



Republic of Ghana

Newsletter Producer Price Index (PPI) January 2022



February 16, 2022

Producer Price Inflation Rate in January 2022 is 15.6%

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 January 2022 is provisional and is subject to revision when additional data become available. All other indicators are final.

January 2022 Producer Inflation

The Producer Price Inflation rate for January 2021 was 15.6 percent. This rate indicates that between January 2021 and January 2022 (year-on-year), the PPI increased by 15.6 percent. This rate represents a 0.9 percentage point increased in producer inflation relative to the rate recorded in December 2021 (14.7%). The month-on-month change in producer price index between December 2021 and January 2022 was 4.0 percent. (Table 1)

Table1: PPI for Nov., Dec. & January 2022

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
November, 2021	819.1	2.8	13.6
December rev. 2021	831.2	1.5	14.7
January, 2022	p864.0	p4.0	p15.6

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector increased by 2.1 percentage points over the December 2021 rate of 0.1 percent to record 2.2 percent in January 2022. The producer inflation for the Manufacturing sub-sector, which constitutes more than two-thirds of the total industry, increased by 0.8 percentage points to record 22.9 percent. The utility sub-sector recorded 0.3 percent inflation rate for January 2022.

Table 2: PPI and Inflation by Sector, January 2022 (September 2006= 100)

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	2,146.9	2.2	2.2
Manufacturing	696.4	5.3	22.9
Utilities	901.4	0.1	0.3
ALL INDUSTRY	864.0	4.0	15.6

The data in this table are provisional.

Trends

In January 2021, the producer price inflation rate for all industry was 8.7 percent. The rate increased to record 13.0 percent in March 2020, 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. Subsequently, the rate increased continuously to record 15.6 percent in January 2022.

Manufacturing Sector

In January 2022, two out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 22.9 percent. Manufacture of coke, refined petroleum products and nuclear fuel recorded the highest inflation rate of 35.0 percent, while the Manufacture of motor vehicles, trailers and semi-trailers recorded the least inflation rate of -2.9 percent (Fig. 2).

Petroleum Price Index

The producer inflation rate in the petroleum sub-sector was 4.4 percent in January 2021. The rate increased continuously to pick at 31.0 percent in March 2021 but declined to 23.9 percent in June 2021. The rate increased continuously to record 58.4 percent in November 2021. Subsequently, it dropped continuously to 35.0 percent in January 2022 (Fig 3).

Highlights

The year-on-year producer inflation for all industry was 15.6 percent in January 2022; the monthly change rate was 4.0 percent.

The Manufacturing sub-sector recorded the highest year-on-year producer price inflation rate of 22.9 percent, followed by the Mining and Quarrying sub-sector with 2.2 percent. The Utility sub-sector recorded the lowest year-on-year producer inflation rate of 0.3 percent.

The manufacturing sub-sector recorded the highest monthly inflation rate of 5.3 percent, followed by the mining and quarrying sub-sector recorded a rate of 2.2 percent. The utility sub-sector recorded the least inflation of 0.1 percent.

