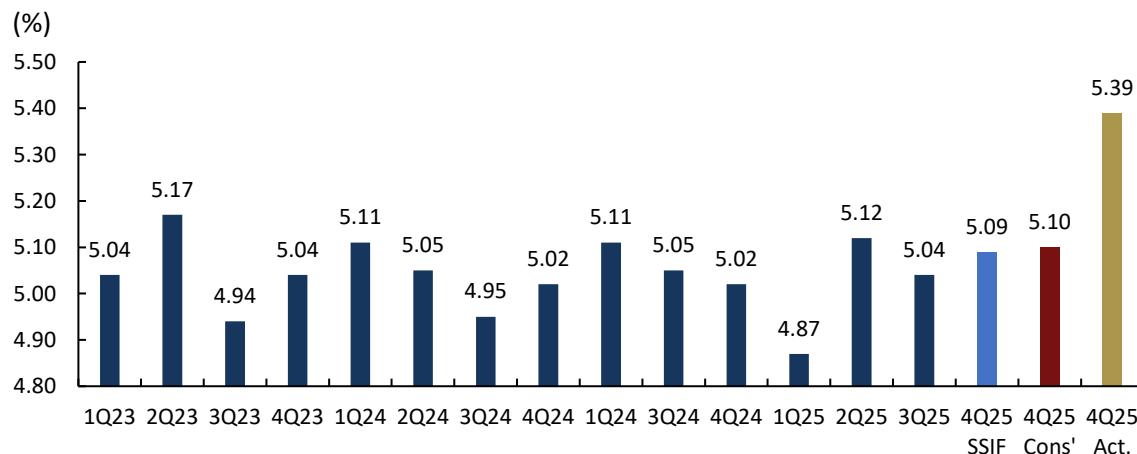


Gross Domestic Product 4Q25: 5 February 2026

- Indonesia's economic momentum closed 2025 on stronger footing, with GDP expanding 5.39% YoY in 4Q, the fastest pace since 3Q22 and above market expectations. This late-year acceleration lifted full-year growth to 5.11%, marking the strongest annual performance in three years, despite natural-disaster disruptions in several provinces. The upside surprise relative to consensus (5.1%)—and SSI's 5.09% YoY 4Q forecast—highlights domestic demand resilience amid soft global trade cycle.
- From the expenditure side, growth in 4Q was encouraging, as the expansion was anchored in household consumption (5.11% YoY) and strong rebound in fixed investment/PMTB (6.12% YoY), suggesting that growth was not only fiscal-driven but also supported by private-sector activity. This investment acceleration was consistent with broader normalization of capital formation following earlier commodity-cycle volatility, while consumption reflected some improvements in labor income dynamics. These domestic engines more than offset the visible moderation in export growth (3.25% YoY) amid persistent global trade uncertainty, even as imports strengthened alongside investment and consumption demand—signalling healthy internal economic circulation.
- Sectorally, growth drivers also pointed to structurally healthier expansion. While manufacturing—the economy's backbone—maintained solid growth above 5%, the most dynamic contributions came from transportation and logistics (nearly 9% YoY), information & communication, accommodation, and various service segments. This reflects continued normalization of tourism, distribution networks, and the digital economy, alongside infrastructure utilization gains. Importantly, mining remained the only major sector still contracting on a full-year basis, underscoring Indonesia's ongoing rotation away from commodity-led growth toward a more diversified structure.
- Regionally, economic expansion was broadly inclusive. Java remained the growth anchor, contributing nearly 57% of GDP with solid 5.3% growth, while Sulawesi emerged as the fastest-growing region (above 6%), supported by downstream processing, logistics upgrades, and industrial activity. This spatial diffusion of growth reinforces the narrative that Indonesia's development momentum is gradually spreading beyond traditional consumption centers, aided by infrastructure investment and industrial corridor development.
- Looking ahead, Indonesia's growth profile remains fundamentally constructive. The core pillars—household consumption, investment recovery, infrastructure utilization, digital-services expansion, and industrial downstreaming—are likely to continue driving activities in 2026. While exports may remain volatile amid global trade fragmentation and geopolitical risks, domestic demand should provide a relatively more solid buffer.

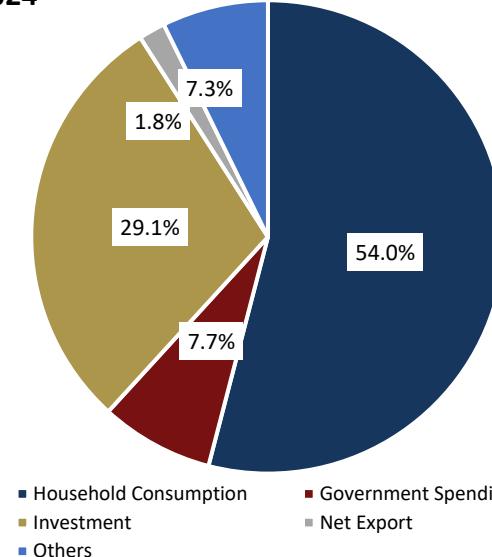
Indonesia's GDP Growth (YoY)



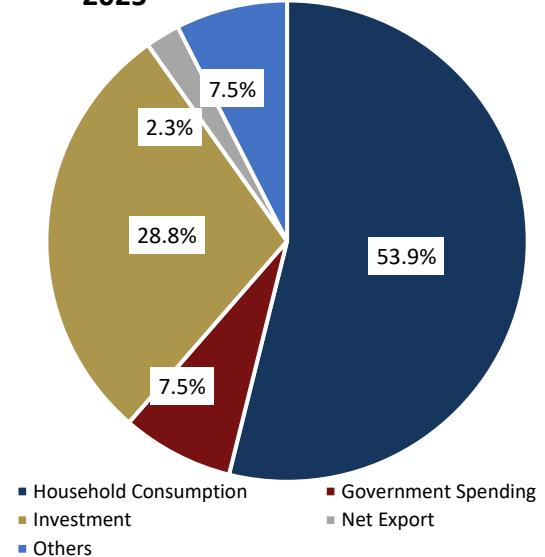
Sources: Bloomberg, BPS, SSI Research

Distribution of GDP, 2024 vs 2025

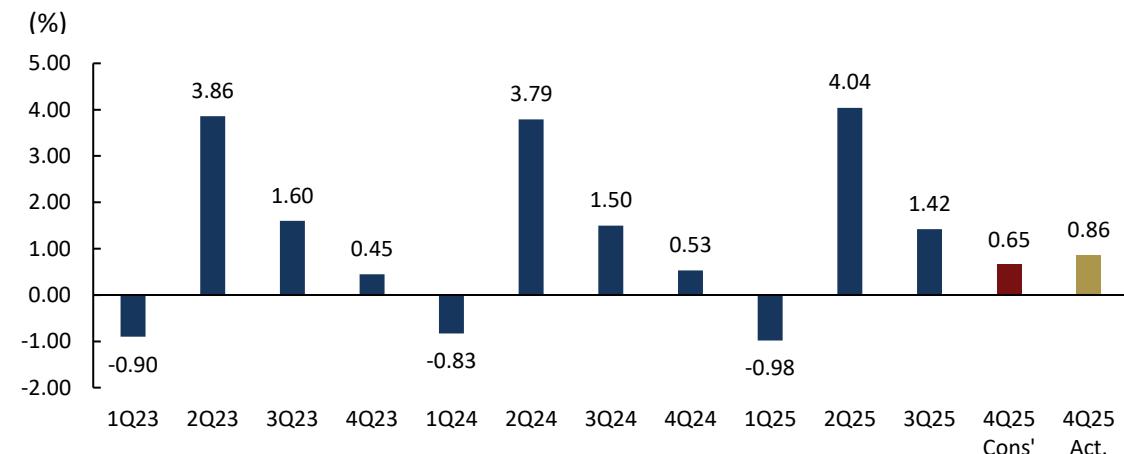
2024



2025



Indonesia's GDP Growth (QoQ)



Macro Strategy Team