



Republic of Ghana

Newsletter Producer Price Index (PPI) June 2022



July 20, 2022

Producer Price Inflation Rate in June 2022 is 38.0%

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

June 2022 Producer Inflation

The Producer Price Inflation rate for June 2022 was 38.0 percent. This rate indicates that between June 2021 and June 2022 (year-on-year), the PPI increased by 38.0 percent. This rate represents a 4.7 percentage points increase in producer inflation relative to the rate recorded in May 2022 (33.3%). The month-on-month change in the producer price index between May 2022 and June 2022 was 4.6 percent. (Table 1).

Table1: PPI for April, May & June 2022

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
April, 2022	981.3	1.3	31.4
May rev. 2022	1015.2	3.5	33.3
June, 2022	p1062.2	p4.6	p38.0

p = Provisional

The producer price inflation in the Mining and Quarrying sub-sector increased by 1.6 percentage points over the May 2022 rate of 23.9 percent to 25.5 percent in June 2022. The producer inflation for the Manufacturing sub-sector, which constitutes more than two-thirds of the total industry, increased by 7.2 percentage points to 51.8 percent. The utility sub-sector recorded 1.2 percent inflation rate for June 2022.

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

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	2,583.6	0.1	25.5
Manufacturing	901.4	6.8	51.8
Utilities	909.5	0.0	1.2
ALL INDUSTRY	1,062.2	4.6	38.0

The data in this table are provisional.

Trends

In June 2021, the producer price inflation rate for all industry was 10.1 percent. The rate decreased to record 8.1 percent in August 2021 but increased to

record 8.8 percent in September 2021. Subsequently, the rate resumes an upward trend and increase consistently to record 38.0 percent in June 2022.

Manufacturing Sector

In June 2022, one out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 51.8 percent. Manufacture of coke, refined petroleum products and nuclear fuel recorded the highest inflation rate of 135.9 percent, while the Manufacture of machinery and equipment n.e.c. recorded the least inflation rate of 0.0 percent (Fig. 2).

Petroleum Price Index

The producer inflation rate in the petroleum sub-sector was 23.9 percent in June 2021. The rate increased to 25.2 percent in July 2021. Thereafter, it increased continuously to 58.4 percent in November 2021 but dropped to 36.0 percent in January 2022. In February 2022 the rate increased to 44.3 percent and jumped to 135.9 percent in June 2022. (Fig 3).

Highlights

The year-on-year producer inflation for all industry was 38.0 percent in June 2022; the monthly change rate was 4.6 percent.

The Manufacturing sub-sector recorded the highest year-on-year producer price inflation rate of 51.8 percent, followed by the Mining and Quarrying sub-sector with 25.5 percent. The Utility sub-sector recorded the lowest year-on-year producer inflation rate of 1.2 percent.

The manufacturing sub-sector recorded the highest monthly inflation rate of 6.8 percent, followed by the mining and quarrying sub-sector with 0.1 percent. The utility sub-sector recorded no inflation in June 2022.

