



Republic of Ghana

Newsletter Producer Price Index (PPI) April, 2019



May 22, 2019

Producer Price Inflation Rate in April 2019 is 7.1%

The Producer Price Index

The Producer Price Index (PPI) measures the average change over time in the prices received by domestic producers for the production of their goods and services. The PPI for Ghana reports the producer price indices with reference to September 2006, the base period. This release shows the annual (year-on-year) and monthly producer inflation rates for all industry and three major sub-sectors of industry (Mining and Quarrying, Manufacturing and Utilities) for the last twelve months. The figures for the month of April 2019 are provisional, and are subject to revision when additional data become available. All other indicators are final.

April 2019 Producer Inflation

The Producer Price Inflation rate for April 2019 was 7.1 percent. This rate indicates that between April 2018 and April 2019 (year-on-year), the PPI increased by 7.1 percent. This rate represents a no change in producer inflation relative to the rate recorded in March 2019 (7.1%). The month-on-month change in producer price index between March 2019 and April 2019 was 0.9 percent (Table 1).

Table1: PPI for March and April 2019

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
March, 2019	618.1	0.9	6.7
March revised, 2019	620.9	1.3	7.1
April, 2019	p626.7	p0.9	P7.1

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector decreased by 3.6 percentage points over the March 2019 rate of 15.9 percent to record 12.3 percent in April 2019. The producer inflation for Manufacturing which constitutes more than two-thirds of total industry increased by 0.7 percentage points to record 7.5 percent. The utilities sub-sector recorded inflation rate 1.1 percent indicating an increase of 0.3 percentage point than the rate recorded in March 2019.

Table 2: PPI and Inflation by Sector, April 2019 (September 2006= 100)

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	1,294.1	-2.5	12.3
Manufacturing	502.0	1.9	7.5
Utilities	801.0	0.2	1.1
ALL INDUSTRY	626.7	0.9	7.1

The data in this table are provisional.

Trends

In April 2018, the producer price inflation rate for all industry was 6.4 percent. Subsequently, it increased continuously to record 8.2 percent in July 2018, but declined to 5.8 percent in September 2018. In October 2018, the rate increased to 7.2

percent, but declined continuously to record 3.4 percent in January 2019. Since then the rate resumed the upward trend to record 7.1 percent in April 2019.

Manufacturing Sector

During the month of April 2019, three out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 6.1 percent. Manufacture of coke and refined petroleum products recorded the highest inflation rate of 17.2 percent, while Tanning and dressing of leather and Manufacture of paper and paper products recorded inflation of 0.0 percent (Fig. 2).

Petroleum Price Index

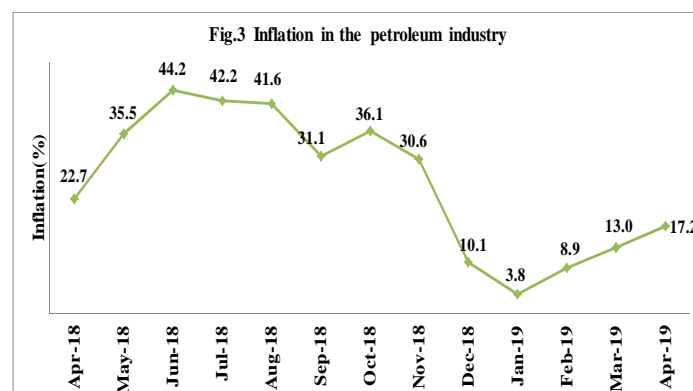
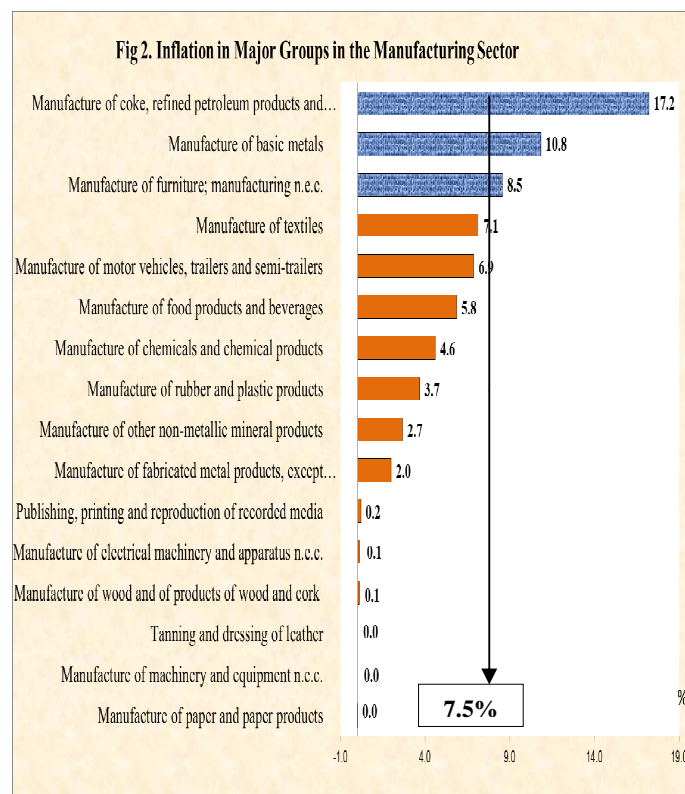
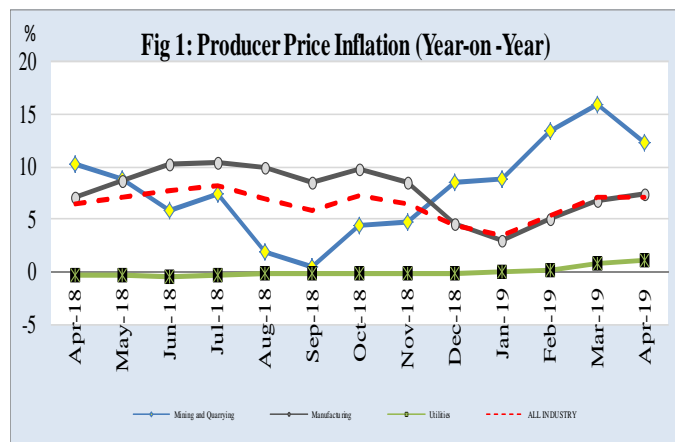
The producer inflation rate in the petroleum sub-sector was 22.7 percent in April 2018. Afterward, it increased to 44.2 percent in June 2018, but decreased to 31.1 percent in September 2018. However, it increased again in to 36.1 percent in October 2018. But resumed the downward trend to record 3.8 percent in January 2019, but increased consistently to record 17.2 percent in April 2019 (Fig 3).

Highlights

The year-on-year producer inflation for all industry was 7.1 percent in April 2019; the monthly change rate was 0.9 percent.

The Mining and Quarrying sub-sector recorded the highest year-on-year producer price inflation rate of 12.3 percent, followed by manufacturing sub-sector with 7.5 percent. The Utilities sub-sector recorded the lowest year-on-year producer inflation of 1.1 percent

With respect to the monthly changes, Manufacturing recorded the highest inflation rate of 1.9 percent, followed by Utilities sub-sector with 0.8 percent. The Mining and quarrying sub-sector recorded the lowest inflation rate of -2.5 percent.



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.