



Newsletter Producer Price Index (PPI) May 2022



Republic of Ghana

June 22, 2022

Producer Price Inflation Rate in May 2022 is 33.5%

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 PPI figure for May 2022 is provisional and is subject to revision when additional data become available. All other indicators are final.

May 2022 Producer Inflation

The Producer Price Inflation rate for May 2022 was 33.5 percent. This rate indicates that between May 2021 and May 2022 (year-on-year), the PPI increased by 33.5 percent. This rate represents a 2.1 percentage point increase in producer inflation relative to the rate recorded in April 2022 (31.4%). The month-on-month change in the producer price index between May 2022 and May 2022 was 3.6 percent. (Table 1).

Table 1: PPI for March, April & May 2022

| Month | Index level | Change rate (%) | |
|------------------|----------------|-----------------|--------------|
| | Sept 2006=100 | Monthly | Yearly |
| March, 2022 | 968.8 | 6.8 | 29.3 |
| April rev. 2022 | 981.3 | 1.3 | 31.4 |
| May, 2022 | p1016.7 | p3.6 | p33.5 |

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector decreased by 11.3 percentage points over the April 2022 rate of 35.2 percent to 23.9 percent in May 2022. The producer inflation for the Manufacturing sub-sector, which constitutes more than two-thirds of the total industry, increased by 6.1 percentage points to 45.0 percent. The utility sub-sector recorded 1.1 percent inflation rate for May 2022.

Table 2: PPI and Inflation by Sector, May 2022 (September 2006= 100)

| Sector | Index level | Change rate (%) | |
|---------------------|----------------|-----------------|-------------|
| | Sept 2006=100 | Monthly | Yearly |
| Mining & Quarrying | 2,579.8 | -4.6 | 23.9 |
| Manufacturing | 845.8 | 6.4 | 45.0 |
| Utilities | 909.1 | 0.0 | 1.1 |
| ALL INDUSTRY | 1,016.7 | 3.6 | 33.5 |

The data in this table are provisional.

Trends

In May 2021, the producer price inflation rate for all industry was 11.8 percent. The rate decreased continuously to record 8.1 percent in August 2021 but increased to record 8.8 percent in September 2021. Subsequently, the rate resumes an upward

trend and increase consistently to record 33.5 percent in May 2022.

Manufacturing Sector

In May 2022, one out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 45.0 percent. Manufacture of coke, refined petroleum products and nuclear fuel recorded the highest inflation rate of 121.0 percent, while the Manufacture of machinery and equipment n.e.c. recorded the least inflation rate of 0.0 percent (Fig. 2).

Petroleum Price Index

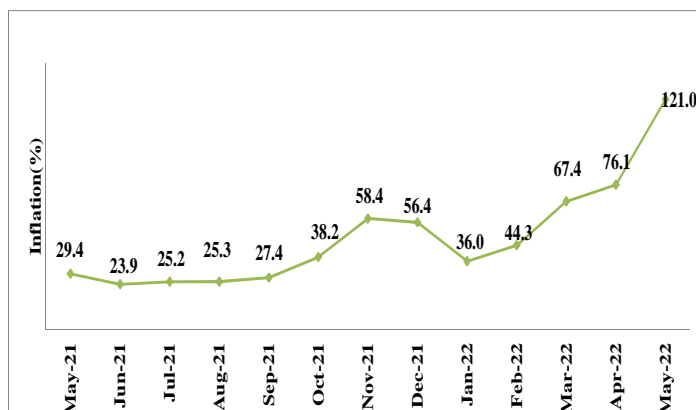
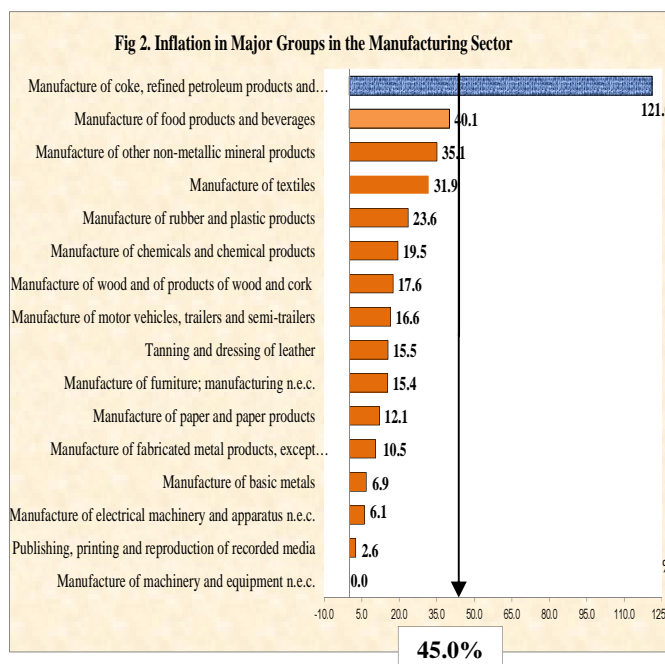
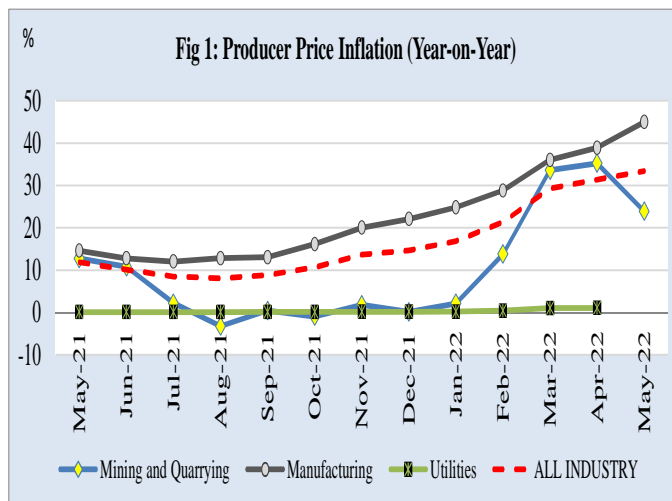
The producer inflation rate in the petroleum sub-sector was 29.4 percent in May 2021. The rate decreased to 23.9 percent in June 2021 and increased to 25.3 percent in August 2021. Thereafter, it increased continuously to 58.4 percent in November 2021 but dropped to 36.0 percent in January 2022. In February 2022 the rate increased to 44.3 percent and jumped to 121.0 percent in May 2022. (Fig 3).

Highlights

The year-on-year producer inflation for all industry was 33.5 percent in May 2022; the monthly change rate was 3.6 percent.

The Manufacturing sub-sector recorded the highest year-on-year producer price inflation rate of 45.0 percent, followed by the Mining and Quarrying sub-sector with 23.9 percent. The Utility sub-sector recorded the lowest year-on-year producer inflation rate of 1.1 percent.

The manufacturing sub-sector recorded the highest monthly inflation rate of 6.4 percent, followed by the utility sub-sector recorded no change. The mining and quarrying sub-sector recorded the least inflation of -4.6 percent in May 2022.



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.