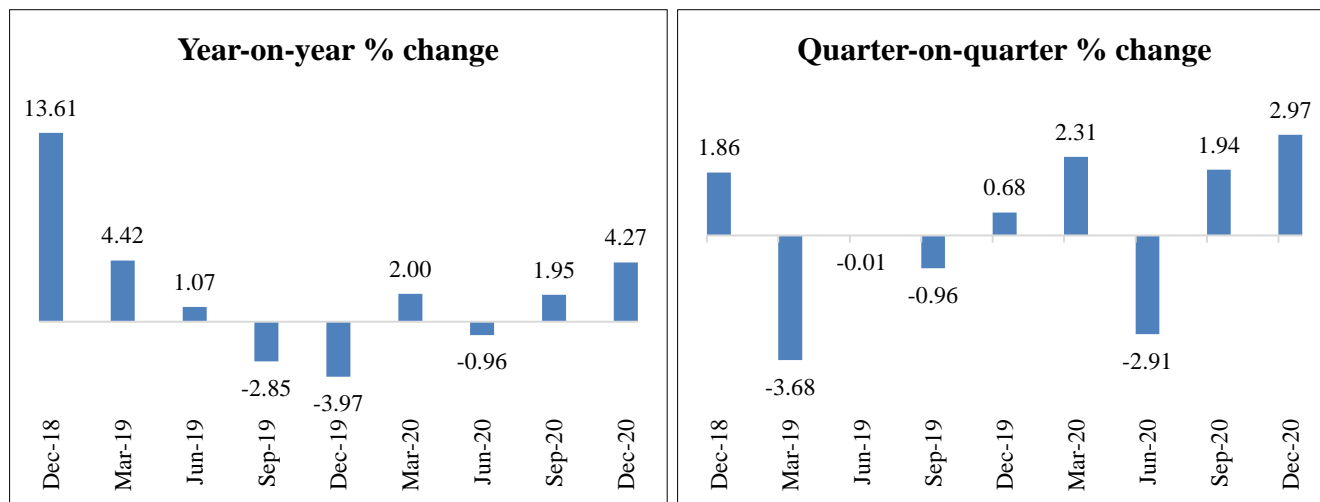




Export and Import Price Index – 2020

Release date: 8th November 2021

Import Price Index

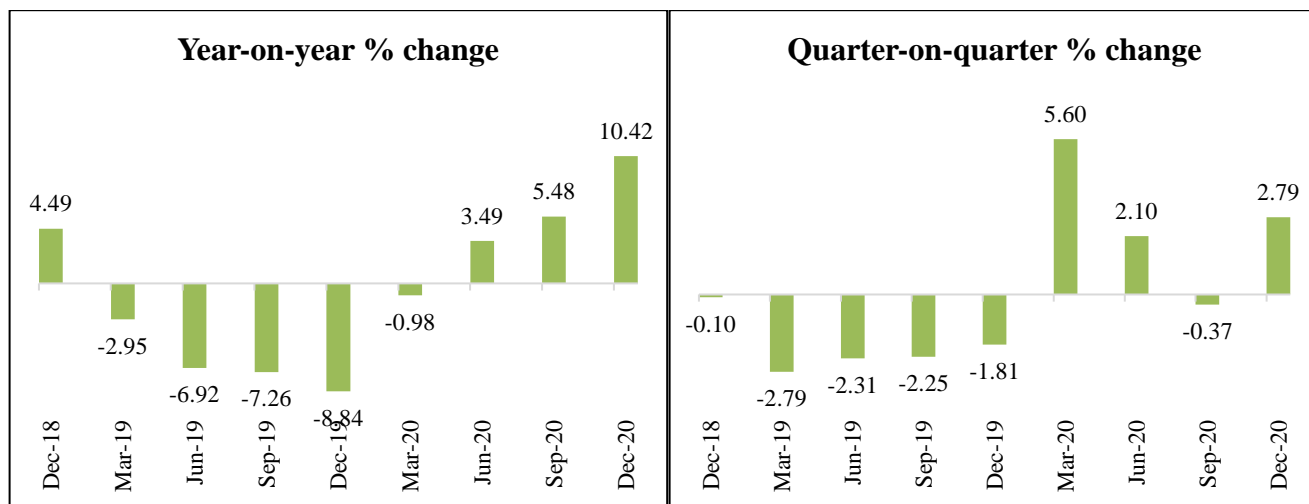


The year-on-year import prices (annual average) of goods rose by 1.85 percent in 2020 after recording a decrease of -0.30 percent in the previous year. Prices of wood, pulp and paper products recorded the highest increase with 13.23 percent while minerals products, cement and electricity dropped by -7.47 percent due to decrease in fuel prices. The year-on-years import price recorded an increase in the three quarters i.e., Q1, Q3 and Q4 while Q2 recorded a drop in price by 0.96 percent. The drop in second quarter was also associated with drop in price of fuel and metal & metal articles. The last quarter of 2020 recorded the highest increase among the four quarters with 4.27 percent mainly contributed by metal and metal articles.

The quarter-on-quarter (current quarter compared to previous quarter) import prices increased in all quarters except for second quarter where the prices dropped by -2.91 percent. Fourth quarter recorded the highest increase with 2.97 percent compared to 2.31 percent in first quarter and 1.94 percent increase in third quarter. Metals and metal articles were the main contributor for higher increase in fourth quarter with 12.85 percent, followed by food and beverages which rose by 6.80 percent, while wood, pulp and paper recorded the highest drop in price by 10.09 percent.

Decrease in second quarter was contributed by mineral products, cement and electricity group which decreased by -16.95 percent and metals & metal articles which also recorded a decrease of -2.83 percent.

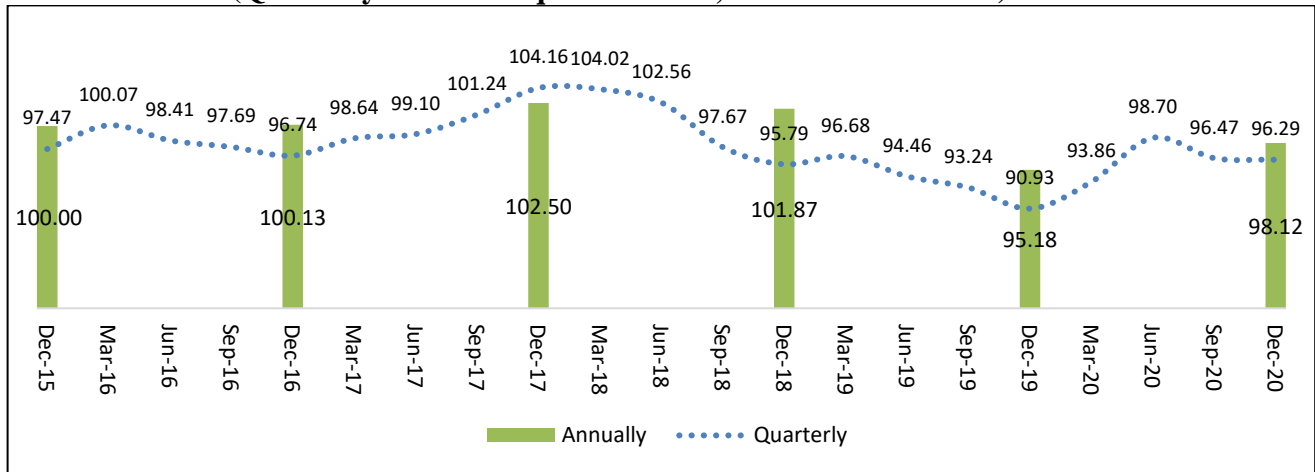
Export Price Index



Export prices rose by 4.99 percent in 2020 after a drop in 2019 by -6.88 percent. Within the export items, base metal & other manufactures rose by 13.80 percent followed by mineral products, cement and electricity group which rose by 3.09 percent, whereas, wood, pulp and paper recorded a drop in price by -23.15 percent. Food and beverages also recorded an increase of 1.94 percent compared to a drop in price by 1.36 percent in 2019. The year-on-year index recorded a decrease of 0.98 percent in the first quarter of 2020 compared to the same quarter of 2019, however, the remaining quarters recorded a steady rise in the rates with the highest increase in fourth quarter at 10.42 percent. Among the different product groups, the highest increase was recorded in base metal & other manufactures with 27.66 percent in fourth quarter. Wood, pulp and paper group recorded a decrease in price for all four quarters compared to the previous year.

Quarter-on-quarter export prices rose in first, second and fourth quarter while there was a drop in third quarter by 0.37 percent. The decrease was due to decrease in chemicals, plastics, textiles and apparel products by -23.73 percent and base metal & other manufactures by -4.79 percent. First quarter recorded the highest increase with 5.60 percent contributed by price increase of base metal & other manufactures which recorded the highest increase for the quarter by 19.84 percent.

Terms of Trade (Quarterly: Dec 2014 quarter = 100, Annual: 2015 = 100)



The terms of trade index in 2020 increased by 3.09 percent compared to 2019 when it decreased by -6.56 percent. It means that the purchasing power of export went up by 3.09 percent in 2020 from 2019. Increase in terms of trade means more quantity of imports that can be funded by a fixed quantity of exports while decrease in terms of trade means smaller quantity of imports can be funded by a fixed quantity of exports.

Import Price Index (Dec 2014 quarter = 100)

Chart 1: Quarterly index

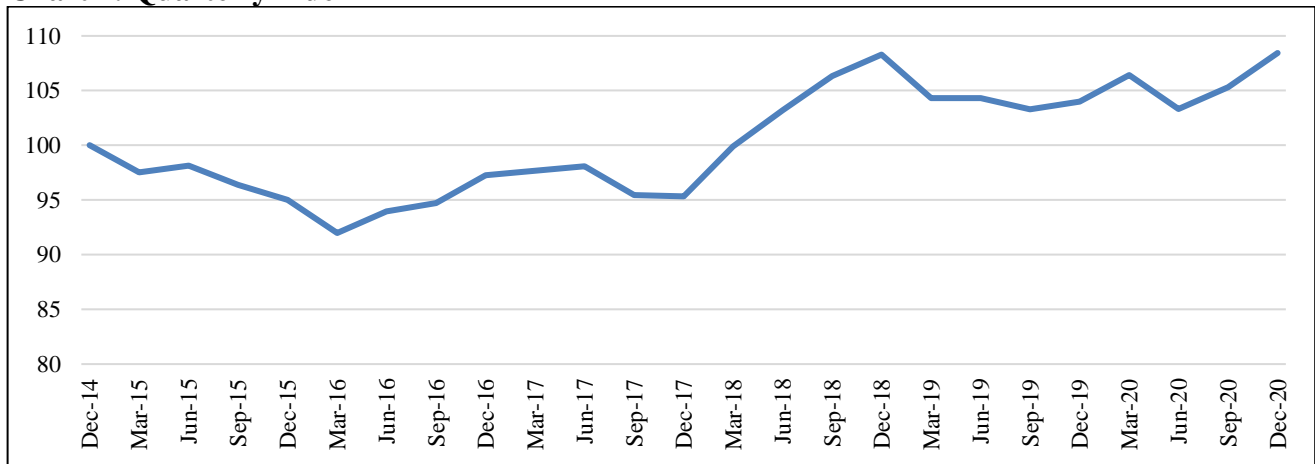


Chart 2: Year-on-year percent change

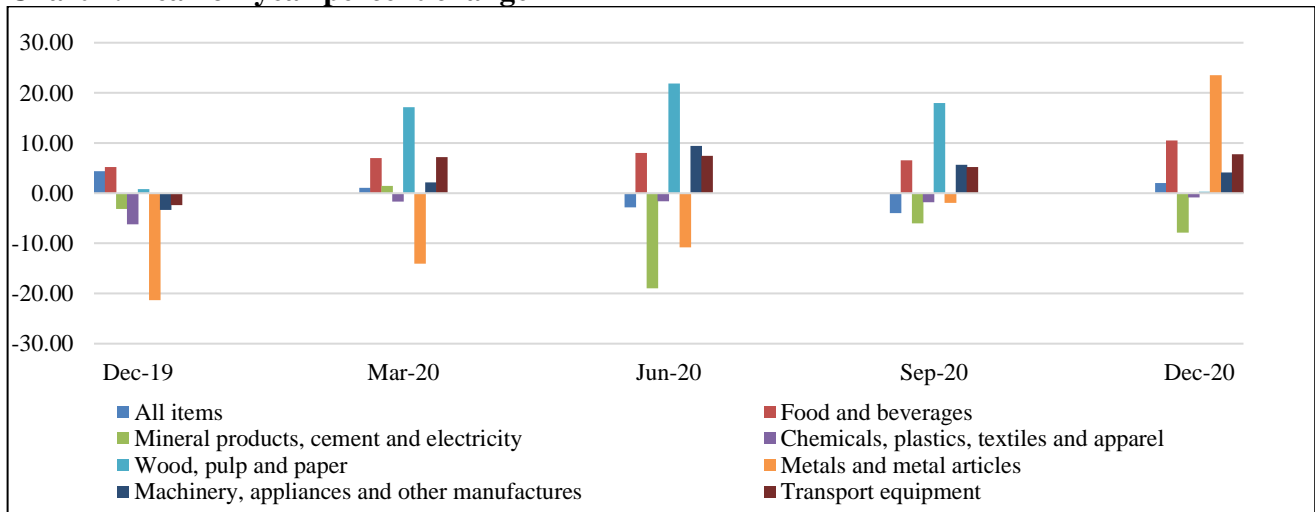


Chart 3: Quarter-on-quarter percent change

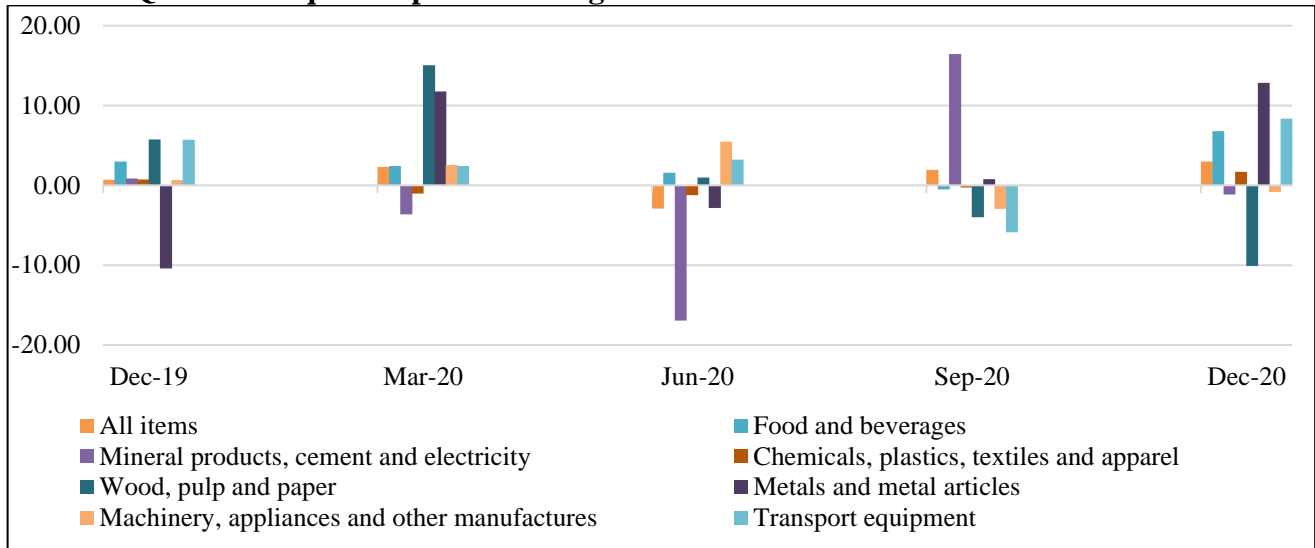
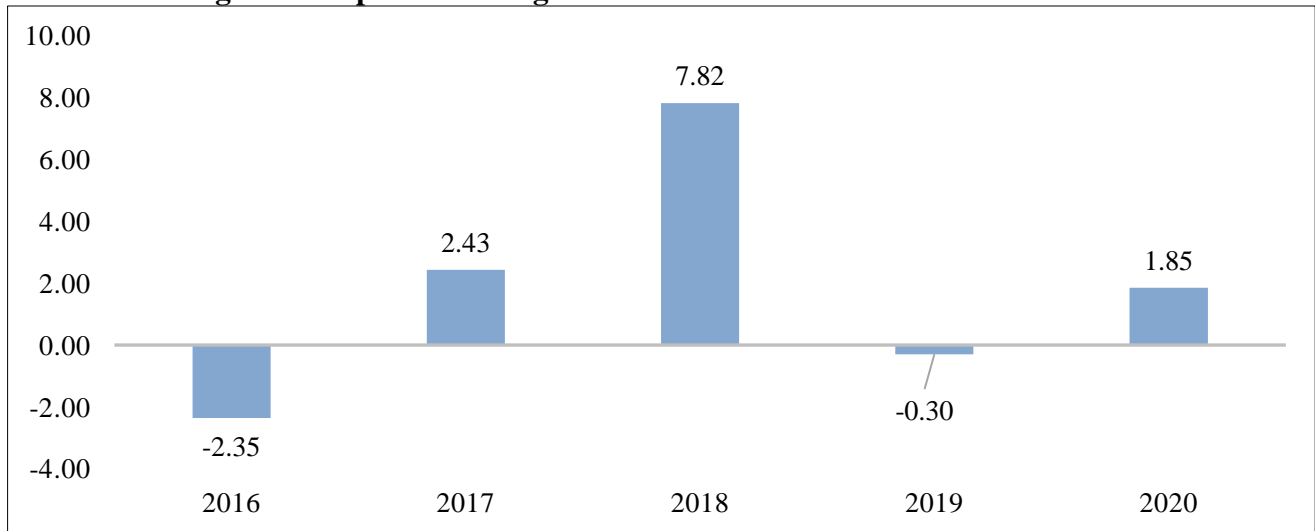


Chart 6: Average annual percent change



Export Price Index (Dec 2014 quarter = 100)

Chart 7: Quarterly index

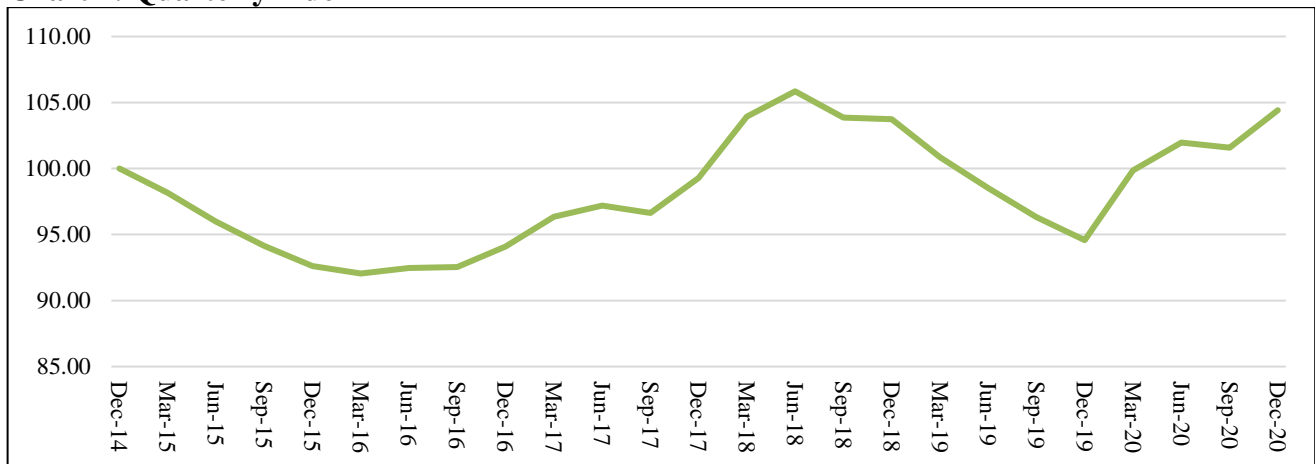


Chart 8: Year-on-year percent change

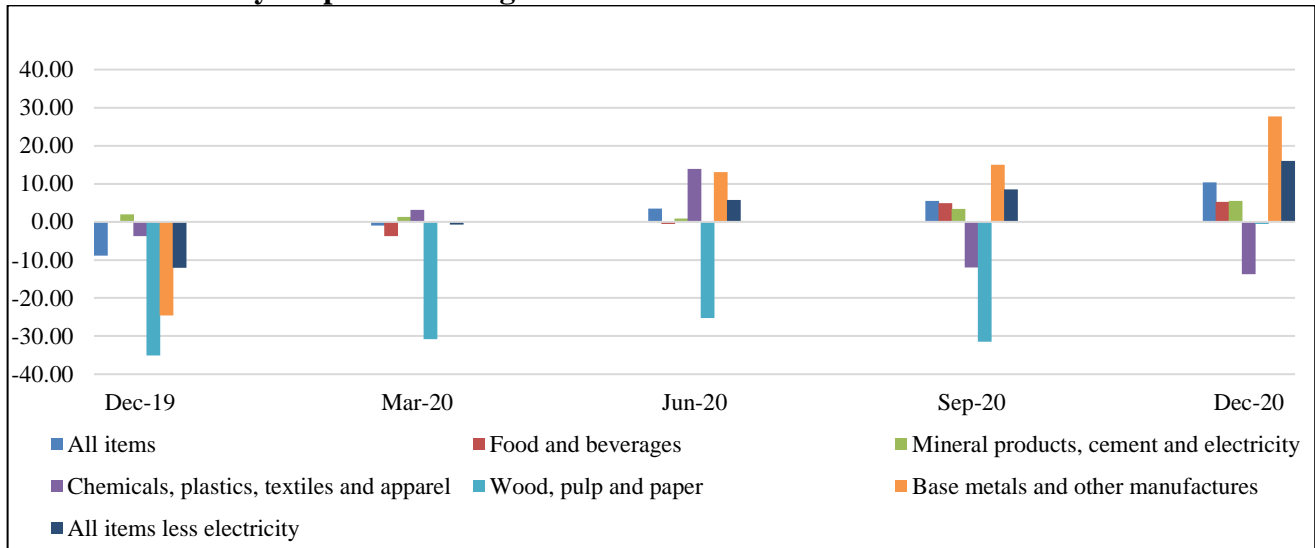


Chart 9: Quarter-on-quarter percent change

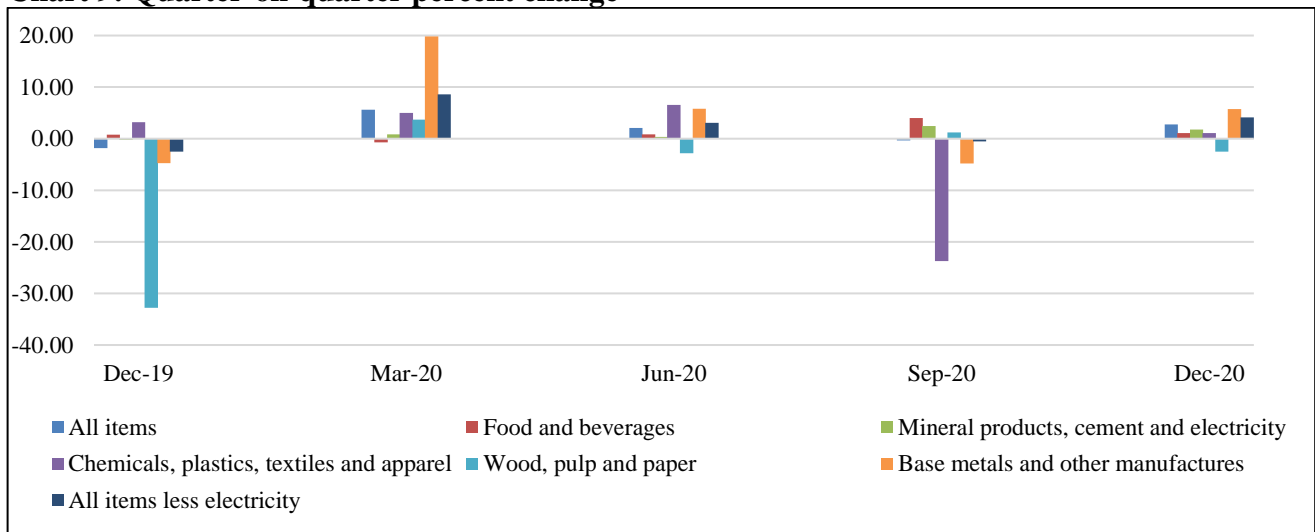


Chart 11: Annual average percent change

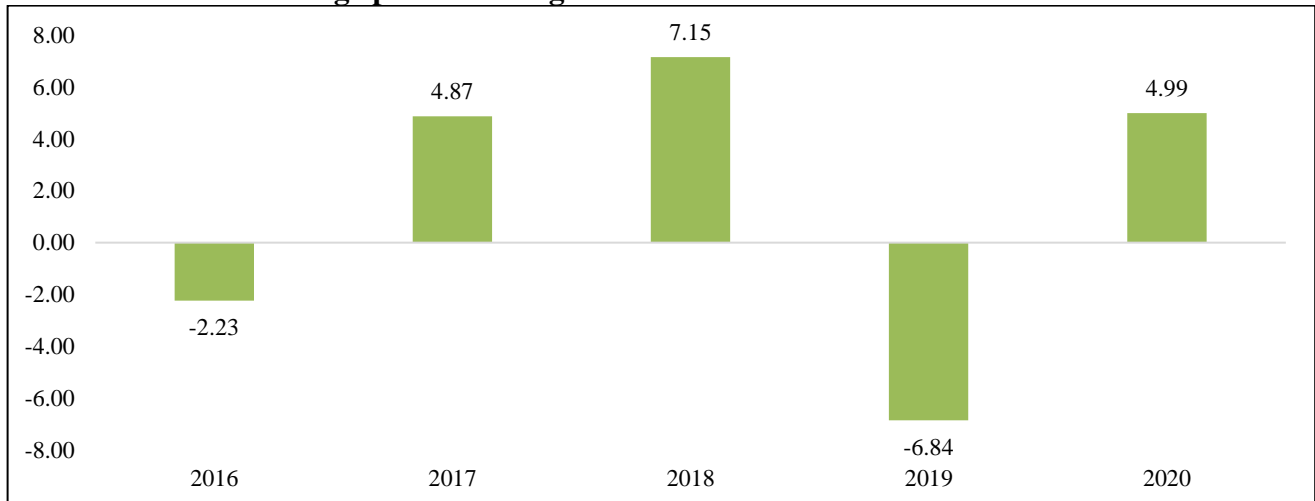


Table 1: Import Price Index (Dec 2014 quarter = 100)

Quarter	All items	Food and beverages	Mineral products, cement and electricity	Chemicals, plastics, textiles and apparel	Wood, pulp and paper	Metals and metal articles	Machinery, appliances and other manufactures	Transport equipment
Dec-15	95.01	105.33	89.07	96.12	97.50	77.25	105.61	111.48
Mar-16	91.98	104.93	83.24	95.36	91.61	69.81	106.34	110.38
Jun-16	93.97	107.18	92.20	92.33	99.25	69.57	104.37	111.49
Sep-16	94.71	113.52	93.63	97.98	95.44	65.42	104.55	110.80
Dec-16	97.25	113.22	96.50	99.29	95.24	73.79	105.12	111.96
Mar-17	97.66	109.69	101.45	96.08	98.67	77.86	103.89	109.50
Jun-17	98.07	113.74	99.50	96.92	98.58	84.79	100.69	110.23
Sep-17	95.46	112.51	95.76	96.05	90.74	82.18	101.07	99.15
Dec-17	95.32	112.15	94.78	94.12	91.65	82.49	101.33	100.79
Mar-18	99.90	112.53	100.82	97.20	104.85	96.98	101.06	105.72
Jun-18	103.20	111.58	106.07	100.05	112.32	99.03	105.35	109.10
Sep-18	106.32	111.89	111.37	103.99	105.88	102.27	110.26	109.19
Dec-18	108.30	113.20	111.54	110.18	108.07	102.80	112.29	115.58
Mar-19	104.31	114.04	102.62	104.01	107.00	105.14	108.97	107.83
Jun-19	104.30	114.69	106.68	102.68	103.88	98.47	107.31	111.01
Sep-19	103.30	115.68	107.13	102.61	103.05	90.28	107.87	106.73
Dec-19	104.00	119.13	108.05	103.37	108.96	80.87	108.58	112.83
Mar-20	106.40	121.99	104.12	102.29	125.36	90.39	111.35	115.56
Jun-20	103.31	123.90	86.47	101.04	126.58	87.83	117.45	119.29
Sep-20	105.31	123.27	100.69	100.78	121.54	88.52	113.99	112.26
Dec-20	108.44	131.65	99.54	102.48	109.28	99.89	113.04	121.63

Table 2: Year-on-year percent change

Quarter	All items	Food and beverages	Mineral products, cement and electricity	Chemicals, plastics, textiles and apparel	Wood, pulp and paper	Metals and metal articles	Machinery, appliances and other manufactures	Transport equipment
Dec-16	2.36	7.49	8.34	3.30	-2.32	-4.47	-0.46	0.42
Mar-17	6.18	4.54	21.87	0.75	7.71	11.53	-2.30	-0.79
Jun-17	4.36	6.13	7.91	4.97	-0.68	21.88	-3.53	-1.13
Sep-17	0.79	-0.88	2.27	-1.97	-4.92	25.62	-3.33	-10.51
Dec-17	-1.99	-0.95	-1.78	-5.21	-3.77	11.79	-3.61	-9.98
Mar-18	2.29	2.58	-0.62	1.16	6.26	24.56	-2.72	-3.45
Jun-18	5.24	-1.90	6.61	3.23	13.93	16.79	4.62	-1.03
Sep-18	11.38	-0.55	16.30	8.26	16.68	24.45	9.10	10.12
Dec-18	13.61	0.94	17.68	17.06	17.91	24.62	10.81	14.68
Mar-19	4.42	1.34	1.79	7.00	2.05	8.41	7.83	1.99
Jun-19	1.07	2.79	0.57	2.63	-7.52	-0.57	1.86	1.76
Sep-19	-2.85	3.38	-3.81	-1.32	-2.67	-11.73	-2.17	-2.25
Dec-19	-3.97	5.24	-3.13	-6.18	0.83	-21.33	-3.30	-2.38
Mar-20	2.00	6.98	1.45	-1.65	17.16	-14.03	2.18	7.16
Jun-20	-0.96	8.03	-18.94	-1.60	21.86	-10.80	9.45	7.46
Sep-20	1.95	6.56	-6.01	-1.79	17.94	-1.95	5.68	5.19
Dec-20	4.27	10.51	-7.88	-0.87	0.29	23.52	4.11	7.80

Table 3: Quarter-on-quarter percent change

Quarter	All items	Food and beverages	Mineral products, cement and electricity	Chemicals, plastics, textiles and apparel	Wood, pulp and paper	Metals and metal articles	Machinery, appliances and other manufactures	Transport equipment
Mar-16	-3.19	-0.38	-6.55	-0.78	-6.04	-9.62	0.69	-0.99
Jun-16	2.16	2.14	10.76	-3.18	8.34	-0.34	-1.85	1.01
Sep-16	0.79	5.91	1.55	6.12	-3.85	-5.97	0.17	-0.62
Dec-16	2.68	-0.26	3.06	1.33	-0.20	12.80	0.55	1.05
Mar-17	0.42	-3.12	5.12	-3.23	3.60	5.51	-1.18	-2.20
Jun-17	0.41	3.69	-1.92	0.87	-0.09	8.91	-3.07	0.66
Sep-17	-2.66	-1.08	-3.75	-0.89	-7.95	-3.08	0.37	-10.05
Dec-17	-0.14	-0.33	-1.02	-2.01	1.00	0.38	0.26	1.65
Mar-18	4.80	0.34	6.37	3.27	14.40	17.56	-0.26	4.90
Jun-18	3.30	-0.84	5.21	2.93	7.13	2.11	4.24	3.19
Sep-18	3.02	0.28	5.00	3.94	-5.73	3.27	4.67	0.08
Dec-18	1.86	1.17	0.15	5.95	2.07	0.52	1.84	5.86
Mar-19	-3.68	0.74	-7.99	-5.60	-0.99	2.27	-2.95	-6.71
Jun-19	-0.01	0.57	3.96	-1.28	-2.92	-6.35	-1.53	2.95
Sep-19	-0.96	0.86	0.42	-0.06	-0.80	-8.32	0.52	-3.86
Dec-19	0.68	2.99	0.85	0.74	5.74	-10.42	0.66	5.72
Mar-20	2.31	2.40	-3.64	-1.05	15.05	11.77	2.55	2.42
Jun-20	-2.91	1.57	-16.95	-1.22	0.98	-2.83	5.48	3.23
Sep-20	1.94	-0.51	16.44	-0.26	-3.98	0.78	-2.94	-5.89
Dec-20	2.97	6.80	-1.15	1.69	-10.09	12.85	-0.83	8.34

Table 4: Average Annual index (2015=100) and percent change

Year	All items	Food and beverages	Mineral products, cement and electricity	Chemicals, plastics, textiles and apparel	Wood, pulp and paper	Metals and metal articles	Machinery, appliances and other manufactures	Transport equipment
2015	100	100	100	100	100	100	100	100
2016	97.65	107.77	97.75	97.84	94.30	80.47	101.52	104.69
2017	100.02	110.18	105.17	97.37	93.87	94.78	98.36	98.70
2018	107.84	110.49	115.01	104.66	106.55	116.11	103.16	103.31
2019	107.52	114.04	113.79	104.92	104.67	107.16	104.63	103.42
2020	109.50	123.44	105.29	103.50	118.51	105.88	110.24	110.89

Percent change								
2016	-2.35	7.77	-2.25	-2.16	-5.70	-19.53	1.52	4.69
2017	2.43	2.24	7.60	-0.48	-0.45	17.79	-3.11	-5.72
2018	7.82	0.28	9.36	7.48	13.51	22.51	4.87	4.67
2019	-0.30	3.21	-1.07	0.25	-1.77	-7.71	1.43	0.10
2020	1.85	8.25	-7.47	-1.36	13.23	-1.20	5.36	7.23

Table 5: Export Price Index (Dec 2014 quarter = 100)

Quarter	All items	Food and beverages	Mineral products, cement and electricity	Chemicals, plastics, textiles and apparel	Wood, pulp and paper	Base metals and other manufactures	All items less electricity
Dec-15	92.60	109.69	100.34	94.10	98.96	76.61	89.43
Mar-16	92.05	110.42	100.77	95.18	117.00	73.58	88.85
Jun-16	92.47	108.45	100.94	92.47	103.94	76.04	89.17
Sep-16	92.53	105.07	100.81	92.66	107.81	76.98	89.25
Dec-16	94.08	100.58	104.13	89.64	108.78	78.79	89.56
Mar-17	96.34	98.51	107.41	88.81	100.62	82.01	90.96
Jun-17	97.19	91.66	108.40	93.13	100.31	84.42	92.61
Sep-17	96.64	87.43	107.17	88.05	117.18	86.87	91.80
Dec-17	99.29	87.55	107.21	84.00	114.25	96.22	95.75
Mar-18	103.92	89.23	107.73	86.00	112.41	108.96	102.10
Jun-18	105.85	91.16	108.56	91.64	105.82	111.73	104.24
Sep-18	103.85	90.96	108.38	92.68	107.07	105.47	101.38
Dec-18	103.74	88.13	109.04	92.93	96.56	105.31	101.22
Mar-19	100.85	90.81	110.66	91.12	93.90	95.02	97.38
Jun-19	98.53	88.63	111.55	87.92	84.42	89.01	94.23
Sep-19	96.31	87.31	111.48	86.72	93.17	83.32	91.29
Dec-19	94.57	88.00	111.21	89.49	62.65	79.39	88.98
Mar-20	99.87	87.40	112.14	93.96	64.95	95.14	96.66
Jun-20	101.96	88.12	112.51	100.13	63.12	100.68	99.63
Sep-20	101.59	91.63	115.28	76.37	63.88	95.85	99.09
Dec-20	104.42	92.61	117.32	77.19	62.29	101.35	103.19

Table 6: Year-on-year percent change

Quarter	All items	Food and beverages	Mineral products, cement and electricity	Chemicals, plastics, textiles and apparel	Wood, pulp and paper	Base metals and other manufactures	All items less electricity
Dec-16	1.60	-8.30	3.78	-4.74	9.92	2.84	0.14
Mar-17	4.66	-10.79	6.59	-6.69	-14.00	11.47	2.37
Jun-17	5.10	-15.48	7.39	0.71	-3.49	11.02	3.86
Sep-17	4.44	-16.79	6.30	-4.98	8.70	12.84	2.86
Dec-17	5.53	-12.96	2.95	-6.30	5.03	22.12	6.91
Mar-18	7.87	-9.42	0.30	-3.16	11.72	32.86	12.25
Jun-18	8.91	-0.55	0.15	-1.60	5.49	32.35	12.55
Sep-18	7.46	4.03	1.14	5.27	-8.63	21.41	10.44
Dec-18	4.49	0.67	1.71	10.63	-15.48	9.45	5.72
Mar-19	-2.95	1.78	2.72	5.95	-16.46	-12.79	-4.63
Jun-19	-6.92	-2.77	2.75	-4.07	-20.22	-20.34	-9.60
Sep-19	-7.26	-4.01	2.86	-6.43	-12.98	-21.00	-9.95
Dec-19	-8.84	-0.15	1.99	-3.70	-35.12	-24.61	-12.09
Mar-20	-0.98	-3.76	1.33	3.12	-30.83	0.13	-0.74
Jun-20	3.49	-0.58	0.86	13.89	-25.23	13.11	5.74
Sep-20	5.48	4.95	3.41	-11.94	-31.44	15.04	8.54
Dec-20	10.42	5.24	5.49	-13.75	-0.57	27.66	15.97

Table 7: Quarter-on-quarter percent change

Quarter	All items	Food and beverages	Mineral products, cement and electricity	Chemicals, plastics, textiles and apparel	Wood, pulp and paper	Base metals and other manufactures	All items less electricity
Mar-16	-0.60	0.67	0.42	1.14	18.23	-3.96	-0.65
Jun-16	0.46	-1.78	0.17	-2.84	-11.17	3.35	0.36
Sep-16	0.06	-3.11	-0.13	0.21	3.73	1.23	0.09
Dec-16	1.68	-4.27	3.30	-3.25	0.90	2.35	0.35
Mar-17	2.39	-2.06	3.15	-0.93	-7.50	4.10	1.56
Jun-17	0.88	-6.95	0.92	4.86	-0.31	2.94	1.82
Sep-17	-0.56	-4.62	-1.14	-5.46	16.82	2.89	-0.88
Dec-17	2.74	0.13	0.04	-4.60	-2.51	10.77	4.30
Mar-18	4.67	1.92	0.49	2.39	-1.61	13.25	6.64
Jun-18	1.85	2.17	0.77	6.56	-5.86	2.54	2.09
Sep-18	-1.89	-0.22	-0.16	1.14	1.19	-5.61	-2.74
Dec-18	-0.10	-3.11	0.61	0.26	-9.82	-0.15	-0.15
Mar-19	-2.79	3.04	1.48	-1.94	-2.76	-9.77	-3.80
Jun-19	-2.31	-2.40	0.80	-3.52	-10.09	-6.33	-3.23
Sep-19	-2.25	-1.49	-0.06	-1.36	10.36	-6.39	-3.11
Dec-19	-1.81	0.79	-0.24	3.19	-32.76	-4.72	-2.53
Mar-20	5.60	-0.68	0.83	5.00	3.67	19.84	8.63
Jun-20	2.10	0.82	0.33	6.56	-2.81	5.82	3.08
Sep-20	-0.37	3.99	2.46	-23.73	1.19	-4.79	-0.55
Dec-20	2.79	1.07	1.77	1.07	-2.48	5.73	4.14

Table 8: Average annual index (2015=100) and percent change

Year	All items	Food and beverages	Mineral products, cement and electricity	Chemicals, plastics, textiles and apparel	Wood, pulp and paper	Base metals and other manufactures	All items less electricity
2015	100	100	100	100	100	100	100
2016	97.77	99.35	102.13	95.02	107.50	89.03	95.73
2017	102.53	86.68	107.93	90.90	104.29	102.49	99.66
2018	109.85	85.15	108.93	92.45	104.28	126.08	109.72
2019	102.34	84.00	111.76	91.19	81.60	100.37	99.92
2020	107.45	85.63	115.21	87.68	62.70	114.21	106.86

Percent change

2016	-2.23	-0.65	2.13	-4.98	7.50	-10.97	-4.27
2017	4.87	-12.75	5.68	-4.33	-2.98	15.12	4.11
2018	7.15	-1.76	0.92	1.70	-0.01	23.02	10.09
2019	-6.84	-1.36	2.60	-1.36	-21.75	-20.40	-8.93
2020	4.99	1.94	3.09	-3.85	-23.15	13.80	6.95

Table 9: Import weights (%)

Section	2014	2015	2016	2017	2018	2019
All items	100	100	100	100	100	100
Food and beverages	17.44	15.04	15.84	16.41	15.12	16.90
Mineral products, cement and electricity	26.72	20.84	21.25	23.57	26.45	25.36
Chemicals, plastics, textiles and apparel	10.88	9.64	9.23	9.63	10.28	11.52
Wood, pulp and paper	4.41	3.90	3.11	3.80	4.88	4.67
Metals and metal articles	17.46	15.33	10.76	11.77	11.09	13.04
Machinery, appliances and other manufactures	19.51	22.11	28.95	26.91	22.67	19.34
Transport equipment	3.58	13.14	10.85	7.90	9.50	9.16

Table 10: Export weights (%)

Section	2014	2015	2016	2017	2018	2019
All items	100	100	100	100	100	100
Food and beverages	10.55	9.56	11.45	10.29	8.99	8.93
Mineral products, cement and electricity	46.19	50.39	53.45	51.33	47.84	62.44
Chemicals, plastics, textiles and apparel	7.45	9.49	7.64	7.03	4.65	2.98
Wood, pulp and paper	1.07	1.01	0.93	0.68	1.20	0.58
Base metals and other manufactures	34.75	29.56	26.53	30.66	37.33	25.07
All items less electricity	69.99	65.86	63.80	67.32	73.61	64.86

Technical note

Export and Import Price Index (XMPI) is a measure of average price change over the period for goods and services that are exported and imported. The export and import price index for Bhutan includes only the goods and does not include the services component.

The data for compilation of export and import price index are sourced from the Trade Statistics published by the Department of Revenue and Customs (DRC), Ministry of Finance. Prices for both export and import are based on FOB (Free-on-Board) values. Data for electricity trade are obtained from the Druk Green Power Corporation.

US Import Price Index is used as proxy for import of machinery and equipment as the unit value based on trade statistics is not sufficiently reliable. The US import price index is adjusted for changes in exchange rate between the ngultrum and the US dollar.

Items selection – Export and import baskets are updated annually using the annual trade statistics data. Selection of items for the basket are based on factors such as *FOB values; quarterly unit values; coefficient of variation (CV); and count of number of quarters that unit values are present during the latest nine quarters.*

There are 54 items in the Export basket (43 items exported to India and 11 items exported to countries other than India) and 123 items in the Import basket (109 items imported from India and 14 items imported from countries other than India). Overlapping items which are exported/imported to/from India and countries other than India are counted as separate item in the basket.

Terms of Trade - Terms of trade indexes measure the relative price of exports in terms of import prices. It is calculated as the ratio of export prices to import prices and expressed in terms of 100. The terms of trade track the purchasing power of exports. It measures the changing quantity of imports that can be funded by a fixed quantity of exports. An increase in the terms of trade means that a larger quantity of imports can be funded by a fixed quantity of exports, while a decrease in the terms of trade means that a smaller quantity of imports can be funded by a fixed quantity of exports.

Frequency, timeline and revision - XMPI will be published on quarterly basis with a time lag of one quarter after the reference quarter. DRC provides provisional data for the first three quarters of the year and the finalized data for the year when providing the fourth quarter data. Hence, the index for the past three quarters may get revised when the final annual data is received.

Classification - Goods are classified using the Bhutan Trade Classification which is based on the International Harmonized System Classification

Weights - represents the relative importance of specific item to the overall exports or imports and determines the impact each item will have on the overall price change. Weights are updated annually along with annual basket selection.

Formula - Arithmetic Young upper-level formula is used to calculate the XMPI