#### PRESS RELEASE

# GHANA PRODUCER PRICE INDEX AND INFLATION OCTOBER 2023

22nd NOVEMBER 2023



#### 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%
Ghana Statistical Service	22/11/2023 6

### Producer Price Index and Producer Inflation for October 2023

Year-on-year inflation rate at exfactory prices for all goods and services was 9.6 % in October 2023.

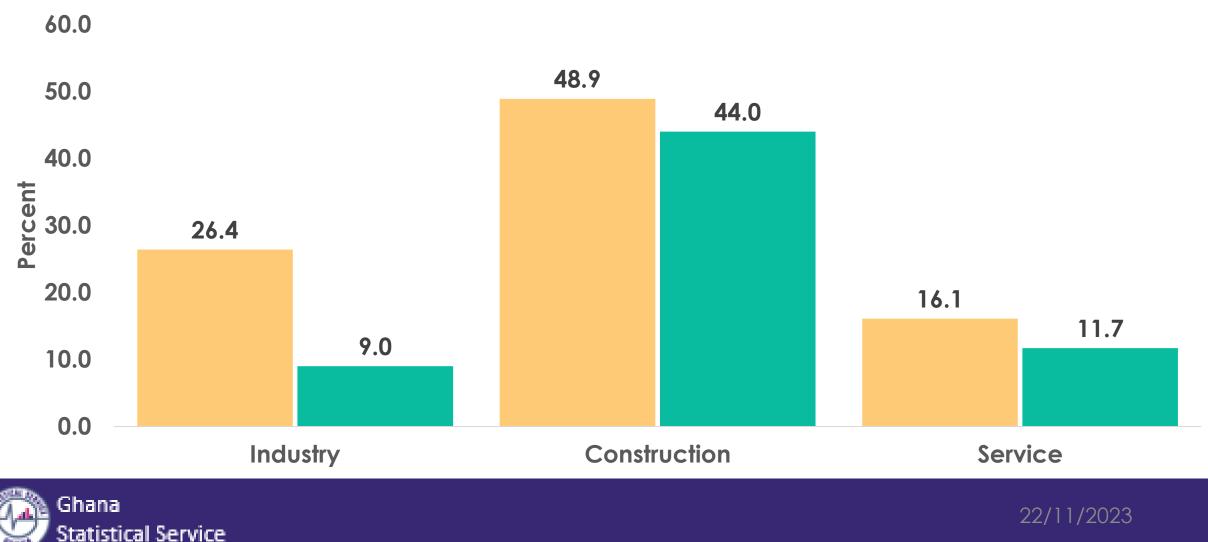
 The monthly producer inflation rate was 1.1%.

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							

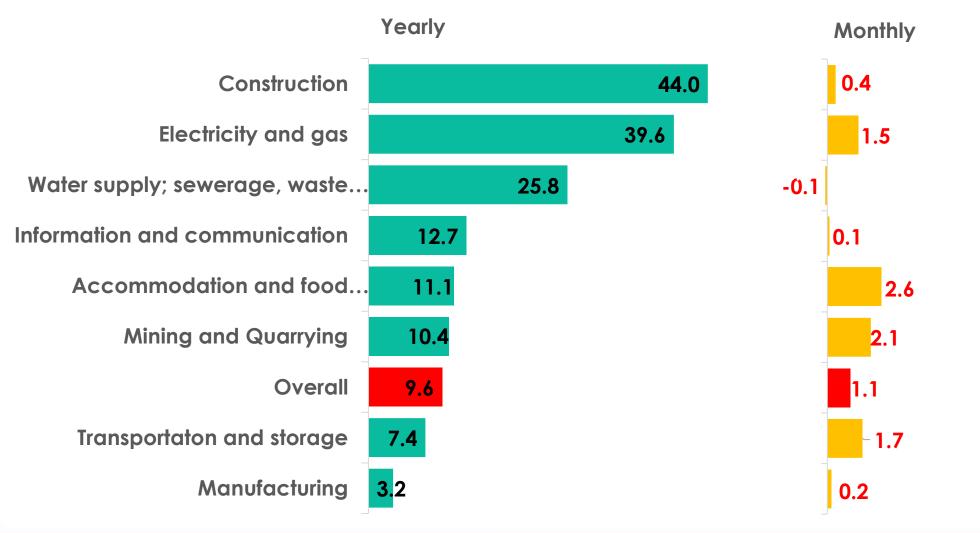


### Disaggregation of the September and October 2023 Producer Inflation by Sectors

September 23 October 23



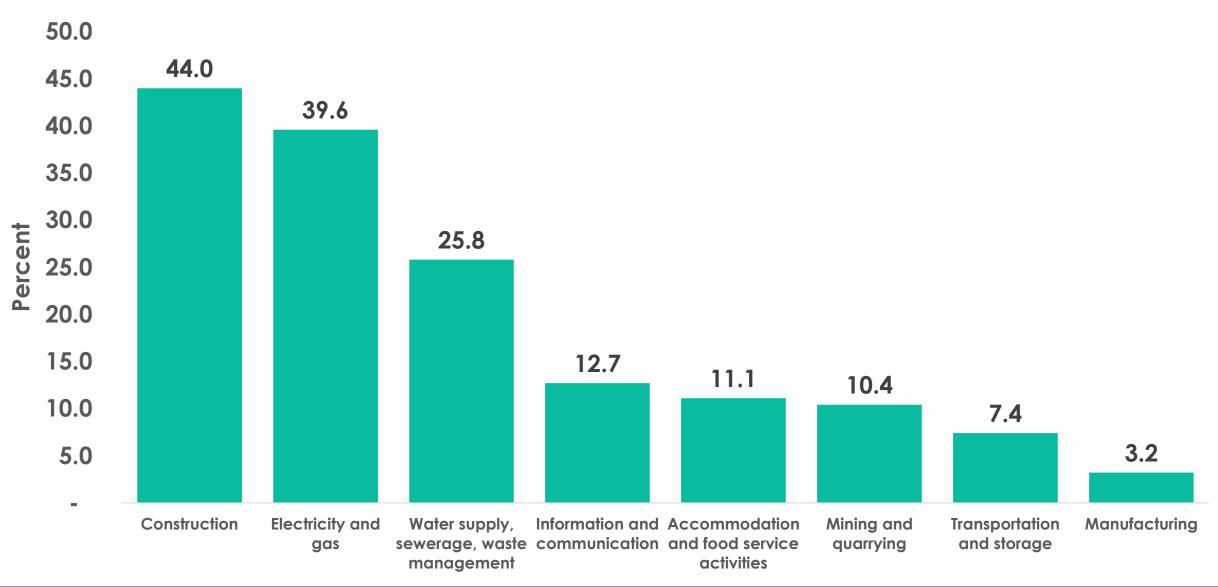
#### Disaggregation of the October 2023 Producer Inflation by Sub-Sectors





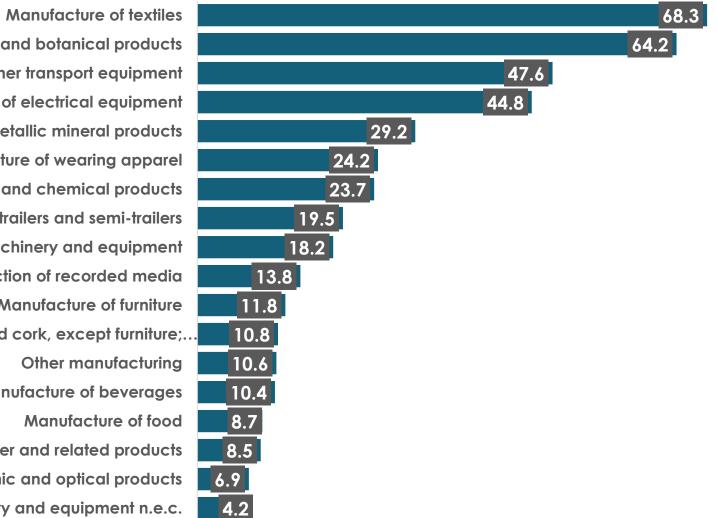


#### **Sub-Sector Producer Inflation for October 2023**





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



Manufacture of pharmaceuticals, medicinal chemical and botanical products Manufacture of other transport equipment Manufacture of electrical equipment Manufacture of other non-metallic mineral products Manufacture of wearing apparel Manufacture of chemicals and chemical products Manufacture of motor vehicles, trailers and semi-trailers Manufacture of fabricated metal products, except machinery and equipment Printing and reproduction of recorded media

Manufacture of furniture

Manufacture of wood and of products of wood and cork, except furniture;...

Other manufacturing

Manufacture of beverages

Manufacture of food

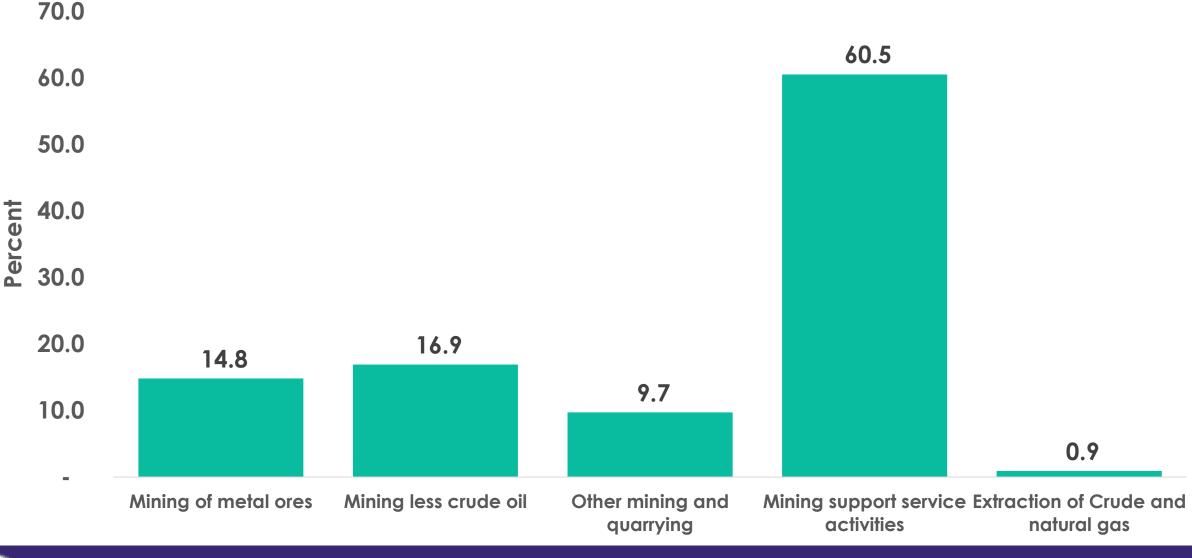
Manufacture of leather and related products

Manufacture of computer, electronic and optical products

Manufacture of machinery and equipment n.e.c.



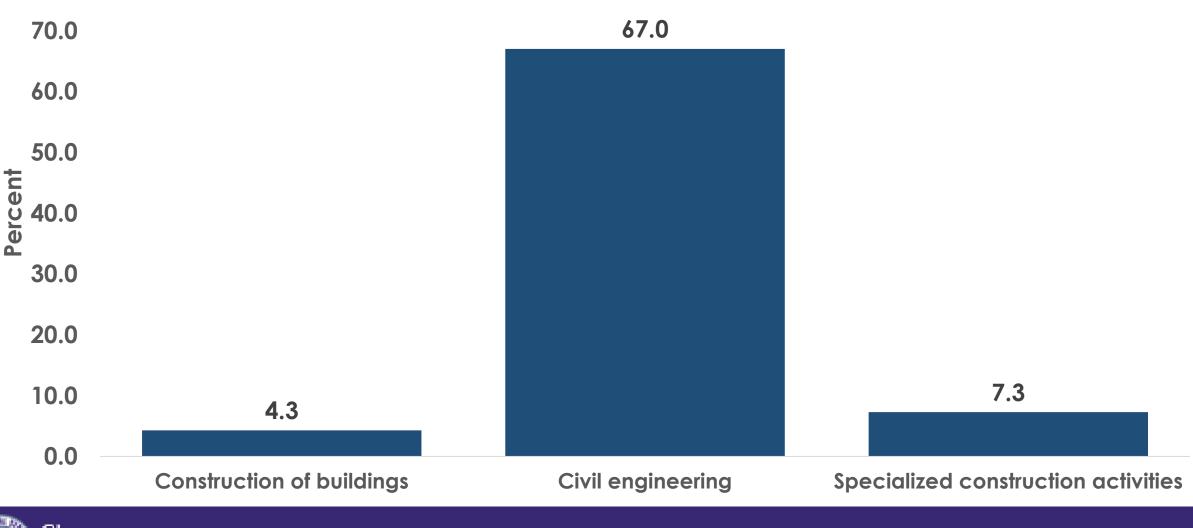
#### Producer Inflation for Mining and Quarrying Sub-Sector for October 2023





#### Producer Inflation for Construction Sub-Sector for October 2023



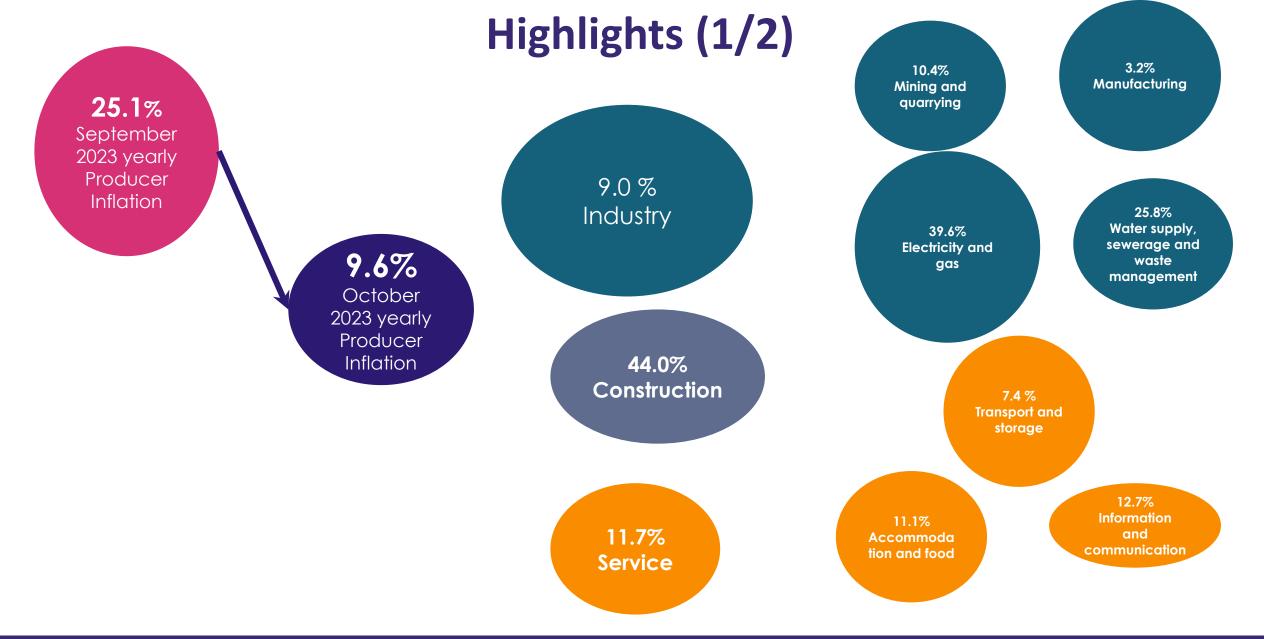




#### Producer Inflation for Services Sub-Sector for Oct. 2023

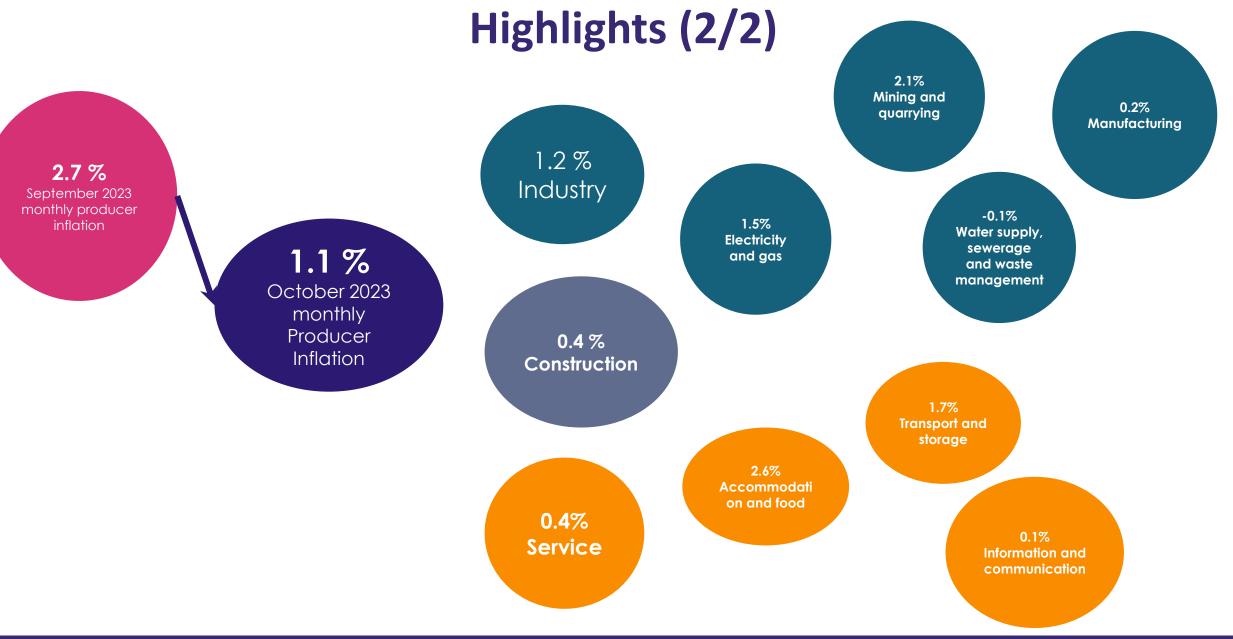
Information service activities				1	00.0					
Air transport	54.4									
Postal and courier activities		42.8								
Water transportation		34.5								
Programming and broadcasting activities		29.6								
Food and beverage service activities	23	<mark>3.</mark> 7								
Telecommunications	<mark>1</mark> 1.7									
Accommodation	9.0									
Land transportation and transport via pipelines	8.0									
Computer programming, consultancy and	. 7.3									
Warehousing and support activities for	. 4.0									
Motion picture, video and television	. 1.5									
Publishing activities 1.4										
-10.0	10.0	30.0	50.0	70.0	90.0	110.0	130.0			
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22/11/2023





#### THANK YOU

End of Press Release for October 2023 Producer Price Index

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