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རྒྱལ་ཡོངས་ཚུལ་དཔྱད་བཀོད་འཛིན།
ཐིམ་ཕུ།

ROYAL GOVERNMENT OF BHUTAN
NATIONAL STATISTICS BUREAU



Producer Price Index (PPI) Fourth Quarter- 2025 (October – December)

Economic and Environmental Statistics Division

National Statistics Bureau

Foreword

The National Statistics Bureau (NSB) is pleased to present the 52nd edition of the Producer Price Index (PPI) Bulletin for the fourth quarter (October- December) 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.

February, 2026

National Statistics Bureau

Thimphu: Bhutan

Highlights

Year-on-Year Inflation

Year-on-Year (Y-o-Y) inflation for October, November and December 2025, as measured by the Producer Price Index (PPI), stood at 0.30 percent, -1.48 percent, and -0.54 percent, respectively. This corresponds to an average annual decrease of 0.57 percent in the fourth quarter of 2025 compared to the same quarter of the previous year.

In the fourth quarter of 2025, the Transport sector and the Forestry & Logging sectors were the major contributors to the rise in overall inflation. The Transport sector experienced significant price increases, registering average of 2.79 percent. This increase was primarily driven by public transport and postal service, both domestically and internationally.

The Forestry & Logging sector recorded a consistent Year-on-Year inflation rate of 5.14 percent during the quarter. This increase is largely attributed to the revision of Natural Resources Pricing Rates that took effect on 1st October 2025, which continued to exert upward pressure on producer prices within the forest sector.

On the other hand, the Manufacturing and Electricity, gas, steam and air conditioning supply sectors exerted downward pressure on overall inflation. The Manufacturing sector posted YoY deflation of 1.54 percent, 4.02 percent, and 1.48 percent across the three months, primarily due to declining prices in manufacture of food products, beverages, non-metallic mineral products, manufacture of chemical & chemical products and basic metals.

Similarly, the Electricity, gas, steam and air conditioning supply sector recorded Year-on-Year price declines of 3.46 percent, and 3.46 percent, mainly driven by reductions in energy charges. The 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 fourth quarter. The overall index stood at 0.03 percent and 0.91 percent in October and December, while it declined to 0.16 percent in November.

The Manufacturing sector recorded a 0.62 percent and 0.58 percent decrease in October and December, while it increased by 2.37 percent in December. These fluctuations indicate short-term adjustments driven by changes in raw material costs and producer pricing strategies.

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

| BSIC Code | Sectors | Weights (%) | PPI Index Level (2022=100) | | | | | | |
|-----------|--|-------------|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | | Oct-24 | Nov-24 | Dec-24 | Sep-25 | Oct-25 | Nov-25 | Dec-25 |
| | All Industry | 1.00 | 96.27 | 97.85 | 97.81 | 96.53 | 96.56 | 96.40 | 97.28 |
| A | Forestry & Logging | 0.04 | 100.00 | 100.00 | 100.00 | 100.00 | 105.14 | 105.14 | 105.14 |
| B | Mining and quarrying | 0.09 | 92.71 | 92.76 | 92.85 | 93.69 | 93.43 | 93.63 | 93.84 |
| C | Manufacturing | 0.34 | 82.69 | 84.29 | 84.06 | 81.89 | 81.41 | 80.90 | 82.82 |
| D | Electricity, gas, steam and air conditioning supply | 0.27 | 103.71 | 107.42 | 107.42 | 107.42 | 103.71 | 103.71 | 103.71 |
| H | Transport | 0.21 | 115.15 | 115.29 | 115.52 | 112.72 | 118.25 | 118.40 | 118.97 |
| J | Information and communication | 0.05 | 87.76 | 87.76 | 87.76 | 87.76 | 87.76 | 87.76 | 87.76 |

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

| BSIC Code | BSIC description | Weights (%) | PPI Index Level (2022=100) | | | | | | |
|-----------|-----------------------------------|-------------|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | | Oct-24 | Nov-24 | Dec-24 | Sep-25 | Oct-25 | Nov-25 | Dec-25 |
| | All Industry | 1.00 | 96.27 | 97.85 | 97.81 | 96.53 | 96.56 | 96.40 | 97.28 |
| A | Forestry and Logging | 0.04 | 100.00 | 100.00 | 100.00 | 100.00 | 105.14 | 105.14 | 105.14 |
| 02 | Forestry and logging | 0.04 | 100.00 | 100.00 | 100.00 | 100.00 | 105.14 | 105.14 | 105.14 |
| 022 | logging | 0.04 | 100.00 | 100.00 | 100.00 | 100.00 | 105.14 | 105.14 | 105.14 |
| B | Mining and quarrying | 0.09 | 92.71 | 92.76 | 92.85 | 93.69 | 93.43 | 93.63 | 93.84 |
| 05 | mining of coal and lignite | 0.03 | 99.03 | 99.03 | 99.03 | 99.94 | 99.94 | 100.46 | 100.46 |
| 051 | mining of hard coal | 0.03 | 99.03 | 99.03 | 99.03 | 99.94 | 99.94 | 100.46 | 100.46 |
| 08 | other mining and quarrying | 0.06 | 90.00 | 90.07 | 90.19 | 91.00 | 90.64 | 90.72 | 91.00 |
| 081 | quarrying of sand, stone and clay | 0.06 | 90.00 | 90.07 | 90.19 | 91.00 | 90.64 | 90.72 | 91.00 |

| C | Manufacturing | 0.34 | 82.69 | 84.29 | 84.06 | 81.89 | 81.41 | 80.90 | 82.82 |
|----------|---|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 10 | Manufacturing of food products | 0.02 | 103.28 | 103.28 | 103.28 | 103.77 | 104.26 | 104.26 | 104.26 |
| 103 | Processing and preserving of fruits and vegetables | 0.01 | 108.74 | 108.74 | 108.74 | 109.66 | 110.57 | 110.57 | 110.57 |
| 104 | Manufacture of vegetables and animal oils and fats | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 108 | Prepared animal feeds | 0.01 | 94.77 | 94.77 | 94.77 | 94.77 | 94.77 | 94.77 | 94.77 |
| 11 | Manufacture of beverages | 0.04 | 100.12 | 100.12 | 100.12 | 99.75 | 99.75 | 99.75 | 99.75 |
| 110 | Manufacture of beverages | 0.04 | 100.12 | 100.12 | 100.12 | 99.75 | 99.75 | 99.75 | 99.75 |
| 16 | Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials | 0.01 | 95.98 | 95.98 | 95.98 | 95.98 | 97.49 | 97.49 | 97.49 |
| 161 | Sawmilling and planing of wood | 0.00 | 100.00 | 100.00 | 100.00 | 100.00 | 105.14 | 105.14 | 105.14 |
| 162 | Manufacture of products of wood, cork, straw and plaiting materials | 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 | 61.82 | 63.45 | 65.05 | 69.40 | 61.93 | 62.62 | 63.09 |
| 201 | Manufacture of basic chemicals, fertilizers and nitrogen compounds, plastics and sythetic rubber in primary forms | 0.03 | 61.82 | 63.45 | 65.05 | 69.40 | 61.93 | 62.62 | 63.09 |
| 22 | Manufacture of rubber and plastic products | 0.02 | 96.81 | 96.73 | 95.49 | 94.65 | 94.62 | 93.81 | 93.89 |
| 222 | manufacture of plastic products | 0.02 | 96.81 | 96.73 | 95.49 | 94.65 | 94.62 | 93.81 | 93.89 |
| 23 | Manufacture of other non-metallic mineral products | 0.07 | 106.99 | 106.99 | 108.32 | 106.36 | 107.43 | 107.43 | 107.43 |
| 239 | Manufacture of non-metallic mineral products n.e.c | 0.07 | 106.99 | 106.99 | 108.32 | 106.36 | 107.43 | 107.43 | 107.43 |
| 24 | Manufacture of basic metals | 0.14 | 66.80 | 69.68 | 68.63 | 64.23 | 64.35 | 63.33 | 66.97 |
| 241 | manufacture of basic iron and steel | 0.14 | 66.80 | 69.68 | 68.63 | 64.23 | 64.35 | 63.33 | 66.97 |
| 31 | Manufacture of furniture | 0.01 | 102.67 | 102.67 | 102.67 | 102.67 | 102.67 | 102.68 | 102.67 |
| 310 | Manufacture of furniture | 0.01 | 102.67 | 102.67 | 102.67 | 102.67 | 102.67 | 102.68 | 102.67 |
| D | Electricity, gas, steam and air conditioning supply | 0.27 | 103.71 | 107.42 | 107.42 | 107.42 | 103.71 | 103.71 | 103.71 |

| | | | | | | | | | |
|----------|--|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 35 | Electricity, gas, steam and air conditioning supply | 0.27 | 103.71 | 107.42 | 107.42 | 107.42 | 103.71 | 103.71 | 103.71 |
| 351 | Electric power generation, transmission and distribution | 0.27 | 103.71 | 107.42 | 107.42 | 107.42 | 103.71 | 103.71 | 103.71 |
| H | Transport and Storage | 0.21 | 115.15 | 115.29 | 115.52 | 112.72 | 118.25 | 118.40 | 118.97 |
| 49 | land transport and transport via pipeline | 0.10 | 121.51 | 121.51 | 121.51 | 111.98 | 124.24 | 124.24 | 124.24 |
| 492 | Other land transport | 0.10 | 121.51 | 121.51 | 121.51 | 111.98 | 124.24 | 124.24 | 124.24 |
| 51 | Air transport | 0.11 | 109.48 | 109.74 | 110.14 | 112.86 | 112.91 | 113.19 | 114.22 |
| 511 | Passenger air transport | 0.11 | 109.48 | 109.74 | 110.14 | 112.86 | 112.91 | 113.19 | 114.22 |
| 53 | Postal and Courier activities | 0.00 | 130.71 | 130.78 | 130.90 | 131.67 | 131.69 | 131.77 | 132.06 |
| 531 | Postal activities | 0.00 | 134.07 | 134.07 | 134.07 | 134.07 | 134.07 | 134.07 | 134.07 |
| 532 | Courier activities | 0.01 | 112.86 | 113.29 | 113.98 | 118.64 | 118.73 | 119.22 | 121.01 |
| J | Information and communication | 0.05 | 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 (%) | Monthly Inflation (%) | | | Annual Inflation (%) | | |
|-----------|-----------------------------------|-------------|-----------------------|--------------|-------------|----------------------|--------------|--------------|
| | | | Oct-25 | Nov-25 | Dec-25 | Oct-25 | Nov-25 | Dec-25 |
| | All Industry | 1.00 | 0.03 | -0.16 | 0.91 | 0.30 | -1.48 | -0.54 |
| A | Forestry and Logging | 0.04 | 5.14 | 0.00 | 0.00 | 5.14 | 5.14 | 5.14 |
| 02 | Forestry and logging | 0.04 | 5.14 | 0.00 | 0.00 | 5.14 | 5.14 | 5.14 |
| 022 | logging | 0.04 | 5.14 | 0.00 | 0.00 | 5.14 | 5.14 | 5.14 |
| B | Mining and quarrying | 0.09 | -0.27 | 0.22 | 0.21 | 0.78 | 0.94 | 1.06 |
| 05 | mining of coal and lignite | 0.03 | 0.00 | 0.51 | 0.00 | 0.92 | 1.44 | 1.44 |
| 051 | mining of hard coal | 0.03 | 0.00 | 0.51 | 0.00 | 0.92 | 1.44 | 1.44 |
| 08 | other mining and quarrying | 0.06 | -0.40 | 0.09 | 0.31 | 0.71 | 0.72 | 0.90 |
| 081 | quarrying of sand, stone and clay | 0.06 | -0.40 | 0.09 | 0.31 | 0.71 | 0.72 | 0.90 |
| C | Manufacturing | 0.34 | -0.58 | -0.62 | 2.37 | -1.54 | -4.02 | -1.48 |
| 10 | Manufacturing of food products | 0.02 | 0.47 | 0.00 | 0.00 | 0.95 | 0.95 | 0.95 |

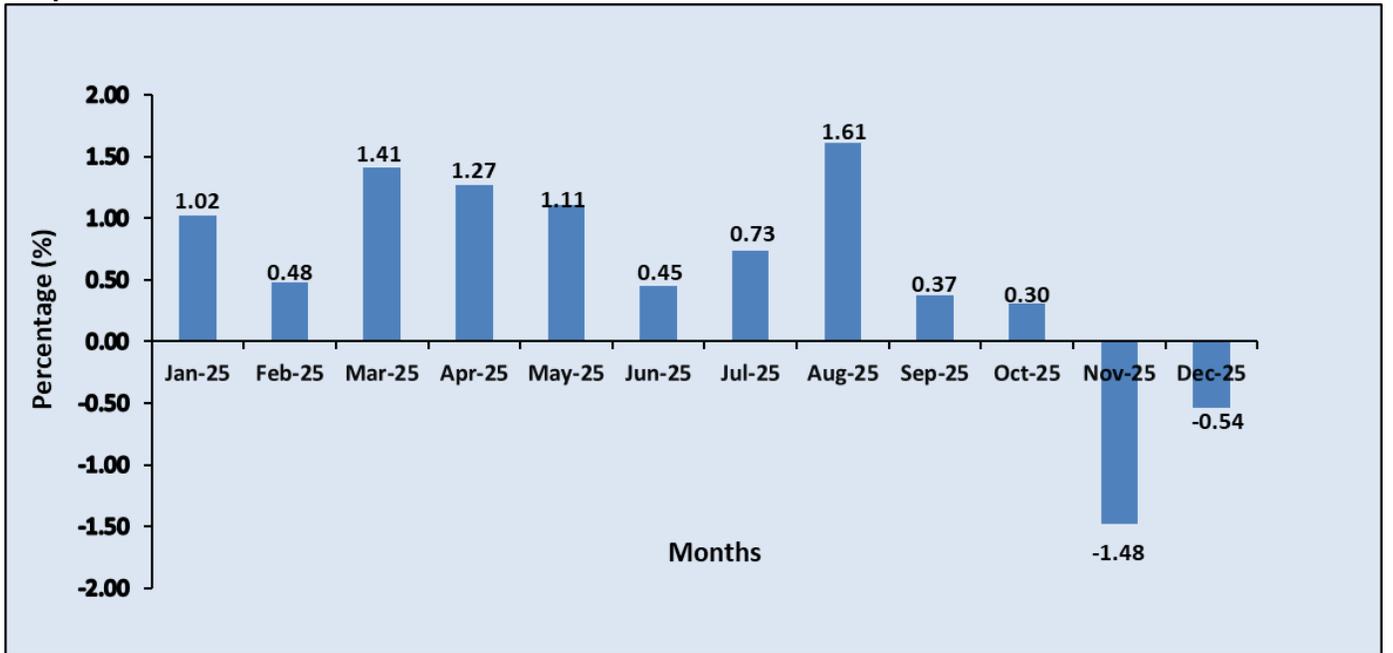
| | | | | | | | | |
|----------|---|-------------|--------------|-------------|-------------|-------------|--------------|--------------|
| 103 | Processing and preserving of fruits and vegetables | 0.01 | 0.83 | 0.00 | 0.00 | 1.69 | 1.68 | 1.68 |
| 104 | Manufacture of vegetables and animal oils and fats | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 108 | Prepared animal feeds | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 11 | Manufacture of beverages | 0.04 | 0.00 | 0.00 | 0.00 | -0.37 | -0.37 | -0.37 |
| 110 | Manufacture of beverages | 0.04 | 0.00 | 0.00 | 0.00 | -0.37 | -0.37 | -0.37 |
| 16 | Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials | 0.01 | 1.57 | 0.00 | 0.00 | 1.57 | 1.57 | 1.57 |
| 161 | Sawmilling and planing of wood | 0.00 | 5.14 | 0.00 | 0.00 | 5.14 | 5.14 | 5.14 |
| 162 | Manufacture of products of wood, cork, straw and plaiting materials | 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 | -10.77 | 1.12 | 0.74 | 0.17 | -1.30 | -3.02 |
| 201 | Manufacture of basic chemicals, fertilizers and nitrogen compounds, plastics and sythetic rubber in primary forms | 0.03 | -10.77 | 1.12 | 0.74 | 0.17 | -1.30 | -3.02 |
| 22 | Manufacture of rubber and plastic products | 0.02 | -0.03 | -0.85 | 0.08 | -2.26 | -3.01 | -1.67 |
| 222 | manufacture of plastic products | 0.02 | -0.03 | -0.85 | 0.08 | -2.26 | -3.01 | -1.67 |
| 23 | Manufacture of other non-metallic mineral products | 0.07 | 1.00 | 0.00 | 0.00 | 0.41 | 0.41 | -0.82 |
| 239 | Manufacture of non-metallic mineral products n.e.c | 0.07 | 1.00 | 0.00 | 0.00 | 0.41 | 0.41 | -0.82 |
| 24 | Manufacture of basic metals | 0.14 | 0.20 | -1.59 | 5.74 | -3.66 | -9.11 | -2.42 |
| 241 | manufacture of basic iron and steel | 0.14 | 0.20 | -1.59 | 5.74 | -3.66 | -9.11 | -2.42 |
| 31 | Manufacture of furniture | 0.01 | 0.00 | 0.01 | -0.01 | 0.00 | 0.01 | 0.00 |
| 310 | Manufacture of furniture | 0.01 | 0.00 | 0.01 | -0.01 | 0.00 | 0.01 | 0.00 |
| D | Electricity, gas,stream and air conditioning supply | 0.27 | -3.46 | 0.00 | 0.00 | 0.00 | -3.46 | -3.46 |

| | | | | | | | | |
|----------|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 35 | Electricity, gas, steam and air conditioning supply | 0.27 | -3.46 | 0.00 | 0.00 | 0.00 | -3.46 | -3.46 |
| 351 | Electric power generation, transmission and distribution | 0.27 | -3.46 | 0.00 | 0.00 | 0.00 | -3.46 | -3.46 |
| H | Transport and Storage | 0.21 | 4.91 | 0.13 | 0.48 | 2.69 | 2.70 | 2.99 |
| 49 | land transport and transport via pipeline | 0.10 | 10.94 | 0.00 | 0.00 | 2.24 | 2.24 | 2.24 |
| 492 | Other land transport | 0.10 | 10.94 | 0.00 | 0.00 | 2.24 | 2.24 | 2.24 |
| 51 | Air transport | 0.11 | 0.05 | 0.25 | 0.91 | 3.13 | 3.15 | 3.71 |
| 511 | Passenger air transport | 0.11 | 0.05 | 0.25 | 0.91 | 3.13 | 3.15 | 3.71 |
| 53 | Postal and Courier activities | 0.00 | 0.01 | 0.06 | 0.22 | 0.75 | 0.75 | 0.89 |
| 531 | Postal activities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 532 | Courier activities | 0.01 | 0.08 | 0.41 | 1.50 | 5.20 | 5.23 | 6.17 |
| 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 |

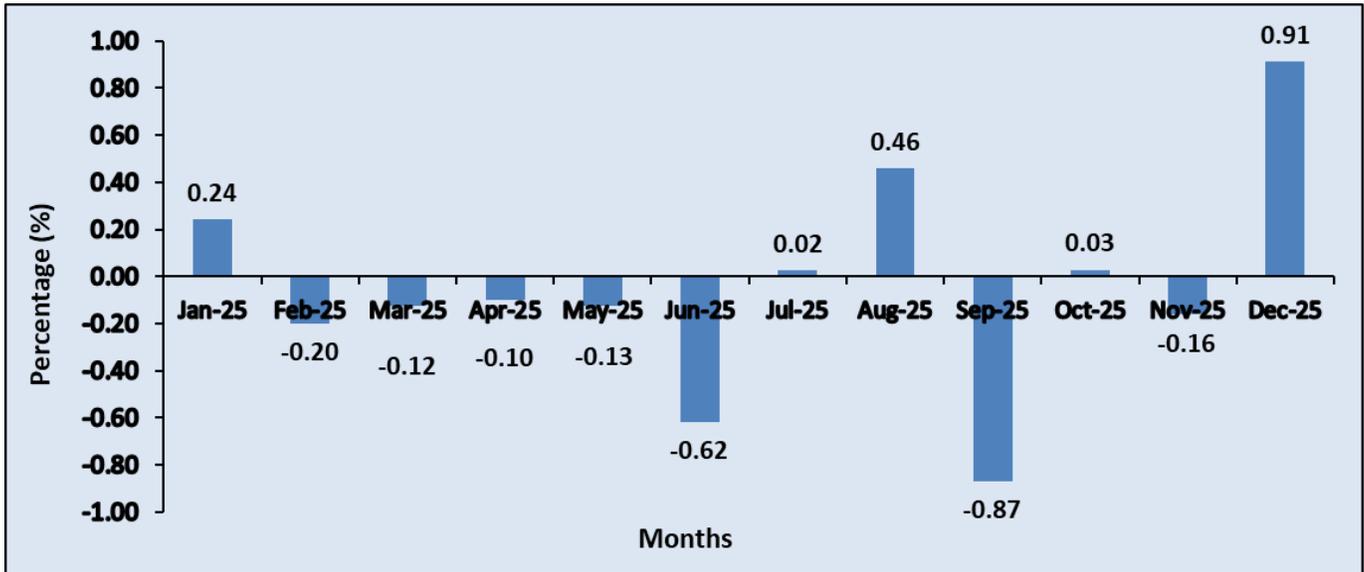
Graph 1: Month-on-Month Producer Price Index (PPI)



Graph 2: Year-on-Year Inflation rate



Graph 3: 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-** 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-** is the period when the index is set to 100. In the new PPI, the index reference period is January 2022.
- iii. **Price Reference-** 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

$$P_{gyo} = \prod_{i=1}^n \left(\frac{P_i^t}{P_i^0} \right)^{w_i^b} \quad 10$$

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).