

FOREIGN DIRECT INVESTMENT MONITOR

IN URUGUAY



APRIL 2024



Uruguay XXI
INVESTMENT, EXPORT AND COUNTRY
BRAND PROMOTION AGENCY

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FOREIGN DIRECT INVESTMENT MONITOR

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FOREIGN DIRECT INVESTMENT MONITOR

DIRECT FOREIGN INVESTMENT (2000 - 2023)¹

	Average		2020	2021	2022	2023
	2000-2011	2012-2019				
Millions US\$	1134	1173	753	2241	3456	3429
% of GDP	4,2%	2,1%	1,4%	3,7%	4,9%	4,4%

Source: Central Bank of Uruguay (BCU)

DIRECT FOREIGN INVESTMENT BY MODE (USD, MILLIONS)²

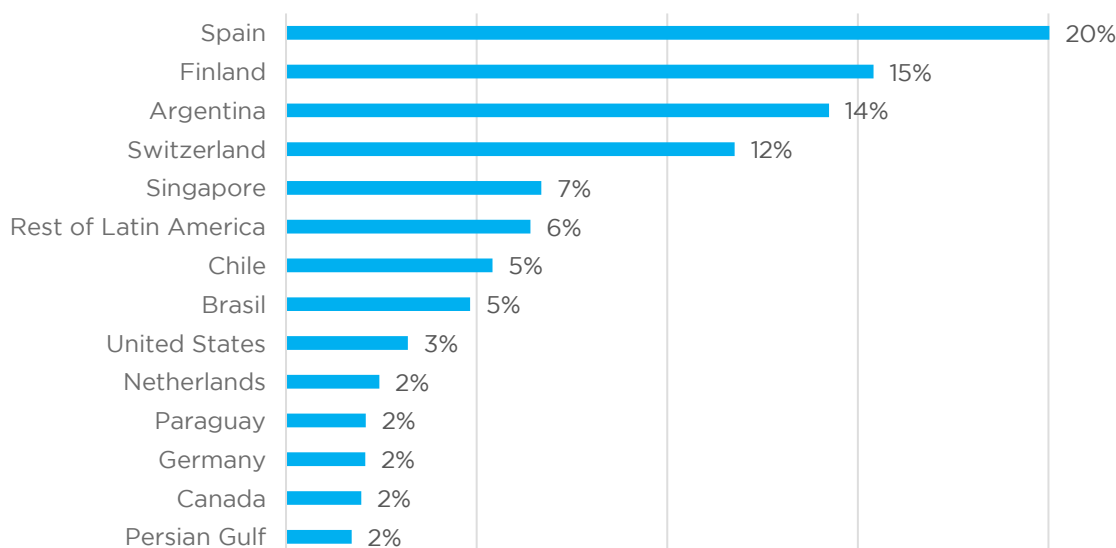
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contributions	2069	1731	1390	1009	637	269	624	904	732	936	528
Reinvestments	634	809	-1250	-610	1187	1117	-611	-190	3276	3304	1303
Loans	1548	-303	945	-2220	-2414	-1397	2005	43	-2072	-784	1598
Directional FDI	4251	2236	1085	-1821	-590	-11	2018	756	1937	3456	3429

Source: Central Bank of Uruguay (BCU)

¹ In 2017, the Central Bank of Uruguay adopted the methodology of the 6th Balance of Payments Manual. The data is net flows, so it can take negative values. Data based on this new methodology is available from the year 2012. Only Capital Participations are considered.

² According to the directional principle, FDI is separated into three different flow types: capital contributions, which is the change (from one year to another) in the total value of shares of companies in foreign hands. Reinvestments reflect how much of the dividends are reinvested and therefore stay in the country. When a company reinvests its dividends, it is equivalent to a new investment, which generates a liability of the country with the foreign country. If the company decides to reinvest fewer profits, this figure will decrease. When the profit is negative, it is computed as a negative reinvestment. In the case of loans, it may be that the decrease is due to the repayment of loans to its parent companies. But they can also be new loans made to their affiliated companies abroad.

FDI BY COUNTRY OF ORIGIN (TOTAL PERCENTAGE, 2022)³



Source: Central Bank of Uruguay (BCU)

DIRECT FOREIGN INVESTMENT BY SECTOR⁴

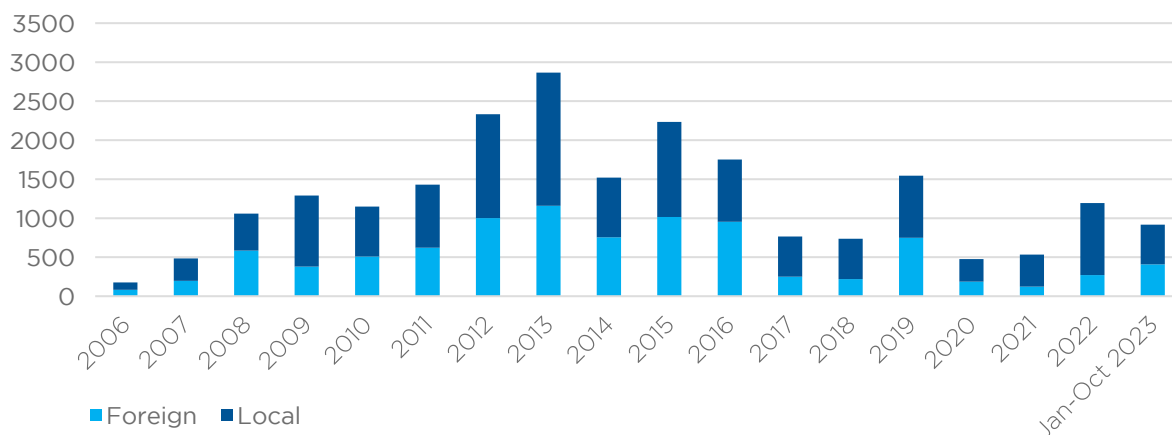
Sector	2012-2021		2022	
	Millions USD	Part %	Millions USD	Part %
Insurance and Finance	5.737	33%	841	20%
Industry	5.622	32%	1.625	38%
Commerce	4.280	25%	1.328	31%
Technical, Scientific and Prof. services	535	3%	65	2%
Real Estate	307	2%	-22	-1%
Electricity	305	2%	216	5%
Transport and Storage	301	2%	43	1%
Not classified	191	1%	92	2%
Communications	173	1%	45	1%
Agricultural	90	1%	9	0%
Lodging	-11	0%	10	0%
Construction	-50	0%	26	1%
Administrative and Support services	-68	0%	33	1%
TOTAL	17.413	100%	4.311	100%

Source: Central Bank of Uruguay (BCU)

³ Only capital participations are considered.

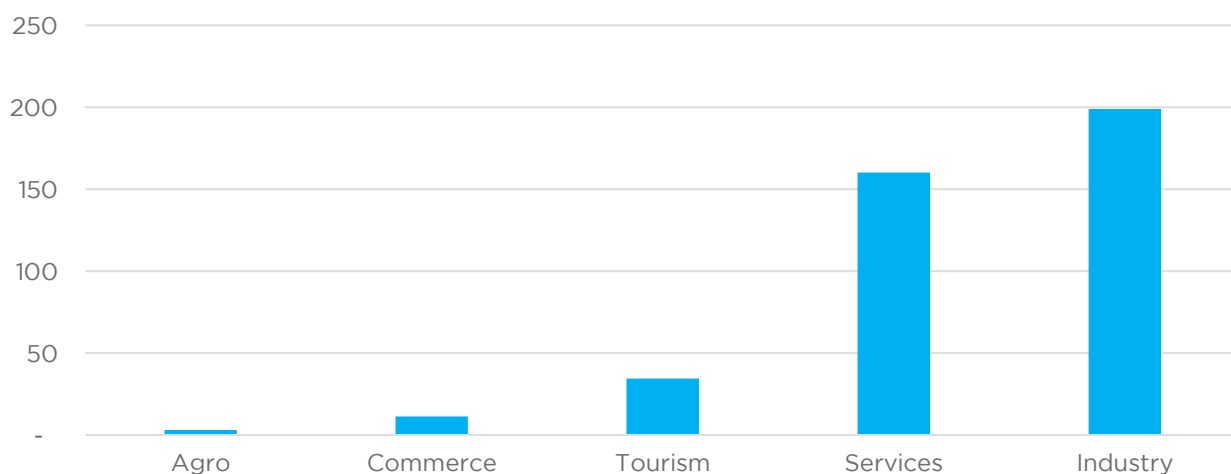
⁴ Only Contributions and Reinvestment are considered, Loans between affiliated companies are not considered. The 2012-2021 data corresponds to the sum of the flows of all years. It includes the investment project of the UPM terminal in the port of Montevideo, for an amount of USD 484 million.

COMAP PROMOTED INVESTMENT PROJECTS (USD, MILLIONS)⁵



Source: Uruguay XXI, based on data provided by COMAP

FOREIGN INVESTMENT PROJECTS PROMOTED BY COMAP IN 2022- BY SECTOR (MILLIONS, USD)⁶

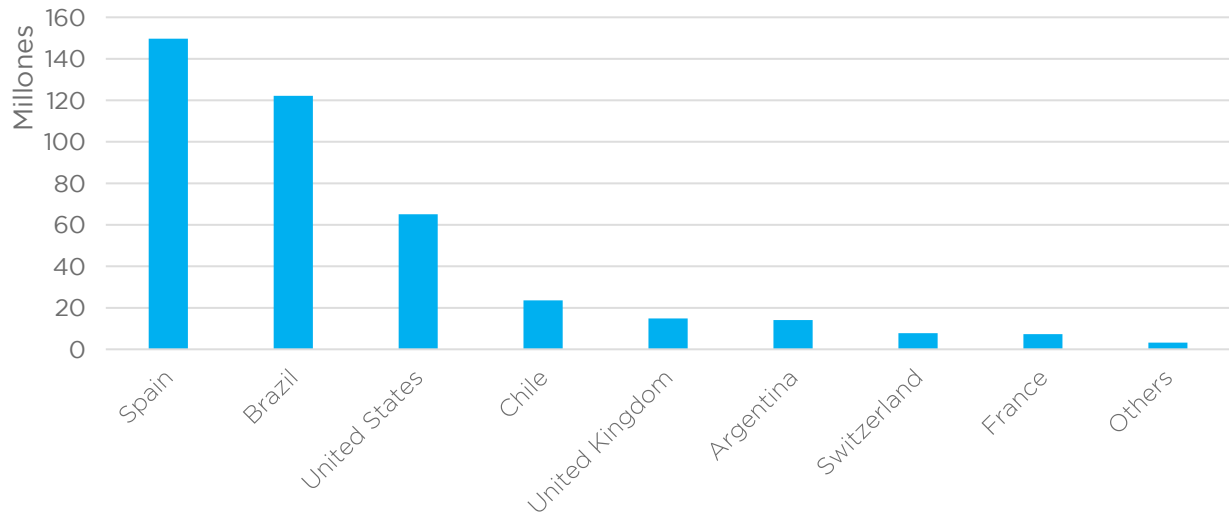


Source: Uruguay XXI, based on data provided by COMAP

⁵ Note: The Investment Law Application Commission (COMAP in Spanish) must evaluate the investment projects submitted by domestic or foreign investors to obtain tax incentives. If they comply with the requirements provided by the regulations, they are recommended for the Executive Power to grant the corresponding incentives. More information: <http://comap.mef.gub.uy/>

⁶ Latest data available in COMAP.

FOREIGN INVESTMENT PROJECTS PROMOTED BY COMAP IN 2022- BY ORIGIN (USD, MILLIONS)



Source: Uruguay XXI, based on data provided by COMAP

ANNOUNCEMENTS OF MERGERS AND ACQUISITIONS (M&A) - TARGETED AT URUGUAYAN COMPANIES (2023- APRIL 2024)

Date	Target Company	Transaction type	Buyer	Origin of buyer	Sector
Mar-2024	Corn and sorghum business of KWS	Livestock and agriculture	Acquisition	GDM Holding S.A.	Argentina
Mar-2024	Axamer LLC (Habitue)	Software	Acquisition	Direct Group	Mexico
Mar-2024	Business of Clorox	Health and personal care	Acquisition	Butterfly Group	Guatemala
Mar-2024	Marco Capital Inc (Marco Financial)	Finance	Minority Participation	Barn Investments Ltd; Kayyak Ventures; IDC Ventures; Arcadia Funds LLC; Florida Funders; Inter-American Development Bank (IDB); Miami Angels Squareone Capital; Neer Venture Partners	Brazil; Chili; Denmark; USA
Mar-2024	AREA OFF-1 block	Energy	Acquisition	Chevron Corp	USA
Feb-2024	Octobot	Services	Acquisition	Sparq; Harvest Partners LP	USA
Feb-2024	Pagnify	Food	Acquisition	Grupo Bimbo SAB de CV	Mexico
Ene-2024	Qualia Fintech SRL (Prometeo)	Software	Minority Participation	PayPal Ventures; PayPal Holdings Inc; Samsung NEXT; Samsung Group; Kite; Antler Elevate; DN Capital; Magma Partners	USA; South Korea; Mexico; Singapore; Chili
Ene-2024	Nirea SA (San Jacinto Refrigerator)	Livestock and agriculture	Acquisition	Private investor(s)	
Dic-2023	Uruguayan Payment Methods Company SA (Totalnet)	Software	Acquisition	Indra Systems SA	Spain
Dic-2013	Audical SRL	Health and personal care	Acquisition	Amplifon SpA	Italy
Dic-2023	Mar Austral SRL	Fish and seafood	Acquisition	Refrigerator Model SA (Frimosa)	Uruguay

Dic-2023	Gibur SA	Food	Acquisition	Morixe Brothers SACI; Sociedad Comercial del Plata SA	Argentina
Nov-2023	Nitis SAS (Brinta)	Software	Minority Participation	Kaszek Ventures; 17Sigma; Latitude; DSTGlobal; Broadhaven Capital Partners LLC; Gilgamesh Ventures	Argentina; Brazil; Cayman Islands; USA
Nov-2023	More Payment Evolution	Finance	Acquisition	Banorte Financial Group SAB de CV	Mexico
Oct-2023	Riblinor SA (Handy)	Finance	Minority Participation	Itau Unibanco Holding SA	Brazil
Oct-2023	Vopero Inc	Software	Minority Participation	Axo SAPI Group of CV; Cencosud SA	Mexico; Chili
Oct-2023	Resolvit Resources LLC	Services	Acquisition	Aditi Consulting	USA
set-2023	Carape I; Carape II; Alto Cielo solar power project	Energy	Acquisition	Cubico Sustainable Investments Ltd	United Kingdom
Ago-2023	N. Goddard Insurance (NGS Insurance)	Professional services	Acquisition	Aon Plc	United Kingdom
Ago-2023	16 cattle slaughtering and deboning plants	Livestock and agriculture	Acquisition	Minerva SA	Brazil
Jul-2023	Retail stores under the Zara brand	Trade	Acquisition	Regency Group	Panama
Jul-2023	Smart Investment SRL	Finance	Minority Participation	Aiva SA	Uruguay
Jun-2023	Montevideo Labs	Services	Acquisition	Blend360	USA
Jun-2023	Nocnoc Group LLC (nocnoc)	Software	Minority Participation	Caravela Capital; Mouro Capital; Broadhaven Capital Partners LLC; PayPal Holdings Inc; Quona Capital Management Ltd; IGNIA Partners	Brazil; United Kingdom; USA; Mexico
Abr-2023	Circuito Vial Tres SA	Construction	Acquisition	Acciona SA; Aberdeen Asset	Spain; United Kingdom

				Management PLC	
Abr-2023	Diaverum AB	Health	Acquisition	M42	United Arab Emirates
Mar-2023	Maxi Mobility Spain SL (Cabify)	Software	Minority Participation	Orilla Asset Management SL; AXIS	Spain

Source: EMIS. Announcements of M&A of Uruguayan companies and corporations.

GREENFIELD PROJECTS ANNOUNCEMENTS (2023- APRIL 2024)

Date	Investor	Website	Origin	Sector
Feb-24	XL EXTRA LARGE	www.xlshop.com.ar	Argentina	Textiles
Ene-24	Space AI	www.spaceai.com	United States	Software & IT services
Ene-24	Brownie (Textiles y Confecciones Brownie)	www.browniespain.com	Spain	Textiles
Nov-23	Marsh & McLennan (MMC)	www.mmc.com	United States	Business services
Nov-23	HJ Schryver	www.schryver.com	Germany	Transportation & Warehousing
Nov-23	Tether.to	www.bitfinex.com	Hong Kong	Communications
Oct-23	Valenziana	valenziana.com	Argentina	Consumer products
set-23	MPH Consultora	www.mphconsultora.com	Argentina	Business services
Ago-23	PcDiscount	www.pcdiscount.com.ar	Argentina	Business machines & equipment
Ago-23	Perez Alati, Grondona, Benites & Arntsen	pagbam.com/en/	Argentina	Business services
Ago-23	PcDiscount	www.pcdiscount.com.ar	Argentina	Business machines & equipment
Ago-23	Grupo Alonso	grupo-alonso.com	Spain	Transportation & Warehousing
Jul-23	Our Ecolution	www.ourecolution.com	Sweden	Building materials
Jun-23	HIF Global	www.hifglobal.com/home	Chile	Coal, oil & gas
May-23	Kalexius	www.kalexius.com	Switzerland	Business services
May-23	Ultimate Kronos Group (UKG)	www.ukg.com	United States	Software & IT services
Abr-23	Roebuck Food Group	www.roebuckfoodgroup.com	United Kingdom	Food & Beverages
Abr-23	Boltendahl International Partners	boltendahl.com	Spain	Financial services
Abr-23	MercadoLibre	www.mercadolibre.com	Argentina	Consumer products
Abr-23	Garnica Plywood Group SA	www.garnicaplywood.com	Spain	Wood products
Abr-23	Kiabi		France	Textiles
Abr-23	Mayo Clinic	www.mayo.edu	United States	Healthcare

Abr-23	Ecija	www.ecija.com	Spain	Business services
Mar-23	MoviStar	www.telefonica.com	Spain	Communications
Mar-23	Workplace Options	www.workplaceoptions.com	United States	Business services
Feb-23	Lumin	www.btgpactual.com	Brazil	Wood products
Feb-23	Selina	www.selina.com	United Kingdom	Hotels & tourism
Ene-23	Byrna Technologies	byrna.com	United States	Consumer products
Ene-23	Gloria	www.grupogloria.com	Peru	Food & Beverages

Source: Uruguay XXI⁷.

⁷Source. The source used is FDI Markets from Financial Times, which collects greenfield projects mainly based on investment announcements published in the press. It is worth mentioning that projects of medium and small companies, as well as projects in regions with less coverage by the main media, have less chances of being included. It is also worth mentioning that the progress of the announced projects is not always updated, so some projects remain in the database even after being canceled. Another problem of using the project history to infer the current state of investments is that even among those that were completed, some were sold by the companies after some time.

MAIN MACROECONOMIC INDICATORS

Indicators	2017	2018	2019	2020	2021	2022	2023
GDP (Var % per year)	1,74%	0,16%	0,93%	-7,38%	5,56%	4,71%	0,37%
GDP (US\$ Million)	64.995	65.259	62.166	53.615	60.728	70.236	77.131
Population (Millions of people)	3,43	3,43	3,44	3,44	3,44	3,44	3,44
GDP per Capita (US\$)	18.949	19.010	18.095	15.593	17.648	20.395	22.422
Unemployment rate - Annual Average (% EAP)	7,9%	8,3%	8,9%	10,4%	9,3%	7,9%	8,3%
Exchange rate (Pesos per US\$, Annual Average)	28,7	30,8	35,3	42,1	43,6	41,1	38,9
Exchange rate (Annual Average Variation)	-4,8%	7,3%	14,7%	19,2%	3,6%	-5,6%	-5,5%
Consumer Prices (Var % annually accumulated)	6,6%	8,0%	8,8%	9,4%	8,0%	8,3%	5,1%
Exports of goods and services (US\$ millions)**	16.845	17.283	17.254	13.909	19.639	22.611	24.851
Imports of goods and services (US\$ millions)**	13.367	13.973	13.504	11.431	15.134	18.993	18.865
Commercial Surplus/Deficit (US\$ millions)	3.478	3.309	3.750	2.477	4.505	3.618	5.986
Commercial Surplus/Deficit (% of GDP)	5,4%	5,1%	6,0%	4,6%	7,4%	5,2%	7,8%
Overall Fiscal Balance (% of GDP)	-3,2%	-3,9%	-4,4%	-5,8%	-4,1%	-3,4%	-3,6%
Gross capital formation (% of GDP)	15,9%	14,9%	14,1%	16,4%	18,3%	18,9%	17,3%
Gross Debt of Public Sector (% of GDP)	59,8%	58,9%	59,9%	74,5%	69,8%	67,9%	-
Foreign Direct Investment (US\$ millions)***	-590	-11	2.018	756	1.937	3.456	3429
Foreign Direct Investment (% of GDP)	-0,9%	0,0%	3,2%	1,4%	3,2%	4,9%	4,4%

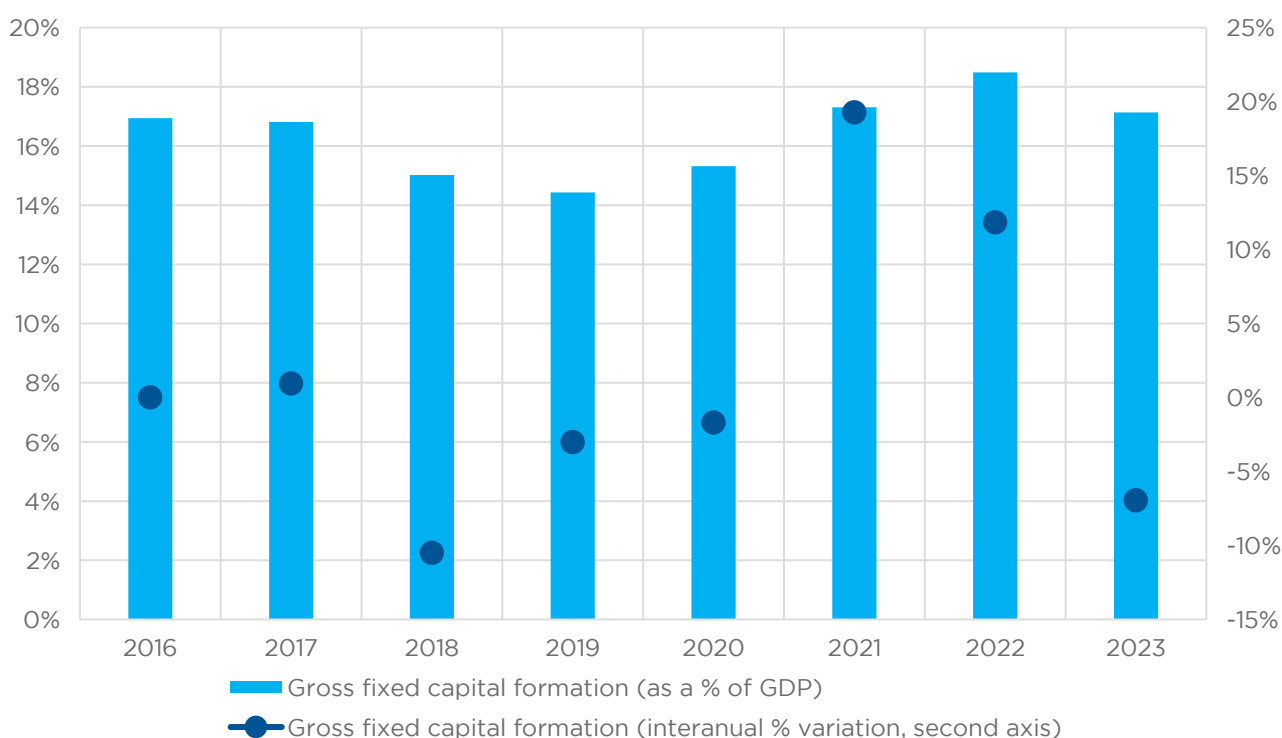
Sources: Data regarding GDP, foreign trade, FDI, exchange rate, international reserves and foreign debt come from BCU; growth rates of population, literacy, unemployment, and inflation come from the National Institute of Statistics (INE in Spanish). Estimated data for 2021 based on BCU economic expectations and inflation surveys and Exante projections. Data on fiscal outcome come from the Ministry of Economy and Finance, from 2018 the figures are adjusted for the effect of Law N°19590 (fifties).

Notes: (*) Data in red projected.

(**) In 2017 the BCU adopted the methodology of the 6th balance of payments manual. Data based on this new methodology include sale of merchandise and re-exports and are available from 2012.

(***) In 2017 the BCU adopted the methodology of the 6th balance of payments manual. The data are net flows so they can take negative values.

GROSS FIXED CAPITAL FORMATION - (2016 - 2023)



Source: Central Bank of Uruguay (BCU)

MAIN FINANCIAL INDICATORS

Quarterly Indicators	30/6/2022	30/9/2022	30/12/2022	30/3/2023	30/6/2023	30/9/2023	30/12/2023	30/3/2024
Exchange Rate (\$ per US\$)	39,90	41,70	40,10	41,12	39,86	41,74	39,02	37,55
Reserves (Millions US\$)	15.821	15.378	15.120	15.945	15.929	16.298	16.529	16.707
Country Risk (EMBI bps.)	162,20	157,82	91,30	115,48	98,98	97,71	84,98	82,05
Interbank Interest Rates	9%	10%	11%	12%	11%	10%	9%	9%
Lending Interest Rates (US\$)	3%	4%	5%	6%	6%	6%	6%	6%
Deposit Interest Rates (US\$)	0%	0%	1%	2%	2%	3%	3%	3%

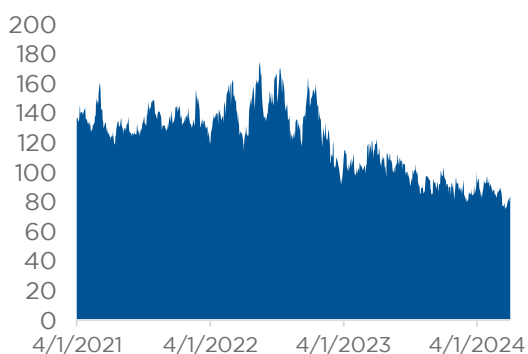
Sources: BCU, INE, MEF, JP Morgan.

CREDIT RATINGS

Agency	Foreign Currency/Long Term	Local Currency/Long Term	Outlook	Latest update
R&I	BBB+	-	Stable	Dic-23
Fitch Ratings	BBB	BBB	Stable	Jun-23
S&P	BBB+	BBB+	Stable	Abr-23
DBRS	BBB	BBB	Stable	Nov-23
Moody's	Baa1	Baa1	Stable	Mar-24
HR Ratings	A-	A-	Stable	Oct-23
JCR Agency	A	A	Stable	Nov-23

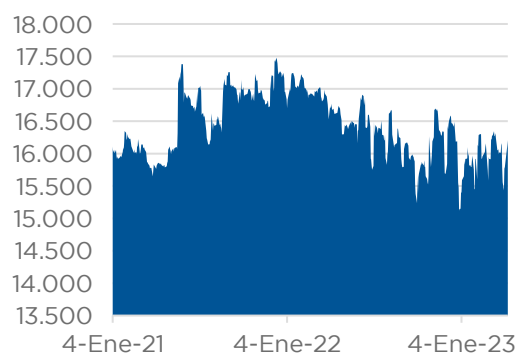
Source: Ministry of Economy and Finance (MEF)

COUNTRY RISK INDEX (EMBI - PBS.)



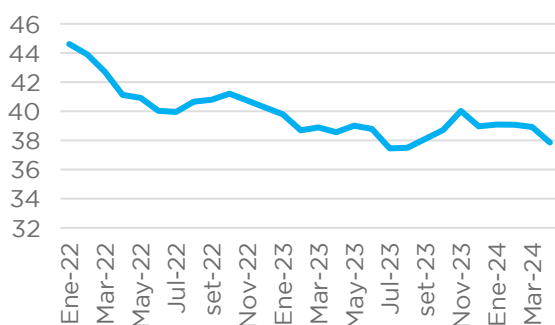
Source: JP Morgan

INTERNATIONAL RESERVES (MILLIONS, USD)



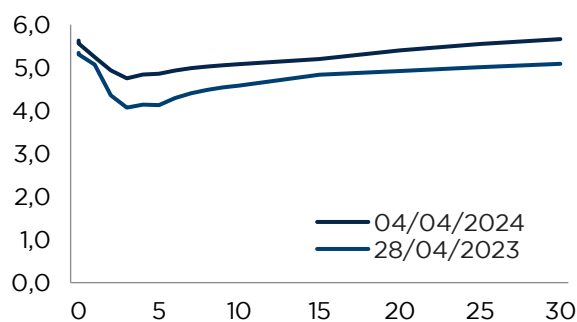
Source: Central Bank of Uruguay (BCU)

EXCHANGE RATE (UYU FOR USD)



Source: Central Bank of Uruguay (BCU)

YIELD CURVE (URUGUAYAN SOVEREIGN BONDS BY YEARS, USD)



Source: Central Bank of Uruguay (BCU)



Uruguay XXI
PROMOCIÓN DE INVERSIONES,
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