

The background of the slide features a blurred image of several stacks of gold coins on the left side. On the right side, there is a stylized bar chart with several vertical bars of increasing height. A thick red line is overlaid on the chart, starting from the bottom left and trending upwards to the top right, ending in an arrowhead. A dark grey diagonal shape is positioned over the lower-left portion of the chart and coins.

UMB IHL MONTHLY INFLATION DIGEST

OCTOBER, 2022



UMB IHL Monthly Inflation Digest- *October 2022*

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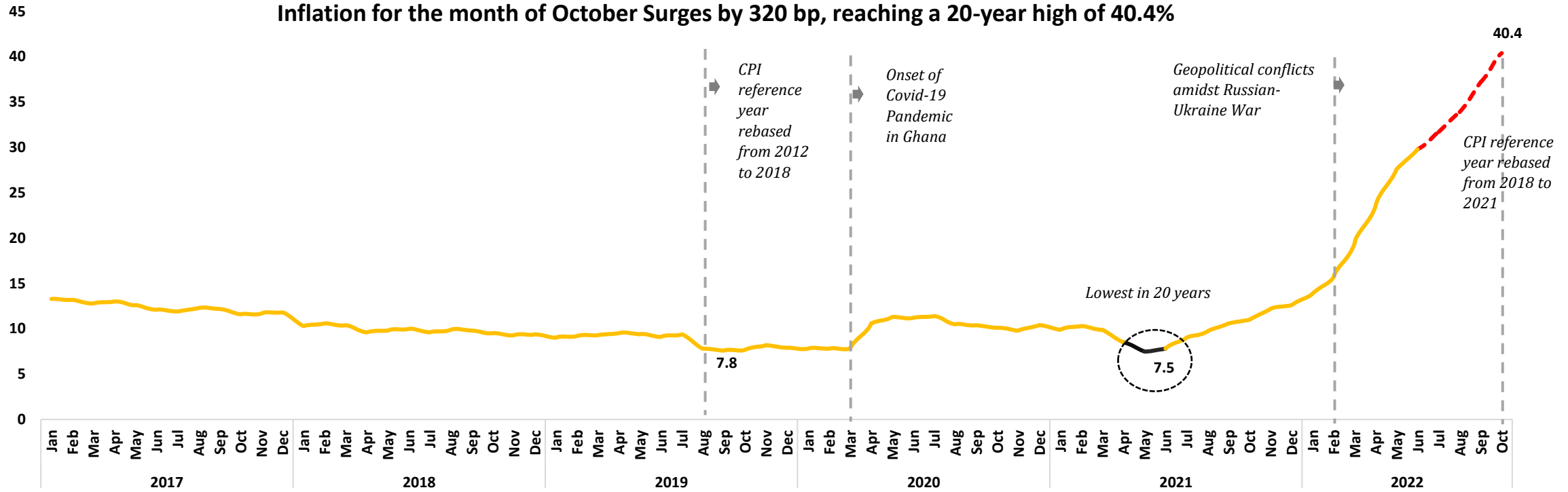
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Inflation for the month of October Surges by 320 bp, reaching a 20-year high of 40.4%



Source: Ghana Statistical Service, UMB IHL Analytics and Research

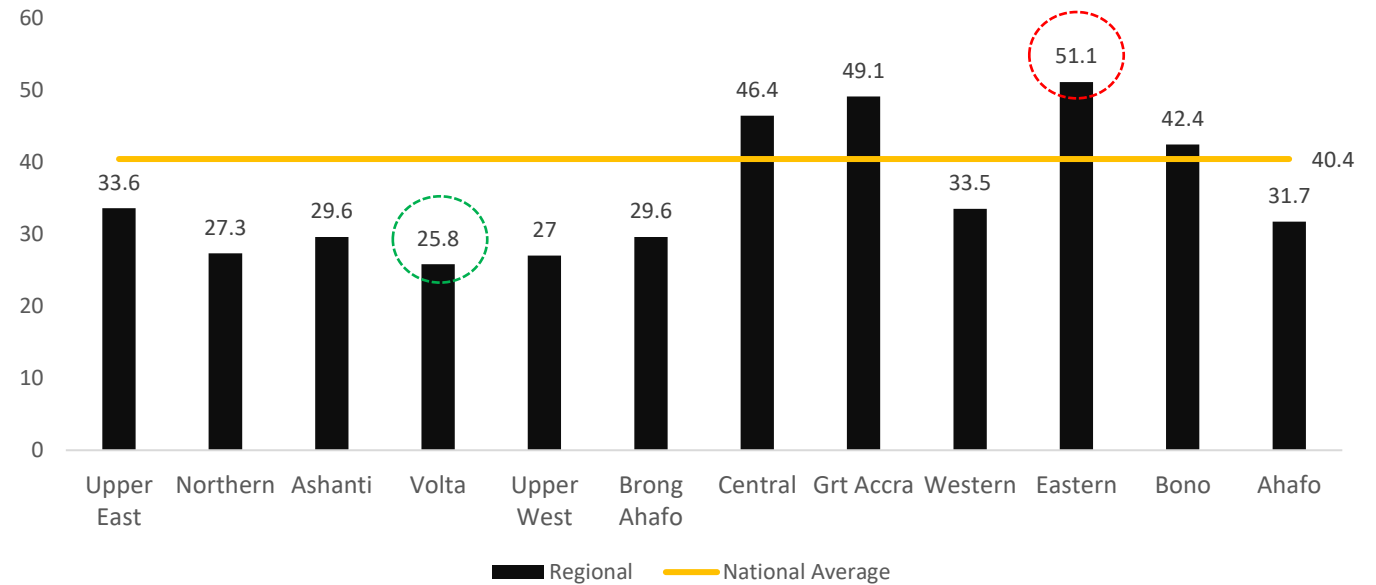
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- ▶ Year-on-year Inflation increased by 3.2% from 37.2% in September 2022 to 40.4% in October 2022
- ▶ This surge was mostly led by utilities, furnishings, household maintenance, transport, personal care, and miscellaneous goods as well as food & non-alcoholic beverages.
- ▶ October's rate is the highest rate seen in 20 years

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Year on Year inflation in the Eastern Region crosses 50% threshold



Source: Ghana Statistical Service, UMB IHL Analytics and Research

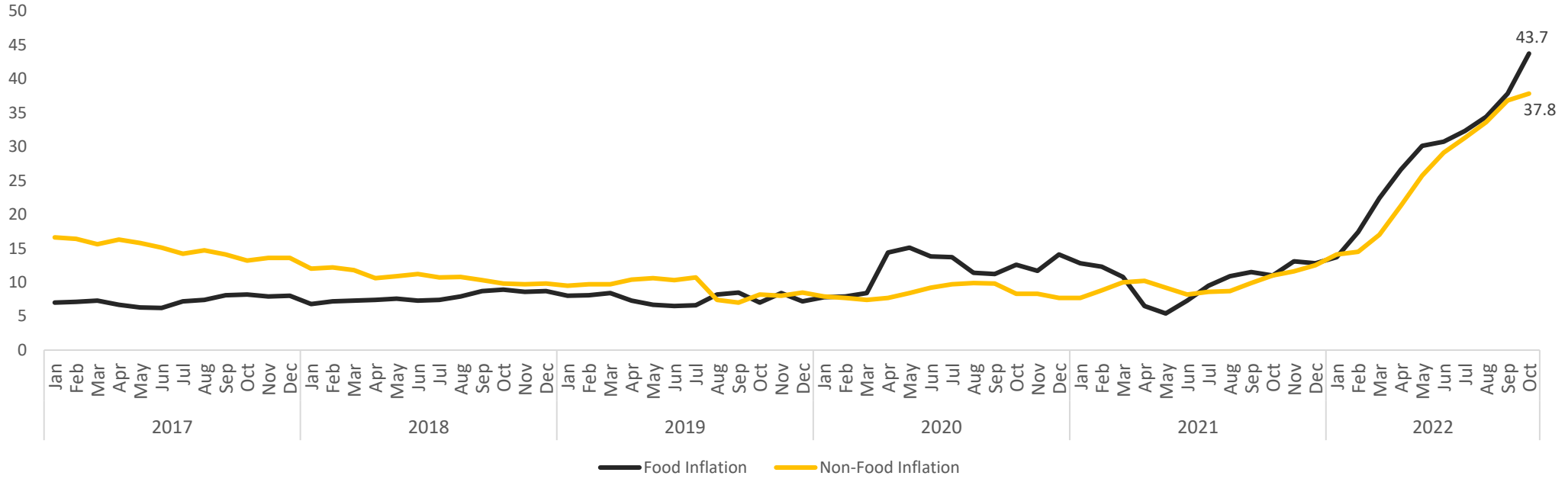
Inflation remains lowest in Volta (25.8%), Upper West (27%) and Northern (27.3%) Regions. However, rates recorded for Eastern Region (51.1%), Greater Accra Region (49.1%), Central Region (46.4%) and Bono Region (42.4%) were higher than the national average (40.4%)

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02

Trade-off between Food and Non-Food Inflation widenes further



Source: Ghana Statistical Service, UMB IHL Analytics and Research

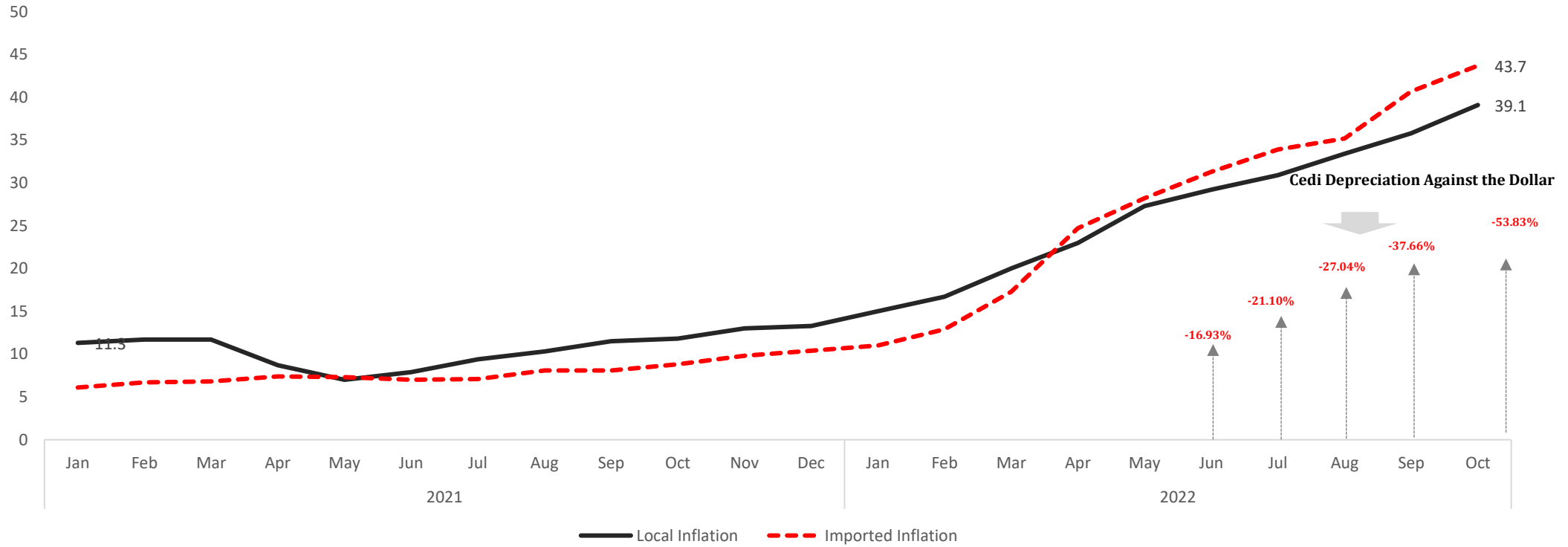
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Food inflation further increased by 590 basis points hitting a record of 43.7% in October from 37.8% in September. This was largely driven by water, milk and other dairy products, sugar, and fruits

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Imported Inflation for October exceeds Local Inflation by 4.6%

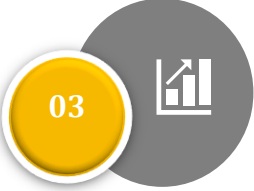


Source: Ghana Statistical Service, UMB IHL Analytics and Research

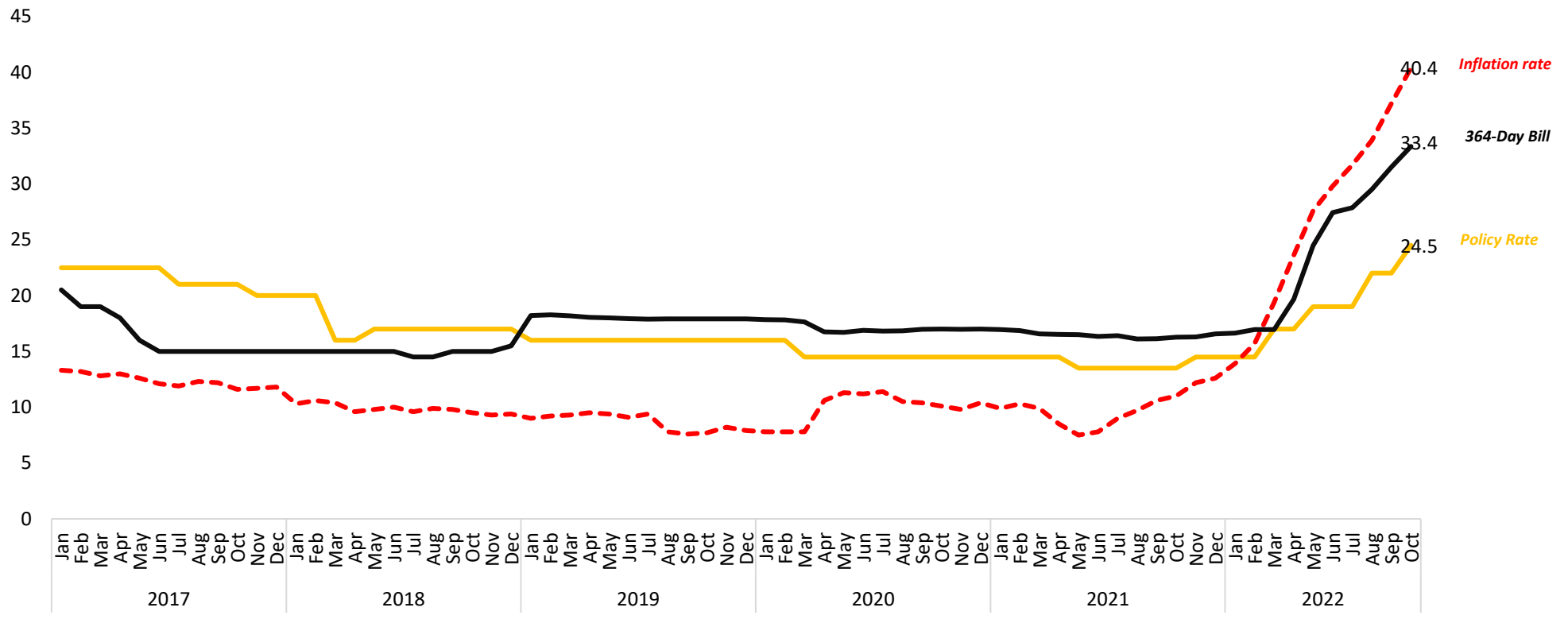
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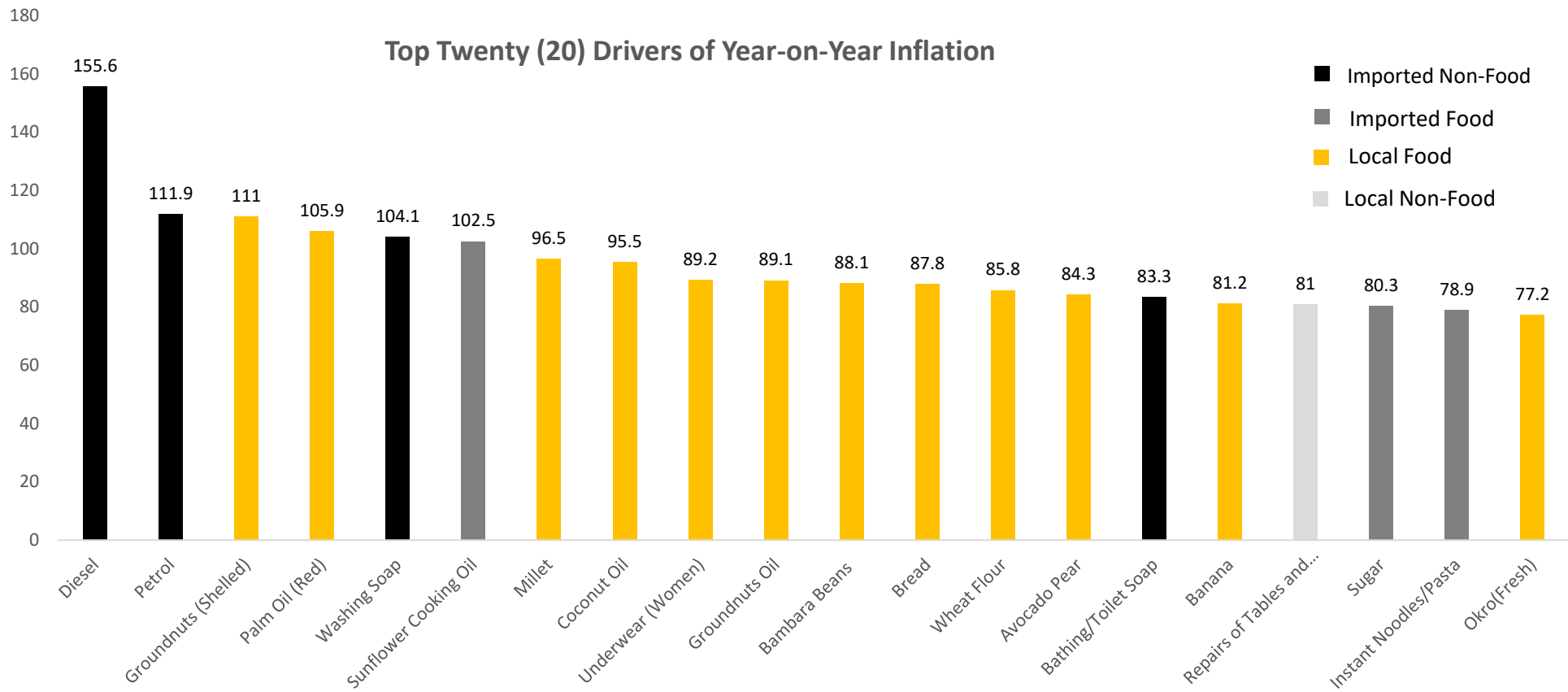
Protracted weakening of the Cedi pushes inflation for imported items to a new all-time high from 40.7% in September to 43.7% in October 2022

”



Monetary Policy Rate and Treasury Bill Rates Remain below Inflation Rate





Source: Ghana Statistical Service, UMB IHL Analytics and Research

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Impact of Cedi depreciation causes the cost of diesel and petrol to rise to fresh highs, accounting for high transportation costs and cost-push inflation

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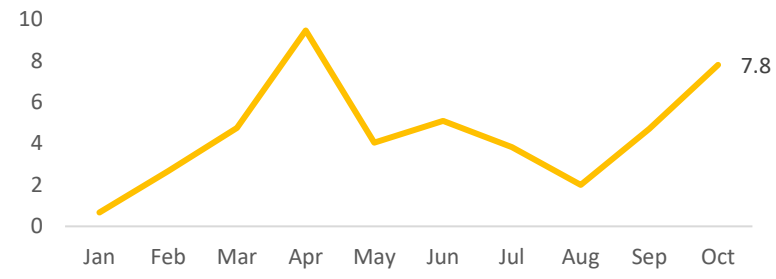


Month-on-month food inflation

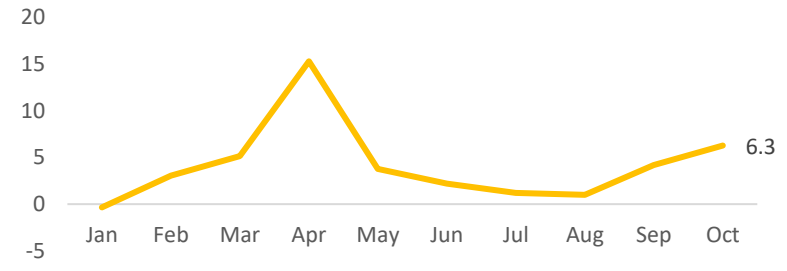
- ▶ Milk, other dairy products, and eggs recorded the highest month-on-month food inflation (7.8%)
- ▶ This was closely followed by fruits and vegetable juice (6.3%)
- ▶ Tea, Mate & other plant products for Infusion emerged third, despite having a declined rate of 6%



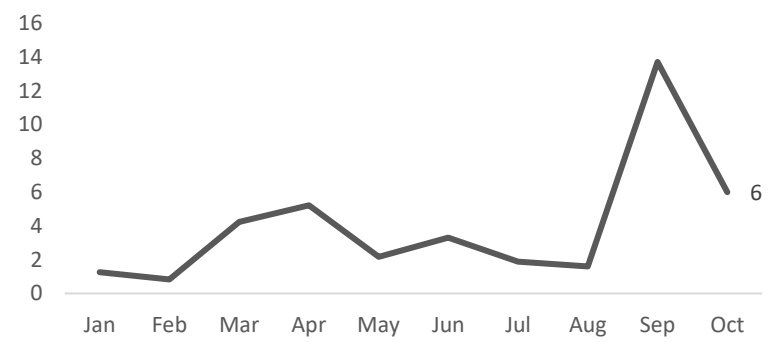
Milk, Other Dairy Products and Eggs



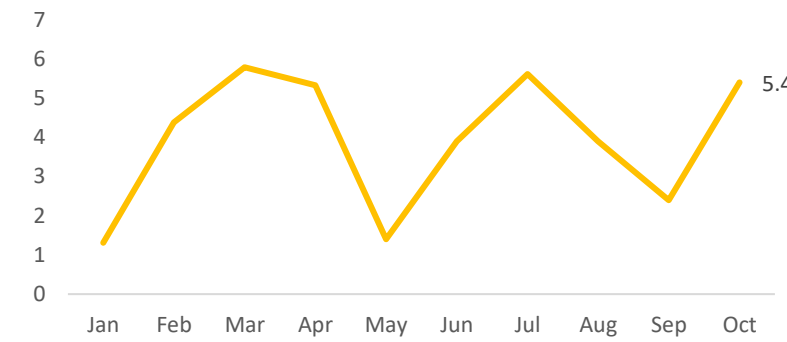
Fruits and Vegetable Juice



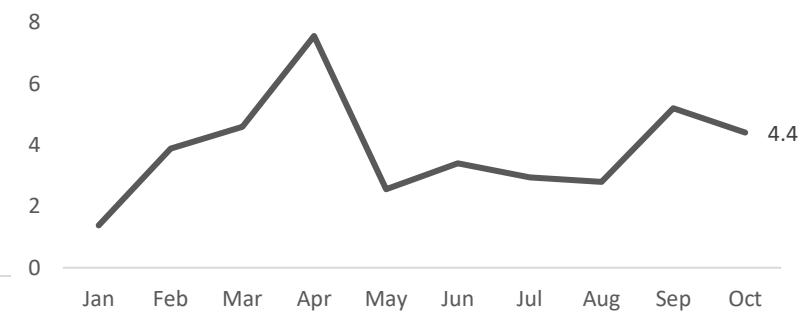
Tea, Mate and Other Plant Products for Infusion



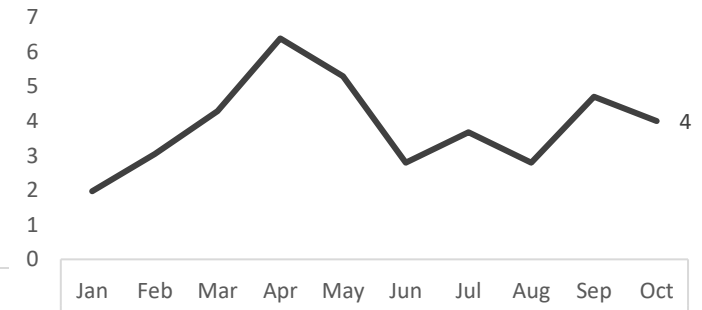
Fish & Other Sea Foods



Sugar, confectionery and desserts



Cerals & Cereal Product



2022



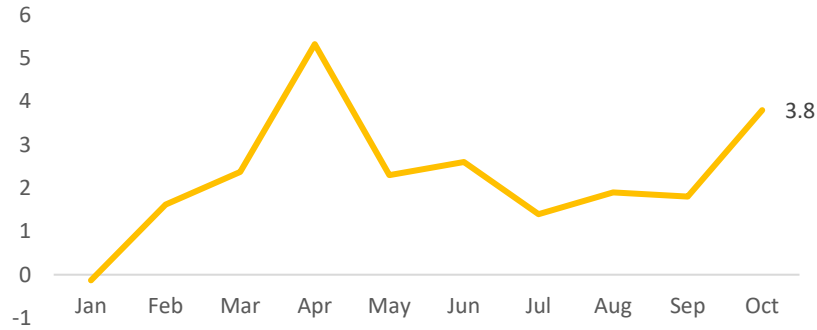
Month-on-month non-food inflation

Alcoholic Beverages, Tobacco, and Narcotics (3.8%) led to month-on-month non-food inflation

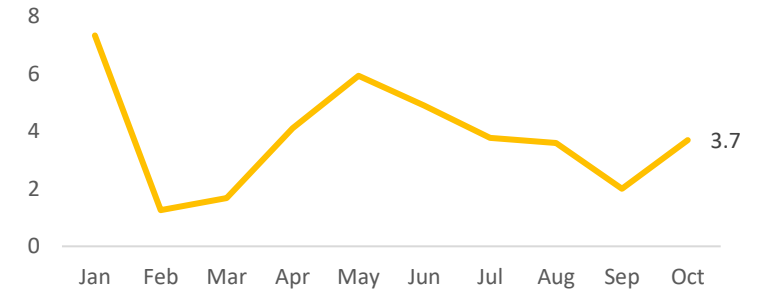
This was closely followed by Housing, Water, Electricity, Gas, and Other Oil (3.7%)



Alcoholic Beverages, Tobacco and Narcotics



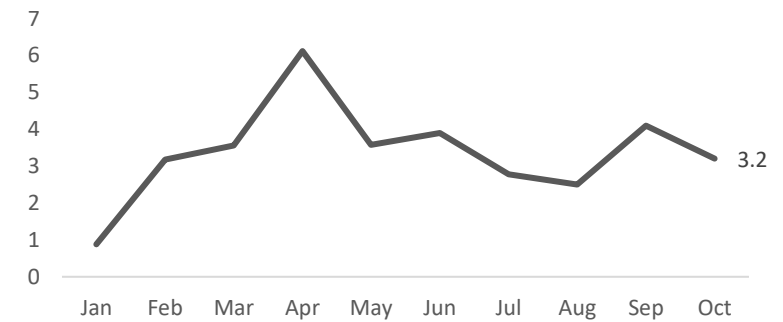
Housing, Water, Electricity, Gas and Other Oil



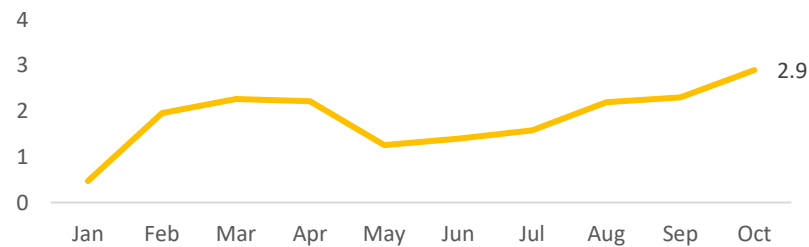
Furnishings, Household Equipment



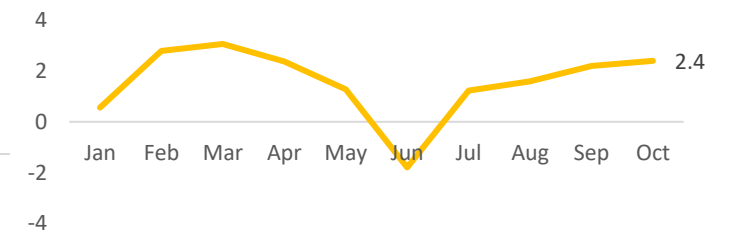
Personal Care, Social Protection



Health



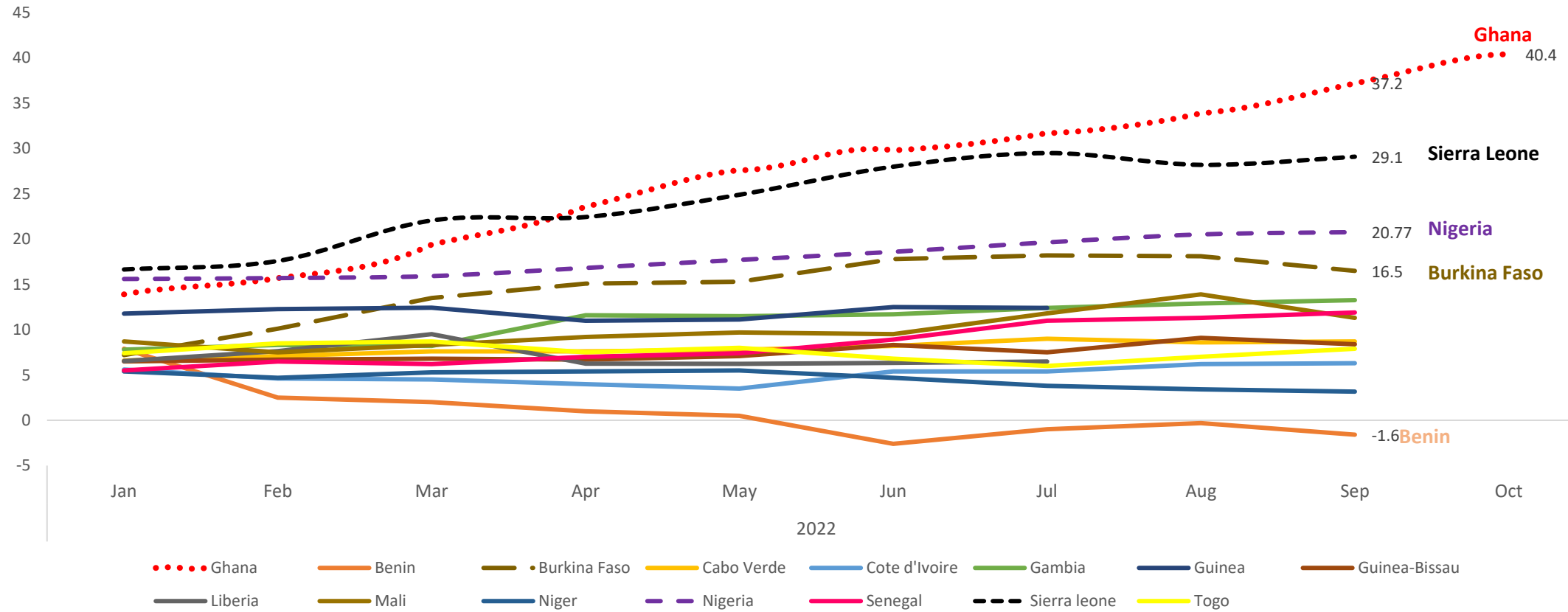
Information and Communication



Source: Ghana Statistical Service, UMB IHL Analytics and Research



Ghana's Inflation Exceeds the Ecowas Sub-Regional Average



Source: Ghana Statistical Service, Statistical Institutions of the Respective Countries, UMB IHL Analytics and Research, Trading Economics, Reuters

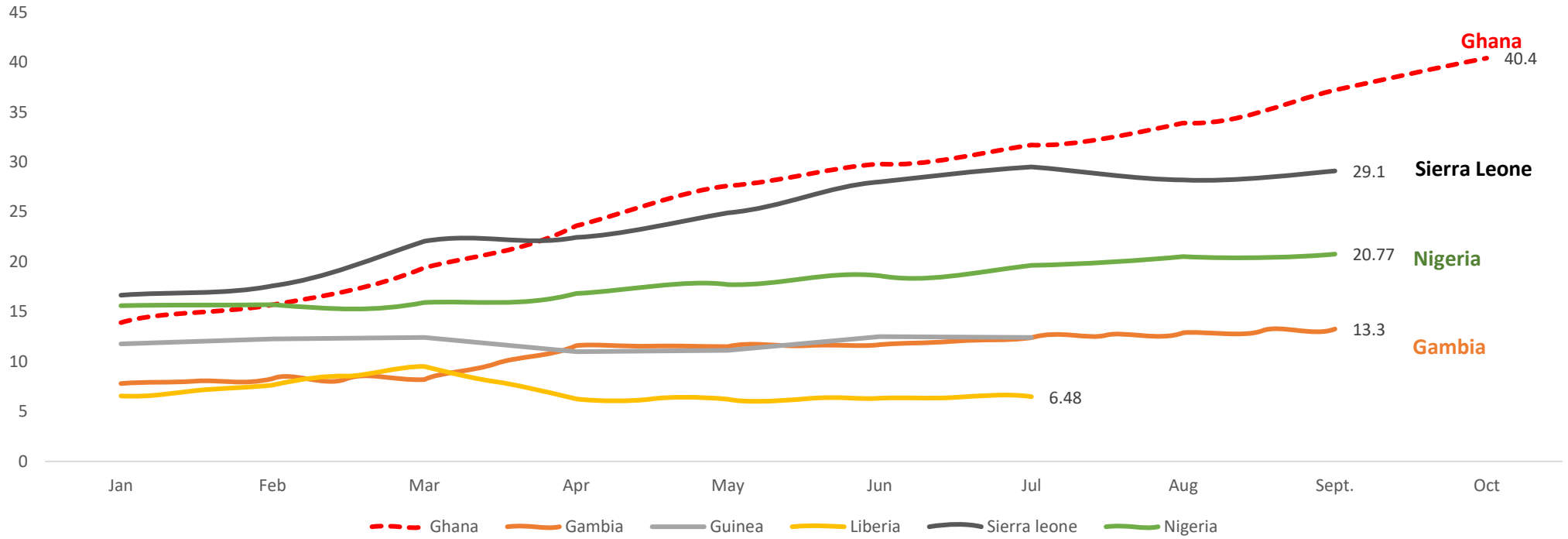
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Prolonged depreciation of the Cedi continues to drive Ghana's inflation rate as the highest in West Africa

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Ghana's Inflation Vs Countries with Floating Exchange Rate Regime



Source: Ghana Statistical Service, UMB IHL Analytics and Research, Reuters, Trading Economics

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West African economies with floating and flexible exchange rate regimes continue to post elevated inflation rates, with Ghana maintaining the highest rate

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UMB Investment Holdings Limited (UMB IHL) is the pioneer investment firm in Ghana. It has its roots in Merban Investment Holdings Ltd incorporated as a wholly owned subsidiary of Merchant Bank (now Universal Merchant Bank) on 5th December 1975. UMB IHL is licensed by the Securities and Exchange Commission (SEC) under the Securities Industry Law (PNDC Law 333) and registered with the National Pensions Regulatory Authority (NPRA) as a Pension Fund Manager.

UMB IHL over the past decades empowered businesses, individuals, and governments with excellent finance and investment services. The company is well positioned to play a strategic role in helping both corporate and individual citizens as well as governments achieve their strategic objectives through its suite of finance and investment products and services.

The firm has been working with individual and corporate clients both resident in Ghana and abroad, across many industry sectors such as Insurance, Banking, Oil marketing, and Construction. We also serve religious groups, professional associations, NGOs, etc.

Our retail clients consist of high-net-work individuals, pensioners, students, workers of various levels, as well as professionals drawn from a broad spectrum of the economy.

We currently manage several institutional portfolios with over 12,000 clients.

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1. **Investment Banking:** Corporate Finance and Advisory, Capital Markets, Mergers and Acquisitions, Structured Finance
2. **Asset Management:** UMB Balanced Fund, Treasury Bills, Notes and Bonds, Pensions, Provident Funds, Other Institutional Funds
3. **Wealth Management:** Private Wealth Management, Retirement Products
4. **Trustee Services:** Collective Investment Scheme Trustees, Bond Trustees, Estate Planning, Private Trusts, Corporate Trusts

For more information about our services, contact:

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