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 1: PPI for Sept, Oct. & November 2021)

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

<table>
<thead>
<tr>
<th>Sector</th>
<th>Index level</th>
<th>Change rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sept 2006=100</td>
<td>Monthly</td>
</tr>
<tr>
<td>Mining &amp; Quarrying</td>
<td>2,118.1</td>
<td>1.9</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>646.2</td>
<td>3.6</td>
</tr>
<tr>
<td>Utilities</td>
<td>900.6</td>
<td>0.0</td>
</tr>
<tr>
<td>ALL INDUSTRY</td>
<td>819.1</td>
<td>2.8</td>
</tr>
</tbody>
</table>

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. The rate increased continuously to 13.6 percent in November 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 semitrailers 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. Subsequently, 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 38.2 percent in October 2021 and inched up 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 (0%).

Copies of the Newsletter may be obtained from the information desk of Ghana Statistical Service or the GSS website at statsghana.gov.gh. For details of the PPI and for further explanation, please contact the Business & Industrial Statistics Section of the GSS or call 0302-682640. You may also contact us at the following address: Ghana Statistical Service, P. O. Box GP1098, Accra, Ghana.