



Newsletter Consumer Price Index (CPI) May 2020



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Summary

- National inflation from May 2019 to May 2020 was 11.3%.
- National month-on-month inflation from April 2020 to May 2020 was 1.7%.
- Food and Non-Alcoholic Beverages inflation was 15.1% and average Non-Food inflation 8.4%.
- Regional inflation was between 13.3% in Greater Accra and 3.1% in the Upper East Region.

Government Statistician Says:

"Since the COVID-19 pandemic reached Ghana, Ghana experienced a hike in the inflation rate of around 3% extra inflation. This month, the average national inflation stood at 11.3%, while Food inflation (15.1%) again outpaced Non-Food inflation (8.4%). Especially in the Western, Ashanti and Greater Accra Regions we recorded high Food inflation indices."

May 2020 Inflation

The national year-on-year inflation rate was 11.3% in May 2020, which is 0.7 percentage points higher than last month (see Table 1). Month-on-month inflation between April 2020 and May 2020 was 1.7%. This is lower than the 3.2% recorded between March and April 2020, but higher than the average month-on-month inflation recorded in the months October 2019 to March 2020 (0.7%). Only two of the thirteen Divisions had higher than average inflation rates; Food and Non-Alcoholic Beverages and Housing, Water, Electricity and Gas (both 15.1%) (see Figure 1).

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

Month	CPI (2018 = 100)	Change (inflation %)	
		Monthly	Yearly
Aug - 2019	108.6	-	7.8
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

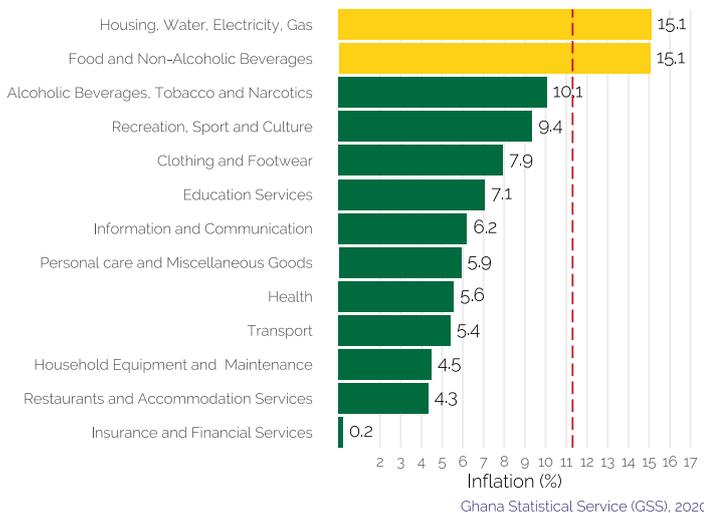


Figure 1: Year-on-year inflation May 2020, by Division. Inflation was highest for the 'Housing, Water, Electricity and Gas' and 'Food and Non-Alcoholic Beverages' Divisions.

Regional Inflation

At the regional level, the overall year-on-year inflation ranged from 3.1% in the Upper East Region to 13.3% in Greater Accra. When comparing Food to Non-Food inflation, there are clear differences between regions. Ashanti (22.3%) and Western Region (19.8%) had the highest rates of Food inflation, while Eastern Region saw the highest Non-Food inflation (12.8%). The Upper East, Northern, Eastern, and Volta Regions experienced higher Non-Food than Food inflation, the opposite was true for the other six regions (See Figure 3).

The month-on-month inflation rate between regions also differ. The overall month-on-month inflation was between -1.5% in the Volta Region and 3.9% in the Ashanti Region. The Western Region recorded a month-on-month Food inflation rate of 6.9%, while the Volta Region saw a decrease of -3.3%. Greater Accra saw an overall month-on-month inflation of 0.7% and a Food month-on-month inflation of -0.4%. See Figure 5, for the other regional month-on-month inflation rates.

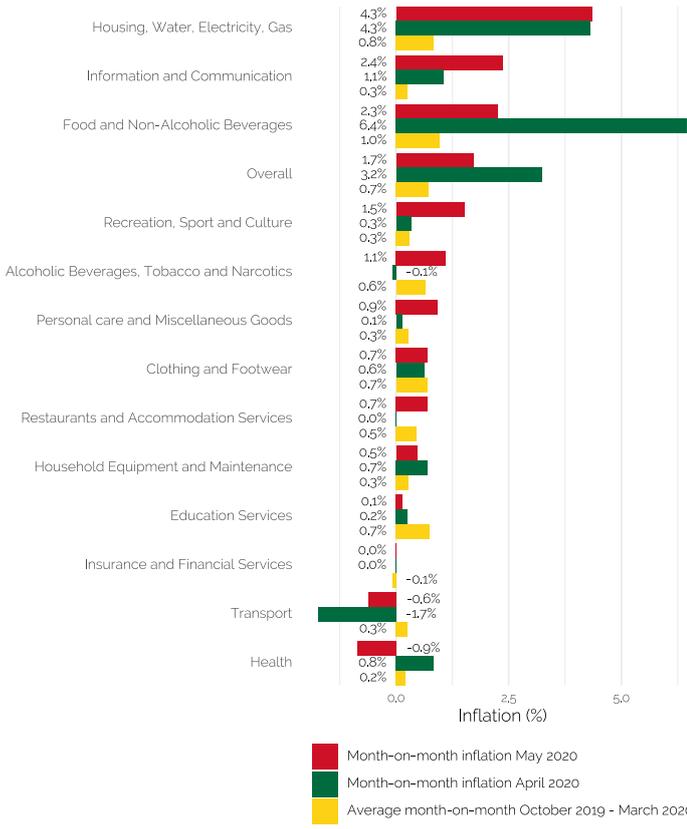


Food and Non-Food Inflation

The Food and Non-Alcoholic Beverages Division recorded a year-on-year inflation rate of 15.1%. This is 0.7 percentage point higher than April 2020 (14.4%) and 7.2 percentage points higher than the average over the eight months preceding March 2020 (7.9%). This translates to Food being the predominant driver of year-on-year inflation. Food contributed 58.6% of the year-on-year inflation in April 2020 (see Figure 6 on the final page). Month-on-month Food inflation stood at 2.3%, which is less than the 6.4% that was recorded between March 2020 and April 2020.

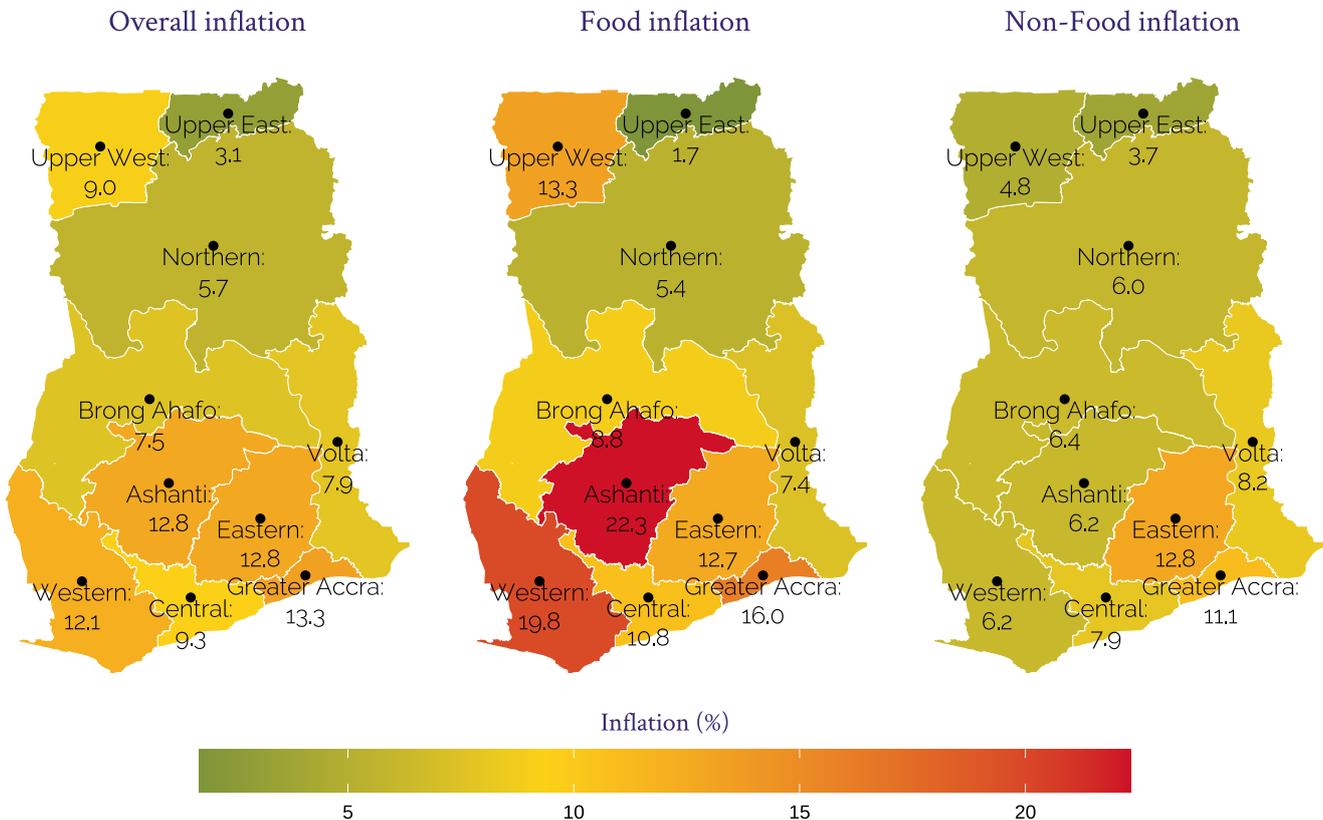
The Division with the highest month-on-month inflation between April and March 2020 was Housing, Water, Electricity and Gas (4.3%). In the previous two months, the majority of Divisions recorded higher month-on-month inflation rates than the average month-on-month inflation rates between October 2019 and March 2020. An exception to this is the Transport price index. Month-on-month Transport inflation was on average +0.3% between October 2019 and March 2020, but -1.7% between March and April and -0.6% between April and May.

Within the Food Division, Vegetables (34.9%) and Fruits and Nuts (21.5%) were the Subclasses with the highest rates of inflation (see Figure 4). For the Housing Division, the Subclasses Rents Paid by Tenants (21.0%) and Refuse Collection (48.9%) recorded the highest inflation rates. Month-on-month Transport inflation was negative due to the month-on-month price indices decreases for Diesel (-10.9%) and Petrol (-8.7%).



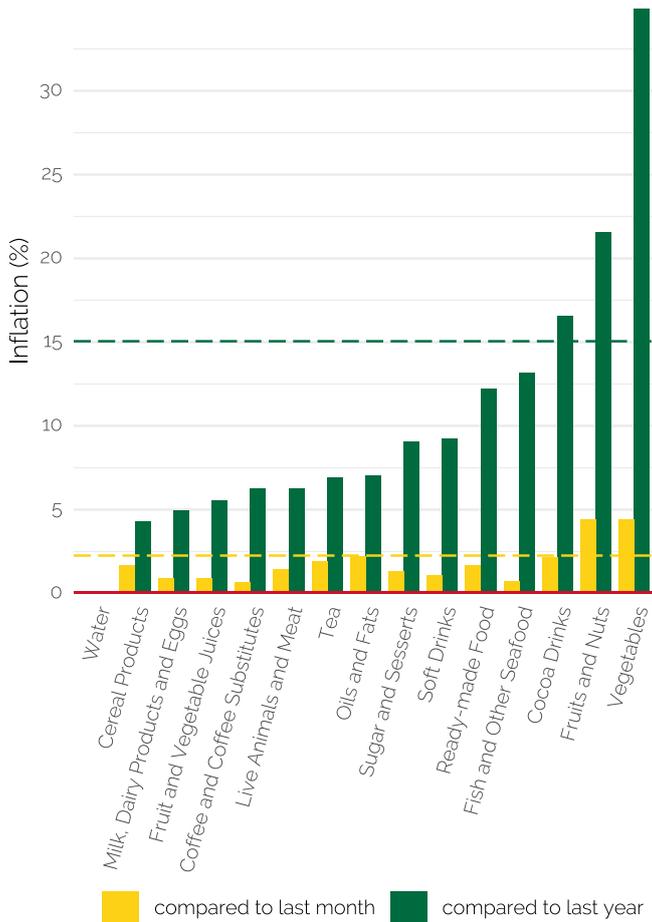
Ghana Statistical Service (GSS), 2020

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 May 2020 by region.



Imported and Local Inflation

Inflation of imported goods was 4.8%, while the inflation of local goods was 14.1% on average. This is the highest rate of local inflation and the lowest rate of imported goods inflation since the rebasing in August 2019. Month-on-month inflation for imported goods was 0.8%, while month-on-month inflation for local goods was 2.1%. The main contributor to local inflation was the inflation of locally produced foods.

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, May 2020

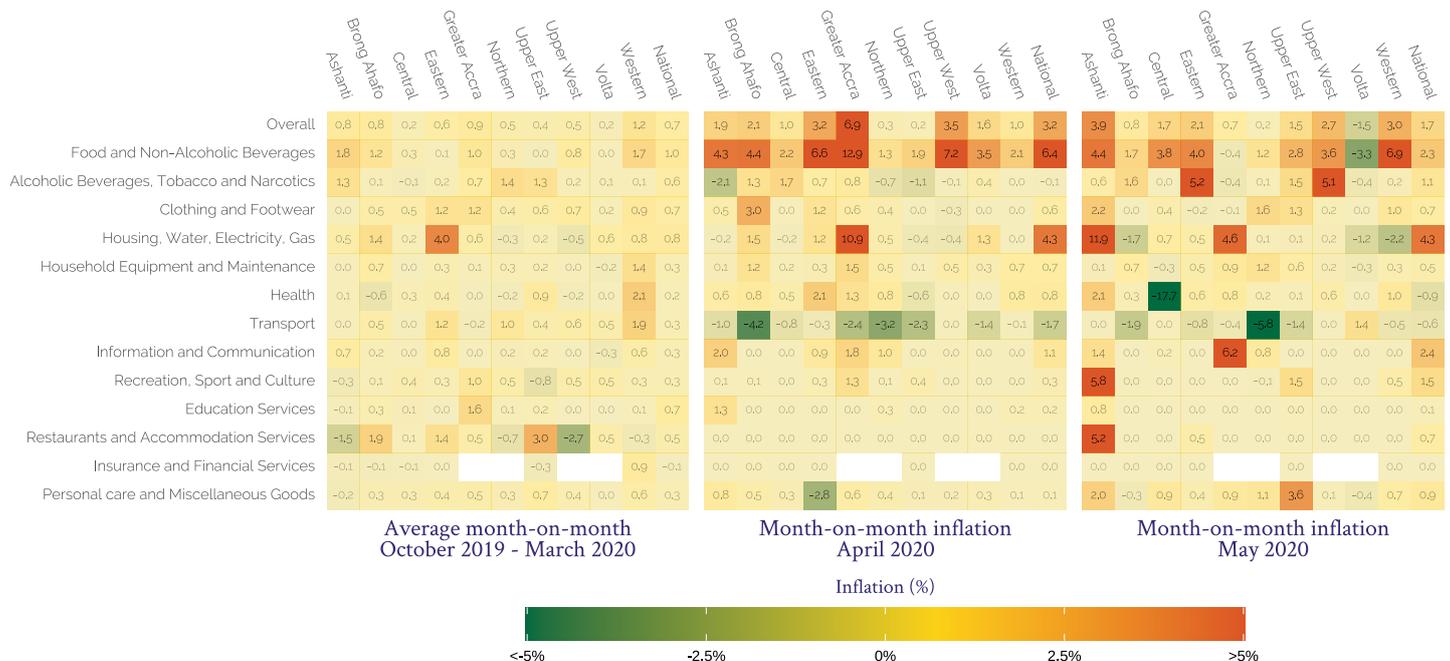
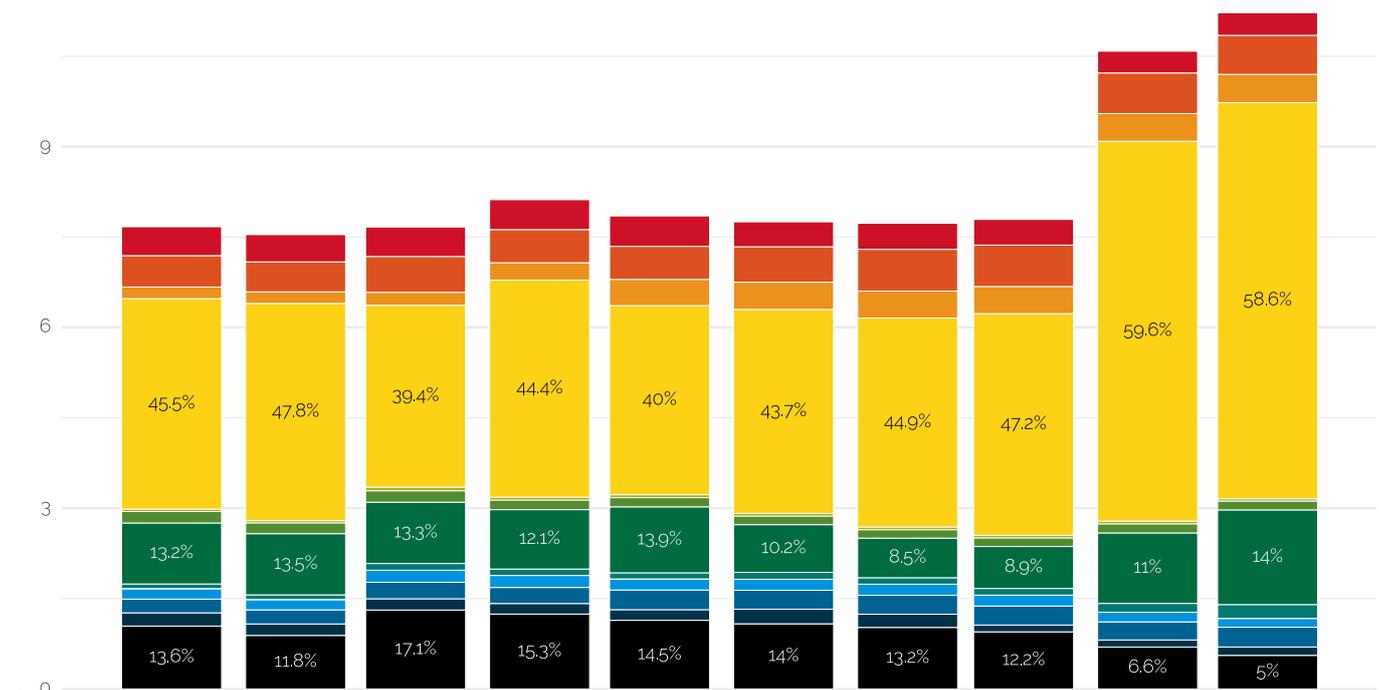


Figure 5: Heatmap tabulating the month-on-month inflation statistics for 10 regions and 13 Divisions in addition to the National and Overall averages. The average of month-on-month inflation for the period October 2019 to March 2020 is given, as well the inflation between March 2020 and April 2020 and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



Year-on-year inflation



Month-on-month inflation

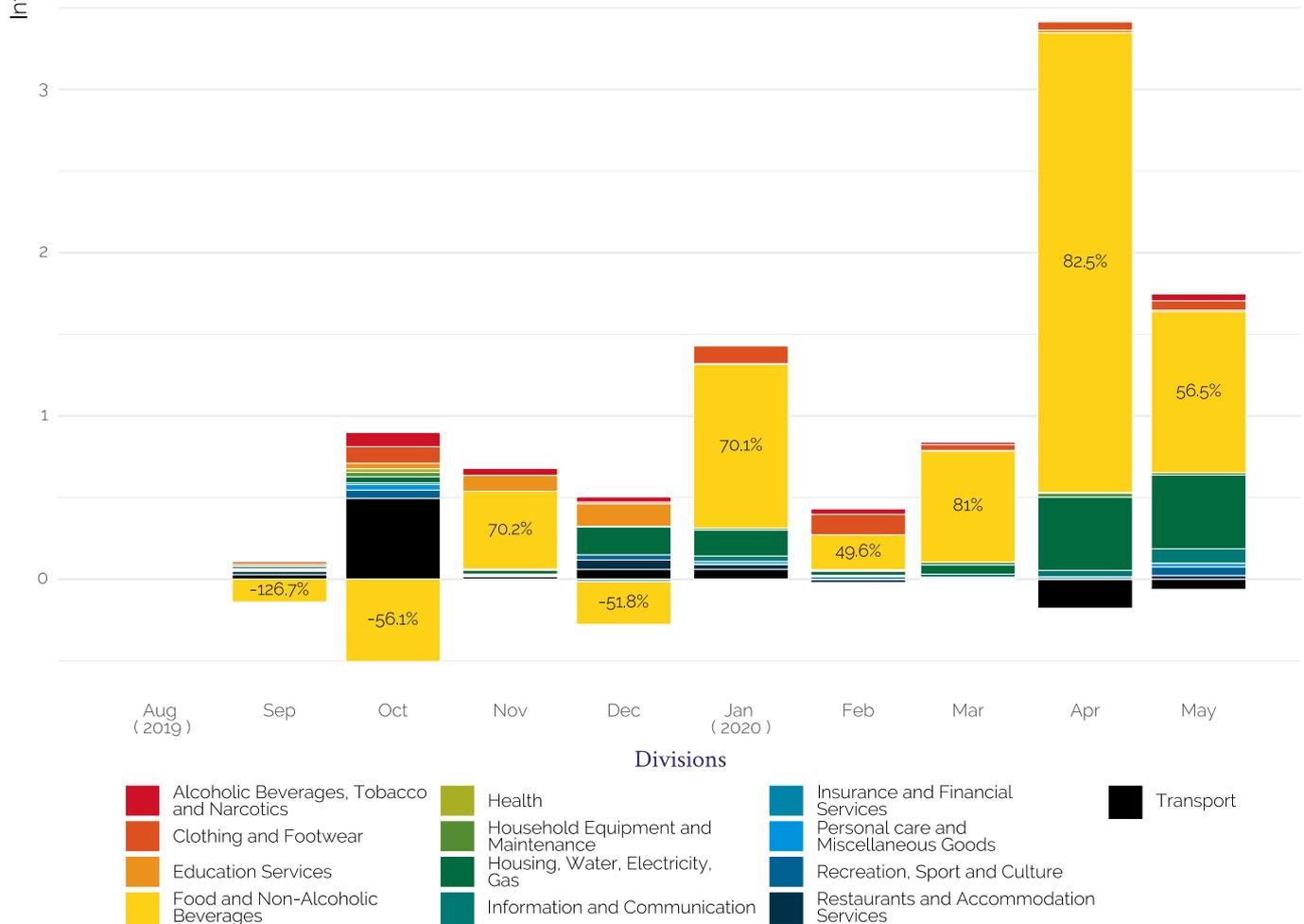


Figure 6: Composition of year-on-year and month-on-month inflation over the last ten months. Food inflation contributed the majority (58.6%) of the total May 2020 inflation (11.3%). For the month May 2020, we see that month-on-month inflation (1.7% in total) is for over 56% driven by Food inflation.