

Vietnam curbs inflation, but GDP declines in 2012

HANOI, Dec. 25 (Xinhua) -- Vietnam has curbed inflation in 2012 to a single-digit level targeted by the government. The December CPI grew 6.81 percent year-on-year compared with 18.13 percent growth in the same period of last year, official figures showed.

However the country's gross domestic product (GDP) growth therefore declined to 5.03 percent, below the expected goal of 5.2- 5.5 percent set by the government, and lower than last year's 5. 89 percent.

Insiders said the lower consumer price index (CPI) was attributed to the government's efforts in strengthening price administration and stabilization.

However, the average CPI for the whole year increased 9.21 percent over the average index of 2011.

Prices of educational goods and services posted the highest increase of over 17 percent, followed by medicine and healthcare services with 16.34 percent rise. If the two groups are excluded, the country's CPI rose by only 3 percent throughout the year, according to the General Statistics Office (GSO).

Meanwhile, insiders said although the GDP growth slowed down, it was acceptable as it gradually rose quarter by quarter amid the global economic downturn and efforts in curbing inflation and stabilizing the economy.

Accordingly, the country's GDP rose by 4.64 percent in the first quarter, 4.8 percent in the second, 5.05 percent in the third, and 5.44 percent in the fourth quarter.

Of the total GDP growth, the agricultural, forestry and seafood sector contributed 0.44 percent, the industry and construction sector with 1.89 percent, and the service sector with 2.7 percent.

Experts predicted Vietnam's GDP to rise by 5.68 percent and inflation by 7.1 percent in 2013.