



Newsletter Consumer Price Index (CPI) February 2020



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Summary

- National year-on-year inflation from February 2019 to February 2020 was 7.8%.
- Food and Non-alcoholic beverages inflation was 7.9% and average Non-food inflation 7.7%.
- Regional inflation was between 9.7% in Greater Accra Region and 5.0% in the Upper West Region.
- Inflation of imported goods was 5.9%, while the inflation of local goods was 8.6% on average.

Government Statistician Says:

“February 2020 inflation was 7.8%. This continued the trend of a stable inflation of about 8% recorded over the past six months. Compared to the same month last year, prices of Fruits and Transport Services increased relatively more than other goods while prices of Electric Appliances, Cars, and Electricity decreased. Households in Greater Accra saw the highest price increase (9.7%), while households in the Upper West Region saw the lowest price increase (5.0%).”

CPI

The Consumer Price Index (CPI) measures proportionate changes in the prices of a fixed basket of goods and services that households in Ghana consume. This index is then referenced to the price level of 2018, the base year. Relative changes in this index can be expressed as inflation (see Table 1).

February 2020 Inflation

The national year-on-year inflation rate was 7.8% in February 2020, the same rate as last month. Month-on-month inflation between January 2020 and February 2020 was .4%. Alcoholic Beverages, Tobacco & Narcotics (11.6%), Transport (9.9%), and Recreation (9.0%) were the Divisions with the highest rates of inflation (see Figure 1).

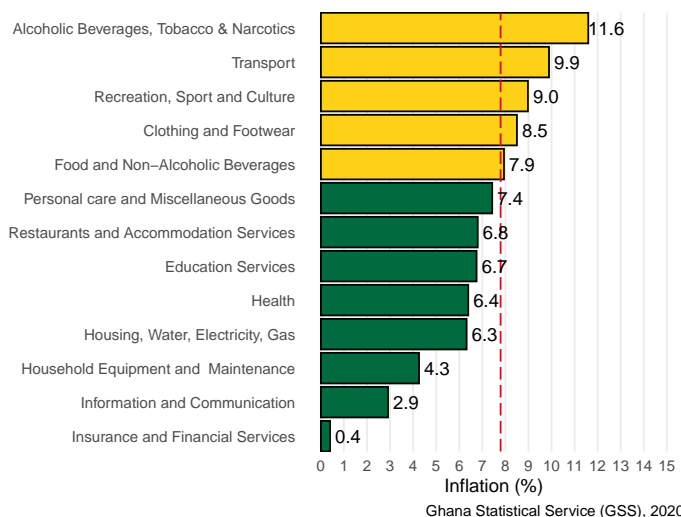
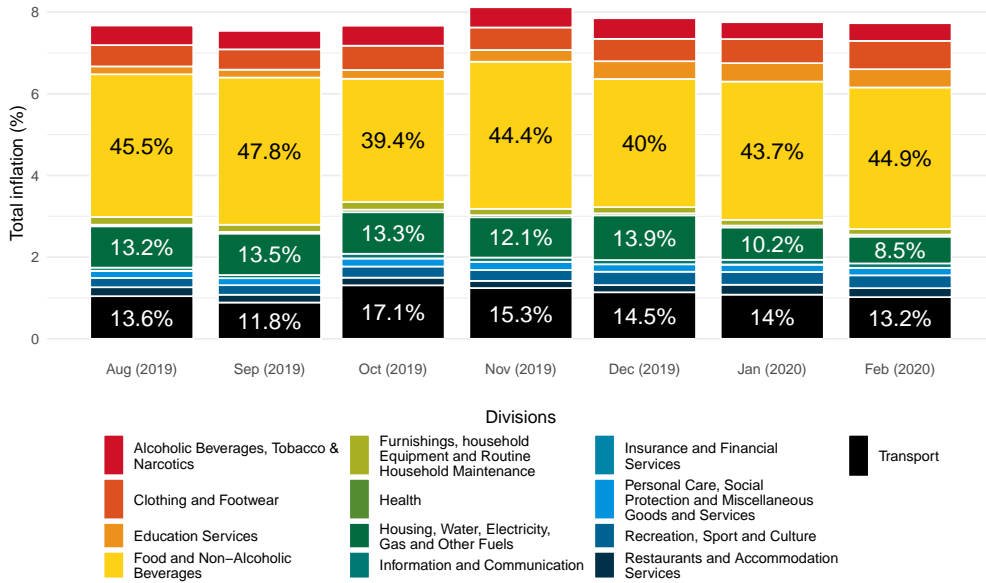


Figure 1: Year-on-year inflation February 2020, by Division. Inflation was highest for the ‘Alcoholic Beverages, Tobacco & Narcotics,’ ‘Transport,’ and ‘Recreation, Sport, and Culture’ Divisions.

Due to its relative importance in consumption, Food is still the main driver of inflation in Ghana, even though there are 4 Divisions with higher inflation rates. Compared to January 2020 we see shift in the inflation for the ‘Housing, Water, Electricity & Gas’ Division. This Division went from 7.6% to 6.3%, and is therefore also a less important contributor to inflation compared to previous months (see Figure 2).

Table 1: Consumer Price Indices Aug 2019 to Feb 2020.

Month	CPI (2018 = 100)	Change (inflation %)	
		Monthly	Yearly
Aug - 2019	108.6	-	7.8
Sep - 2019	108.5	0.0	7.6
Oct - 2019	109.10	0.4	7.7
Nov - 2019	109.7	0.7	8.2
Dec - 2019	110.0	0.3	7.9
Jan - 2020	111.6	1.4	7.8
Feb - 2020	112.1	0.4	7.8



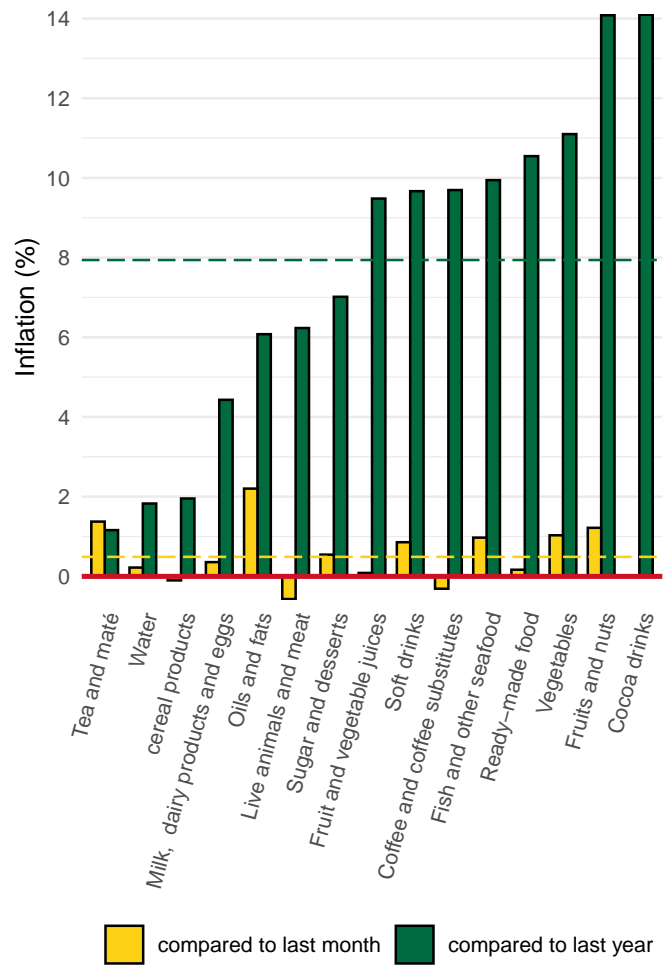
Ghana Statistical Service (GSS), 2020

Figure 2: Composition of year-on-year inflation over the last 7 months. The contribution of Housing decreased, while the contribution of Food increased again. Total inflation has been stable since August.

Food and Non-food Inflation

The Food and Non-alcoholic beverages Division recorded a year-on-year inflation rate of 7.9%. This is .1 percentage point higher than last month. National Non-food year-on-year inflation for February 2020 was 7.7%, lower than the 7.9% recorded in January 2020. Between January 2020 and February 2020 the price level of Food and Non-alcoholic beverages increased by .5%. This rise is predominantly driven by an increase in price levels of Vegetables, Fruits and Nuts, and Cocoa Frinks (see Figure 3).

Non-food Subclasses with the highest year-on-year inflation include: Other Transport Services (34%), Postal and Courier Services (24.6%), and Narcotics (23.1%). Similar to last month, Education (not defined by level) (-8.5%), Electric Appliances for Personal Care (-8.1%), Cars (-4.4%), Sports Equipment (-2.6%), and Electricity (-.9%) had negative year-on-year inflation rates. Figure 6 shows the Food and Non-food inflation rates for the different regions. We see that certain regions, like the Northern Region, had consistently higher Non-food inflation rates over the 7 months, while for example, Upper East Region has had higher rates of Food inflation.



Ghana Statistical Service (GSS), 2020

Figure 3: Year-on-year and month-on-month Food Subclass inflation, February 2020.

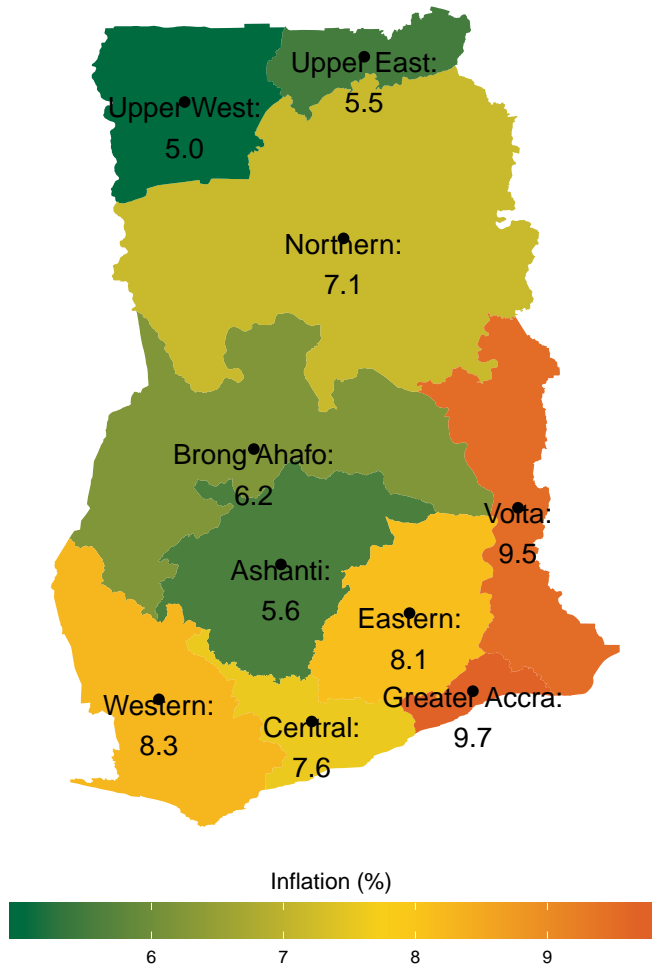


Figure 4: Year-on-year inflation, February 2020 inflation by region. Ghana Statistical Service (GSS), 2020

Regional Inflation

At the regional level, the year-on-year inflation ranged from 9.7% in Greater Accra Region to 5.0% in Upper West Region (see Figure 4).

Imported and Local Inflation

Inflation of imported goods was 5.9%, while the inflation of local goods was 8.6% on average (See Figure 5). Month-on-month inflation for imported goods was .5%, while month-on-month inflation for local goods was .4%.

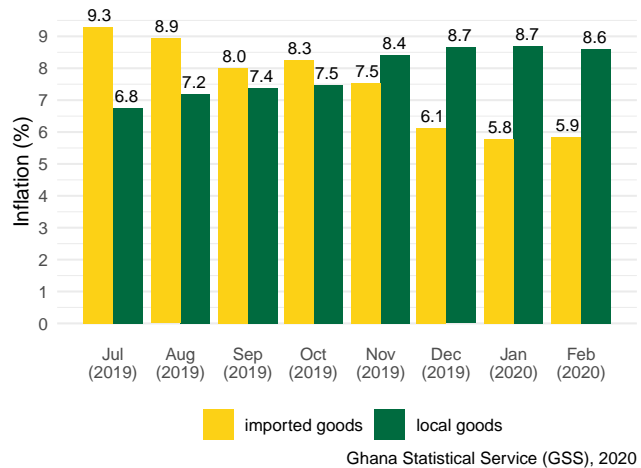


Figure 5: Comparing inflation of locally produced goods and imported goods over the last 6 months. Ghana Statistical Service (GSS), 2020

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.



Figure 6: Food compared to Non-food inflation for 10 regions over the last 6 months. Different regions show different trends. Ghana Statistical Service (GSS), 2020