



Republic of Ghana

# Newsletter Producer Price Index (PPI) November 2021



December 22, 2021

## Producer Price Inflation Rate in November 2021 is 13.6%

### 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 November 2021 is provisional and is subject to revision when additional data become available. All other indicators are final.

### November 2021 Producer Inflation

The Producer Price Inflation rate for November 2021 was 13.6 percent. This rate indicates that between November 2020 and November 2021 (year-on-year), the PPI increased by 13.6 percent. This rate represents a 3.0 percentage point increase in producer inflation relative to the rate recorded in October 2021 (10.6%). The month-on-month change in producer price index between October 2021 and November 2021 was 2.8 percent. (Table

**Table1: PPI for Sept, Oct. & November 2021**

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
September, 2021	781.9	0.9	8.8
October rev. 2021	797.2	2.0	10.6
<b>November, 2021</b>	<b>p819.1</b>	<b>p2.8</b>	<b>p13.6</b>

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector increased by 2.8 percentage points over the October 2021 rate of -1.0 percent to record 1.8 percent in November 2021. The producer inflation for the Manufacturing sub-sector, which constitutes more than two-thirds of the total industry, increased by 3.9 percentage points to record 20.0 percent. The utility sub-sector recorded 0.2 percent inflation rate for November 2021.

**Table 2: PPI and Inflation by Sector, November 2021 (September 2006= 100)**

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	2,118.1	1.9	1.8
Manufacturing	646.2	3.6	20.0
Utilities	900.6	0.0	0.2
<b>ALL INDUSTRY</b>	<b>819.1</b>	<b>2.8</b>	<b>13.6</b>

The data in this table are provisional.

### Trends

In November 2020, the producer price inflation rate for all industry was 8.1 percent. The rate declined to record 7.0 percent in December 2020. In March 2021, the rate increased to 13.0 percent, but

declined to 10.9 percent in April 2021. In May 2021, the rate increased to 11.8 percent but decreased continuously to record 8.1 percent in August 2021. In November 2021, the rate increased again 13.6 percent from a rate of 10.6 percent in October 2021.

## Manufacturing Sector

In November 2021, one out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 20.0 percent. Manufacture of coke, refined petroleum products and nuclear fuel recorded the highest inflation rate of 58.4 percent, while the Manufacture of motor vehicles, trailers and semi-trailers recorded the least inflation rate of -0.3 percent (Fig. 2).

## Petroleum Price Index

The producer inflation rate in the petroleum sub-sector was -5.0 percent in November 2020. The rate declined to record -4.0 percent in December 2020. The rate increased continuously to pick at 31.0 percent in March 2021 but declined to 23.9 percent in June 2021. Subsequently, the rate increased consistently to record 58.4 percent in November 2021 (Fig 3).

## Highlights

The year-on-year producer inflation for all industry was 13.6 percent in November 2021; the monthly change rate was 2.8 percent.

The Manufacturing sub-sector recorded the highest year-on-year producer price inflation rate of 20.0 percent, followed by the Mining and Quarrying sub-sector with 1.8 percent. The Utility sub-sector recorded the lowest year-on-year producer deflation rate of 0.2 percent.

The manufacturing sub-sector recorded the highest monthly inflation rate of 3.6 percent, followed by the mining and quarrying to record 1.9 percent, while the utility sub-sector recorded no change in inflation.

