



Inflation Report - March 2022

April 14, 2022





Inflation Report

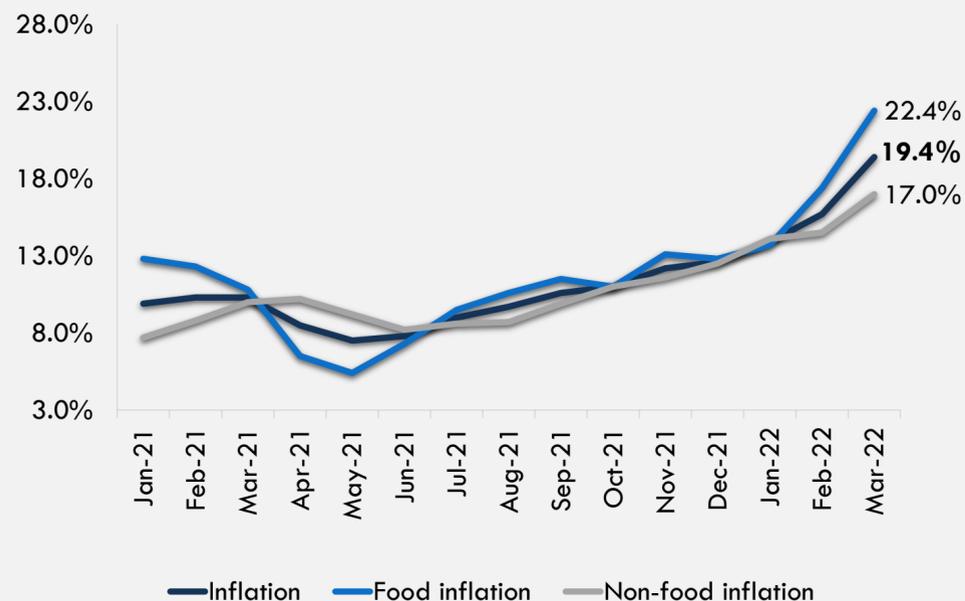
Headline inflation for the month of March 2022 surged to 19.4% from the 15.7% recorded in February 2022. This is the tenth consecutive increase in headline inflation since June 2021, the highest level of inflation since the rebasing of the Consumer Price Index (CPI) in August 2019; and also the highest headline inflation reading since September 2009. The uptick was driven by a surge in transport costs and the rise in prices of some items within the food basket during the month.

Transport, a major driver for inflation for the period under review, recorded the highest inflation of 27.6%. Its parent group - Non-food inflation recording a 2.5% increase to 17.0% from the 14.5% recorded in February 2022. Food inflation for March 2022, increased to 22.4% from the 17.4% recorded in the February 2022 report. At the regional level, the YoY inflation rate ranged from 12.5% to 23.1%. The Upper East Region recorded the least inflation rate of 12.5% whereas the Brong Ahafo Region recorded the highest rate of 23.1%. Four regions (Upper West, Greater Accra, Northern and Brong Ahafo) recorded inflation rates above the national average of 19.4%.

Inflation expectations remain elevated for the near term due to rising oil prices globally, ongoing geopolitical tension between Russia and Ukraine coupled with pressure on the local currency. Despite the monetary authority's recent contractionary action, the cost-push factors to inflation still lingers and this firms our opinion that, headline inflation will be remain in double digits throughout the year. A further increase in the policy rate looks imminent, in line with the monetary authority's objective of stabilizing the general price level within the economy.

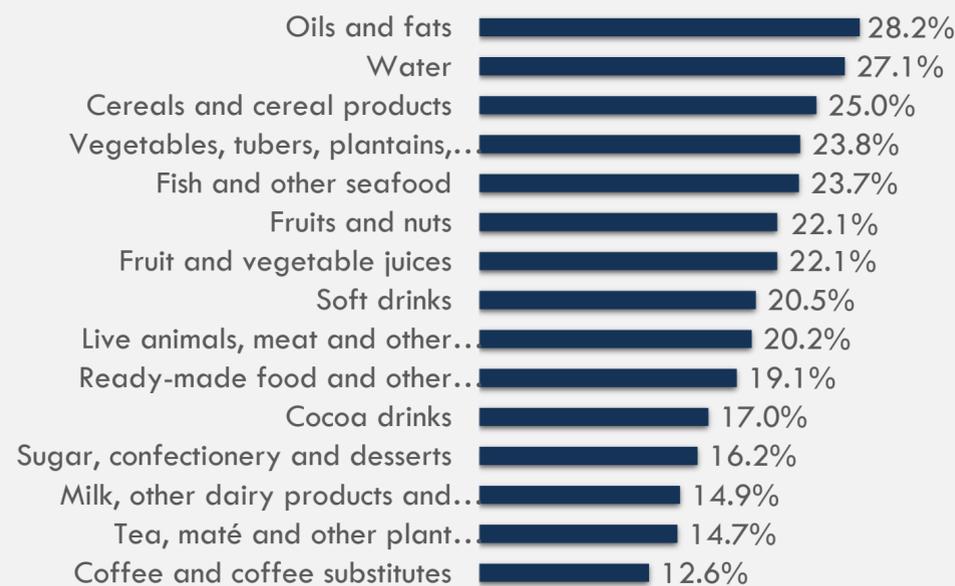
Headline Inflation Trend

Headline Inflation surges to 19.4%



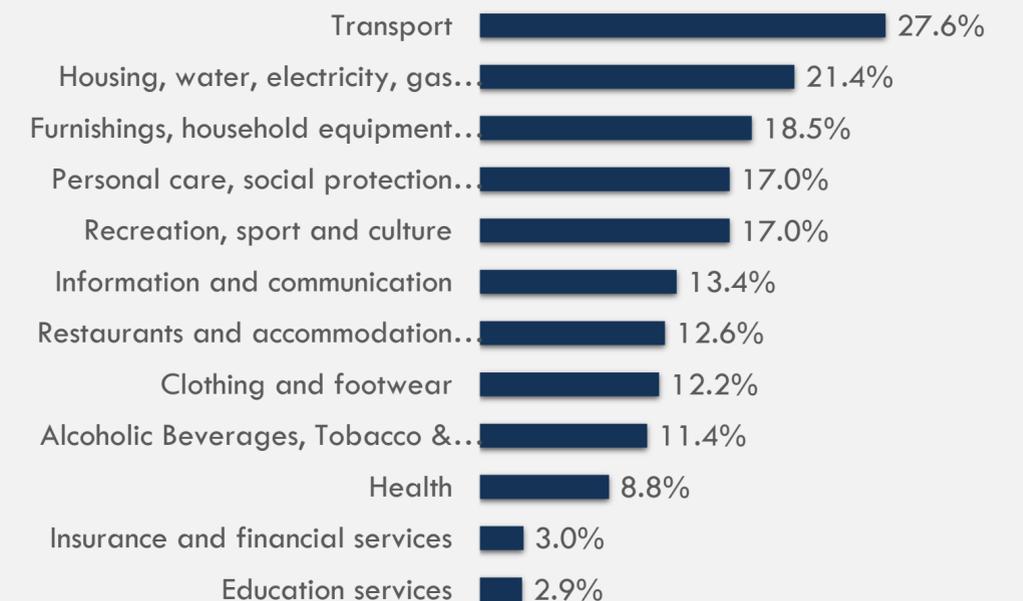
Food inflation by major subgroups

Food Inflation increases to 22.4%



Non-food inflation by major subgroups

Non-Food Inflation rises further to 17.0%





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