

Indonesia economy grows by 6.23 pct in 2012 despite global slowdown

JAKARTA, Feb. 5 (Xinhua) -- Indonesia gross domestic product expanded by 6.23 percent last year, though export decline amid the gloomy global economy, national statistic bureau announced here on Tuesday.

Head of the bureau named only Suryamin was quoted by detik online as saying that the economy grew by 6.11 percent in the fourth quarter last year.

The Southeast Asia's largest economy grew by 6.5 percent in 2011 and the government forecasts it to grow at 6.8 percent in 2013.

Growing middle class among the 238 million Indonesia population had boost buying power, which along with growing investment had made up decline of exports last year.

Foreign direct investment grew by 26.7 percent to 22.8 billion U.S. dollars in 2012, and the combined total from foreign and domestic investment rose by 24.6 percent to 32.3 billion U.S. dollars in the year, according to the investment coordinating board (BKPM).

Indonesia exports last year down by 6.61 percent to 190.04 billion U.S. dollars, with import rose by 8.08 percent to 191.67 billion U.S. dollars, bringing the trade deficit at 1.63 billion U. S. dollars, the national statistic bureau announced on Friday.

Indonesia inflation eased to 4.3 percent in December on yearly basis after accelerating at 4.32 percent in November, it said.

The central bank has kept its benchmark interest rate to nearly one year in 2012 to 5.75 percent as the economy had expanded by more than 6 percent that did not need stimulus and the trade deficit had led rupiah dropped by over 6 percent against the U.S. dollar last year.

The central bank forecasts inflation to be in check at the range of 3.5 percent to 5.5 percent this year.