

September Inflation Update

October 09, 2026

Headline Inflation Edges Up to 5.2% in Sep-2026 as Monthly Price Pressures Rebuild

Key takes

- Ghana's annual inflation rose by 20 basis points to 5.2% in Sep-2026 from 5.0% in Aug 2026, broadly in line with our forecast of about 5.1%, within a 4.9% to 5.3% range.
- The CPI increased by 1.1% m/m, reversing the 1.0% m/m decline recorded in August.
- Food inflation rose to 4.0% y/y from 3.0%, as food prices increased 1.5% m/m after the harvest related decline in August.
- We expect headline inflation to rise further to around 6.6% in Oct-2026, within a 6.1% to 7.2% range, as transport fare adjustments and higher fuel prices feed into the next print.

Unpacking the numbers in the September-2026 Inflation Print

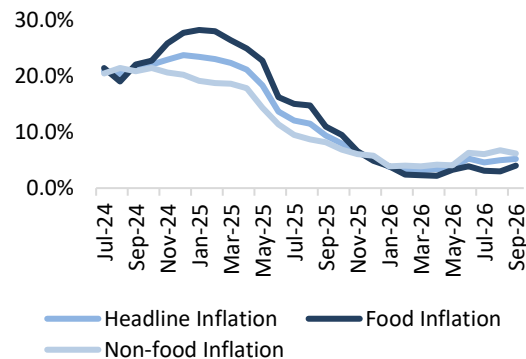
Ghana's headline inflation rose by 20 basis points to 5.2% y/y in Sep-2026 from 5.0% in Aug-2026, marking the second consecutive increase after the July decline. The CPI rose to 271.5 from 268.5, translating into a 1.1% m/m increase. The main change came from food. Food and non-alcoholic beverages inflation rose to 4.0% y/y from 3.0%, with food prices increasing 1.5% m/m after falling 2.6% m/m in August. Non-food inflation, however, eased to 6.2% y/y from 6.8%, with monthly non-food inflation slowing to 0.6% from 0.5% in August.

Goods inflation rose to 4.2% y/y from 3.8%, while goods prices increased 1.1% m/m. Services inflation eased to 8.3% y/y from 8.6%, although services prices still rose 0.8% m/m. Services therefore remain the stickier part of the basket, but the September print suggests that the strongest near-term pressure came from goods and food rather than services. At the divisional level, food became the largest contributor to headline inflation again, accounting for about 36.2% of the national rate. Housing, water, electricity, gas and other fuels remained a major driver at about 25.2%. Transport inflation eased to 5.7% y/y from 7.6%, but the category remains important because the approved transport fare increase took effect late in September and will be more visible in the October print.

Our Views and Outlook

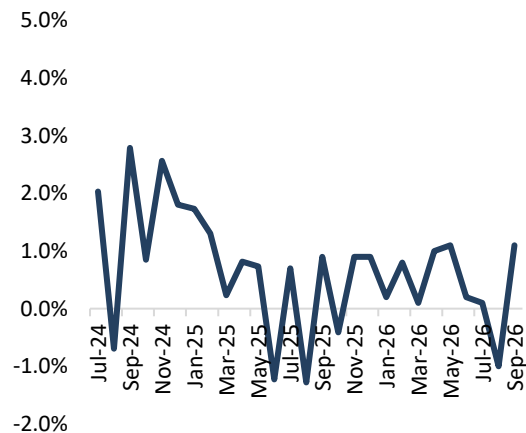
We believe the September print confirms that Ghana's earlier disinflation phase has largely run its course, with headline inflation now drifting higher from its March low. The August decline in monthly prices was helpful, but it was not sustained. In September, the national basket became more expensive, with food, goods and locally produced items all recording firm monthly increases. This does not point to runaway inflation, but it does show that the low inflation prints of the first half of the year are unlikely to return in the near term.

Figure 1: Annual inflation overview



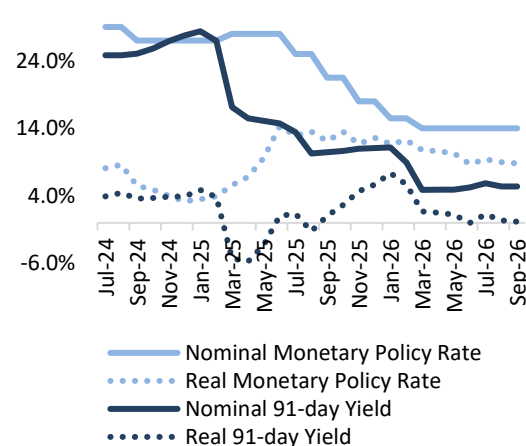
Sources: GSS, Laurus Africa Securities

Figure 2: Month-on-month inflation trajectory



Sources: GSS, Laurus Africa Securities

Figure 3: Inflation's impact on interest rates



Sources: GSS, Laurus Africa Securities

We view the September print as a clearer signal of underlying price momentum for policy and rates. Unlike August, when the headline was lifted mainly by a weak comparison base, September combined a higher annual rate with a positive monthly CPI movement. This tells us price momentum is beginning to rebuild, giving the print more relevance for the MPC and fixed income market than the modest 20 basis increase alone suggests.

We believe the composition of inflation now points to a more persistent cost pressure risk in the months ahead. Food has returned as the largest contributor to headline inflation after the August harvest relief faded, accounting for 36.2% of the national rate. However, housing and utilities remain a major pressure point, contributing 25.2%. Transport is also likely to re-enter the spotlight in October, as the 8% public transport fare increase took effect on 26 September 2026, meaning only a small part of the impact was captured in the September CPI. We expect the fuller pass through of these pressures to show up from October.

We expect headline inflation to rise to around 6.6% in Oct 2026, within a 6.1% to 7.2% range. A flat October CPI would lift inflation to about 5.6% because of a lower Oct 2025 base. The historical October m/m average of 0.7% points to an implied print of about 6.4%. However, given the late September transport fare increase, fuel-related risks and continued housing and utility pressures, our base case assumes a slightly firmer monthly increase of at least 1.0%, which points to a headline print close to 6.6%.

Implication for yields: We anticipate a reversal in the recent downward yield trajectory, with the September inflation print potentially triggering a fresh uptick in Treasury bill rates. Liquidity buffers have come under increasing pressure in recent weeks as investors reallocate funds towards competitively priced alternatives, including Cocoa Bills and BoG's OMO bills, moderating demand at Treasury bill auctions. Meanwhile, renewed inflationary pressures from elevated energy prices and cedi weakness are eroding real returns, with the 91-day bill yield already implying a widening negative inflation-adjusted return. Against this backdrop, we expect the September inflation print to be a key catalyst for repricing, potentially reversing the 12 consecutive weeks of T-bill yield declines as investors demand higher nominal returns to compensate for inflation risk and tighter liquidity conditions.

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