



དཔལ་ལྷན་འབྲུག་གཞུང་།  
རྒྱལ་ཡོངས་ཚུལ་དཔྱད་བཀོད་འཛིན།  
ཐོན་སྐྱེད།



ROYAL GOVERNMENT OF BHUTAN  
NATIONAL STATISTICS BUREAU

# Producer Price Index (PPI) Fourth Quarter-2024 October - December

Economic and Environmental Statistics Division  
National Statistics Bureau

## **Foreword**

The National Statistics Bureau (NSB) is pleased to release the Producer Price Index (PPI) Bulletin for the fourth quarter (October-December)2024. This is the 48<sup>th</sup>edition ofthe PPI bulletin published by the NSB.

The PPI serves as a gauge of the average price changes of goods and services over time, providing insights from the producer's standpoint. It distinguishes itself from the Consumer Price Index (CPI), which reflects price variations from the consumer's viewpoint.

This bulletin of PPI encompasses sectors such as logging, mining and quarrying, manufacturing, electricity, gas, steam, air conditioning supply, transport, and information & communication. It covers domestically produced goods and services.

The NSB extends its heartfelt appreciation to all government agencies, corporations, and private enterprises for their invaluable contribution to data, which facilitated the publication of this bulletin. We anticipate similar continued support and collaboration in the future.

March, 2025

**National Statistics Bureau**

Thimphu: Bhutan

## Highlights

### Year-on-Year Inflation

Year-on-Year (YoY) inflation for October, November, and December 2024, as measured by the Producer Price Index (PPI), decreased to -2.68 percent, -0.99 percent, and -0.91 percent, respectively, reflecting an average decline of -1.53 percent during the fourth quarter compared to the same quarter of the previous year.

The Mining & Quarrying, Manufacturing, and Information & Communication sectors were the primary contributors to the decrease in inflation during the quarter. The Mining & Quarrying sector registered a decline of -6.50 percent, -1.44 percent, and -1.09 percent during the months of the fourth quarter. This was mainly due to a drop in the prices of coal and other mineral products. Similarly, the Manufacturing sector saw a decline of -5.88 percent, -3.42 percent, and -3.38 percent in October, November, and December, respectively, primarily due to a drop in prices of basic chemical products, rubber & plastic products, other non-metallic mineral products, and basic metals.

The Information & Communication sector recorded an average inflation drop of -2.19 percent, mainly due to a decrease in prices for post-paid and prepaid services.

On the other hand, the Transport sector experienced a YoY increase in inflation to 1.48 percent, owing primarily to rising public transportation costs and higher postal service rates for both domestic and international deliveries.

Meanwhile, the Electricity, Gas, Steam, & Air Conditioning Supply, and Forestry & Logging sectors saw no change in prices during the fourth quarter of 2024 compared to the same period in the previous year.

### Month-on-Month Inflation

Month-on-month inflation increased to 0.72 percent in November, up from -0.01 percent in the previous month; however, it dropped again to -0.01 percent in December. The rise in November was primarily driven by price increases in the Manufacturing and Transport sectors, which recorded average increases of 0.71 percent and 0.14 percent, respectively. In contrast, the Mining & Quarrying sector registered a decline of 0.32 percent.

Meanwhile, the Forestry & Logging, Electricity, Gas, Steam, and Air Conditioning Supply, and Information & Communication sectors recorded no price changes during the fourth quarter compared to the same period in the previous year.

**Table1: Producer Price Index and % Change by Industry (2022 = 100)**

BSIC Code	Sectors	Weights (%)	PPI Index						
			Oct-23	Nov-23	Dec-23	Sep-24	Oct-24	Nov-24	Dec-24
	<b>All Industry</b>	<b>1.00</b>	<b>98.74</b>	<b>97.75</b>	<b>97.66</b>	<b>96.10</b>	<b>96.09</b>	<b>96.78</b>	<b>96.77</b>
A	Forestry & Logging	0.04	100.00	100.00	100.00	100.00	100.00	100.00	100.00
B	Mining and quarrying	0.09	99.15	94.12	93.86	93.74	92.71	92.76	92.84
C	Manufacturing	0.34	87.62	87.14	86.97	82.28	82.47	84.16	84.03
D	Electricity, gas, steam and...	0.27	103.61	103.61	103.61	103.61	103.61	103.61	103.61
H	Transport	0.21	113.63	113.66	113.66	115.06	115.16	115.30	115.53
J	Information and communication	0.05	92.66	86.58	86.58	86.58	86.58	86.58	86.58
<b>% Change</b>									
			Year-on-Year				Month-on-Month		
	<b>All Industry</b>	<b>1.00</b>	<b>-2.68</b>	<b>-0.99</b>	<b>-0.91</b>		<b>-0.01</b>	<b>0.72</b>	<b>-0.01</b>
A	Forestry & Logging	0.04	0.00	0.00	0.00		0.00	0.00	0.00
B	Mining and quarrying	0.09	-6.50	-1.44	-1.09		-1.10	0.06	0.09
C	Manufacturing	0.34	-5.88	-3.42	-3.38		0.23	2.06	-0.16
D	Electricity, gas, steam and...	0.27	0.00	0.00	0.00		0.00	0.00	0.00
H	Transport	0.21	1.34	1.45	1.64		0.09	0.12	0.19
J	Information and communication	0.05	-6.56	0.00	0.00		0.00	0.00	0.00

**Table 2: Producer Price Index by sub-group and by Industry (2022 = 100)**

BSIC Code	BSIC description	Weights (%)	PPI Index						
			Oct-23	Nov-23	Dec-23	Sep-24	Oct-24	Nov-24	Dec-24
	<b>All Industry</b>	<b>1.00</b>	<b>98.74</b>	<b>97.75</b>	<b>97.66</b>	<b>96.10</b>	<b>96.09</b>	<b>96.78</b>	<b>96.77</b>
<b>A</b>	<b>Forestry and Logging</b>	<b>0.04</b>	<b>100.00</b>						
02	Forestry and logging	0.04	100.00	100.00	100.00	100.00	100.00	100.00	100.00
022	logging	0.04	100.00	100.00	100.00	100.00	100.00	100.00	100.00

BSIC Code	BSIC description	Weights (%)	PPI Index						
			Oct-23	Nov-23	Dec-23	Sep-24	Oct-24	Nov-24	Dec-24
<b>B</b>	<b>Mining and quarrying</b>	0.09	<b>99.15</b>	<b>94.12</b>	<b>93.86</b>	<b>93.74</b>	<b>92.71</b>	<b>92.76</b>	<b>92.84</b>
05	mining of coal and lignite	0.03	101.20	100.70	99.82	99.50	99.03	99.03	99.03
051	mining of hard coal	0.03	101.20	100.70	99.82	99.50	99.03	99.03	99.03
08	other mining and quarrying	0.06	98.24	91.30	91.30	91.26	90.00	90.07	90.19
081	quarrying of sand, stone and clay	0.06	98.24	91.30	91.30	91.26	90.00	90.07	90.19
<b>C</b>	<b>Manufacturing</b>	0.34	<b>87.62</b>	<b>87.14</b>	<b>86.97</b>	<b>82.28</b>	<b>82.47</b>	<b>84.16</b>	<b>84.03</b>
10	Manufacturing of food products	0.02	103.33	106.14	105.72	104.22	103.19	103.19	103.19
103	Processing and preserving of fruits and vegetables	0.01	110.79	110.79	110.00	110.06	108.57	108.58	108.58
104	Manufacture of vegetables and animal oils and fats	0.00	110.79	110.79	110.00	110.06	108.57	108.58	108.58
108	Prepared animal feeds	0.01	91.45	100.59	100.59	95.54	94.77	94.77	95.54
11	Manufacture of beverages	0.04	100.06	100.06	100.06	100.12	100.12	100.12	100.12
110	Manufacture of beverages	0.04	100.06	100.06	100.06	100.12	100.12	100.12	100.12
16	Manufacture of wood and of products of wood and	0.01	95.98	95.98	95.98	95.98	95.98	95.98	95.98
161	Sawmilling and planing of wood	0.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
162	Manufacture of products of wood, cork, straw and...	0.00	94.21	94.21	94.21	94.21	94.21	94.21	94.21
18	Printing and reproduction of recorded media	0.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
181	Printing and services related to printing	0.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
20	Manufacture of chemical and chemical products	0.03	81.38	81.38	86.85	66.43	59.83	62.31	66.43
201	Manufacture of basic chemicals, fertilizers and.....	0.03	81.38	81.38	86.85	66.43	59.83	62.31	66.43
22	Manufacture of rubber and plastic products	0.02	103.97	103.96	103.49	95.15	96.81	96.73	95.15
222	manufacture of plastic products	0.02	103.97	103.96	103.49	95.15	96.81	96.73	95.15
23	Manufacture of other non-metallic mineral products	0.07	112.51	112.51	111.77	109.26	106.99	106.99	109.26
239	Manufacture of non-metallic mineral products n.e.c	0.07	112.51	112.51	111.77	109.26	106.99	106.99	109.26
24	Manufacture of basic metals	0.14	70.29	69.09	68.19	64.53	66.80	69.68	64.53
241	manufacture of basic iron and steel	0.14	70.29	69.09	68.19	64.53	66.80	69.68	64.53
31	Manufacture of furniture	0.01	102.67	102.67	102.67	102.67	102.67	102.67	102.67
310	Manufacture of furniture	0.01	102.67	102.67	102.67	102.67	102.67	102.67	102.67
<b>D</b>	<b>Electricity, gas, steam and air conditioning supply</b>	0.27	<b>103.61</b>						
35	Electricity, gas, steam and air conditioning supply	0.27	103.61	103.61	103.61	103.61	103.61	103.61	103.61

BSIC Code	BSIC description	Weights (%)	PPI Index						
			Oct-23	Nov-23	Dec-23	Sep-24	Oct-24	Nov-24	Dec-24
351	Electric power generation, transmission and .....	0.27	103.61	103.61	103.61	103.61	103.61	103.61	103.61
<b>H</b>	<b>Transport and Storage</b>	0.21	<b>113.63</b>	<b>113.66</b>	<b>113.66</b>	<b>115.06</b>	<b>115.16</b>	<b>115.30</b>	<b>115.06</b>
49	land transport and transport via pipeline	0.10	119.82	119.82	119.82	121.51	121.51	121.51	121.51
492	Other land transport	0.10	119.82	119.82	119.82	121.51	121.51	121.51	121.51
51	Air transport	0.11	108.85	108.90	108.90	109.32	109.50	109.76	109.32
511	Passenger air transport	0.11	108.85	108.90	108.90	109.32	109.50	109.76	109.32
53	Postal and Courier activities	0.00	101.66	101.67	101.67	130.66	130.71	130.78	130.66
531	Postal activities	0.00	100.00	100.00	100.00	134.07	134.07	134.07	134.07
532	Courier activities	0.01	111.79	111.87	111.89	112.56	112.86	113.29	112.56
<b>J</b>	<b>Information and communication</b>	0.05	<b>92.66</b>	<b>86.58</b>	<b>86.58</b>	<b>86.58</b>	<b>86.58</b>	<b>86.58</b>	<b>86.58</b>
61	Telecommunication	0.05	92.66	86.58	86.58	86.58	86.58	86.58	86.58
612	Wireless telecommunication activities	0.05	92.66	86.58	86.58	86.58	86.58	86.58	86.58

**Table 3: Year -on-Year and Month-on-Month % change by sub-group and by Industry (2022 = 100)**

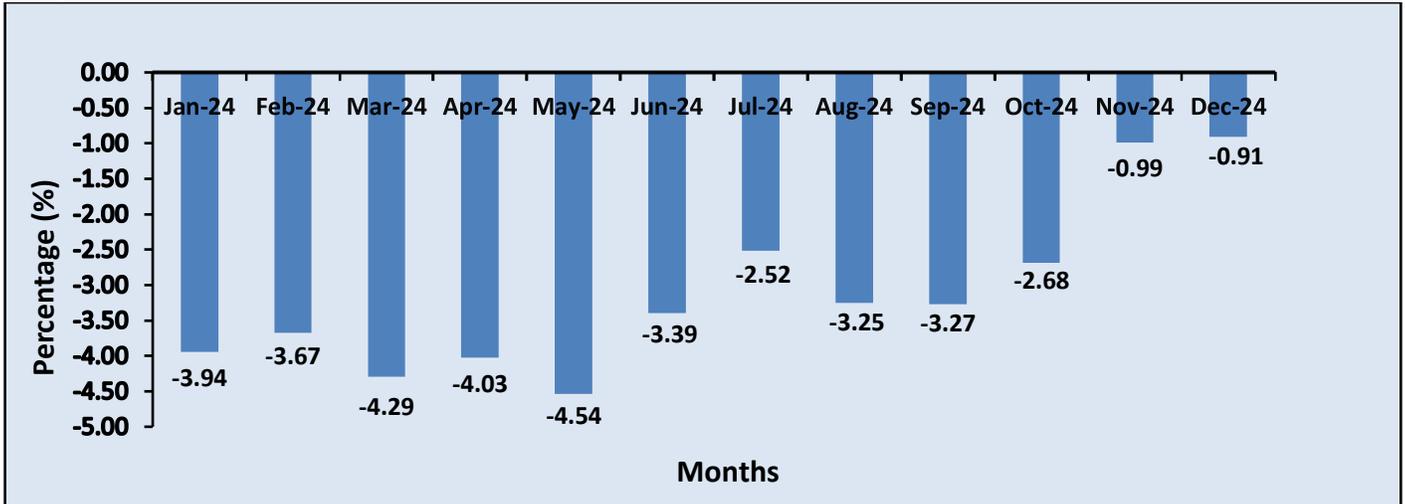
BSIC Code	BSIC description	Weights (%)	Month-on-Month			Year-on-Year		
			Oct-23	Nov-23	Dec-23	Oct-24	Nov-24	Dec-24
	<b>All Industry</b>	1.00	<b>-0.01</b>	<b>0.72</b>	<b>-0.01</b>	<b>-2.68</b>	<b>-0.99</b>	<b>-0.91</b>
<b>A</b>	<b>Forestry and Logging</b>	0.04	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
02	Forestry and logging	0.04	0.00	0.00	0.00	0.00	0.00	0.00
022	logging	0.04	0.00	0.00	0.00	0.00	0.00	0.00
<b>B</b>	<b>Mining and quarrying</b>	0.09	<b>-1.10</b>	<b>0.06</b>	<b>0.09</b>	<b>-6.50</b>	<b>-1.44</b>	<b>-1.09</b>
05	mining of coal and lignite	0.03	-0.47	0.00	0.00	-2.14	-1.66	-0.79
051	mining of hard coal	0.03	-0.47	0.00	0.00	-2.14	-1.66	-0.79
08	other mining and quarrying	0.06	-1.39	0.08	0.13	-8.39	-1.34	-1.22
081	quarrying of sand, stone and clay	0.06	-1.39	0.08	0.13	-8.39	-1.34	-1.22
<b>C</b>	<b>Manufacturing</b>	0.34	<b>0.23</b>	<b>2.06</b>	<b>-0.16</b>	<b>-5.88</b>	<b>-3.42</b>	<b>-3.38</b>
10	Manufacturing of food products	0.02	-0.99	0.00	0.00	-0.14	-2.78	-2.39
103	Processing and preserving of fruits and vegetables	0.01	-1.35	0.00	0.00	-2.00	-2.00	-1.29
104	Manufacture of vegetables and animal oils and fats	0.00	-1.35	0.00	0.00	-2.00	-2.00	-1.29
108	Prepared animal feeds	0.01	-0.81	0.00	0.82	3.63	-5.79	-5.02
11	Manufacture of beverages	0.04	0.00	0.00	0.00	0.06	0.06	0.06
110	Manufacture of beverages	0.04	0.00	0.00	0.00	0.06	0.06	0.06

BSIC Code	BSIC description	Weights (%)	Month-on-Month			Year-on-Year		
			Oct-23	Nov-23	Dec-23	Oct-24	Nov-24	Dec-24
16	Manufacture of wood and of products of wood and cork, except....	0.01	0.00	0.00	0.00	0.00	0.00	0.00
161	Sawmilling and planing of wood	0.00	0.00	0.00	0.00	0.00	0.00	0.00
162	Manufacture of products of wood, cork, straw and plaiting .....	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Printing and reproduction of recorded media	0.00	0.00	0.00	0.00	0.00	0.00	0.00
181	Printing and services related to printing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20	Manufacture of chemical and chemical products	0.03	-9.94	4.14	6.62	-26.48	-23.44	-23.51
201	Manufacture of basic chemicals, fertilizers and nitrogen .....	0.03	-9.94	4.14	6.62	-26.48	-23.44	-23.51
22	Manufacture of rubber and plastic products	0.02	1.74	-0.08	-1.63	-6.89	-6.95	-8.06
222	manufacture of plastic products	0.02	1.74	-0.08	-1.63	-6.89	-6.95	-8.06
23	Manufacture of other non-metallic mineral products	0.07	-2.08	0.00	2.13	-4.91	-4.91	-2.24
239	Manufacture of non-metallic mineral products n.e.c	0.07	-2.08	0.00	2.13	-4.91	-4.91	-2.24
24	Manufacture of basic metals	0.14	3.53	4.31	-7.39	-4.96	0.86	-5.37
241	manufacture of basic iron and steel	0.14	3.53	4.31	-7.39	-4.96	0.86	-5.37
31	Manufacture of furniture	0.01	0.00	0.00	0.00	0.00	0.00	0.00
310	Manufacture of furniture	0.01	0.00	0.00	0.00	0.00	0.00	0.00
<b>D</b>	<b>Electricity, gas, steam and air conditioning supply</b>	<b>0.27</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
35	Electricity, gas, steam and air conditioning supply	0.27	0.00	0.00	0.00	0.00	0.00	0.00
351	Electric power generation, transmission and distribution	0.27	0.00	0.00	0.00	0.00	0.00	0.00
<b>H</b>	<b>Transport and Storage</b>	<b>0.21</b>	<b>0.09</b>	<b>0.12</b>	<b>-0.21</b>	<b>1.34</b>	<b>1.45</b>	<b>1.23</b>
49	land transport and transport via pipeline	0.10	0.00	0.00	0.00	1.41	1.41	1.41
492	Other land transport	0.10	0.00	0.00	0.00	1.41	1.41	1.41
51	Air transport	0.11	0.16	0.24	-0.40	0.60	0.79	0.38
511	Passenger air transport	0.11	0.16	0.24	-0.40	0.60	0.79	0.38
53	Postal and Courier activities	0.00	0.04	0.06	-0.10	28.58	28.64	28.51
531	Postal activities	0.00	0.00	0.00	0.00	34.07	34.07	34.07
532	Courier activities	0.01	0.27	0.39	-0.65	0.95	1.27	0.60
<b>J</b>	<b>Information and communication</b>	<b>0.05</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-6.56</b>	<b>0.00</b>	<b>0.00</b>
61	Telecommunication	0.05	0.00	0.00	0.00	-6.56	0.00	0.00
612	Wireless telecommunication activities	0.05	0.00	0.00	0.00	-6.56	0.00	0.00

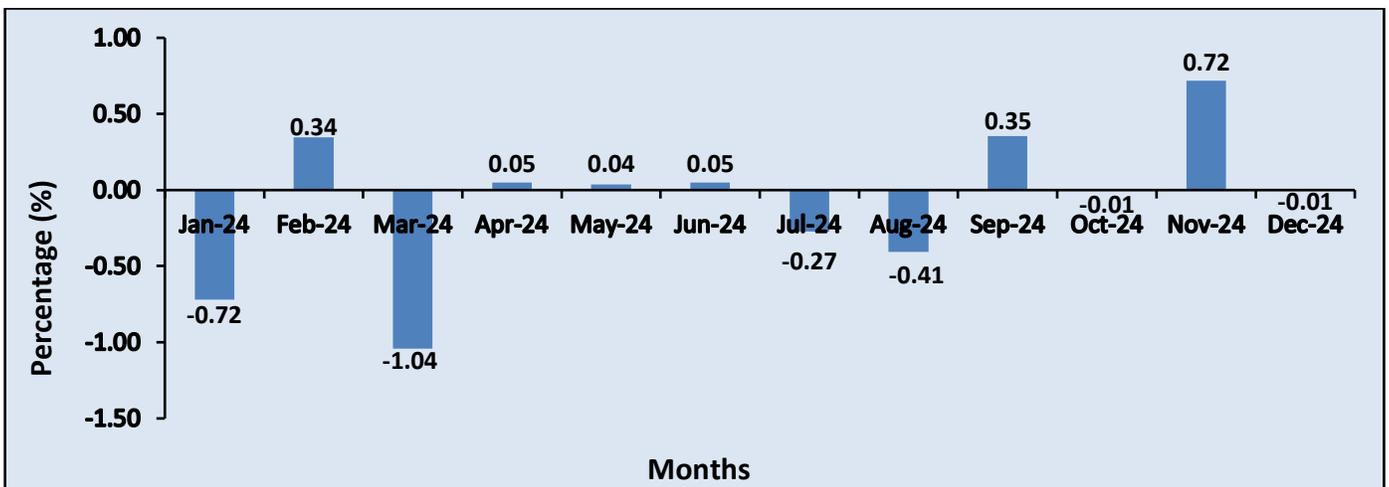
**Graph 1: Month-on-Month Producer Price Index (PPI)**



**Graph 2: Year-on-Year Inflation rate**



**Graph3: Month-on-Month Inflation rate**



## Technical Notes

### Definition

Producer Price Index (PPI) is the measure of average change over time in the prices received by the domestic producer of goods and services. It shows the average change in the prices of goods and services with reference to a particular reference period known as Index reference.

### Scope and Coverage

The PPI covers domestically produced goods and services that are destined for domestic as well as export markets. The sectors included are logging, mining and quarrying, manufacturing, utilities (electricity and water), transport, and the Information & communication sector. PPI is classified and compiled by activity (BSIC rev. 4) and also by product (CPC rev. 2).

### Weights

Weights denote the significance or relative importance of each level or group to the total. PPI weights are developed using the total value of turnover figure from the establishment Economic Census of Bhutan ECoB 2017 which is carried out by the National Statistics Bureau (NSB).

### Index Reference

The index reference for the calculation of the PPI is Jan 2022 which is normally set as 100.

### Price Collection

Point-in-time prices are collected for the PPI compilation i.e. price of a product on the 15th day of every month or the nearest trading day to the 15th of the month

### Index calculation methodology

Geometric Modified Laspeyres's formula is used for compiling PPI

$$P_{gyo} = \prod_{i=1}^n \left( \frac{P_i^t}{P_i^0} \right)^{w_i^b}$$

## Uses of PPI

1. As deflator in National Accounts to estimate the real growth rate
2. As a lead indicator of inflationary trends
3. Indexation of cost escalation in long-term contracts of goods and services
4. Business Analysis
5. Current cost accounting

## Calculating Index Changes

Movement of the Price index from one month to another is usually expressed in terms of percent changes, rather than as changes in index points. Index point changes are affected by the level of the index in relation to its base period, whereas percent changes are not. The following example shows the computation of index points and percent changes.

### Index point change

All industry's Price Index	104.50
The less previous price index	101.25
Equals index point change	3.25

### Index percent change

Index point change	3.25
Divided by Previous Price Index	101.25
Equals	0.032
Result multiplied by 100	0.032 x100
Equals percent changes	3.2

## Revision Policy

If the data are not received on time from the sources, the index published for that particular quarter are marked as "Provisional" and it is revised and finalized when the next quarter index is published.

## Dissemination

PPI Bulletin is compiled and published on a quarterly basis. It is made available in electronic version through our office website ([www.nsb.gov.bt](http://www.nsb.gov.bt)).