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རྒྱལ་ཡོངས་ཚུལ་དཔྱད་བཀོད་འཛིན་
ཐེམ་པ།

ROYAL GOVERNMENT OF BHUTAN
NATIONAL STATISTICS BUREAU



Producer Price Index (PPI) First Quarter-2025 January - March

Economic and Environmental Statistics Division
National Statistics Bureau

Foreword

The National Statistics Bureau (NSB) is pleased to present the 49th edition of the Producer Price Index (PPI) Bulletin for the first quarter (January–March) of 2025.

The PPI serves as a key economic indicator, measuring the average changes in the prices of goods and services from the perspective of producers. Unlike the Consumer Price Index (CPI), which captures price movements from the consumer's viewpoint, the PPI provides insights into inflationary trends at the production level.

This bulletin covers price developments across major sectors of the economy, including Forestry & Logging, Mining & Quarrying, Manufacturing, Electricity, Gas, Steam & Air Conditioning Supply, Transport, and Information & Communication. It focuses exclusively on prices of goods and services produced domestically.

The NSB extends its sincere appreciation to all government agencies, corporate entities, and private sector organizations for their continued cooperation and timely provision of data. Your invaluable support has played a vital role in the successful compilation and publication of this bulletin. We look forward to your continued collaboration in future statistical undertakings.

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May, 2025

National Statistics Bureau

Thimphu: Bhutan

Highlights

Year-on-Year Inflation

Year-on-Year (Y-o-Y) inflation for January, February, and March 2025, as measured by the Producer Price Index (PPI), stood at 1.10 percent, 0.56 percent, and 1.49 percent, respectively. This results in an average annual increase of 1.05 percent during the first quarter of 2025 compared to the same quarter of the previous year.

The Transport and Electricity, Gas, Steam, & Air Conditioning Supply sectors were the key contributors to the increase in overall inflation during this quarter. The Transport sector experienced significant price growth, registering 2.26 percent, 2.24 percent, and 4.43 percent in January, February, and March, respectively. This rise was primarily driven by increased public transport fares and higher postal service rates, both domestically and internationally.

The Electricity, Gas, Steam, & Air Conditioning Supply sector recorded a consistent YoY inflation rate of 3.58 percent throughout the quarter. This increase was due to a revision in energy charges effective from November 1st, 2024, which led to sustained higher producer prices in the energy sector.

On the other hand, the Manufacturing and Mining & Quarrying sectors exerted downward pressure on overall inflation. The Manufacturing sector posted YoY deflation of -0.75 percent, -2.42 percent, and -0.99 percent across the three months, primarily due to declining prices in basic chemical products, non-metallic mineral products, manufacture of chemical & chemical products and basic metals.

Similarly, the Mining & Quarrying sector registered YoY price decreases of -0.82 percent, -0.49 percent, and -0.57 percent, largely attributed to falling prices of coal and other mineral products. The Forestry & Logging and Information & Communication sectors showed no year-on-year price movement, indicating continued stability in these sectors compared to the same period in 2024.

Month-on-Month Inflation

Month-on-month (M-o-M) inflation reflected minor fluctuations throughout the first quarter. The overall index increased by 0.33 percent in January, declined by -0.20 percent in February, and fell further to -0.12 percent in March.

The Manufacturing sector recorded a 0.57 percent increase in January, followed by decrease of -0.85 percent in February and -0.24 percent in March. These changes reflect short-term adjustments in raw material costs and producer pricing strategies.

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

BSIC Code	Sectors	Weights (%)	PPI Index						
			Jan-24	Feb-24	Mar-24	Dec-24	Jan-25	Feb-25	Mar-25
	All Industry	1.00	97.03	97.36	96.34	97.77	98.09	97.90	97.78
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	93.86	93.83	93.84	92.85	93.09	93.38	93.30
C	Manufacturing	0.34	85.15	85.86	84.42	84.03	84.51	83.79	83.58
D	Electricity, gas, steam and....	0.27	103.61	103.61	103.61	107.31	107.31	107.31	107.31
H	Transport	0.21	113.59	113.94	111.38	115.53	116.16	116.49	116.31
J	Information and communication	0.05	87.76	87.76	87.76	87.76	87.76	87.76	87.76
% Change									
			Year-on-Year				Month-on-Month		
	All Industry	1.00	1.10	0.56	1.49		0.33	-0.20	-0.12
A	Forestry & Logging	0.04	0.00	0.00	0.00		0.00	0.00	0.00
B	Mining and quarrying	0.09	-0.82	-0.49	-0.57		0.26	0.31	-0.08
C	Manufacturing	0.34	-0.75	-2.42	-0.99		0.57	-0.85	-0.24
D	Electricity, gas, steam and....	0.27	3.58	3.58	3.58		0.00	0.00	0.00
H	Transport	0.21	2.26	2.24	4.43		0.55	0.29	-0.16
J	Information and communication	0.05	0.00	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						
			Jan-24	Feb-24	Mar-24	Dec-24	Jan-25	Feb-25	Mar-25
	All Industry	1.00	97.03	97.36	96.34	97.77	98.09	97.90	97.78
A	Forestry and Logging	0.04	100.00	100.00	100.00	100.00	100.00	100.00	100.00
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
B	Mining and quarrying	0.09	93.86	93.83	93.86	92.85	93.09	93.38	93.30
05	mining of coal and lignite	0.03	100.31	100.31	99.82	99.03	99.03	99.58	99.58
051	mining of hard coal	0.03	100.31	100.31	99.82	99.03	99.03	99.58	99.58
08	other mining and quarrying	0.06	91.10	91.06	91.30	90.19	90.53	90.71	90.61

BSIC Code	BSIC description	Weights (%)	PPI Index						
			Jan-24	Feb-24	Mar-24	Dec-24	Jan-25	Feb-25	Mar-25
081	quarrying of sand, stone and clay	0.06	91.10	91.06	91.30	90.19	90.53	90.71	90.61
C	Manufacturing	0.34	85.15	85.86	86.97	84.03	84.51	83.79	83.58
10	Manufacturing of food products	0.02	105.69	105.91	105.72	103.19	103.00	103.29	103.29
103	Processing and preserving of fruits and vegetables	0.01	109.96	110.37	110.00	108.58	108.23	108.77	108.77
104	Manufacture of vegetables and animal oils and fats	0.00	109.96	110.37	110.00	108.58	108.23	108.77	108.77
108	Prepared animal feeds	0.01	100.59	100.59	100.59	94.77	94.77	94.77	94.77
11	Manufacture of beverages	0.04	100.14	100.14	100.06	100.12	100.12	100.12	100.12
110	Manufacture of beverages	0.04	100.14	100.14	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 planning 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	69.48	72.75	86.85	64.79	66.61	66.61	66.61
201	Manufacture of basic chemicals, fertilizers and.....	0.03	69.48	72.75	86.85	64.79	66.61	66.61	66.61
22	Manufacture of rubber and plastic products	0.02	94.13	94.13	103.49	95.49	95.42	95.61	95.71
222	manufacture of plastic products	0.02	94.13	94.13	103.49	95.49	95.42	95.61	95.71
23	Manufacture of other non-metallic mineral products	0.07	111.29	111.29	111.77	108.32	106.76	106.76	106.76
239	Manufacture of non-metallic mineral products n.e.c	0.07	111.29	111.29	111.77	108.32	106.76	106.76	106.76
24	Manufacture of basic metals	0.14	68.95	69.72	68.19	68.63	69.72	68.22	67.80
241	manufacture of basic iron and steel	0.14	68.95	69.72	68.19	68.63	69.72	68.22	67.80
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
D	Electricity, gas, steam and air conditioning supply	0.27	103.61	103.61	103.61	107.31	107.31	107.31	107.31
35	Electricity, gas, steam and air conditioning supply	0.27	103.61	103.61	103.61	107.31	107.31	107.31	107.31
351	Electric power generation, transmission and	0.27	103.61	103.61	103.61	107.31	107.31	107.31	107.31
H	Transport and Storage	0.21	113.59	113.94	113.66	115.53	116.16	116.49	116.31
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

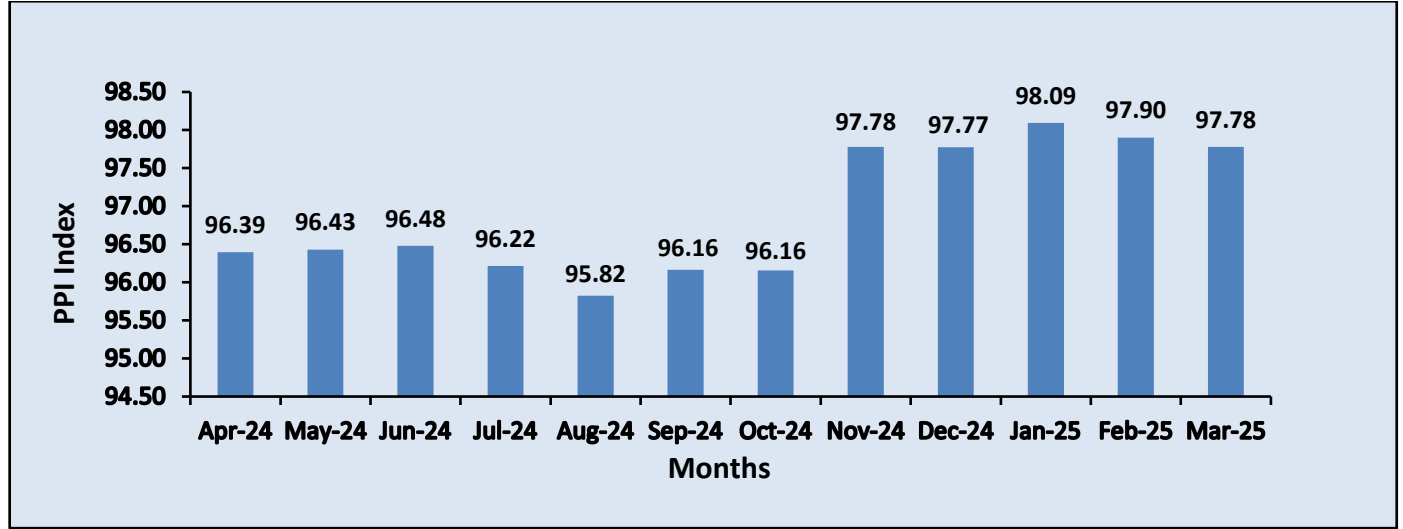
BSIC Code	BSIC description	Weights (%)	PPI Index						
			Jan-24	Feb-24	Mar-24	Dec-24	Jan-25	Feb-25	Mar-25
51	Air transport	0.11	108.77	108.64	108.90	110.16	111.30	111.91	111.57
511	Passenger air transport	0.11	108.77	108.64	108.90	110.16	111.30	111.91	111.57
53	Postal and Courier activities	0.00	101.64	130.46	101.67	130.90	131.22	131.40	131.30
531	Postal activities	0.00	100.00	134.07	100.00	134.07	134.07	134.07	134.07
532	Courier activities	0.01	111.66	111.43	111.89	113.98	115.92	116.95	116.37
J	Information and communication	0.05	87.76	87.76	87.76	87.76	87.76	87.76	87.76
61	Telecommunication	0.05	87.76	87.76	87.76	87.76	87.76	87.76	87.76
612	Wireless telecommunication activities	0.05	87.76	87.76	87.76	87.76	87.76	87.76	87.76

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

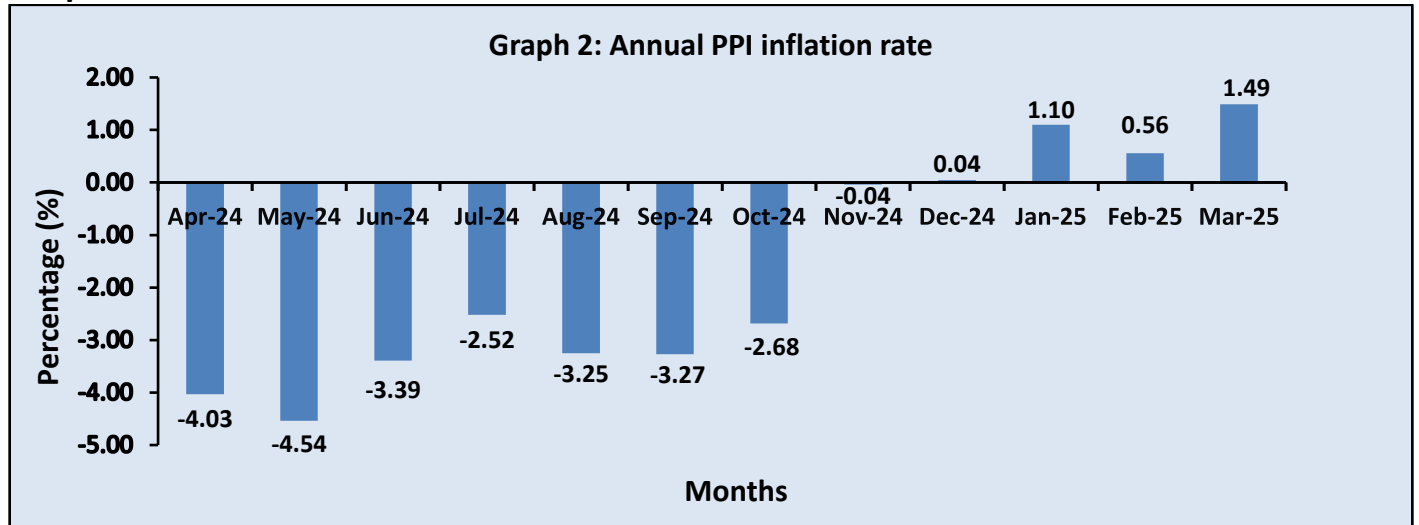
BSIC Code	BSIC description	Weights (%)	Month-on-Month			Year-on-Year		
			Jan-24	Feb-24	Mar-24	Dec-24	Jan-25	Feb-25
	All Industry	1.00	0.33	-0.20	-0.12	1.10	0.56	1.49
A	Forestry and Logging	0.04	0.00	0.00	0.00	0.00	0.00	0.00
02	Forestry and logging	0.04	0.00	0.00	0.00	0.00	0.00	0.00
022	logging	0.04	0.00	0.00	0.00	0.00	0.00	0.00
B	Mining and quarrying	0.09	0.26	0.31	-0.08	-0.82	-0.49	-0.59
05	mining of coal and lignite	0.03	0.00	0.55	0.00	-1.27	-0.73	-0.24
051	mining of hard coal	0.03	0.00	0.55	0.00	-1.27	-0.73	-0.24
08	other mining and quarrying	0.06	0.38	0.20	-0.11	-0.62	-0.38	-0.75
081	quarrying of sand, stone and clay	0.06	0.38	0.20	-0.11	-0.62	-0.38	-0.75
C	Manufacturing	0.34	0.57	-0.85	-0.24	-0.75	-2.42	-3.89
10	Manufacturing of food products	0.02	-0.18	0.28	0.00	-2.54	-2.47	-2.29
103	Processing and preserving of fruits and vegetables	0.01	-0.32	0.50	0.00	-1.57	-1.44	-1.12
104	Manufacture of vegetables and animal oils and fats	0.00	-0.32	0.50	0.00	-1.57	-1.44	-1.12
108	Prepared animal feeds	0.01	0.00	0.00	0.00	-5.79	-5.79	-5.79
11	Manufacture of beverages	0.04	0.00	0.00	0.00	-0.01	-0.01	0.06
110	Manufacture of beverages	0.04	0.00	0.00	0.00	-0.01	-0.01	0.06
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 planning 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

BSIC Code	BSIC description	Weights (%)	Month-on-Month			Year-on-Year		
			Jan-24	Feb-24	Mar-24	Dec-24	Jan-25	Feb-25
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	2.82	0.00	0.00	-4.12	-8.43	-23.30
201	Manufacture of basic chemicals, fertilizers and nitrogen...	0.03	2.82	0.00	0.00	-4.12	-8.43	-23.30
22	Manufacture of rubber and plastic products	0.02	-0.07	0.19	0.11	1.37	1.57	-7.52
222	manufacture of plastic products	0.02	-0.07	0.19	0.11	1.37	1.57	-7.52
23	Manufacture of other non-metallic mineral products	0.07	-1.43	0.00	0.00	-4.07	-4.07	-4.48
239	Manufacture of non-metallic mineral products n.e.c	0.07	-1.43	0.00	0.00	-4.07	-4.07	-4.48
24	Manufacture of basic metals	0.14	1.59	-2.15	-0.62	1.12	-2.16	-0.57
241	manufacture of basic iron and steel	0.14	1.59	-2.15	-0.62	1.12	-2.16	-0.57
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
D	Electricity, gas, steam and air conditioning supply	0.27	0.00	0.00	0.00	3.58	3.58	3.58
35	Electricity, gas, steam and air conditioning supply	0.27	0.00	0.00	0.00	3.58	3.58	3.58
351	Electric power generation, transmission and distribution	0.27	0.00	0.00	0.00	3.58	3.58	3.58
H	Transport and Storage	0.21	0.55	0.29	-0.16	2.26	2.24	2.33
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	1.03	0.55	-0.30	2.32	3.01	2.44
511	Passenger air transport	0.11	1.03	0.55	-0.30	2.32	3.01	2.44
53	Postal and Courier activities	0.00	0.25	0.13	-0.07	29.11	0.72	29.14
531	Postal activities	0.00	0.00	0.00	0.00	34.07	0.00	34.07
532	Courier activities	0.01	1.70	0.90	-0.50	3.81	4.96	4.01
J	Information and communication	0.05	0.00	0.00	0.00	0.00	0.00	0.00
61	Telecommunication	0.05	0.00	0.00	0.00	0.00	0.00	0.00
612	Wireless telecommunication activities	0.05	0.00	0.00	0.00	0.00	0.00	0.00

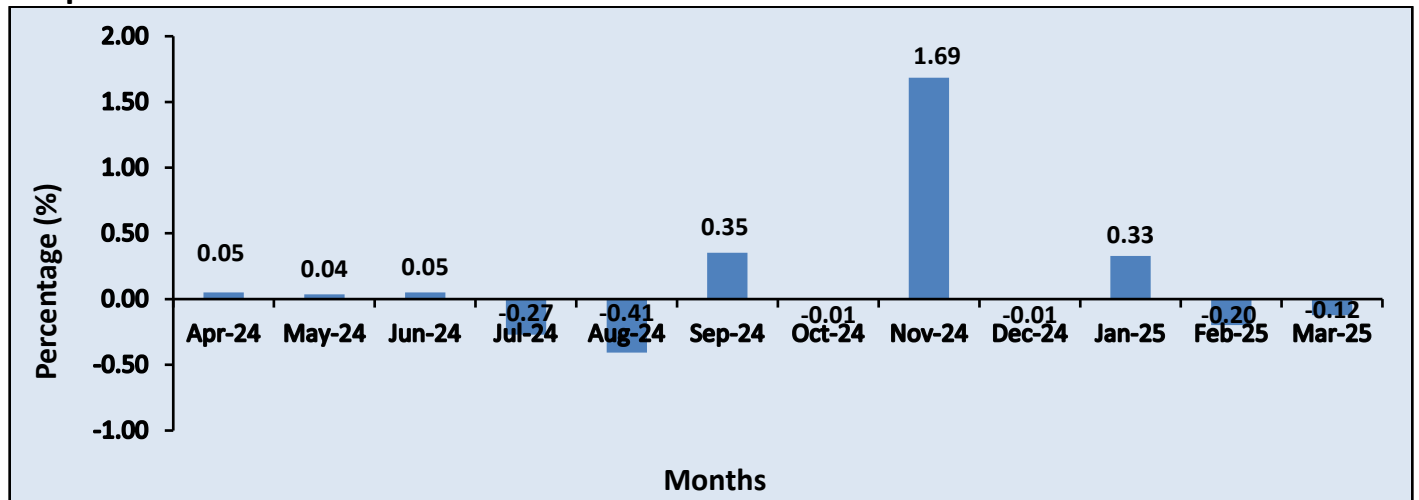
Graph 1: Month-on-Month Producer Price Index (PPI)



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).

Reference Period

There are three “reference periods” used for PPI as given below:

- i. **Weight Reference Period-** is the period during which Economic Census of Bhutan (ECoB) 2017 which is carried out by the National Statistics Bureau (NSB). The weight-reference period for the new PPI is 2017, that is, the period when the ECoB was conducted.
- ii. **Index Reference Period-** is the period when the index is set to 100. In the new PPI, the index reference period is January 2022.
- iii. **Price Reference Period-** is the period for which the prices of each product are used for calculating the elementary indices (indices for individual PPI items). The price reference period for the new PPI is January 2022.

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).