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ཐིམ་ཕུ།

ROYAL GOVERNMENT OF BHUTAN
NATIONAL STATISTICS BUREAU
THIMPHU

Producer Price Index (PPI)

Second Quarter-2016

National Accounts & Price Division
National Statistics Bureau

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Foreword

The National Statistics Bureau (NSB) is pleased to release the **Producer Price Index** (PPI) Bulletin for the second quarter (April-June), 2016. This is the 14th series of PPI bulletin published by the Bureau.

The PPI is a measure of average price change of goods and services over time. It measures price change from producer's perspective unlike the Consumer Price Index (CPI) which measures the price change from the purchaser's perspective.

Bhutan's PPI covers logging, mining and quarrying, manufacturing, utilities (electricity and water), transport and communication sectors. It covers domestically produced goods and services.

The NSB would like to express it's sincere gratitude to all government agencies, private companies and corporations for providing the data for the publication of this bulletin. We look forward to your continued support and co-operation in future as well.

24th August, 2016

National Statistics Bureau

Thimphu: Bhutan

Highlights

Year-on-Year inflation

The year-on-year (YoY) inflation rate (as measured by PPI) for April, May and June as compared to the same months of the previous year is recorded at 4.07%, 3.77% and 3.60% respectively. On average this is an increase of **3.81%** from the second quarter of the previous year (i.e. 2015).

The logging sector which had the highest increase has contributed significantly to the overall increase with an average monthly increase of 17.04%. While Mining and Quarrying sector recorded an increase by 6.08%, 5.74% and 5.05% in April, May and June respectively, the Manufacturing sector increased in all three months by 6.10% on an average. The Electricity and Gas increased by 1.74% on an average. Transport sector decreased by 2.05% on an average. There was no change recorded in Water Supply and Information and Communication sector.

Month-to-month inflation

The month-to-month inflation recorded an increase of 0.75% in April and decreased in two consecutive months May and June by 0.49% and 0.24% respectively.

The index for Mining and Quarrying decreased by 0.12% on an average. Manufacturing sector recorded 1.61% increase in April, while it decreased in May and June by 1.06% and 0.47% respectively. Transport sector increased by 0.04% on an average. Prices remained same for Logging, electricity, water supply and Information & communication sector for all the three months.

The drop in index for the month of May and June by 0.49% and 0.24% respectively was due to corresponding decrease in the manufacturing sector and mining and quarrying sector.

Table 1: Annual and monthly PPI and inflation by industry

ISIC Code	Sectors	Weights (%)	Index Level (September 2011=100)							Monthly Inflation (%)			Annual Inflation (%)		
			Apr-15	May-15	Jun-15	Mar-16	Apr-16	May-16	Jun-16	Apr-16	May-16	Jun-16	Apr-16	May-16	Jun-16
	All Industry	100.00	109.80	109.57	109.49	112.72	113.57	113.01	112.74	**0.75**	**-0.49**	**-0.24**	**3.44**	**3.14**	**2.97**
A	Logging	0.72	112.38	112.38	112.38	131.53	131.53	131.53	131.53	0.00	0.00	0.00	17.04	17.04	17.04
B	Mining and quarrying	5.81	116.95	117.33	117.61	123.98	124.07	124.07	123.54	0.07	0.00	-0.42	6.08	5.74	5.05
C	Manufacturing	47.66	107.36	106.80	106.60	112.62	114.43	113.22	112.69	1.61	-1.06	-0.47	6.58	6.01	5.71
D	Electricity, gas, steam and air conditioning supply	35.35	113.03	113.03	113.03	113.03	113.03	113.03	113.03	0.00	0.00	0.00	0.00	0.00	0.00
E	Water supply; sewerage, waste management and remediation activities	0.08	109.39	109.39	109.39	109.39	109.39	109.39	109.39	0.00	0.00	0.00	0.00	0.00	0.00
H	Transport	5.91	120.81	121.37	121.40	118.77	118.50	118.71	118.90	-0.23	0.17	0.17	-1.91	-2.20	-2.05
I	Information and communication	4.47	89.76	89.76	89.76	89.76	89.76	89.76	89.76	0.00	0.00	0.00	0.00	0.00	0.00

Table 2: Annual and monthly PPI and inflation by Product

CPC Code	Description	Share (%)	Index Level (September 2011=100)							Monthly Inflation (%)			Annual Inflation (%)		
			Apr-16	May-16	Jun-16	Mar-16	Apr-16	May-16	Jun-16	Apr-16	May-16	Jun-16	Apr-16	May-16	Jun-16
	All Product	100.00	109.80	109.57	109.49	112.77	113.57	113.01	112.74	0.71	-0.49	-0.24	3.44	3.14	2.97
Section 0	Logging	0.72	112.38	112.38	112.38	131.53	131.53	131.53	131.53	0.00	0.00	0.00	17.04	17.04	17.04
Section 1	Ores and Minerals; Electricity, gas and water	5.81	116.95	117.33	117.61	124.92	124.07	124.07	123.54	-0.68	0.00	-0.42	6.08	5.74	5.05
Section 2	Food products, beverages and tobacco; textiles, apparel and leather products	3.56	110.46	110.38	110.38	110.20	110.74	110.75	110.83	0.50	0.01	0.08	0.25	0.34	0.41
Section 3	Other transportable goods, except metal products, machinery and equipment	15.36	116.30	116.30	116.06	121.95	121.61	121.71	121.14	-0.28	0.08	-0.47	4.57	4.66	4.38
Section 4	Metal products, machinery and equipment	28.75	102.51	101.63	101.43	108.22	111.21	109.23	108.65	2.77	-1.79	-0.53	8.50	7.47	7.12
Section 6	Distributive trade services; accommodation, food and beverage serving services; transport services; and electricity, gas and water distribution services	41.34	114.10	114.18	114.18	113.82	113.79	113.82	113.84	-0.03	0.02	0.02	-0.28	-0.32	-0.30
Section 8	Business and production services	4.47	89.76	89.76	89.76	89.76	89.76	89.76	89.76	0.00	0.00	0.00	0.00	0.00	0.00

Table 3: Annual and monthly PPI and inflation at sub-group level by industry classification

ISIC Code	ISIC description	Weights (%)	Index Level (September 2011=100)							Monthly Inflation (%)			Annual Inflation (%)		
			Apr-16	May-16	Jun-16	Mar-16	Apr-16	May-16	Jun-16	Apr-16	May-16	Jun-16	Apr-16	May-16	Jun-16
	All Industry	**100.00**	**109.80**	**109.57**	**109.49**	**112.72**	**113.57**	**113.01**	**112.74**	**0.75**	**-0.49**	**-0.24**	**3.44**	**3.14**	**2.97**
A	Agriculture, Forestry and Logging	0.72	**112.38**	**112.38**	**112.38**	**131.53**	**131.53**	**131.53**	**131.53**	0.00	0.00	0.00	17.04	17.04	17.04
02	Forestry and logging	0.72	**112.38**	**112.38**	**112.38**	**131.53**	**131.53**	**131.53**	**131.53**	0.00	0.00	0.00	17.04	17.04	17.04
022	logging	0.72	**112.38**	**112.38**	**112.38**	**131.53**	**131.53**	**131.53**	**131.53**	0.00	0.00	0.00	17.04	17.04	17.04
B	Mining and quarrying	5.81	**116.95**	**117.33**	**117.61**	**123.98**	**124.07**	**124.07**	**123.54**	0.07	0.00	-0.42	6.08	5.74	5.05
05	mining of coal and lignite	0.89	**140.90**	**140.90**	**140.90**	**152.31**	**152.31**	**152.31**	**152.31**	0.00	0.00	0.00	8.10	8.10	8.10
051	mining of hard coal	0.89	**140.90**	**140.90**	**140.90**	**152.31**	**152.31**	**152.31**	**152.31**	0.00	0.00	0.00	8.10	8.10	8.10
08	other mining and quarrying	4.91	**113.07**	**113.50**	**113.82**	**119.44**	**119.54**	**119.54**	**118.94**	0.08	0.00	-0.50	5.72	5.32	4.50
081	quarrying of sand, stone and clay	4.82	**112.97**	**113.41**	**113.74**	**119.47**	**119.57**	**119.57**	**118.96**	0.08	0.00	-0.51	5.84	5.43	4.59
089	Mining and Quarrying n.e.c.	0.10	**118.03**	**118.03**	**118.03**	**118.03**	**118.03**	**118.03**	**118.03**	0.00	0.00	0.00	0.00	0.00	0.00
C	Manufacturing	47.66	**107.36**	**106.80**	**106.60**	**112.62**	**114.43**	**113.22**	**112.69**	1.61	-1.06	-0.47	6.58	6.01	5.71
10	manufacturing of food products	1.55	**111.83**	**111.63**	**111.63**	**111.02**	**111.72**	**111.74**	**111.94**	0.63	0.02	0.18	-0.10	0.09	0.27
103	processing and preserving of fruits and vegetables	0.57	**124.56**	**124.56**	**124.56**	**125.40**	**128.46**	**128.46**	**128.46**	2.44	0.00	0.00	3.13	3.13	3.13
104	manufacture of vegetables and animal oils and fats	0.89	**102.52**	**102.52**	**102.52**	**100.64**	**100.38**	**100.38**	**100.64**	-0.26	0.00	0.26	-2.09	-2.09	-1.83
106	Manufacturing of grain mill products, starches and starch products	0.02	**153.05**	**137.19**	**137.19**	**161.67**	**150.90**	**152.47**	**155.10**	-6.66	1.04	1.73	-1.41	11.14	13.06

107	manufacture of other food products	0.06	**127.16**	**127.16**	**127.16**	**127.16**	**127.16**	**127.16**	**127.16**	0.00	0.00	0.00	0.00	0.00	0.00
11	Manufacture of beverages	2.01	**109.42**	**109.42**	**109.42**	**109.57**	**109.99**	**109.99**	**109.99**	0.39	0.00	0.00	0.53	0.53	0.53
110	manufacture of beverages	2.01	**109.42**	**109.42**	**109.42**	**109.57**	**109.99**	**109.99**	**109.99**	0.39	0.00	0.00	0.53	0.53	0.53
16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1.16	**127.37**	**127.37**	**127.37**	**270.83**	**270.83**	**270.83**	**270.83**	0.00	0.00	0.00	112.64	112.64	112.64
161	sawmilling and planning of wood	0.21	**112.53**	**112.53**	**112.53**	**118.31**	**118.31**	**118.31**	**118.31**	0.00	0.00	0.00	5.14	5.14	5.14
162	Manufacture of products of wood, cork, straw and plaiting materials	0.95	**130.85**	**130.85**	**130.85**	**324.35**	**324.35**	**324.35**	**324.35**	0.00	0.00	0.00	147.88	147.88	147.88
17	Manufacture of paper and paper products	0.07	**119.64**	**119.64**	**123.04**	**128.76**	**128.76**	**128.76**	**128.76**	0.00	0.00	0.00	7.62	7.62	4.65
170	manufacture of paper and paper products	0.07	**119.64**	**119.64**	**123.04**	**128.76**	**128.76**	**128.76**	**128.76**	0.00	0.00	0.00	7.62	7.62	4.65
18	Printing and reproduction of recorded media	0.35	**172.62**	**172.62**	**176.95**	**183.89**	**183.89**	**184.43**	**187.25**	0.00	0.30	1.53	6.53	6.84	5.82
181	Printing and services related to printing	0.35	**172.62**	**172.62**	**176.95**	**183.89**	**183.89**	**184.43**	**187.25**	0.00	0.30	1.53	6.53	6.84	5.82
20	Manufacture of chemical and chemical products	5.52	**108.79**	**108.79**	**108.79**	**108.79**	**108.34**	**108.34**	**108.34**	-0.42	0.00	0.00	-0.42	-0.42	-0.42
201	Manufacture of basic chemicals, fertilizers and nitrogen compounds, plastics and sythetic rubber in primary forms	5.34	**108.06**	**108.06**	**108.06**	**108.06**	**107.59**	**107.59**	**107.59**	-0.43	0.00	0.00	-0.43	-0.43	-0.43
202	manufacture of other chemical products	0.19	**132.02**	**132.02**	**132.02**	**132.02**	**132.02**	**132.02**	**132.02**	0.00	0.00	0.00	0.00	0.00	0.00
22	Manufacture of rubber and plastic products	1.13	**130.53**	**130.53**	**130.53**	**131.22**	**131.22**	**127.49**	**127.12**	0.00	-2.84	-0.29	0.52	-2.33	-2.61
222	manufacture of plastic products	1.13	**130.53**	**130.53**	**130.53**	**131.22**	**131.22**	**127.49**	**127.12**	0.00	-2.84	-0.29	0.52	-2.33	-2.61
23	Manufacture of other non-metallic mineral products	6.55	**116.17**	**116.17**	**115.43**	**113.01**	**112.58**	**113.35**	**112.07**	-0.38	0.68	-1.13	-3.08	-2.42	-2.91
239	manufacture of non-metallic mineral products n.e.c	6.55	**116.17**	**116.17**	**115.43**	**113.01**	**112.58**	**113.35**	**112.07**	-0.38	0.68	-1.13	-3.08	-2.42	-2.91
24	Manufacture of basic metals	22.11	**99.03**	**97.93**	**97.68**	**86.29**	**89.41**	**87.33**	**86.73**	3.61	-2.32	-0.69	-9.72	-10.82	-11.21

241	manufacture of basic iron and steel	22.11	**99.03**	**97.93**	**97.68**	**86.29**	**89.41**	**87.33**	**86.73**	3.61	-2.32	-0.69	-9.72	-10.82	-11.21
27	Manufacture of electrical equipment	6.64	**114.97**	**114.97**	**114.97**	**229.94**	**229.94**	**229.94**	**229.94**	0.00	0.00	0.00	100.00	100.00	100.00
273	manufacture of wiring and wiring devices	6.64	**114.97**	**114.97**	**114.97**	**229.94**	**229.94**	**229.94**	**229.94**	0.00	0.00	0.00	100.00	100.00	100.00
31	Manufacture of furniture	0.58	**116.29**	**116.29**	**116.29**	**116.77**	**117.85**	**117.85**	**117.85**	0.92	0.00	0.00	1.34	1.34	1.34
310	Manufacture of furniture	0.58	**116.29**	**116.29**	**116.29**	**116.77**	**117.85**	**117.85**	**117.85**	0.92	0.00	0.00	1.34	1.34	1.34
D	Electricity, gas, steam and air conditioning supply	35.35	**113.03**	**113.03**	**113.03**	**113.03**	**113.03**	**113.03**	**113.03**	0.00	0.00	0.00	0.00	0.00	0.00
35	Electricity, gas, steam and air conditioning supply	35.35	**113.03**	**113.03**	**113.03**	**113.03**	**113.03**	**113.03**	**113.03**	0.00	0.00	0.00	0.00	0.00	0.00
351	Electric power generation, transmission and distribution	35.35	**113.03**	**113.03**	**113.03**	**113.03**	**113.03**	**113.03**	**113.03**	0.00	0.00	0.00	0.00	0.00	0.00
E	Water supply; sewerage, waste management and remediation activities	0.08	**109.39**	**109.39**	**109.39**	**109.39**	**109.39**	**109.39**	**109.39**	0.00	0.00	0.00	0.00	0.00	0.00
36	water collection, treatment and supply	0.08	**109.39**	**109.39**	**109.39**	**109.39**	**109.39**	**109.39**	**109.39**	0.00	0.00	0.00	0.00	0.00	0.00
360	water collection, treatment and supply	0.08	**109.39**	**109.39**	**109.39**	**109.39**	**109.39**	**109.39**	**109.39**	0.00	0.00	0.00	0.00	0.00	0.00
H	Transport and Storage	5.91	**120.81**	**121.37**	**121.40**	**118.77**	**118.50**	**118.71**	**118.90**	-0.23	0.17	0.17	-1.91	-2.20	-2.05
49	land transport and tranport via pipeline	2.45	**111.24**	**111.24**	**111.24**	**131.06**	**131.06**	**131.06**	**131.06**	0.00	0.00	0.00	17.82	17.82	17.82
492	Other land transport	2.45	**111.24**	**111.24**	**111.24**	**131.06**	**131.06**	**131.06**	**131.06**	0.00	0.00	0.00	17.82	17.82	17.82
51	Air transport	3.25	**126.93**	**128.00**	**128.05**	**108.59**	**108.14**	**108.49**	**108.81**	-0.41	0.32	0.30	-14.80	-15.24	-15.02
511	Passenger air transport	3.25	**126.93**	**128.00**	**128.05**	**108.59**	**108.14**	**108.49**	**108.81**	-0.41	0.32	0.30	-14.80	-15.24	-15.02
53	Postal and Courier activities	0.21	**152.92**	**153.05**	**153.06**	**153.45**	**153.38**	**153.43**	**153.48**	-0.04	0.03	0.03	0.31	0.25	0.28
531	Postal activities	0.20	**150.55**	**150.55**	**150.55**	**150.55**	**150.55**	**150.55**	**150.55**	0.00	0.00	0.00	0.00	0.00	0.00
532	Courier activities	0.01	**188.34**	**190.76**	**190.88**	**198.03**	**196.79**	**197.74**	**198.63**	-0.63	0.48	0.46	4.48	3.66	4.06
J	Information and communication	4.47	**89.76**	**89.76**	**89.76**	**89.76**	**89.76**	**89.76**	**89.76**	0.00	0.00	0.00	0.00	0.00	0.00

58	Publishing activities	0.33	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	0.00	0.00	0.00	0.00	0.00	0.00
581	Publishing of books, periodical and other publishing activities	0.33	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	0.00	0.00	0.00	0.00	0.00	0.00
60	Programming and broadcasting activities	0.08	**248.37**	**248.37**	**248.37**	**248.37**	**248.37**	**248.37**	**248.37**	0.00	0.00	0.00	0.00	0.00	0.00
601	Radio Broadcasting	0.02	**164.93**	**164.93**	**164.93**	**164.93**	**164.93**	**164.93**	**164.93**	0.00	0.00	0.00	0.00	0.00	0.00
602	Television programming and braodcasting activities	0.06	**275.00**	**275.00**	**275.00**	**275.00**	**275.00**	**275.00**	**275.00**	0.00	0.00	0.00	0.00	0.00	0.00
61	Telecommunication	4.07	**87.23**	**87.23**	**87.23**	**87.23**	**87.23**	**87.23**	**87.23**	0.00	0.00	0.00	0.00	0.00	0.00
612	Wireless telecommunication activities	4.07	**87.23**	**87.23**	**87.23**	**87.23**	**87.23**	**87.23**	**87.23**	0.00	0.00	0.00	0.00	0.00	0.00

Table 4: Annual and monthly PPI and inflation at sub-sector level by product classification

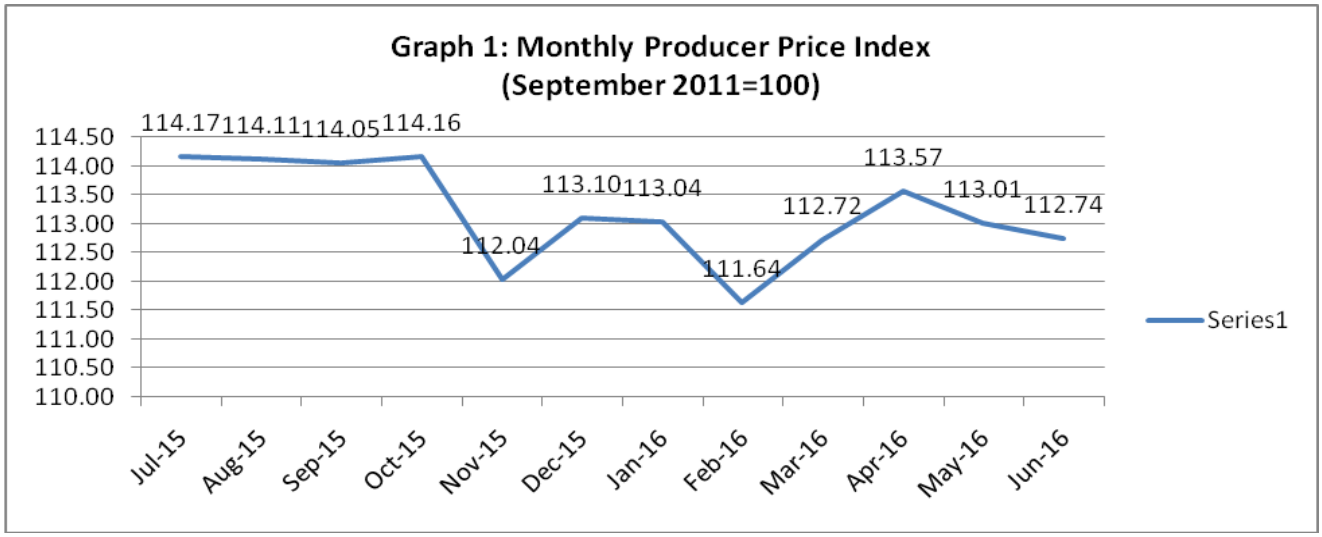
CPC Code	Description	Share (%)	Index Level (September 2011=100)							Monthly Inflation (%)			Annual Inflation (%)		
			Apr-15	May-15	Jun-15	Mar-16	Apr-16	May-16	Jun-16	Apr-16	May-16	Jun-16	Apr-16	May-16	Jun-16
	All Product	100.00	109.80	109.57	109.49	112.77	113.57	113.01	112.74	0.71	-0.49	-0.24	3.44	3.14	2.97
Section 0	Agriculture, Forestry and Fishery Products	0.72	112.38	112.38	112.38	131.53	131.53	131.53	131.53	0.00	0.00	0.00	17.04	17.04	17.04
Division 03	Forestry and Logging Products	0.72	112.38	112.38	112.38	131.53	131.53	131.53	131.53	0.00	0.00	0.00	17.04	17.04	17.04
031	Wood in Rough	0.72	112.38	112.38	112.38	131.53	131.53	131.53	131.53	0.00	0.00	0.00	17.04	17.04	17.04
Section 1	Ores and Minereals; Electricity, gas and water	5.81	116.95	117.33	117.61	124.92	124.07	124.07	123.54	-0.68	0.00	-0.42	6.08	5.74	5.05
Division 11	Coal and lignite; peat	0.89	140.90	140.90	140.90	152.31	152.31	152.31	152.31	0.00	0.00	0.00	8.10	8.10	8.10
110	Coal and lignite; peat	0.89	140.90	140.90	140.90	152.31	152.31	152.31	152.31	0.00	0.00	0.00	8.10	8.10	8.10
Division 15	Stone, sand and clay	2.47	118.70	119.61	120.28	127.36	125.31	125.31	124.07	-1.60	0.00	-0.99	5.57	4.77	3.15
151	Monumental or building stone	0.08	131.46	131.46	131.46	130.53	130.53	130.53	130.53	0.00	0.00	0.00	-0.71	-0.71	-0.71
152	Gypsum; anhydrite; limestone flux; limestone and other calcareous stone, of a kind used for the manufacture of lime or cement	1.71	118.17	119.47	120.45	130.70	127.68	127.68	125.85	-2.31	0.00	-1.43	8.05	6.86	4.49
153	Sands, pebbles, gravel, broken or crushed stone, natural bitumen and asphalt	0.68	118.66	118.66	118.66	119.04	119.04	119.04	119.04	0.00	0.00	0.00	0.32	0.32	0.32
Division 16	Other minerals	2.45	107.66	107.66	107.66	113.99	113.99	113.99	113.99	0.00	0.00	0.00	5.88	5.88	5.88
163	Precious and semi-precious stone; pumice stone; emery; natural abrasives; other minerals	2.45	107.66	107.66	107.66	113.99	113.99	113.99	113.99	0.00	0.00	0.00	5.88	5.88	5.88
Section 2	Food products, beverages and tobacco; textiles, apparel and leather products	3.56	110.46	110.38	110.38	110.20	110.74	110.75	110.83	0.50	0.01	0.08	0.25	0.34	0.41
Division 21	Meat, fish, fruit, vegetables, oils and fats	1.46	110.63	110.63	110.63	109.68	110.54	110.54	110.72	0.79	0.00	0.16	-0.08	-0.08	0.08

213	Prepared and preserved vegetables, pulses and potatoes	0.08	151.19	151.19	151.19	151.19	153.66	153.66	153.66	1.64	0.00	0.00	1.64	1.64	1.64
214	Prepared and preserved fruit and nuts	0.49	120.85	120.85	120.85	121.80	124.92	124.92	124.92	2.57	0.00	0.00	3.37	3.37	3.37
215	Animal and vegetable oils and fats	0.89	102.52	102.52	102.52	100.64	100.38	100.38	100.64	-0.26	0.00	0.26	-2.09	-2.09	-1.83
Division 23	Grain mill products, starches and starch products; other food products	0.09	133.95	129.90	129.90	136.02	133.42	133.80	134.45	-1.92	0.29	0.48	-0.40	3.01	3.51
231	Grain mill products	0.02	153.05	137.19	137.19	161.67	150.90	152.47	155.10	-6.66	1.04	1.73	-1.41	11.14	13.06
234	Bakery products	0.06	127.16	127.16	127.16	127.16	127.16	127.16	127.16	0.00	0.00	0.00	0.00	0.00	0.00
Division 24	Beverages	2.01	109.42	109.42	109.42	109.57	109.99	109.99	109.99	0.39	0.00	0.00	0.53	0.53	0.53
243	Malt liquors and malt	1.29	102.91	102.91	102.91	103.13	103.13	103.13	103.13	0.00	0.00	0.00	0.21	0.21	0.21
244	Soft drinks; bottled mineral waters	0.72	122.15	122.15	122.15	122.15	123.48	123.48	123.48	1.09	0.00	0.00	1.09	1.09	1.09
Section 3	Other transportable goods, except metal products, machinery and equipment	15.36	116.30	116.30	116.06	121.95	121.61	121.71	121.14	-0.28	0.08	-0.47	4.57	4.66	4.38
Division 31	Products of wood, cork, straw and plaiting materials	1.16	127.37	127.37	127.37	270.83	270.83	270.83	270.83	0.00	0.00	0.00	112.64	112.64	112.64
311	Wood, sawn or chipped lengthwise, sliced or peeled, of a thickness exceeding 6 mm; railway or tramway sleepers (cross-ties) of wood, not impregnated	0.21	112.53	112.53	112.53	118.31	118.31	118.31	118.31	0.00	0.00	0.00	5.14	5.14	5.14
314	Boards and panels	0.91	131.84	131.84	131.84	341.56	341.56	341.56	341.56	0.00	0.00	0.00	159.07	159.07	159.07
316	Builders' joinery and carpentry of wood (including cellular wood panels, assembled parquet panels, shingles and shakes)	0.04	111.63	111.63	111.63	111.63	111.63	111.63	111.63	0.00	0.00	0.00	0.00	0.00	0.00
319	Other products of wood; articles of cork, plaiting materials and straw	0.00	118.78	118.78	118.78	137.57	137.57	137.57	137.57	0.00	0.00	0.00	15.81	15.81	15.81
Division 32	Pulp, paper and paper products; printed matter and related articles	0.42	162.01	162.01	166.17	172.89	172.89	173.31	175.50	0.00	0.25	1.26	6.71	6.98	5.62
321	Pulp, paper and paperboard	0.07	119.64	119.64	123.04	128.76	128.76	128.76	128.76	0.00	0.00	0.00	7.62	7.62	4.65
326	Stamps, cheque forms, banknotes, stock certificates, brochures and leaflets, advertising material and other printed matter	0.35	172.62	172.62	176.95	183.89	183.89	184.43	187.25	0.00	0.30	1.53	6.53	6.84	5.82
Division 34	Basic chemicals	5.34	108.06	108.06	108.06	108.06	107.59	107.59	107.59	-0.43	0.00	0.00	-0.43	-0.43	-0.43

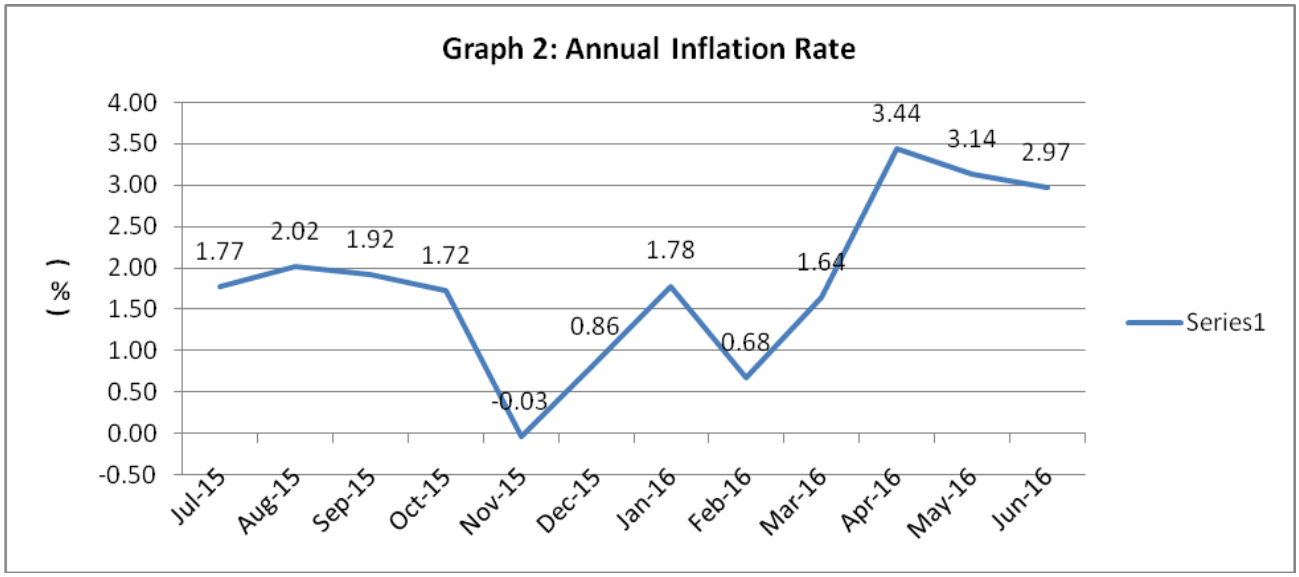
342	Basic inorganic chemicals n.e.c.	5.34	108.06	108.06	108.06	108.06	107.59	107.59	107.59	-0.43	0.00	0.00	-0.43	-0.43	-0.43
Division 35	Other chemical products; man-made fibres	0.25	128.66	128.66	128.66	128.66	128.66	128.66	128.66	0.00	0.00	0.00	0.00	0.00	0.00
353	Soap, cleaning preparations, perfumes and toilet preparations	0.19	132.02	132.02	132.02	132.02	132.02	132.02	132.02	0.00	0.00	0.00	0.00	0.00	0.00
355	Man-made fibres	0.07	119.64	119.64	119.64	119.64	119.64	119.64	119.64	0.00	0.00	0.00	0.00	0.00	0.00
Division 36	Rubber and plastics products	1.06	131.24	131.24	131.24	131.98	131.98	128.00	127.60	0.00	-3.01	-0.31	0.56	-2.47	-2.78
364	Packaging products of plastics	0.78	127.41	127.41	127.41	126.65	126.65	121.51	120.99	0.00	-4.06	-0.42	-0.59	-4.63	-5.03
363	Semi-manufactures of plastics	0.28	142.67	142.67	142.67	148.19	148.19	148.19	148.19	0.00	0.00	0.00	3.87	3.87	3.87
Division 37	Glass and glass products and other nonmetallic products n.e.c	6.55	116.17	116.17	115.43	113.01	112.58	113.35	112.07	-0.38	0.68	-1.13	-3.08	-2.42	-2.91
374	Plaster, lime and cement	6.22	116.41	116.41	115.63	113.08	112.63	113.44	112.09	-0.40	0.72	-1.19	-3.24	-2.55	-3.06
375	Articles of concrete, cement and plaster	0.09	120.47	120.47	120.47	120.47	120.47	120.47	120.47	0.00	0.00	0.00	0.00	0.00	0.00
376	Monumental or building stone and articles thereof	0.24	108.44	108.44	108.44	108.44	108.44	108.44	108.44	0.00	0.00	0.00	0.00	0.00	0.00
Division 38	Furniture; other transportable goods n.e.c.	0.58	116.29	116.29	116.29	116.77	117.85	117.85	117.85	0.92	0.00	0.00	1.34	1.34	1.34
381	Furniture	0.58	116.29	116.29	116.29	116.77	117.85	117.85	117.85	0.92	0.00	0.00	1.34	1.34	1.34
Section 4	Metal products, machinery and equipment	28.75	102.51	101.63	101.43	108.22	111.21	109.23	108.65	2.77	-1.79	-0.53	8.50	7.47	7.12
Division 41	Basic metals	22.11	99.03	97.93	97.68	86.29	89.41	87.33	86.73	3.61	-2.32	-0.69	-9.72	-10.82	-11.21
411	Basic iron and steel	16.80	96.24	95.39	96.32	86.78	91.20	88.61	88.84	5.09	-2.84	0.26	-5.24	-7.11	-7.77
412	Products of iron or steel	5.31	108.42	106.41	102.10	84.75	83.98	83.43	80.39	-0.91	-0.66	-3.64	-22.54	-21.60	-21.26
Division 46	Electrical machinery and apparatus	6.64	114.97	114.97	114.97	229.94	229.94	229.94	229.94	0.00	0.00	0.00	100.00	100.00	100.00
463	Insulated wire and cable; optical fibre cables	6.64	114.97	114.97	114.97	229.94	229.94	229.94	229.94	0.00	0.00	0.00	100.00	100.00	100.00
Section 6	Distributive trade services; accommodation, food and beverage serving services; transport services; and electricity, gas and water distribution services	41.34	114.10	114.18	114.18	113.82	113.79	113.82	113.84	-0.03	0.02	0.02	-0.28	-0.32	-0.30
Division 64	Passenger transport services	5.70	119.89	120.46	120.49	117.79	117.52	117.73	117.92	-0.23	0.18	0.17	-1.98	-2.27	-2.13

641	Local transport and sightseeing transportation services of passengers	2.18	110.77	110.77	110.77	132.67	132.67	132.67	132.67	0.00	0.00	0.00	19.77	19.77	19.77
642	Long-distance transport services of passengers	3.52	125.96	126.94	126.98	109.36	108.95	109.27	109.57	-0.38	0.29	0.28	-13.51	-13.92	-13.72
Division 68	Postal and courier services	0.21	152.92	153.05	153.06	153.45	153.38	153.43	153.48	-0.04	0.03	0.03	0.31	0.25	0.28
681	Postal and courier services	0.21	152.92	153.05	153.06	153.45	153.38	153.43	153.48	-0.04	0.03	0.03	0.31	0.25	0.28
Division 69	Electricity, gas and water distribution (on own account)	35.43	113.02	113.02	113.02	113.02	113.02	113.02	113.02	0.00	0.00	0.00	0.00	0.00	0.00
691	Electricity and gas distribution (on own account)	35.35	113.03	113.03	113.03	113.03	113.03	113.03	113.03	0.00	0.00	0.00	0.00	0.00	0.00
692	Water distribution (on own account)	0.08	109.39	109.39	109.39	109.39	109.39	109.39	109.39	0.00	0.00	0.00	0.00	0.00	0.00
Section 8	Business and production services	4.47	89.76	89.76	89.76	89.76	89.76	89.76	89.76	0.00	0.00	0.00	0.00	0.00	0.00
Division 83	Other professional, technical and business services	0.40	119.59	119.59	119.59	119.59	119.59	119.59	119.59	0.00	0.00	0.00	0.00	0.00	0.00
836	Advertising services and provision of advertising space or time	0.40	119.59	119.59	119.59	119.59	119.59	119.59	119.59	0.00	0.00	0.00	0.00	0.00	0.00
Division 84	Telecommunications, broadcasting and information supply services	4.07	87.23	87.23	87.23	87.23	87.23	87.23	87.23	0.00	0.00	0.00	0.00	0.00	0.00
841	Telephony and other telecommunications services	3.77	97.93	97.93	97.93	97.93	97.93	97.93	97.93	0.00	0.00	0.00	0.00	0.00	0.00
842	Internet telecommunications services	0.30	19.89	19.89	19.89	19.89	19.89	19.89	19.89	0.00	0.00	0.00	0.00	0.00	0.00

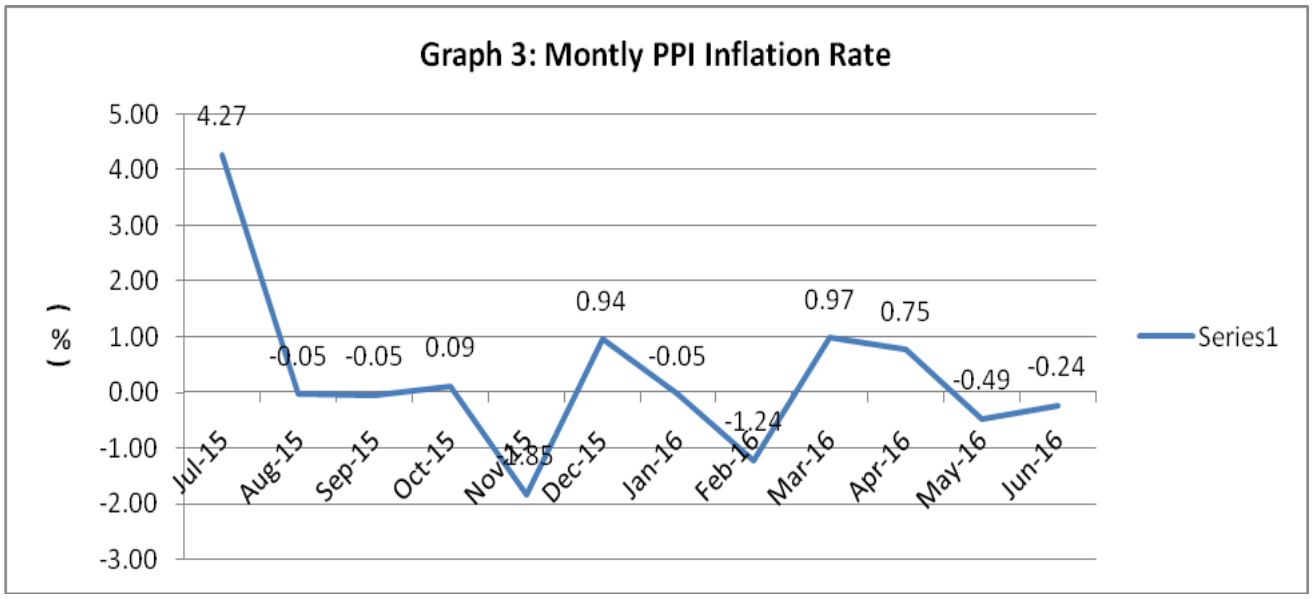
Graph 1: Time series of monthly Producer Price Index (PPI)



Graph 2: Year-on-year inflation rate



Graph 3: Month-to-month inflation rate



Technical Note

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 goods and services with reference to a particular reference period known as Index reference.

Scope and Coverage

The PPI covers domestic produced goods and services that are destined for domestic as well as export market. The sectors included are logging, mining and quarrying, manufacturing, utilities (electricity and water), transport and communication sector. PPI is classified and compiled by activity (ISIC 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 census 2010 by the Ministry of Labor and Human Resource and also the data collected on turnover of each establishment by the National Statistics Bureau.

Index Reference

The index reference for the calculation of the PPI is the September, 2011 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 Laspeyre'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 lead indicator of inflationary trends
3. Indexation of cost escalation in long term contract of goods and services
4. Business analysis
5. Current cost accounting

Calculating Index Changes

Movement of Price index from one month to another is usually expressed in term 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 point and percent changes.

Index point change

All industries Price Index	104.50
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 x 100
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 will be marked as “Provisional” and this will be finalized when the next quarter index is published.

Dissemination

PPI Bulletin will be compiled and published on a quarterly basis. It will be made available in hard copy as well as in electronic version through our website (www.nsb.gov.bt).