



Newsletter Consumer Price Index (CPI) December 2020



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Summary

- National inflation from December 2019 to December 2020 was 10.4%.
- National month-on-month inflation from November 2020 to December 2020 was 0.9%.
- Food and Non-Alcoholic Beverages inflation was 14.1% and average Non-Food inflation 7.7%.
- Regional inflation was between 16.3% in Greater Accra and 2.1% in the Upper West Region.

Government Statistician Says:

"Average year-on-year inflation in the year 2020 was 9.9%. Quarter one, before COVID-19, recorded the lowest average year-on-year inflation (7.8%) and the second quarter the highest (11.0%)."

December 2020 Inflation

The national year-on-year inflation rate was 10.4% in December 2020, which is 0.6 percentage point higher than last month (see Table 1). Month-on-month inflation between November 2020 and December 2020 was 0.9%.

Again like previous months, just two of the thirteen Divisions had higher than average inflation rates; 'Housing, Water, Electricity, Gas' (20.1% down from 21.0% last month) and 'Food and Non-Alcoholic Beverages' (14.1% up from 11.7% last month). See Figure 1, for the inflation rates of all Divisions.

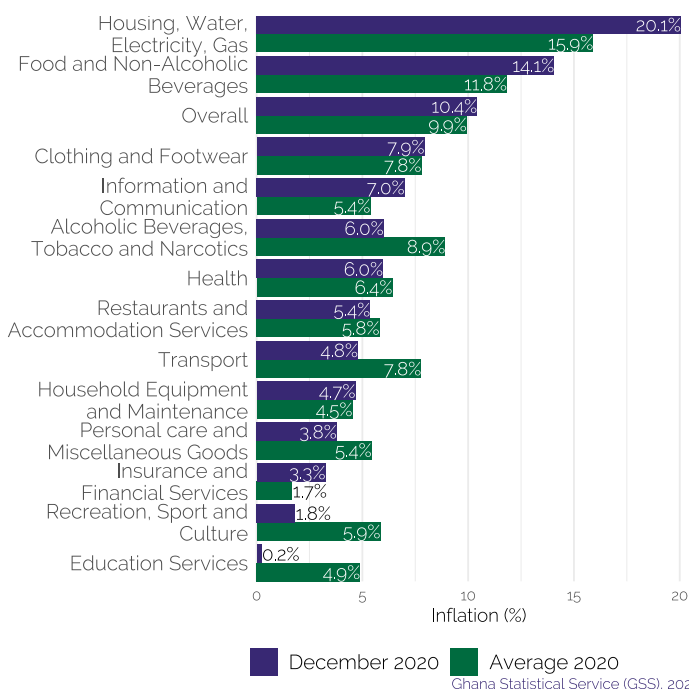


Figure 1: Year-on-year inflation December 2020 and the 2020 average, by Division.

Table 1: Consumer Price Indices August 2019 to December 2020.

Month	CPI (2018 = 100)	Change (inflation %)	
		Monthly	Yearly
Aug - 2019	108.6	-	7.7
Sep	108.5	0.0	7.6
Oct	109.0	0.4	7.7
Nov	109.7	0.7	8.2
Dec	110.0	0.3	7.9
Jan - 2020	111.6	1.4	7.8
Feb	112.1	0.4	7.8
Mar	113.0	0.8	7.8
Apr	116.6	3.2	10.6
May	118.6	1.7	11.3
June	119.8	1.0	11.2
July	120.5	0.5	11.4
Aug	120.0	-0.4	10.5
Sep	119.8	-0.2	10.4
Oct	120.1	0.2	10.1
Nov	120.4	0.3	9.8
Dec	121.5	0.9	10.4

Regional Inflation

At the regional level, the overall year-on-year inflation ranged from 2.1% in the Upper West Region to 16.3% in Greater Accra Region (See Figure 3). With the exception of Upper West Region (-0.4% food inflation and 4.6% non-food inflation), all regions recorded higher food inflation than non-food inflation. Compared to last month, only Ashanti, Brong Ahafo and Upper West Region had a lower food inflation this month. The biggest difference was recorded in Central Region (3.5% to 12.8%). As shown in Figure 5, on a month-on-month basis Northern Region recorded the highest overall inflation (1.7%) and Food inflation (3.1%).



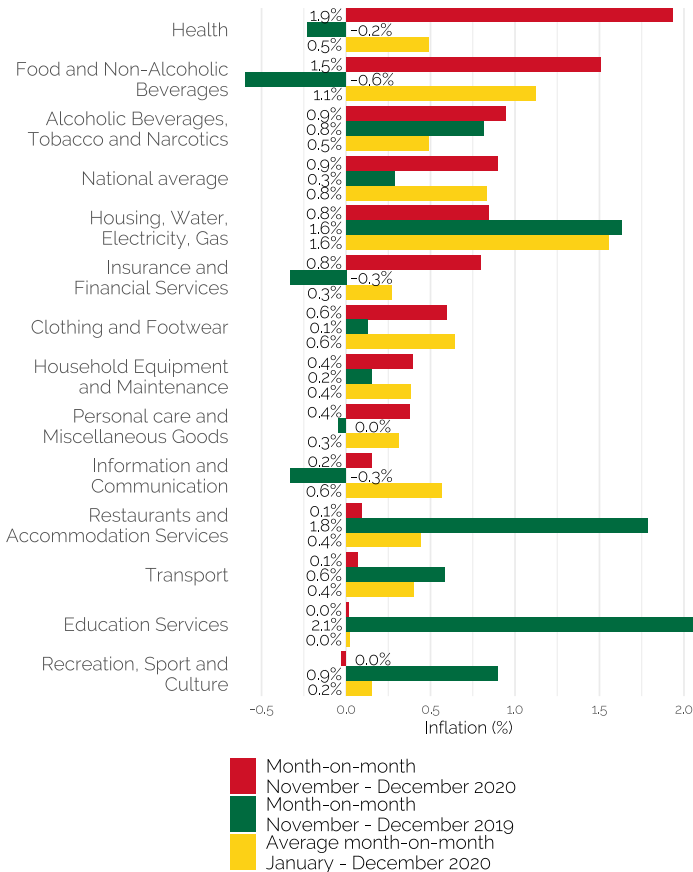
Food and Non-Food Inflation

Food contributed 59.1% to the total inflation. This is the highest contribution recorded since April 2020 when COVID-19 started to affect Ghana (see Figure 6 on the final page). The increased rate of food inflation is the predominant reason for increased overall inflation, as without this increase, year-on-year inflation would have been lower than last month.

Within the Food Division, Vegetables (24.2%) was the Subclass with the highest rate of inflation, followed by Fish and other Seafood (22.9%) (see Figure 4). Overall month-on-month Food inflation was 15% (1.2 percentage point higher than last month and higher than both on average in 2020 and in the same month last year).

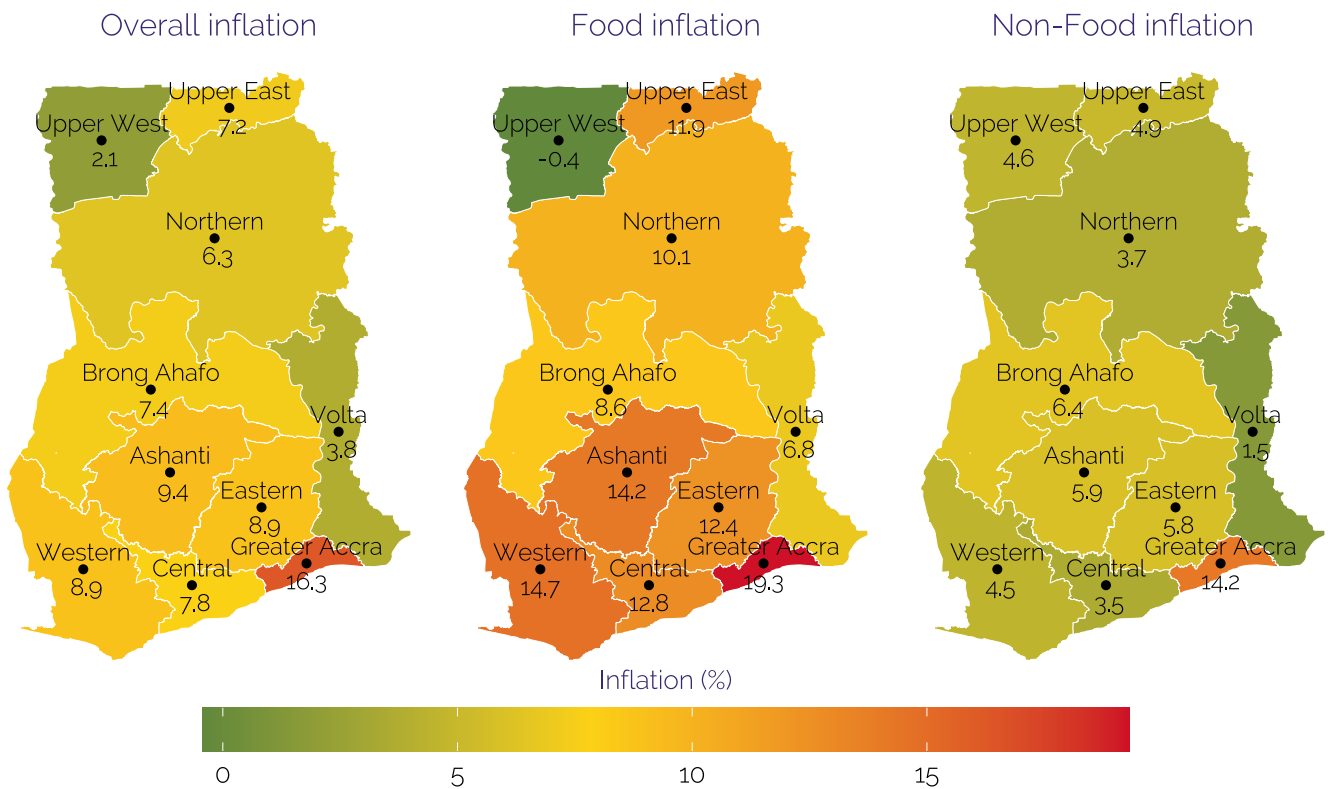
Similar to Food, Alcoholic Beverages and Tobacco saw a relatively high month-on-month inflation (0.9%). In contrast to Food inflation, Non-Food inflation decreased, from 7.7% this month as compared to 8.3% last month and 8.5% on average in 2020. Month-on-month Non-Food inflation was 0.4%. (see Figure 2). After a few months of high inflation for Transport, December saw low inflation for Transport (4.8% year-on-year and 0.1% month-on-month as compared to an average 7.8% year-on-year and 0.4% month-on-month for 2020)

Compared to both the average month-on-month inflation for different Divisions in the regions on average over the year 2020 and to the same month-on-month inflation indicators for December 2019, December 2020 recorded comparatively high inflation numbers (see figure 5).



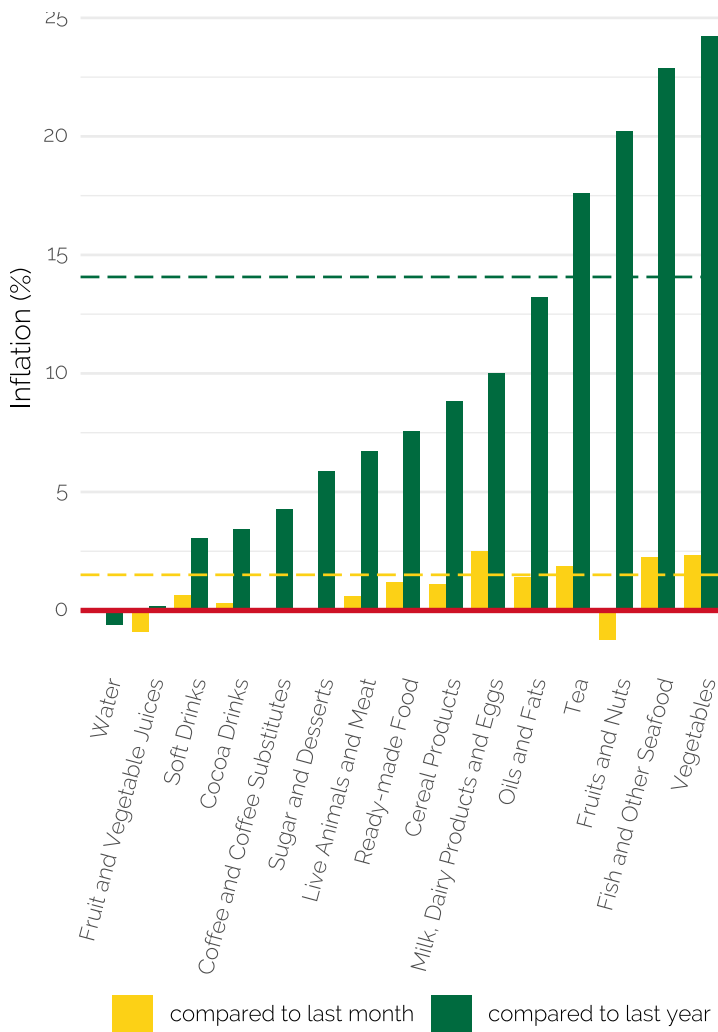
Ghana Statistical Service (GSS), 2020

Figure 2: National month-on-month inflation rates for different Divisions



Ghana Statistical Service (GSS), 2020

Figure 3: Year-on-year overall, Food and Non-Food inflation rates for December 2020 by region.



Imported and Local Inflation

The inflation of imported goods was 6.1% (up from 5.6% last month), while the inflation of local goods was 12.1% on average (up from 11.5% last month). Month-on-month inflation for imported goods was 0.3% and for locally produced goods 1.1%. On average in 2020, year-on-year inflation for imported goods was 11.8%, which is more than double the average year-on-year inflation in 2020 for imported goods (5.3%). Especially in the second half of 2020, local goods recorded higher rates of inflation than imported goods.

More Information

Visit the GSS website (www.statsghana.gov.gh) for further information and detailed annexes or contact: Mr. John F.K. Agyaho (Head, Price Statistics, GSS) at john.agyaho@statsghana.gov.gh.

Ghana Statistical Service (GSS), 2020
Figure 4: Year-on-year and month-on-month Food Subclass inflation, December 2020

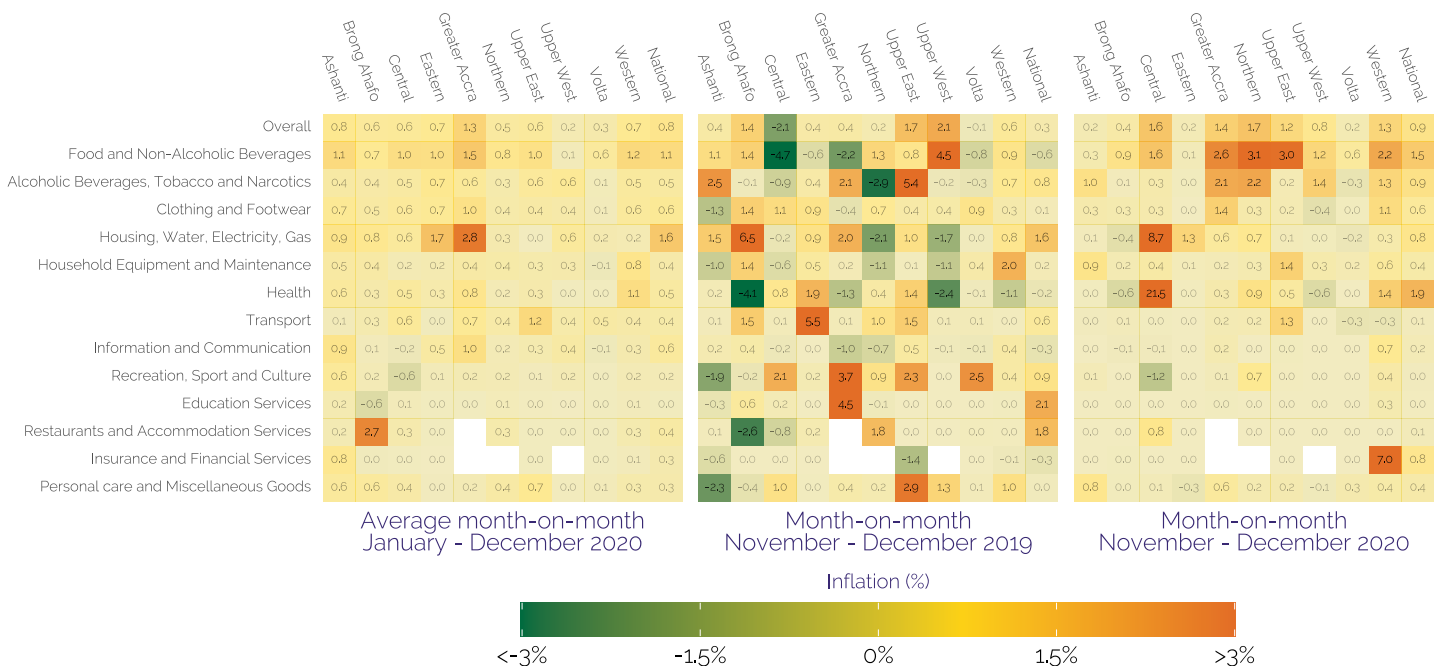


Figure 5: Heatmap tabulating the month-on-month inflation statistics for 10 regions and 13 Divisions in addition to the National and Overall averages. The month-on-month inflation for the period November 2020 to December 2020 is given, as well the month-on-month inflation for November 2019 to December 2019 and the average month-on-month inflation between January 2020 and December 2020.

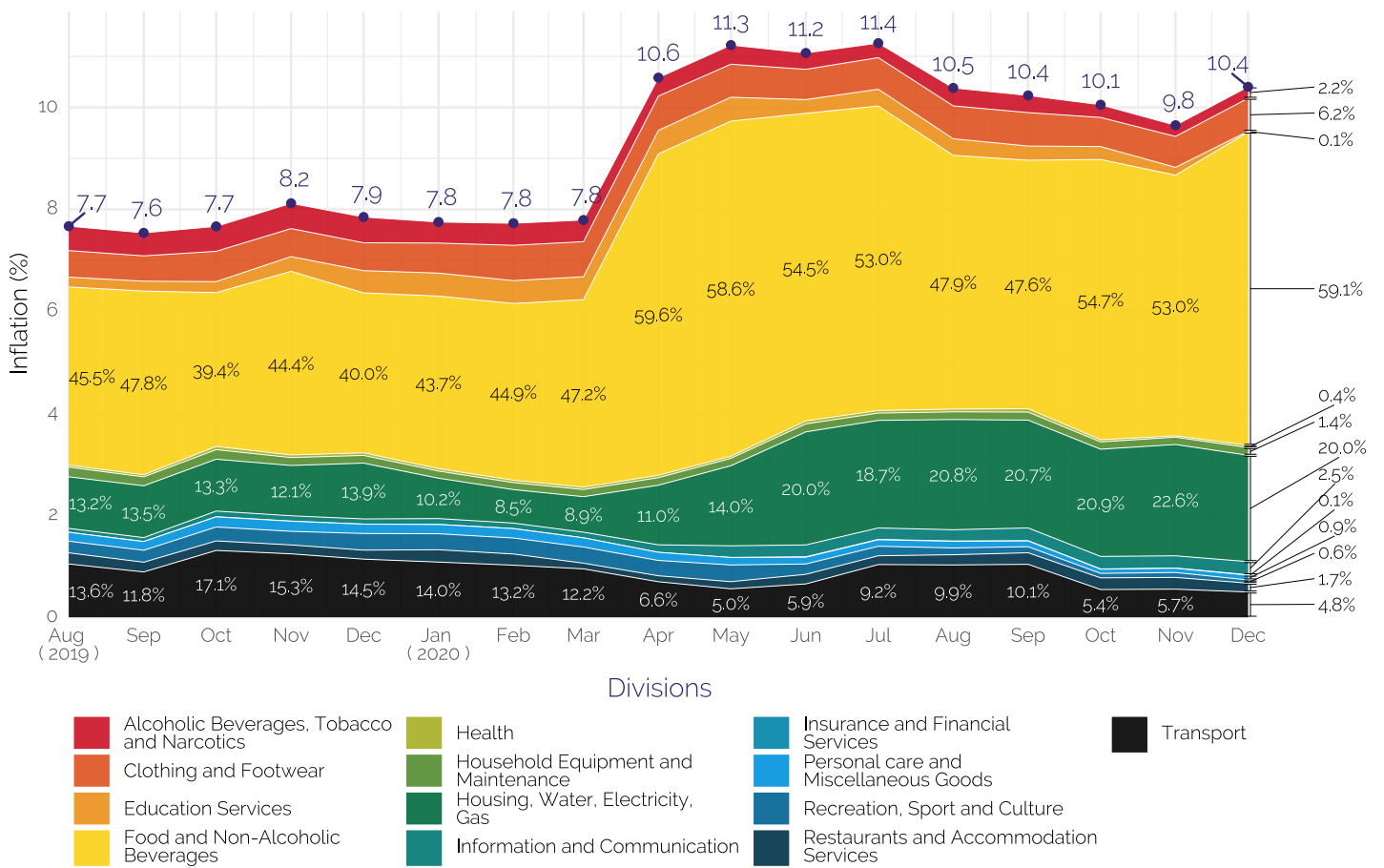


Figure 6: Composition of year-on-year inflation. Total height indicates total inflation and percentages indicate the contribution to total inflation. For all months, the contribution of the 'Transport', 'Housing' and 'Food' Divisions is shown and for the current month, the contribution of all 13 Divisions is shown on the right side of the plot.

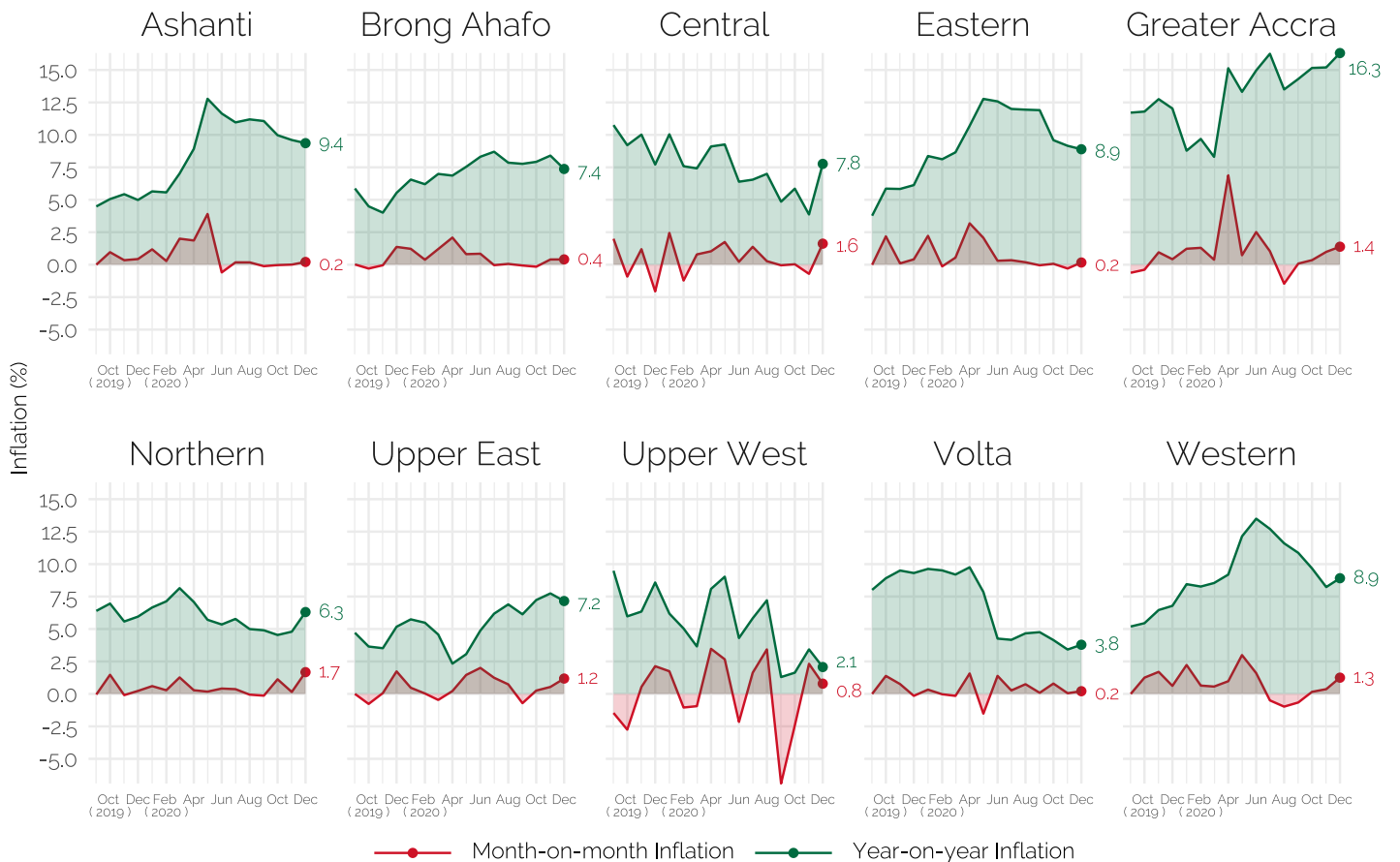


Figure 7: Both year-on-year and month-on-month inflation by region.