



Newsletter Consumer Price Index (CPI) September 2020



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14-October-2020

Summary

- National inflation from September 2019 to September 2020 was 10.4%.
- National month-on-month inflation from August 2020 to September 2020 was -0.2%.
- Food and Non-Alcoholic Beverages inflation was 11.2% and average Non-Food inflation 9.8%.
- Regional inflation was between 14.3% in Greater Accra and 1.3% in the Upper West Region.

Government Statistician Says:

"National year-on-year inflation for September 2020 was 10.4%. The month-on-month inflation rate of negative 0.2% indicates that on average prices actually decreased slightly for the second consecutive month. This trend is visible across the different regions and driven by negative Food inflation."

September 2020 Inflation

The national year-on-year inflation rate was 10.4% in September 2020, which is 0.1 percentage point lower than last month (see Table 1). Month-on-month inflation between August 2020 and September 2020 was -0.2%. Last month, the month-on-month inflation also was negative (-0.4%). On average month-on-month inflation between April to July 2020 was 0.9% and in the six months prior to COVID-19 month-on-month inflation rate was 0.7%.

Like we saw the previous months, only two of the thirteen Divisions had higher than average inflation rates; Housing, Water, Electricity and Gas (20.3%) and Food and Non-Alcoholic Beverages (11.2%) (see Figure 1).

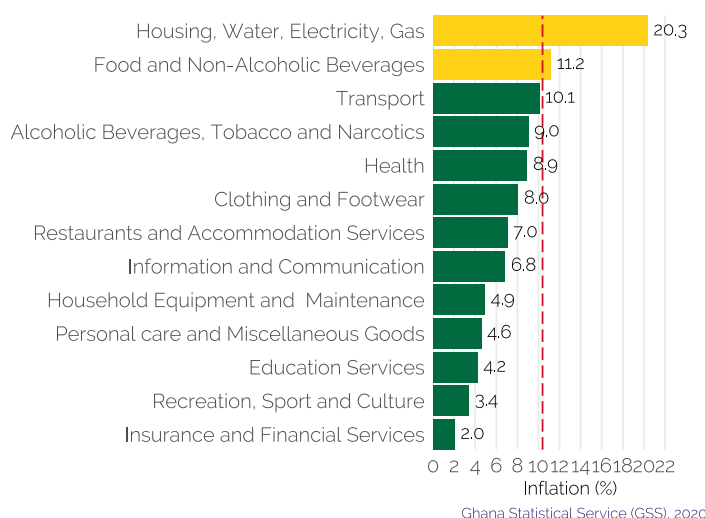


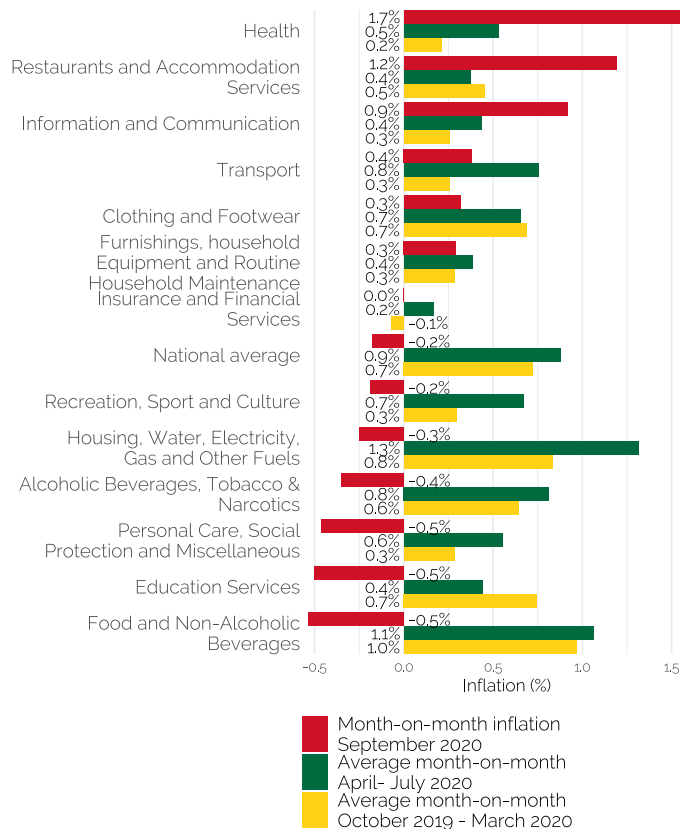
Figure 1: Year-on-year inflation September 2020, by Division. Inflation was highest for the 'Housing, Water, Electricity and Gas' and 'Food and Non-Alcoholic Beverages' Divisions.

Table 1: Consumer Price Indices August 2019 to September 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
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

Regional Inflation

At the regional level, the overall year-on-year inflation ranged from 1.3% in the Upper West Region to 14.2% in Greater Accra (See Figure 3). As on the national level, most regions recorded a lower year-on-year inflation this month compared to previous months and a low or negative month-on-month inflation rate (See Figure 7 on final page). Where the Upper West Region last month recorded the highest month-on-month inflation (3.4%) this month it recorded the lowest month-on-month inflation (-6.9%) of all regions. This month Volta Region recorded the highest month-on-month inflation of 0.1%. As shown in Figure 5, all regions with the exception of Greater Accra showed a negative month-on-month Food Inflation.



Food and Non-Food Inflation

The Food and Non-Alcoholic Beverages Division recorded a year-on-year inflation rate of 11.2%. This is .2 percentage point lower than in August 2020 (11.4%). Within the Food Division, Vegetables (18.9%) was the Subclass with the highest rates of inflation (see Figure 4). This is lower than in the previous months. In contrast, month-on-month Food inflation was -.5%, with -3.9% for the Vegetables Subclass. Food contributed 47.6% to the total inflation and thus is still the predominant driver of year-on-year inflation. This percentage is, again, lower than the previous months and comparable to the contribution levels of Food to total inflation prior to COVID-19 (see Figure 6 on the final page).

Year-on-year Non-Food inflation came in at 9.8% and month-on-month Non-Food inflation was 0.1%. Health, Restaurants and Accommodation Services and Information and Communication, were three Divisions that recorded higher month-on-month inflation rates between August and September 2020 than on average during the months April to July 2020 and before COVID-19 (see Figure 2). The Non-Food Subclasses with the lowest inflation were Life and Accident Insurance (-14.4%), Electricity (-35.5%) and Electric Appliances for Personal Care (-66.4%). On the other side, the Non-Food Subclasses with the highest inflation were Refuse collection (49.6%), rents (40.1%) and Vehicle Maintenance and Drivers Lessons (34.1%).

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

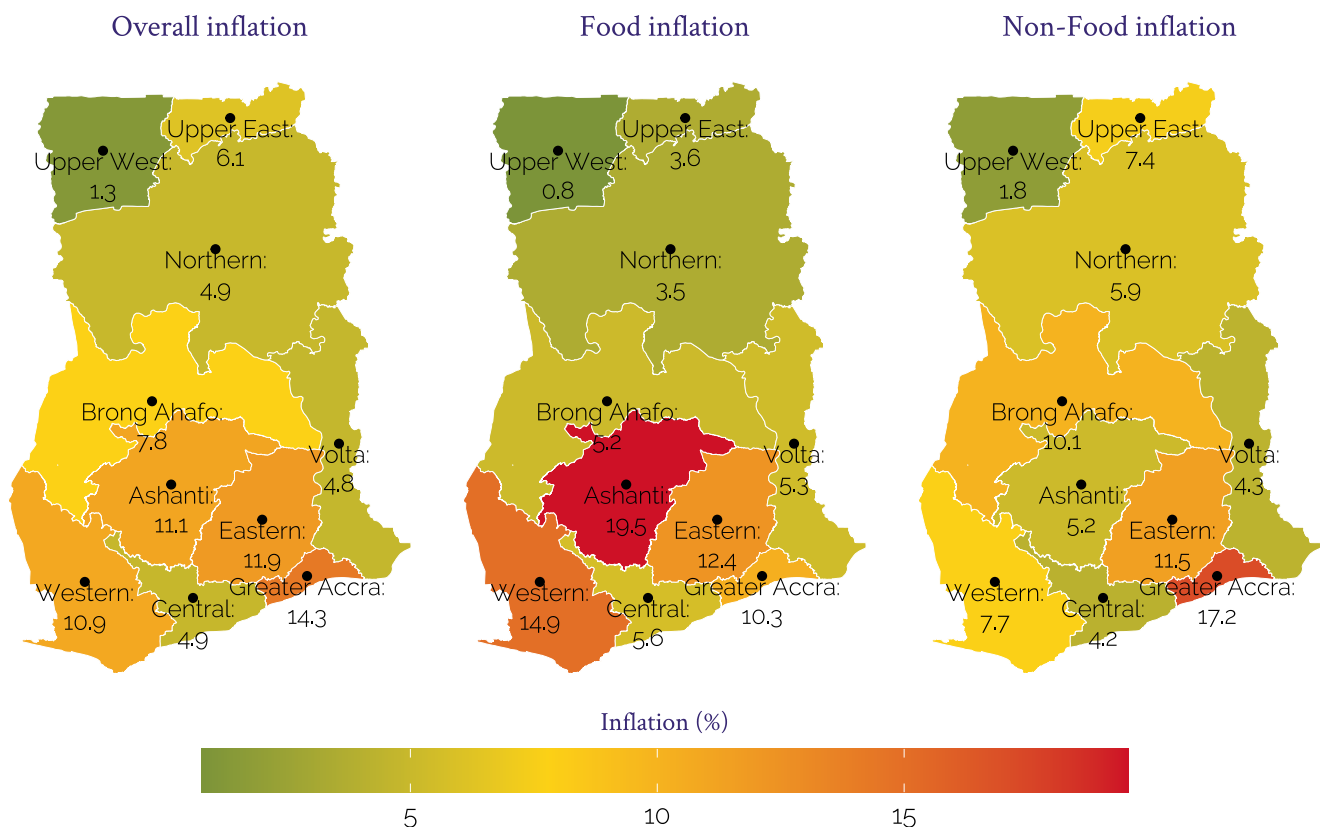
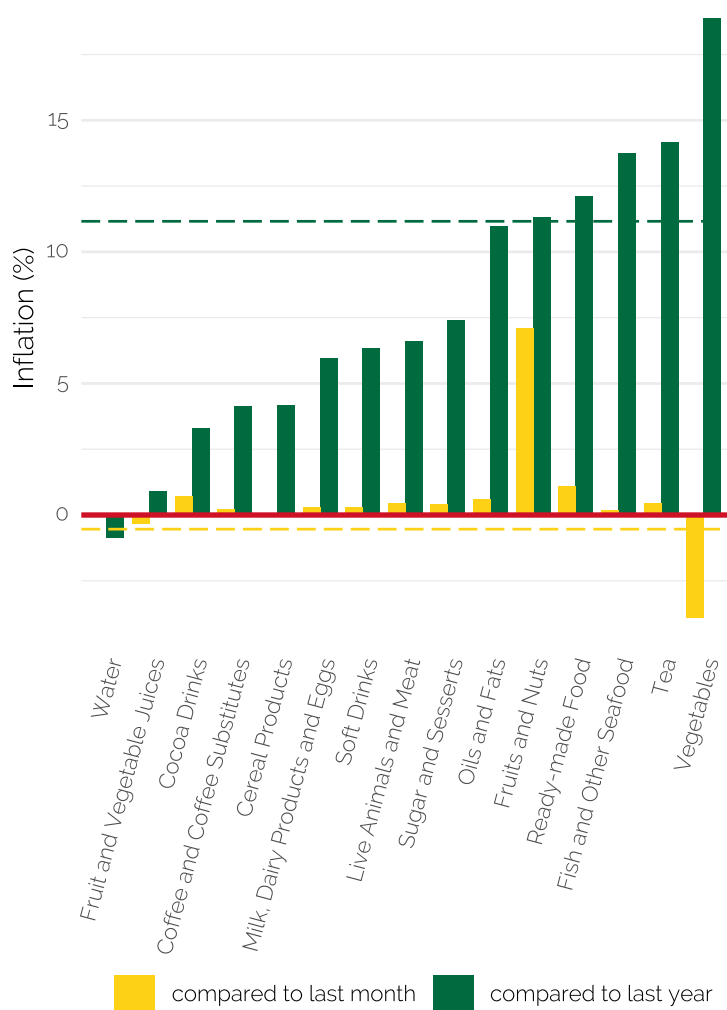


Figure 3: Year-on-year overall, Food and Non-Food inflation rates for September 2020 by region.



Imported and Local Inflation

The inflation of imported goods was 5.1%, while the inflation of local goods was 12.3% on average. Month-on-month inflation for imported goods was 0.4%, while month-on-month inflation for local goods was -0.5%. The main contributor to negative local month-on-month inflation was the reduction of prices of locally produced Food items. Month-on-month inflation for locally produced Food Items was -0.7%, compared to -0.1% for locally produced Non-Food Items. Also for imported goods, month-on-month Food inflation (0.1%) was lower than the Non-Food inflation (0.5%), but in contrast to locally produced goods, Food month-on-month inflation was not negative for 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, September 2020

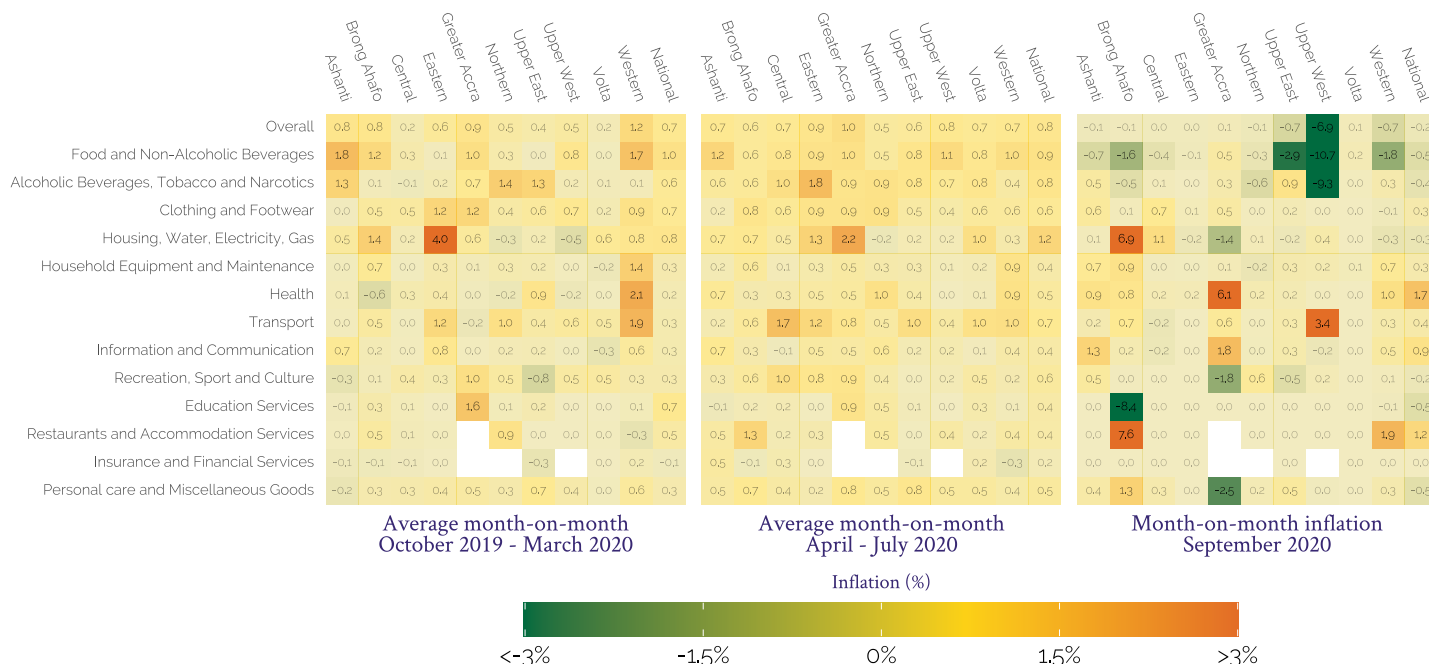


Figure 5: Heatmap tabulating the month-on-month inflation statistics for 10 regions and 13 Divisions in addition to the National and Overall averages. The average of month-on-month inflation for the period October 2019 to March 2020 is given, as well the average of month-on-month inflation for the period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

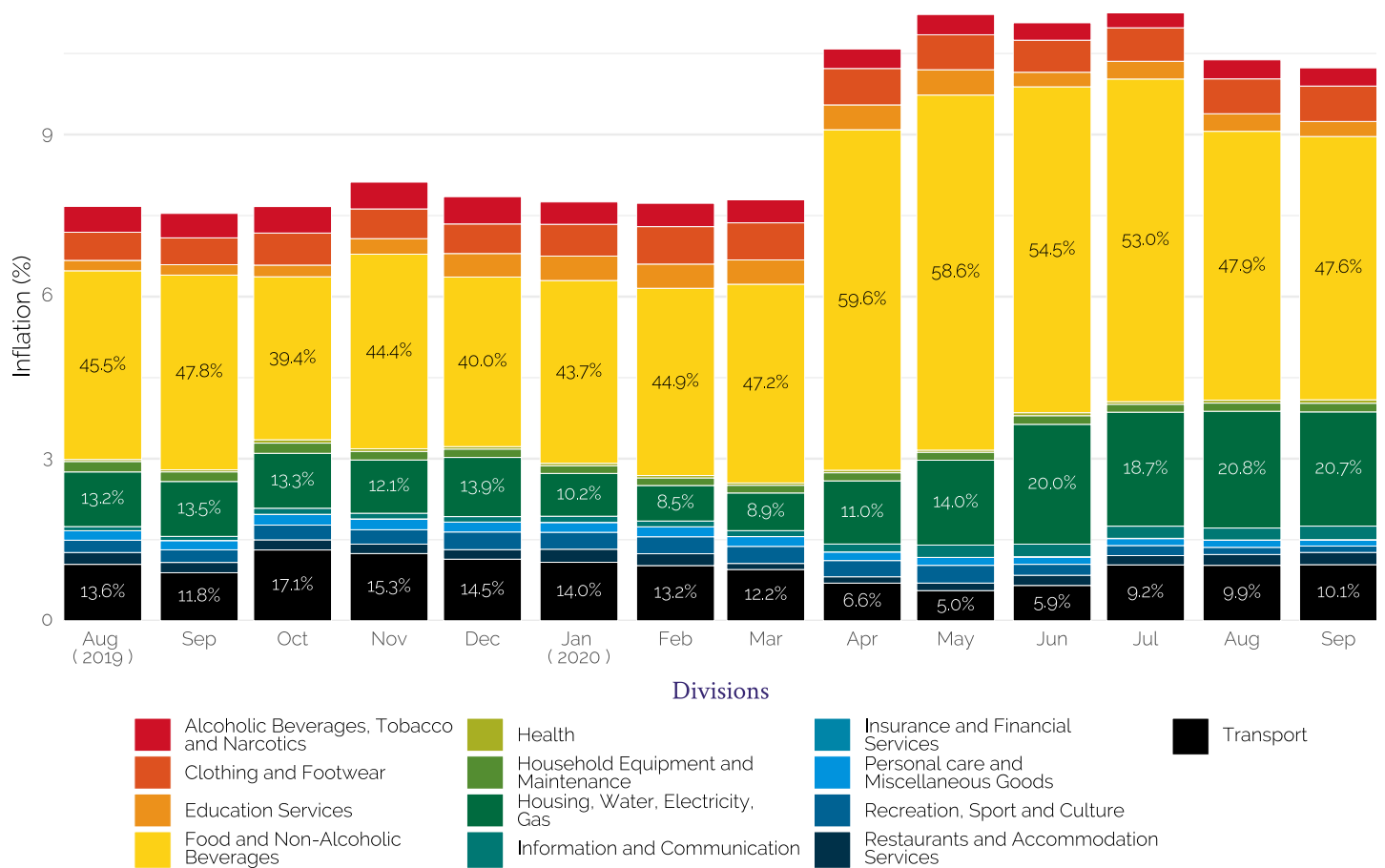


Figure 6: Composition of year-on-year inflation. Bar height indicates total inflation and higher percentages indicate a higher contribution to total inflation.

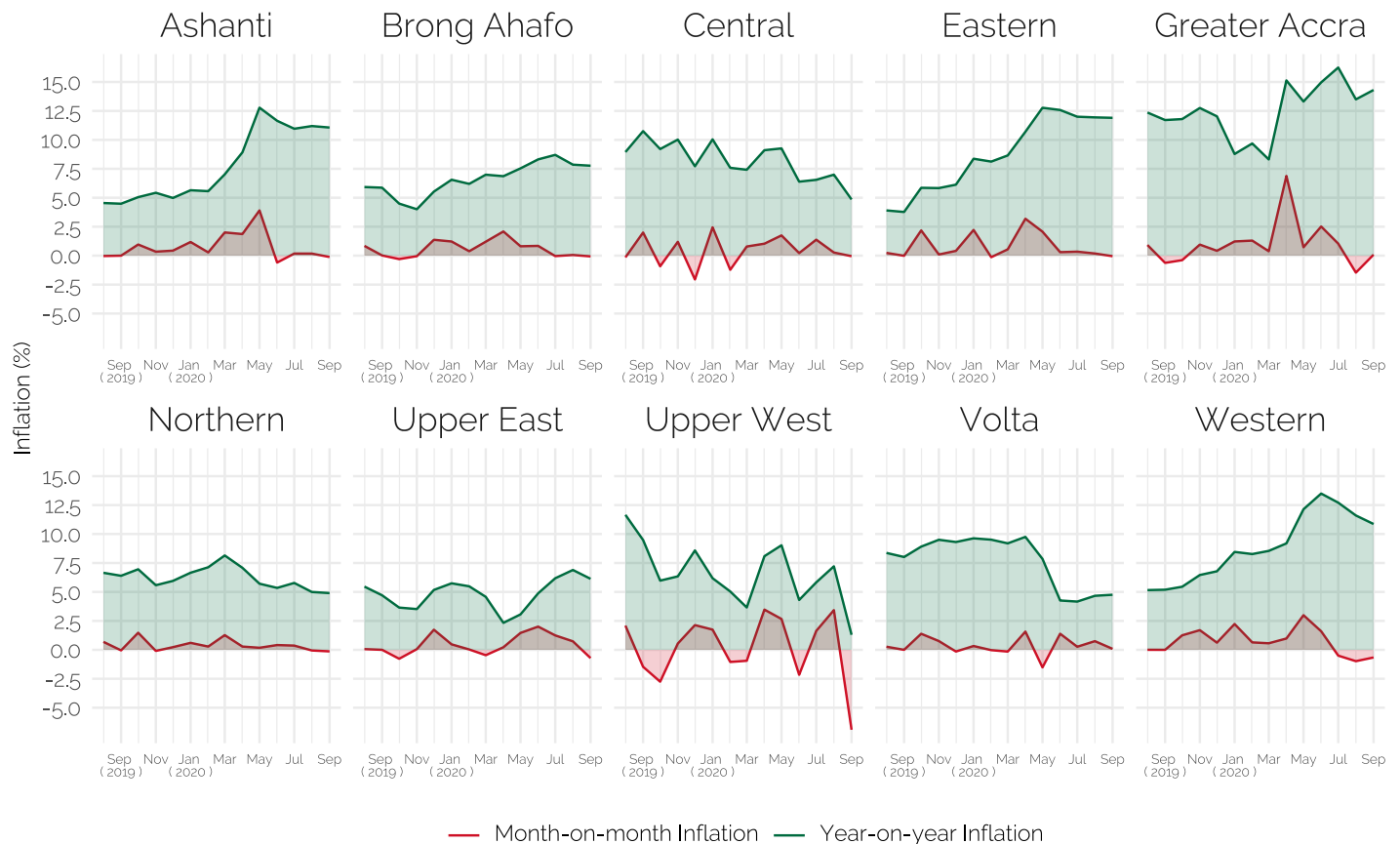


Figure 7: Both year-on-year and month-on-month inflation by region.