

MANUFACTURING PRODUCER PRICE INDEX (MPPI)

Fourth Quarter/ Annual Report | FY 2082/83 (B.S.)

Baisakh – Asar 2083 B.S. | Apr/May – Jun/Jul 2026 AD

Base Year: 2071/72 B.S. = 100 (2014/15 AD = 100)

Method: Laspeyres Fixed-Weight Price Index

Coverage: ~400 High-Output Manufacturing Establishments | CME 2069 Weights

168.98

Overall MPPI — Q4 FY
2082/83

Base: 2071/72 = 100
(Preliminary)

166.11

Overall MPPI — Annual FY
2082/83

Base: 2071/72 = 100
(Preliminary)

+1.39%

Quarter-on-Quarter
Change

Up from 166.66 in Q3
2082/83

+3.47%

Year-on-Year Change
vs. 163.31 in Q4 FY 2081/82

1. Executive summary

Manufacturing producer prices index (MPPI) in Nepal continued to rise in the fourth quarter of FY 2082/83. The overall MPPI reached 168.98 (base year value = 100), up 1.39% on the previous quarter and 3.47% on the same quarter a year earlier.

The annual average index of FY 2082/83 was 166.11, a rise of 2.96% on FY 2081/82. This is slower than the 4.08% rise a year earlier, but price increases strengthened during the year with quarterly growth of 0.23% , 1.23% and 1.39% in Q2, Q3 and Q4 respectively.

The increase seems widespread, with 23 of the 28 industry groups rising in the quarter. Vegetable oils and fats, iron and steel, and grain mill products contributed most to the quarterly rise. Non-metallic mineral products (mainly cement) and pharmaceuticals pulled the index down. Over the year, vegetable oils and fats, tobacco, and non-metallic mineral products contributed most to the rise, while lower rice prices were the main offset.

Possible reasons of this increase include higher fuel and transport costs following petroleum price revisions in March and April 2026, and higher costs of imported inputs for the manufacturing establishments. These estimates are preliminary and may be revised upon receiving additional informations.

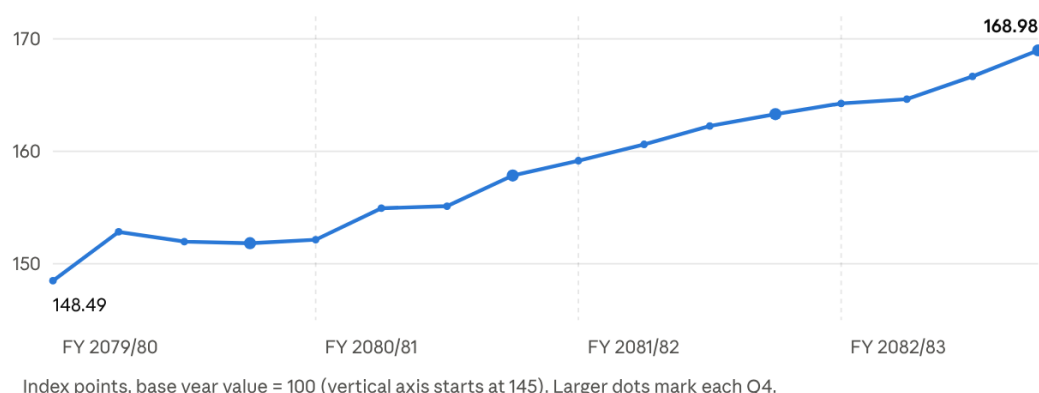
Key findings

- The Overall MPPI was 168.98 in fourth quarter (base year value = 100) in the FY 2082/83, up 1.39% from 166.66 in third quarter in the same year (Q-o-Q).
- Compared with fourth quarter of FY 2081/82 (163.31), the index rose 3.47% (Y-o-Y).
- The annual average index for FY 2082/83 was 166.11, up 2.96% on FY 2081/82. The annual rise in FY 2081/82 was 4.08%.

Chart 1: Steady Upward Trajectory: MPPI during the last Four Years

Factory-gate prices reached a series high in Q4 FY 2082/83

168.98 in Q4 FY 2082/83, 13.8% above Q1 FY 2079/80 (148.49)



NSO MPPI dataset (preliminary) · 16 quarters, FY 2079/80 to FY 2082/83

- In fourth quarter, 24 of the 29 industry groups rose, 1 was unchanged and 4 fell. The largest upward contributions came from vegetable oils and fats, iron and steel, and grain mill products (see below "Movements by industry group").
- The largest downward contribution came from non-metallic mineral products (mainly cement), which fell 1.22% in the quarter.
- Over the year, vegetable oils and fats, tobacco, and non-metallic mineral products contributed the most to the rise. Grain mill products, mainly rice, contributed the most to the fall.

2. Methodological Framework

2.1 Compilation Method

The MPPI is compiled by the Price Statistics Section of the National Statistics Office using the Laspeyres fixed-weight price index formula:

$$P_{2/1} = \frac{\sum (p_1 \times q_0)}{\sum (p_0 \times q_0)} \times 100$$

Where: p_0 = base year price; p_1 = current period price; q_0 = base year quantity (proxy: output value weight). The formula holds the quantity (weight) structure fixed at the base period, ensuring that index movements reflect only price changes.

- **What the MPPI measures:** The MPPI measures the change over time in the prices received by domestic manufacturers for goods sold at the factory gate. It excludes taxes on products and distribution (transportation and trade) margins.
- **Weights:** Items and industry groups are weighted by their importance in the base-year structure of manufacturing.
- **Classification:** Industry groups follow the Nepal Standard Industrial Classification (NSIC) and products follow the Central Product Classification (CPC).
- **Quarters:** Q1 is Shrawan–Ashwin, Q2 is Kartik–Poush, Q3 is Magh–Chaitra and Q4 is Baisakh–Asar.
- **Percentage changes:** Changes are calculated from index values and rounded to two decimal places.
- **Comparability:** The MPPI covers manufacturing output prices only. It should not be compared directly with consumer or wholesale price indices, which differ in coverage and method.
- **Contributions:** Contributions are calculated as weight multiplied by the index point change, divided by 100, using the indices (rounded). Totals may slightly differ from published figures due to rounding.
- **Status and revisions:** These estimates are preliminary and may be revised in later releases.

2.2 Coverage and Data Collection

Price data are collected monthly from approximately 400 high-output manufacturing establishments spread across Nepal's major industrial corridors (Birgunj, Biratnagar, Hetauda, Butwal, Pokhara, Kathmandu Valley). Establishments are selected using cut-off sampling and PPS based on their output share in the Census of Manufacturing Establishments 2069 (CME 2069). Producer prices represent factory gate prices exclusive of distribution margin and value-added taxes.

2.3 Base Year and Weight Structure

The base year, details of the weights, items and establishment covered are shown in Table 1.

Table 1: Base year, weight, items and establishments

Coverage Dimension	Detail
Base Year	2071/72 B.S. (2014/15 AD) = 100
Weight Source	Census of Manufacturing Establishments 2069 (CME 2069) B.S.
Weight Basis	Total gross output value of industrial groups

Coverage Dimension	Detail
Number of Industrial Groups	25 NSIC-level groups
Number of Products (CPC)	46 representative products
Establishments Covered	~400 high-output establishments
Publication Frequency	Quarterly (Preliminary + Revised)

3. Overall index

The index has risen in each quarter of FY 2082/83, and the quarterly rate of increase was higher in the second half of the year than in the first.

Table 2: Quarter-on-Quarter and Year-on-Year Index Movements, FY 2082/83

Period	Index (base year value = 100)	Change on previous quarter (%)	Change on same quarter a year earlier (%)
Q1 FY 2082/83	164.26	0.58	3.20
Q2 FY 2082/83	164.64	0.23	2.50
Q3 FY 2082/83	166.66	1.23	2.71
Q4 FY 2082/83	168.98	1.39	3.47

Table 3: Annual change of indices during the last four fiscal years

Fiscal year (annual average)	Index	Annual change (%)
FY 2079/80	151.28	4.48
FY 2080/81	155.01	2.46
FY 2081/82	161.34	4.08
FY 2082/83	166.11	2.96

4. Movements by industry group

4.1 Fourth quarter compared with third quarter

The index rose 2.32 points between Third quarter and Fourth quarter. The table below shows the groups that contributed most. Contribution is the group's weight multiplied by the change in its index, divided by 100.

Table 4: Major contributing industrial groups for the changes of MPPI in Q4

Group	Weight (%)	Change in group index (%)	Contribution (index points)
Vegetable oils and fats	6.64	3.45	0.51
Iron and steel	18.24	1.21	0.39
Grain mill products	11.12	1.78	0.31
Plastics products	5.75	3.52	0.26
Prepared animal feeds	4.98	3.17	0.26
Other food products	6.16	2.71	0.25
Non-metallic mineral products	12.81	-1.22	-0.16
Pharmaceuticals	1.52	-2.87	-0.06

The MPPI tracks the prices manufacturers receive at the factory gate. Its weights reflect the base-year structure of manufacturing, so a few heavyweight groups carry most of the influence:

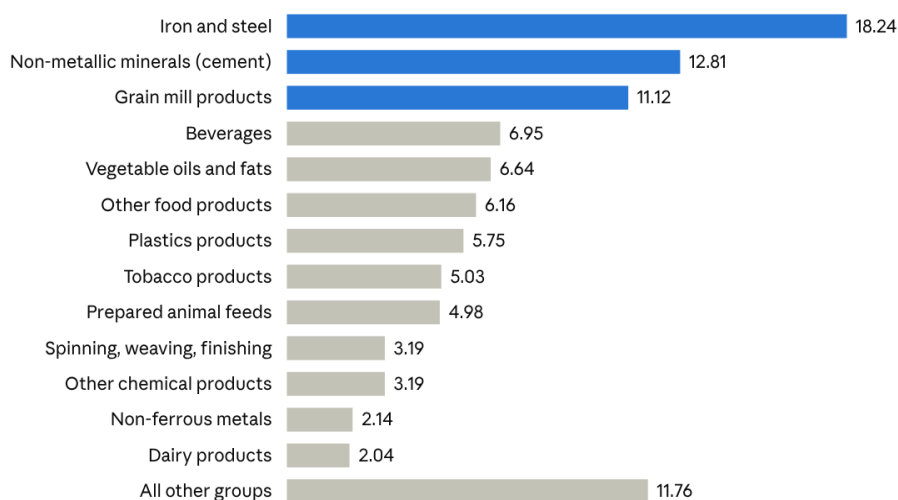
- Iron and steel: 18.24%. The single largest group, almost one-fifth of the index.
- Non-metallic minerals (mostly cement): 12.81%. Cement alone is 12.27%.
- Grain mill products: 11.12%. Rice (9.27%) dominates; wheat flour is 1.85%.
- Beverages 6.95%, vegetable oils and fats 6.64%, other food products 6.16%, plastics 5.75%, tobacco 5.03%, animal feeds 4.98%.

The top three groups alone make up 42% of the index. That is why a move in steel, cement or rice shows up in the headline almost immediately, while even a 15% jump in a small item such as jute sacks (weight 0.33%) barely have high impact on it.

Chart 2: Base-Year Weight Distribution by Major Product Group for MPPI

Steel, cement and grain mills carry 42% of the index weight

The three largest groups sum to 42.2% of the MPPI basket



Weight, % of the index (base-year structure). The last row is 100 minus the groups shown, on rounded weights.

MPPI dataset (preliminary) · item-group weights, base-year structure

4.2 The Full Year Picture: What Drove the 2.96%

The annual average rose 4.77 points, from 161.34 to 166.11.

Table 5: Annual growth and major contributing industrial groups

Group	Annual growth	Contribution (points)
Vegetable oils and fats	+9.42%	+1.25
Tobacco products	+8.37%	+1.15
Non-metallic minerals (cement)	+8.17%	+1.00
Iron and steel	+2.20%	+0.69
Beverages	+4.53%	+0.53
Other chemical products	+6.45%	+0.33
Non-ferrous metals (copper products)	+7.48%	+0.28
Wiring and wiring devices	+8.71%	+0.17
Prepared animal feeds	-2.89%	-0.24

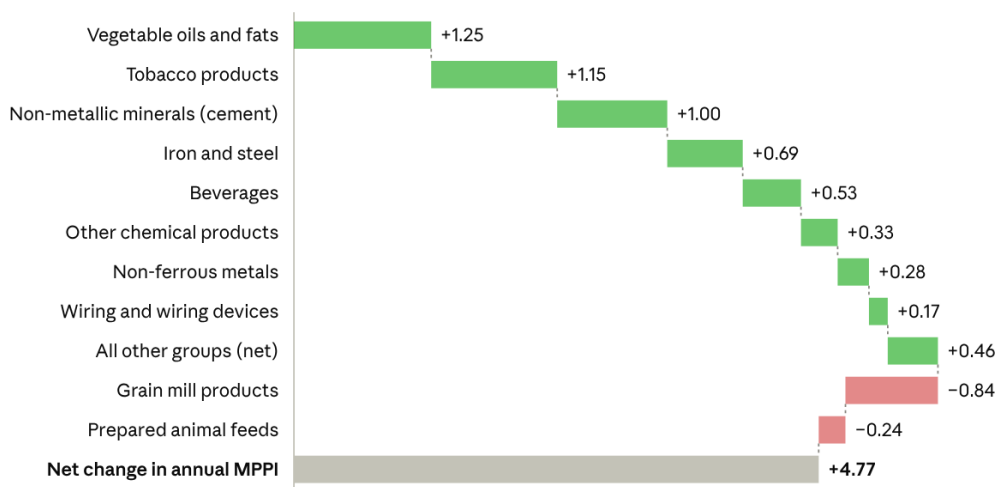
Group	Annual growth	Contribution (points)
Grain mill products	-4.50%	-0.84

Four groups with big weights or big price jumps (oils, tobacco, cement, steel) pushed the index up, while a large and cheaper rice crop-year pulled it back. Without the grain mill drag, annual MPPI growth would have been closer to 3.8%.

Chart 3: Major contributing Industrial groups for the upward MPPI

Oils, tobacco and cement added 3.4 of the year's 4.8 points; grain mills took 0.8 back

Annual average MPPI, FY 2081/82 to FY 2082/83: 161.34 to 166.11 (+4.77 points)



Index points. Green raises the index, red lowers it, grey is the net change. Contribution = weight × change in group index ÷ 100.

5. Products with the largest price movements

Table 6 below shows the largest changes, both rises and falls for the 40 products (items) in the index.

Table 6: Largest Rises and Falls in Producer Prices by Product, Fourth Quarter

Movement	Fourth quarter on Third quarter (%)	Fourth quarter on Fourth quarter a year earlier (%)
Largest rises	Chocolate and cocoa preparations- 6.04	Woven jute sacks- 14.78
	Plastic sacks and bags- 4.71	Refined vegetable oils- 12.91
	Sugar- 3.79	Soap, detergents and toilet preparations- 11.73
	Woven jute sacks- 3.75	Jute yarn- 11.05

Movement	Fourth quarter on Third quarter (%)	Fourth quarter on Fourth quarter a year earlier (%)
	Vegetable ghee- 3.70	Insulated winding wires- 10.36
Largest falls	Provitamins, vitamins and antibiotics -2.87	Sugar -2.71
	Wheat flour -2.34	Rice -2.35
	Cement -1.26	Provitamins, vitamins and antibiotics -2.31
	Hume pipes -0.68	Bricks -1.92
	Lubricating oils -0.29	Hume pipes -1.44

Annex 1:Table of all industry groups

Code	Industry group	Weight (%)	Q3 FY 2082/83	Q4 FY 2082/83	Q4 on Q3 (%)	Q4 on Q4 a year earlier (%)	FY 2082/83 average	Annual change (%)
	Overall MPPI	100	166.66	168.98	1.39	3.47	166.11	2.96
104	Vegetable and animal oils and fats	6.64	221.24	228.86	3.45	12.36	218.29	9.42
105	Dairy products	2.04	174.96	175.30	0.19	-0.71	175.58	-0.57
106	Grain mill products, starches	11.12	158.00	160.81	1.78	-1.91	160.65	-4.50
107	Other food products	6.16	147.25	151.25	2.71	0.81	148.75	-0.73
108	Prepared animal feeds	4.98	163.31	168.48	3.17	1.93	164.31	-2.89
110	Beverages	6.95	176.79	177.39	0.34	3.85	175.97	4.53
120	Tobacco products	5.03	298.42	298.42	0.00	7.53	294.72	8.37
131	Spinning, weaving and finishing of textiles	3.19	152.45	156.90	2.92	5.70	151.73	2.69
139	Other textiles	0.60	152.44	156.02	2.35	9.73	151.21	7.13
141	Wearing apparel	0.98	114.61	114.50	-0.09	0.43	114.28	0.31
151	Leather and related products	0.44	96.19	97.48	1.34	8.91	94.60	4.37
152	Footwear	0.48	234.76	237.81	1.30	8.08	231.13	5.84
161	Sawmilling and planing of wood	0.73	167.83	167.87	0.02	3.52	166.48	4.46
162	Products of wood, cork, straw	1.07	181.71	183.59	1.03	4.20	179.98	2.70
170	Paper and paper products	1.01	150.00	152.23	1.48	5.43	147.57	1.26
181	Printing and related services	0.40	184.84	185.90	0.58	-0.03	183.77	-0.80
192	Refined petroleum products	0.37	143.39	142.97	-0.29	-0.93	143.33	0.65
201	Basic chemicals	0.51	127.43	129.29	1.46	8.67	126.42	9.19
202	Other chemical products	3.19	173.67	178.45	2.76	10.89	172.40	6.45
210	Pharmaceuticals and botanical products	1.52	137.50	133.55	-2.87	-2.31	136.00	-1.14
222	Plastics products	5.75	128.14	132.65	3.52	3.44	127.94	0.11
239	Non-metallic mineral products	12.81	103.84	102.57	-1.22	0.60	103.32	8.17
241	Basic iron and steel	18.24	175.87	177.99	1.21	1.20	174.90	2.20

Code	Industry group	Weight (%)	Q3 FY 2082/83	Q4 FY 2082/83	Q4 on Q3 (%)	Q4 on Q4 a year earlier (%)	FY 2082/83 average	Annual change (%)
242	Basic precious and other non-ferrous metals	2.14	194.00	195.17	0.61	7.10	191.05	7.48
251	Structural metal products, tanks, reservoirs	1.40	166.75	167.55	0.48	3.60	165.33	3.42
259	Other fabricated metal products	0.45	190.23	196.94	3.53	6.65	188.90	4.11
264	Consumer electronics	0.06	87.58	90.48	3.30	3.31	88.31	1.17
273	Wiring and wiring devices	0.90	241.47	244.61	1.30	10.36	237.22	8.71
310	Furniture	0.83	161.92	166.49	2.82	4.03	162.41	0.97

Group weights are from the base-year structure and may not sum exactly to 100 because of rounding.

Annex 2: Release Details

Release details	
Release date	Asoj 23, 2083 (October 9, 2026)
Reference period	Fourth quarter (Baisakh–Asar 2083, about mid-April to mid-July 2026) and FY 2082/83
Next release	End of Poush 2083
Frequency	Quarterly
Status	Preliminary; subject to revision
Contact	Price Statistics Section, National Statistics Office, Thapathali, Kathmandu

Annex 3: Glossary

- **Base year value:** the index level in the base year, set to 100.
- **Contribution:** the number of index points a group adds to or removes from the overall change.
- **Factory-gate price:** the price a producer receives for a product, before distribution and retail costs.
- **Quarter-on-quarter (Q-o-Q):** the change from the previous quarter.
- **Year-on-year (Y-o-Y):** the change from the same quarter a year earlier.

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