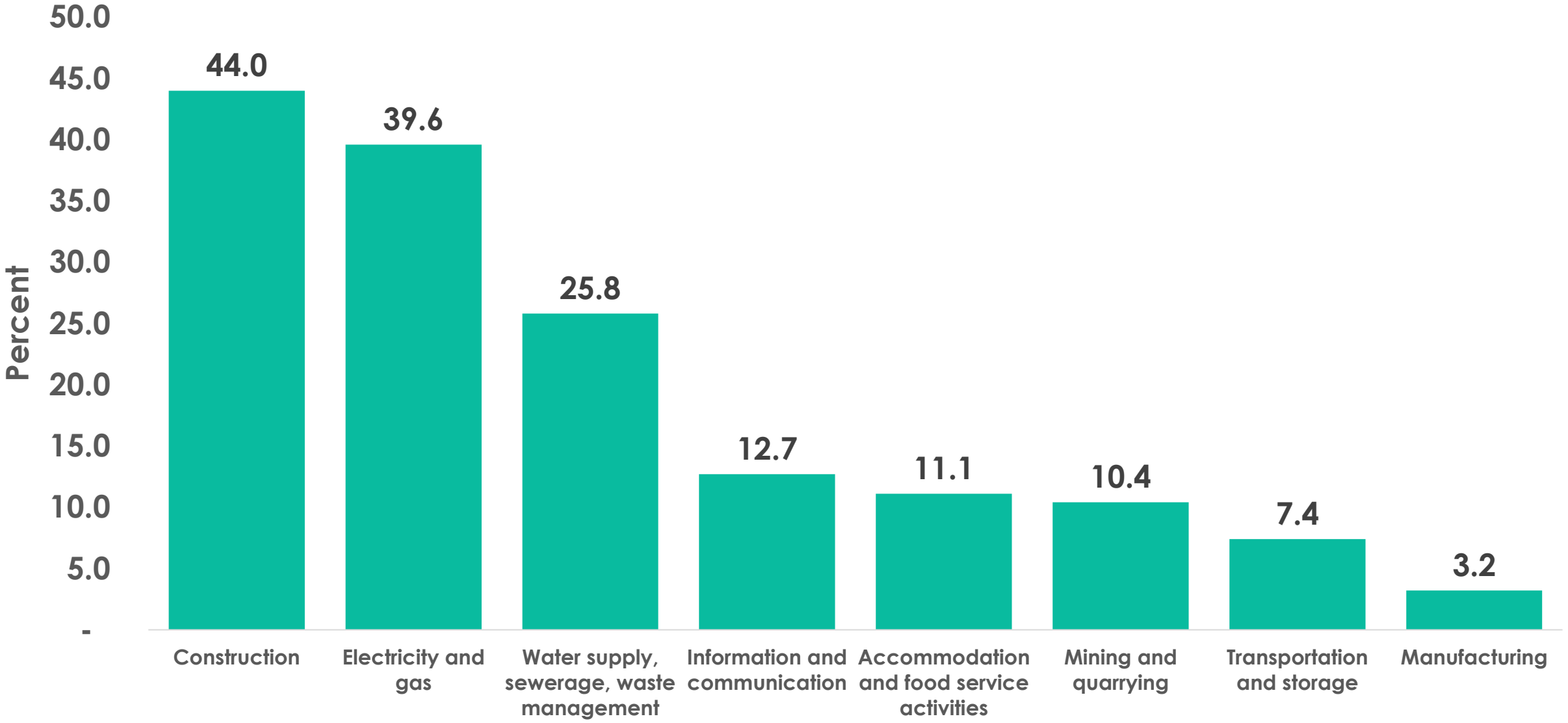
Disaggregation of the September and October 2023 Producer Inflation by Sectors



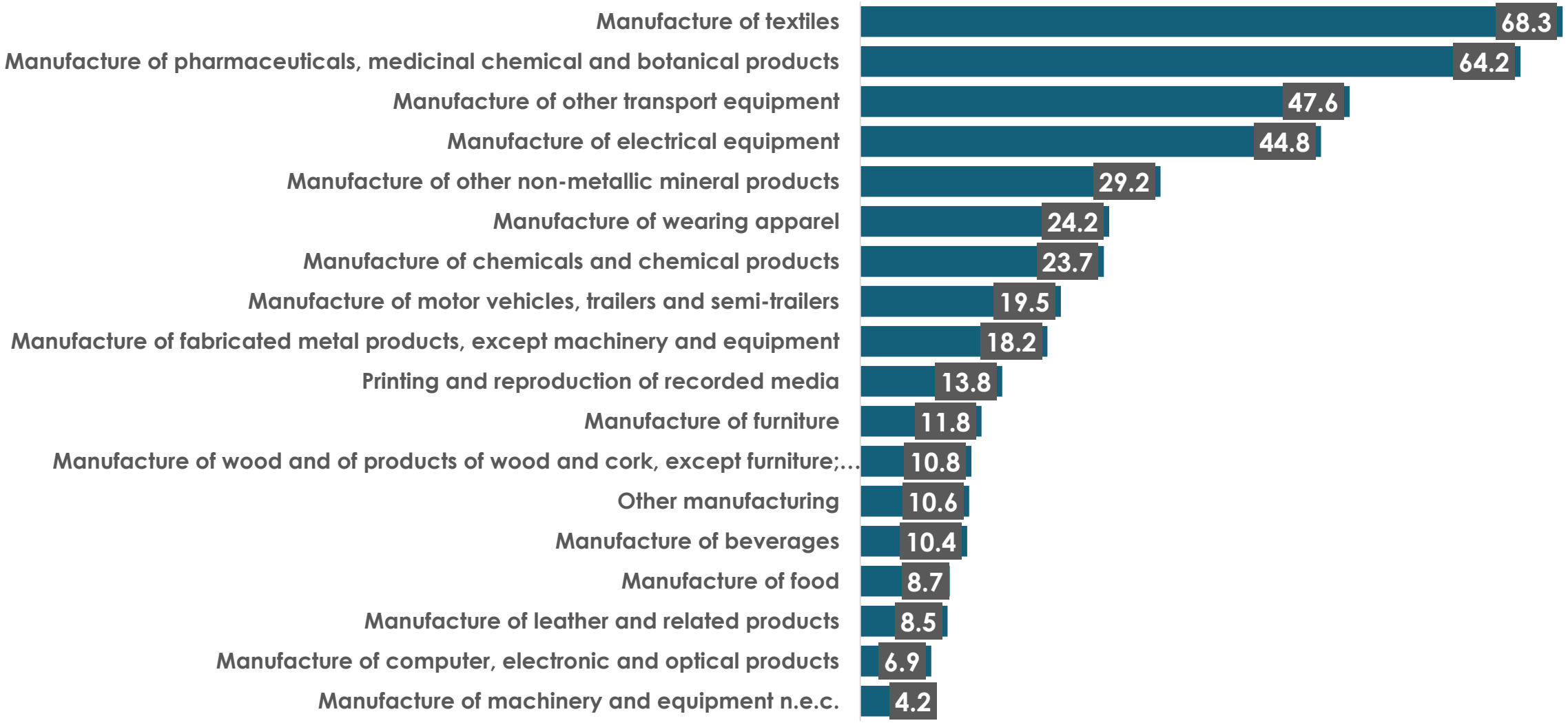
Disaggregation of the October 2023 Producer Inflation by Sub-Sectors



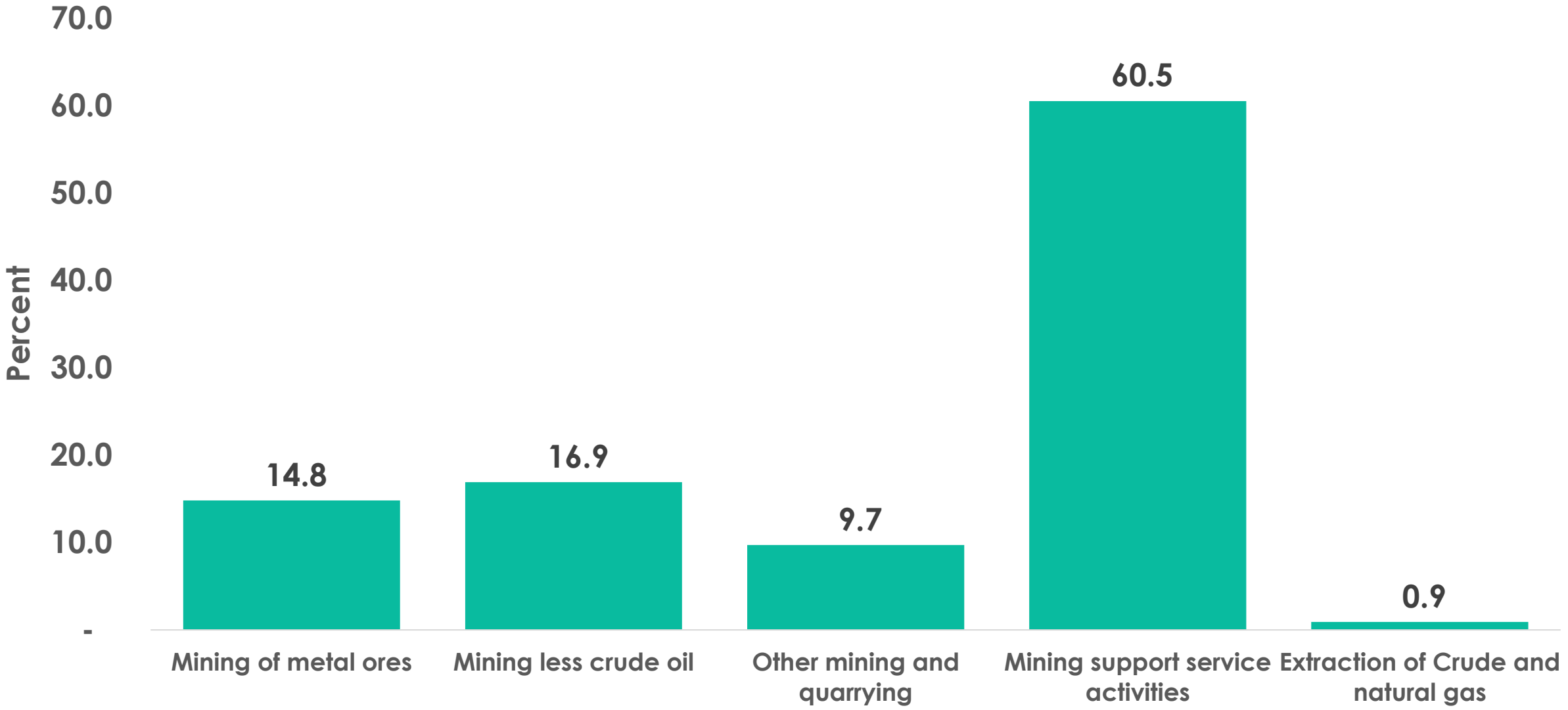
Sub-Sector Producer Inflation for October 2023



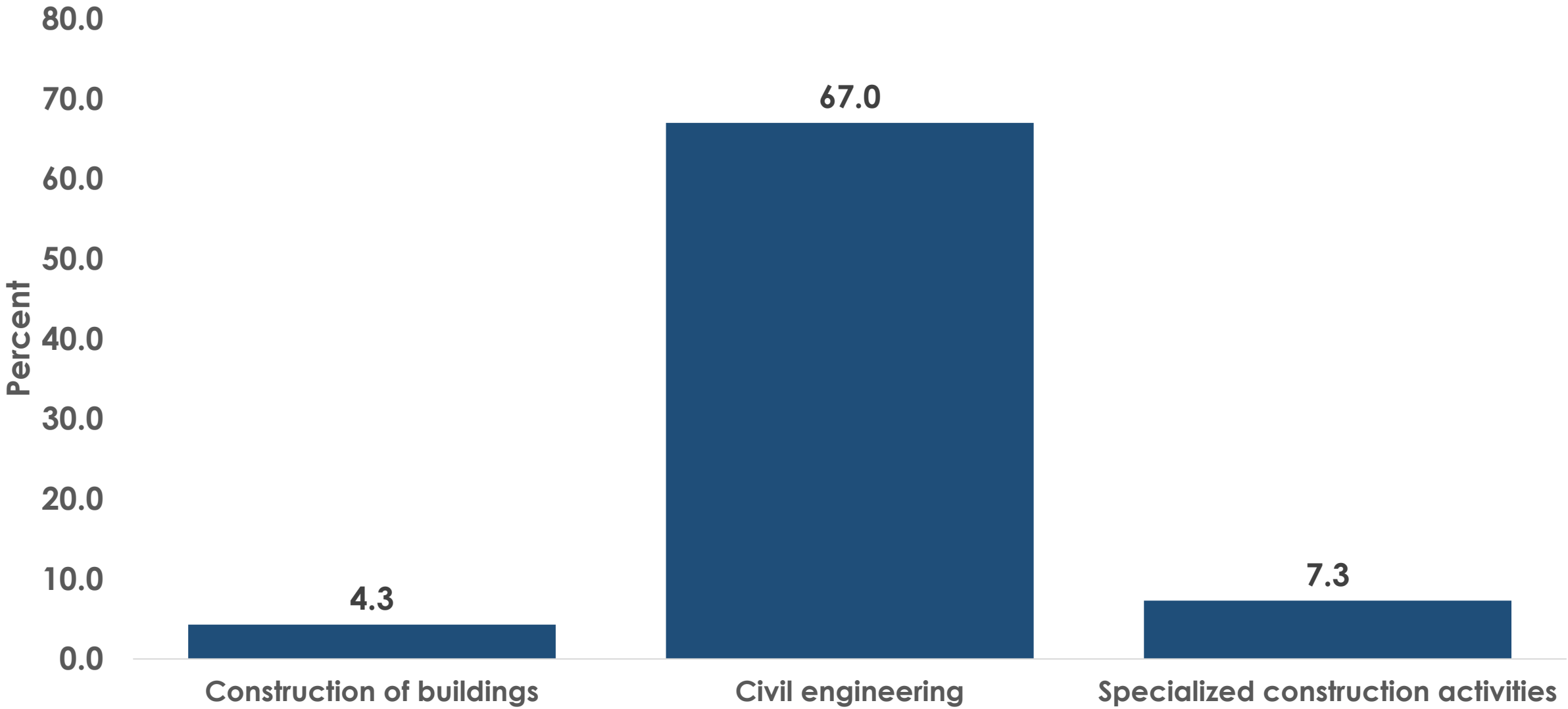
Inflation for sub-sectors recording rate above the overall Manufacturing Sector



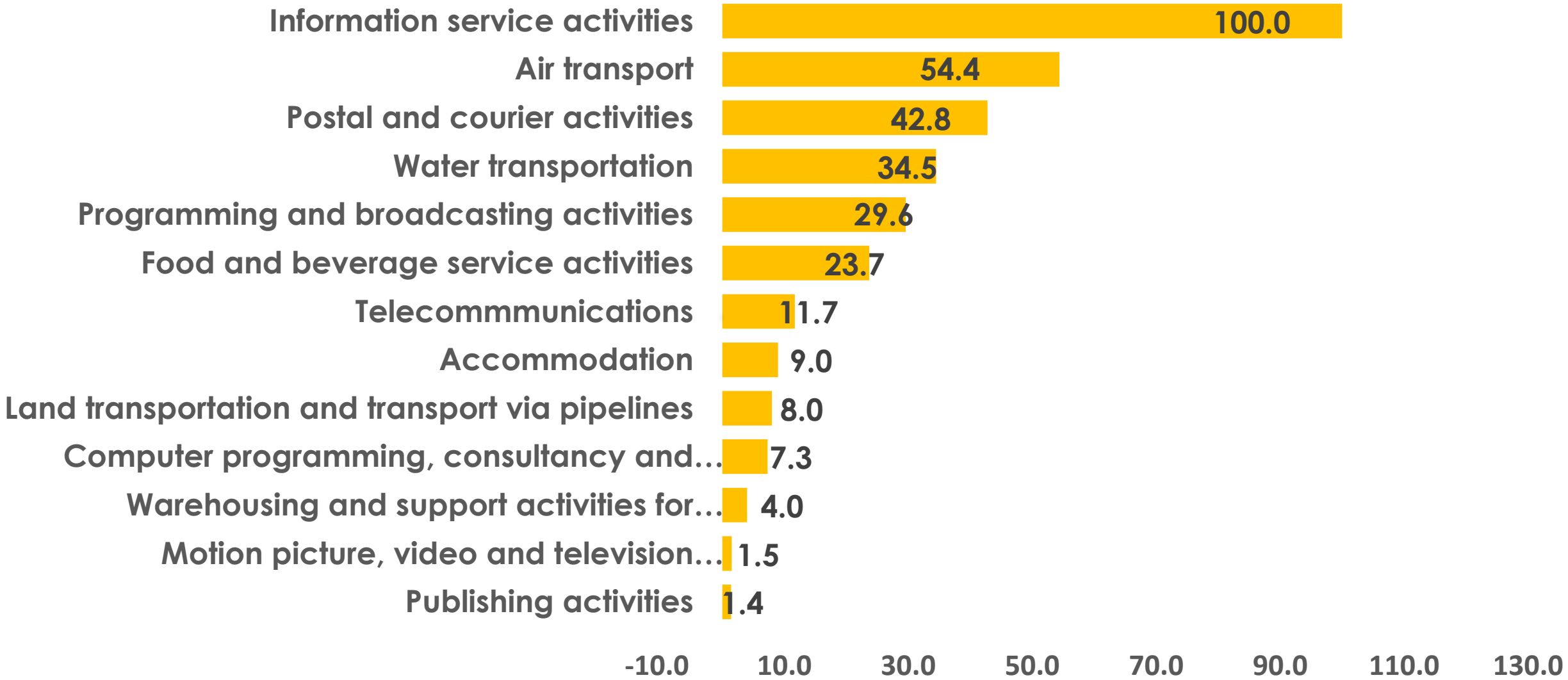
Producer Inflation for Mining and Quarrying Sub-Sector for October 2023



Producer Inflation for Construction Sub-Sector for October 2023



Producer Inflation for Services Sub-Sector for Oct. 2023



Highlights (1/2)

25.1%
September 2023 yearly Producer Inflation

9.6%
October 2023 yearly Producer Inflation

9.0 %
Industry

44.0%
Construction

11.7%
Service

10.4%
Mining and quarrying

3.2%
Manufacturing

39.6%
Electricity and gas

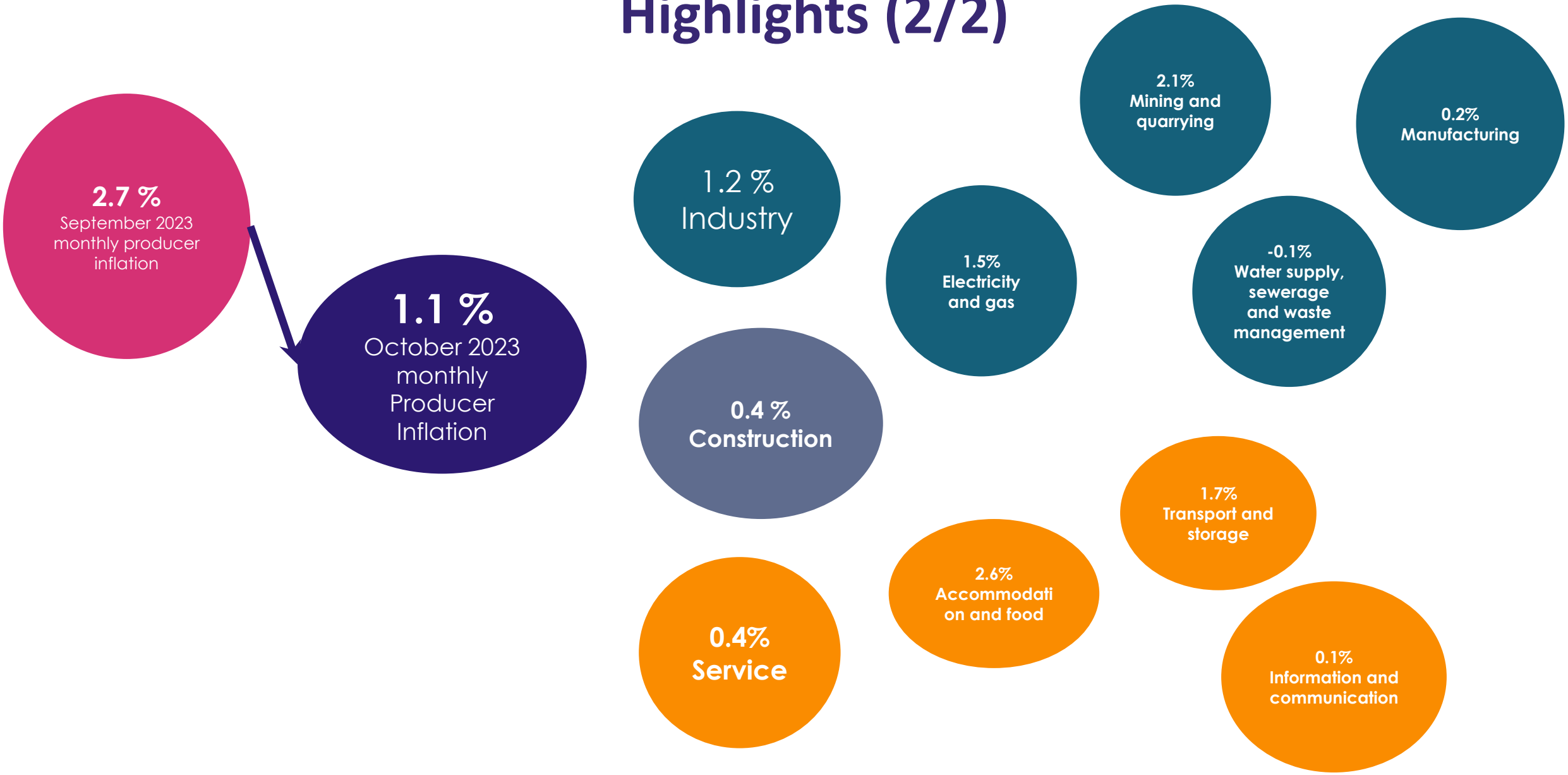
25.8%
Water supply, sewerage and waste management

7.4 %
Transport and storage

11.1%
Accommodation and food

12.7%
Information and communication

Highlights (2/2)



THANK YOU

End of Press Release for
October 2023 Producer Price Index

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