

RETAIL SECTOR IN URUGUAY



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Uruguay XXI
INVESTMENT, EXPORT AND COUNTRY
BRAND PROMOTION AGENCY

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WHY URUGUAY FOR RETAIL?

A long history of **political, social and macroeconomic stability**, as well as a series of advantages in different business platforms make Uruguay an ideal regional hub for the Americas. This concept encompasses not only support service platforms and commercial activities, but also more sophisticated and innovative operations.

Its **strategic location** as a gateway to the region, its time zone and cultural affinity make doing business with major global markets easier. The country offers first-class logistics infrastructure and state-of-the-art telecommunications technology; it is a regional leader in technological infrastructure, both in terms of connectivity and Internet access, as well as in the ICT development index.

Easy access to decision-makers. The country offers a well-coordinated and accessible technological and business ecosystem, with investment opportunities for existing companies (mergers and acquisitions) and the development of new ventures.

Favorable regulatory framework. Investment in Uruguay, both domestic and foreign, is declared of national interest. The country ensures equal treatment for local and foreign investors, while a wide range of incentives are available to suit different types of activities. In the global services for export sector, there are significant tax exemptions and opportunities to operate under an export-oriented free trade zone regime.

Talent. Uruguay provides universal and tuition-free access to all levels of education. This has made it possible to train generations of highly qualified and multilingual talent. Companies exporting services from Uruguay have support to implement tailor-made training programs for hired personnel and new recruits.

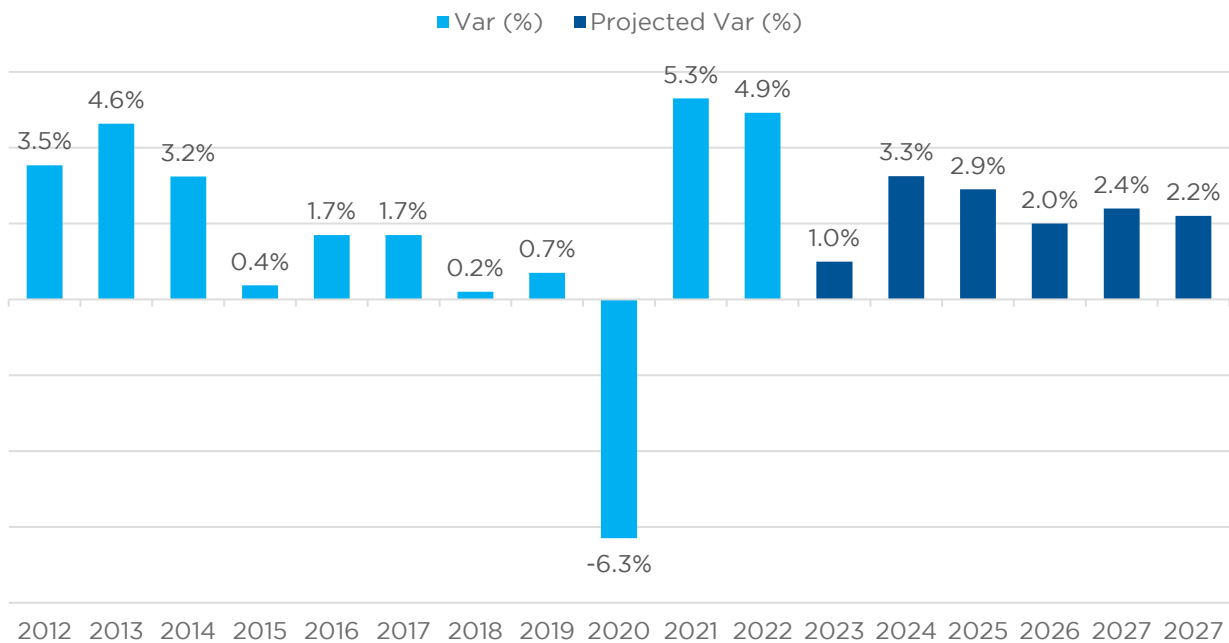
Quality of life. Uruguay is a safe country, offering excellent living conditions for professionals and their families, with access to first-class health services and education. Montevideo is the city with the highest quality of life in Latin America according to the Mercer index. More and more foreigners are choosing Uruguay as their country of residence. Workers can reside and work legally in the country and are assisted in processing their visa and residency applications in an expeditious manner. Recently, a residence permit for digital nomads was recently approved in Uruguay, looking to encourage more foreign talent to live and work in the country.

1. MACRO INDICATORS

1.1. ECONOMIC ACTIVITY

In 2022, Uruguay's Gross Domestic Product (GDP) increased 4.9% year-on-year, indicating the post-pandemic recovery. In addition, this result reflected the effects of the 2021/2022 summer crop harvest with high yields, and the preliminary effects of the 2022/2023 harvest drought are already starting to show.

Graph No. 1
Uruguay GDP
 Year-on-year percentage change



Source: Compiled by Uruguay XXI based on data from Uruguay's Central Bank (BCU, for its acronym in Spanish) and the International Monetary Fund (IMF).

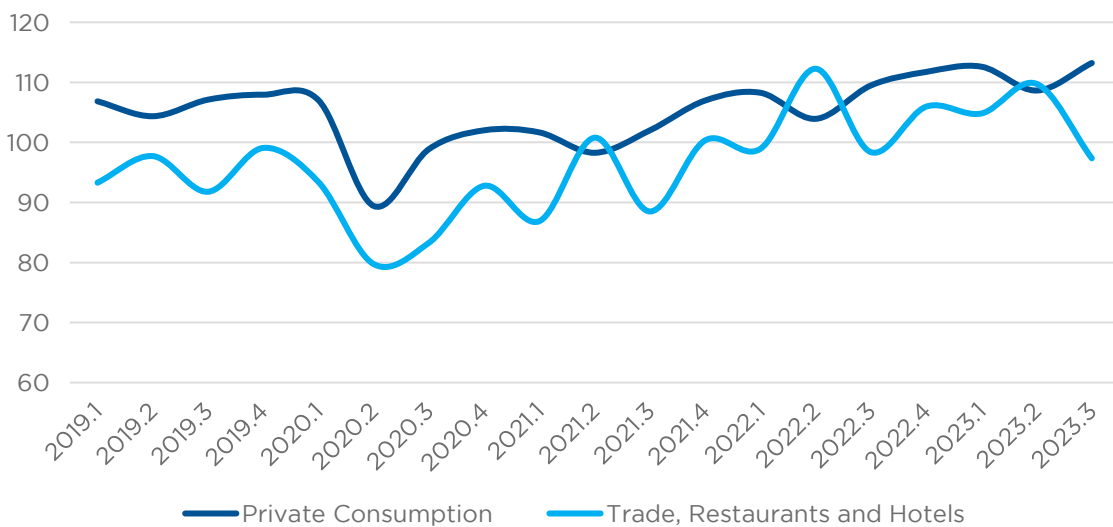
According to International Monetary Fund (IMF) projections, the Uruguayan economy is expected to grow by 1% in 2023, while according to the Economic Expectations Survey prepared by the Central Bank of Uruguay (BCU, for its acronym in Spanish) the increase is somewhat smaller (0.7%)¹.

¹ WEO - IMF October 2023 ([link](#)) and BCU Economic Expectations Survey - November 2023 ([link](#)).

1.2.RETAIL SECTOR ACTIVITY

According to the BCU, household consumption grew 3.4% compared to the third quarter of 2022. It highlighted the positive incidence of consumption during foreign tourism trips, mainly to Argentina, as well as the consumption of passenger transportation services and motor vehicles.

Graph No. 2
Trade and private consumption
 (index 2016=100)



Source: compiled by Uruguay XXI with data from the BCU.

According to information released by the National Chamber of Commerce and Services (CNCS), in 2022 the Commerce and Services sector maintained relatively stable sales levels compared to 2021. When looking at the performance by business lines, roughly half had positive variations in their sales and the other half saw negative variations. The CNCS figures show that 48% of surveyed companies grew in the year-on-year comparison, a figure higher than that observed in 2021 (40%).

In the third quarter of 2023, actual sales in the commerce and services sector fell 2.8% in the year-on-year comparison. This result is in line with the lower growth scenario that the sector had already been experiencing in the previous quarter.

Although the diffusion index by category increased, it still remains at low levels. Supermarket and Hotel sales moved into negative territory. On the other hand, construction materials,

hardware stores, paint stores, toy stores and security services moved from negative to positive variations. The diffusion index of sales by company also showed an increase, going from 32% to 39%.²

Table No. 1
Sales by business line
 Real and inter-annual % variation

	Items	2020	2021	2022	Jul-Sept, 2022	Oct-Dec, 2022	Jan-Mar, 2023	Apr-Jun, 2023	Jul-Sept, 2023
Non-durable and semi-durables	Bazaars	-1.6	-9.5	-0.4	-2.2	-3.1	-3.9	-6.3	-3.8
	Personal care	-6.8	-5.1	-5	-7.3	-5.7	-5.5	-5.6	-3.5
	Clothing	-12	3.7	4.3	0.2	-1.3	12.3	3	3.3
	Toy stores	5.4	-3	-4.5	3.6	-4.2	19.5	-3.3	0.8
	Mini markets	-2.5	0.3	-8.1	-5.9	-7.3	6.2	-10.1	-4.8
	Optical stores	-20.5	5	1.2	-9.6	-2.4	-8.7	-10	-9.7
	Stationery store	-16	2.7	-7.7	-1.5	-10.4	-6.3	-19	-0.4
	Supermarkets	-0.6	-3.6	-0.1	2.7	2.5	3.2	2.9	-3.9
Durable products	New Cars	-14.3	41.6	7.3	8.4	15.7	1.9	5.9	14.9
	Household Appliances	-14.6	2.2	-1.1	5.9	-6.7	-6.9	-7.1	-6.9
	Technology	4.6	14.2	14	8.2	12.9	-2	-1.9	-0.7
Services	Travel agencies	-17.1	3.5	5.3	28.9	-0.3	19.5	-10.8	-5.2
	Hotels	-10.7	-3	10.7	-5.6	-0.3	-2.3	6	-1.1
Economic Activities with growth (%)		13	53	53	40	20	32	30	35
Companies with growth (%)		28	40	48	30	43	34	32	39

Source: Survey by the National Chamber of Commerce and Services (CNCS) - Automotive Trade Association of Uruguay (ACAU).

Total imports grew 25.5% in 2022, while in January-September 2023 they increased 1% in the year-on-year comparison. Imports of consumer goods increased by 15.3% in 2022, totaling USD 3.441 billion thus surpassing pre-pandemic figures.

Looking at the different items of consumer goods imports, Food and Beverages had an increase of 14% in 2022, while automobile imports grew 18% (the most dynamic category), durable goods 14% and other consumer goods 15%.

² [Trade and Services Activity, third quarter 2023](#)

Graph No. 3
Imports of Consumer Goods
 (Index 2017=100)



Source: compiled by Uruguay XXI based on data from the National Customs Directorate (DNA, for its acronym in Spanish).

1.3.SECTOR DETERMINANTS

1.3.1. EMPLOYMENT MARKET

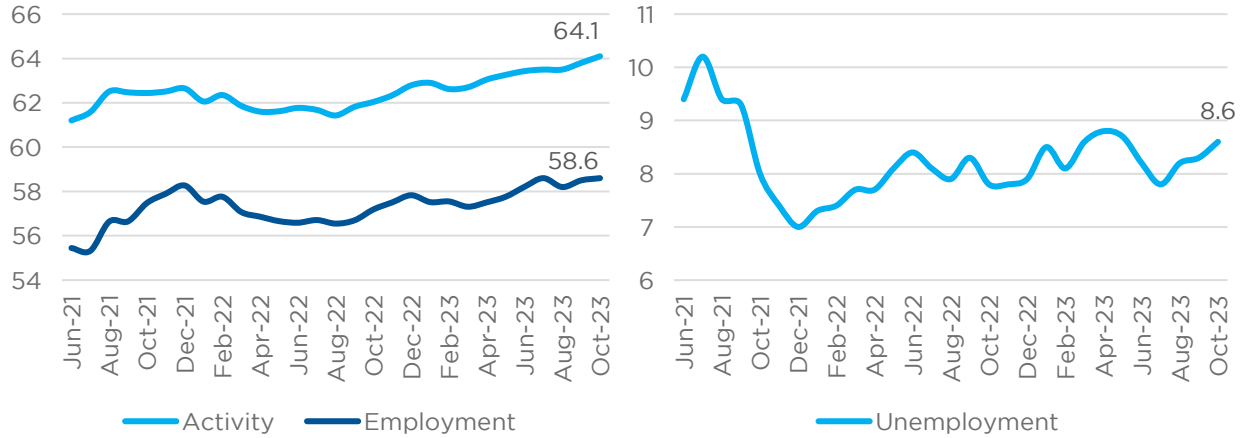
The latest labor market data published by the National Statistics Institute (INE, for its acronym in Spanish)³ show a significant improvement with regards to the employment levels recorded in the first half of 2023. In October 2023, the employment rate increased to 64.1% of the working-age population (WAP). Thus, the employed population maintained an upward trend in recent months and exceeded 1,800,000 people.

The activity rate (which measures the number of people active in the labor market, either because they are working or because they are actively job hunting) is also on the rise, reflecting a strong reactivation of job search. The projections made by the Center for Economic Research (CINVE, for its acronym in Spanish) for the labor market indicate that the employment and unemployment rates will maintain a relatively stable trend in the next mobile year.⁴

³ Activity, Employment and Unemployment Report - September 2023 ([Link](#))

⁴ [Labor Monitor - November 2023](#) - CINVE

Graph No. 4
Activity, employment and unemployment rates
 (Values in percentages)

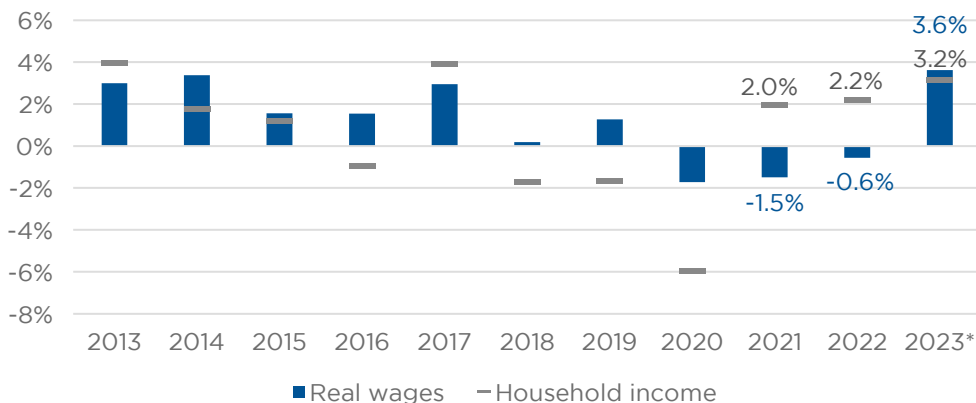


Source: compiled by Uruguay XXI based on data from the National Statistics Institute (INE).

1.3.2. HOUSEHOLD INCOME

The Real Wage Index accrued three years of consecutive declines. However, projections for 2023 are more auspicious. This is largely due to the decline in inflation that continues to be recorded throughout 2023. This is coupled with the increase in nominal wages brought about by inflationary adjustments. In 2023, wages are expected to grow by 4.3%, which would imply a boost to the sector.⁵

Graph No. 5
Average real wage and household income
 (Year-on-year % change)



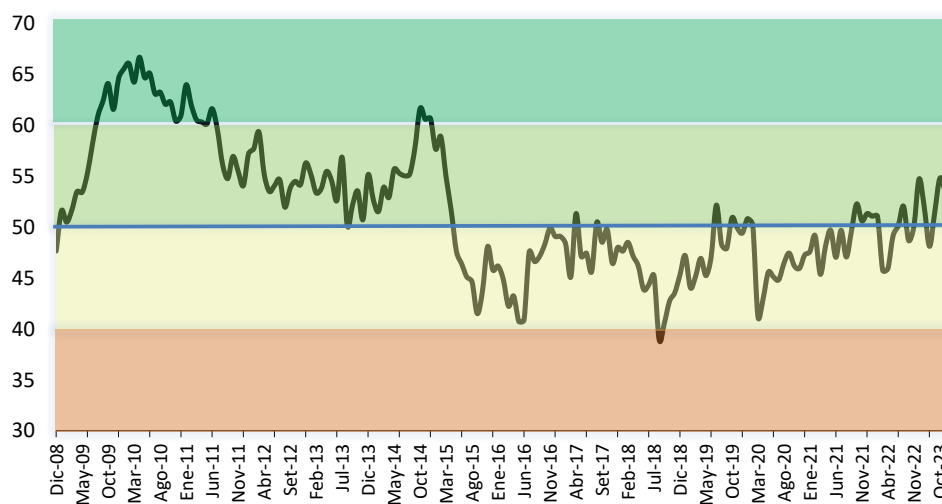
Note: 2023* corresponds to the average from January to October for real wages and to the first half of the year for household income. Source: compiled by Uruguay XXI based on data from the INE.

⁵ "A new retail cycle" - (Issue 154 year XXIX - July/August 2023) - Retail Editorial

1.3.3. CONSUMER EXPECTATIONS

The Consumer Confidence Index⁶, developed by the Catholic University and the Equipos Consultores firm, was above neutral level in the second half of 2023, in a **moderately optimistic area**. It is worth noting that although this indicator in the first half of 2023 was in the moderate optimism area, it was lower than in the second half of the year.

Graph No. 6
Consumer Confidence Index



Source: Catholic University and Equipos Consultores.

⁶ From 2022 onwards, the index will be measured on a bimonthly basis. For more information see: [link](#).

2. SEGMENTS OF THE RETAIL SECTOR

Retail encompasses all economic activities that specialize in the mass sale of products or services to end consumers, including all stores or commercial premises with direct sales to the public. The most common example is supermarkets. Other businesses traditionally associated with retail are stores of specific categories, household goods stores, hardware stores, pharmacies, clothing stores, among others. The complexity of the retail sector is due to the wide range of segments it comprises. Some of the main segments of the sector are discussed below.

2.1. SUPERMARKETS, NEIGHBORHOOD STORES AND KIOSKS

According to data provided by Euromonitor, in 2022 retail sales in Uruguay totaled USD 8.153 billion. Among the country's grocery retailers, the largest share is held by convenience stores and small grocery shops⁷. These types of stores accounted for the largest number of sales outlets, but they have a considerably smaller area per outlet compared to supermarket chains; consequently, neighborhood stores recorded lower sales per outlet than supermarkets. Most neighborhood stores are independent, often family-owned businesses, have a good range of products and generally cheaper prices than the large supermarkets. The Financial Inclusion Act allowed these stores to introduce modern cashless payment options, retaining the loyalty of consumers, particularly the younger generations.

Kiosks are important players in the traditional retail trade in Uruguay. They offer a convenient way for consumers to buy basic products, generally at lower prices. However, kiosks are threatened by increased competition from other retail stores that tend to offer a wider variety of products to consumers. Large supermarkets, together with convenience stores,⁸ have a smaller number of points of sale, but with far greater average surface area than the other channels.

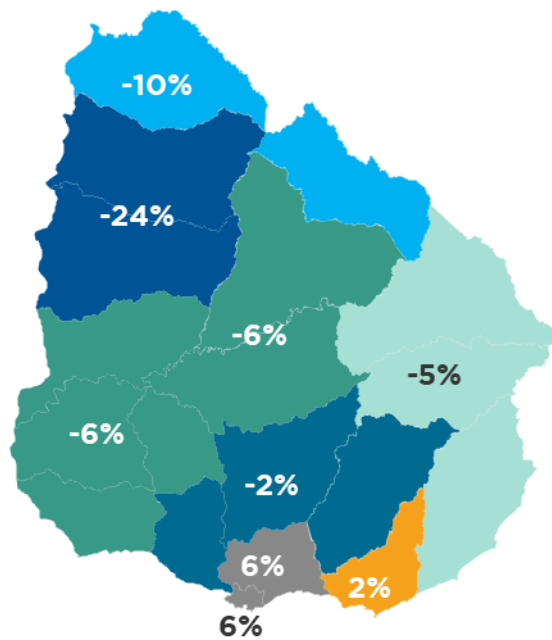
⁷ This category includes the consolidation of three channels: small independent supermarkets, food/beverage/tobacco specialists and other grocery retailers.

⁸ This category includes the combination of five channels: hypermarkets (superstores), supermarkets, discount stores, filling station retailers and convenience stores.

The decline in purchasing power in Argentina and the rise in prices in Uruguay impacted the results of some of the main players in the retail trade. Trade between Uruguay and Argentina is traditionally strong, with a long tradition of consumers traveling regularly.

The map shows that the biggest drop in consumption in stores and supermarkets occurred in Salto (-10%) and Paysandú (-24%), while consumption in Montevideo and Canelones grew (6%).

Graph No. 7
Consumption in neighborhood stores and supermarkets
 (Year-on-year change in volume, Jan-Jul 2023)



Source: Scanttech Radar - Retail Seminar August 2023.

In addition, in 2022 the main player in the grocery retail trade, Ta-Ta, recorded a decline in purchases by Argentines visiting Uruguay, sales that typically account for 30% of the entire business. Between the pandemic and inflation, which reduced purchasing power, consumers increased their reliance on private label brands. In Uruguay, the main supermarket chains have their own brand, which are active in several categories and are recording steady sales growth. For example, for Tienda Inglesa, having its own brand is a differential for customer loyalty. For almost two years, Grupo Disco has had *Precio Líder* (formerly Leader Price) and its tactic is to offer the best quality at a cheaper price than the segment leader.

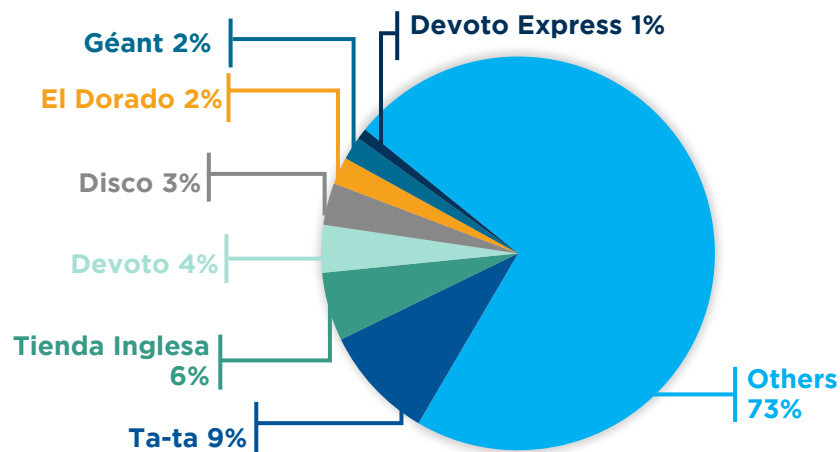
Ta-Ta has nine private labels. In high-turnover categories such as groceries, beauty and cleaning, it offers 600 products under the Ta-Ta and Trial brands. Meanwhile, another 50

developments are available in the meat and charcuterie category under the *Del Campo a la Mesa* and *Hacienda Premium* labels. In home goods, bookstore, textile and home appliance products, there are another 1,500 products offered under the brand names *En Casa*, *Playschool*, *H&G* and *Hometech*. Ta-Ta brands currently account for approximately 20% of total sales, higher than in 2018 (6%).

Meanwhile, Kinko began adding private label products to its commercial proposal two years ago. They have eight products related to snacks in addition to alfajores, a traditional sweet confection.⁹

The main supermarket chains had an important share in total sales, but none dominated the market. Ta-Ta together with Tienda Inglesa were the sales leaders with 9% and 6%, respectively. They were followed by Devoto, which accounted for 4% of sales in 2022.

Graph No. 8
Supermarkets, neighborhood stores and kiosks in Uruguay
 (% share of 2022 sales)



Source: compiled by Uruguay XXI based on information from Euromonitor¹⁰.

Large chains continue to upgrade, adding self-service scanning devices and other technological tools that customers can use to save time and enhance their purchase experience. These companies developed online sales channels that grew extensively during and after the pandemic, as explained in section 4 of this report (e-commerce).

⁹ [“Private labels are gaining ground in supermarkets: the strategy adopted by Tienda Inglesa, Grupo Disco, Ta-Ta and Kinko”](#) - El País

The category Other includes: Axion, Disa Shop, Tienda 360, Kinko, Frog Maxishop and traditional retailers (neighborhood stores and kiosks).

Table No. 2
National companies and International groups

Company	International Group
Axion Energy Argentina S.A.	Axion (Bridas Corp.)
Disa Group	Disa Shop (DISA Corporación Petrolífera SA)
DUCSA	Tienda 360 (DUCSA)
Henderson & Cía. S.A.	Tienda Inglesa (Henderson & Cía. S.A.)
Kinko S.A.	Kinko (Kinko S.A.)
Lanin S.A.	Devoto Express (Casino Guichard-Perrachon S.A.)
Odaler S.A.	Géant (Casino Guichard-Perrachon S.A.)
Polakof S.A.	El Dorado (Polakof S.A.)
Devoto Hnos Supermarket S.A.	Devoto (Casino Guichard-Perrachon S.A.)
Disco Supermarket S.A.	Disco (Casino Guichard-Perrachon S.A.)
Ta-Ta S.A.	Ta-Ta (Ta-Ta S.A.)
Ussel S.A.	Frog Maxishop (Ussel S.A.)

Source: compiled by Uruguay XXI based on information from Euromonitor.

Variations in sales of the different categories within supermarkets were uneven in 2022. IT, Image, Audio, Video, Cosmetics and Beauty, Hardware and Other Household Goods in particular registered negative variations in 2022 that were not reversed in 2023. On the other hand, sales of Footwear, Perishable and Frozen Foods, and especially Baked Goods, Rotisserie, etc., grew in 2022, a trend that continued in 2023.

Table No. 3
Supermarket sales by category
 (Year-on-year % change)

Products	2022	I.2023	II.2023	III.2023
Non-perishables	-0.4%	0.8%	-1.9%	-3.2%
Perishable and frozen foods	3.2%	7.2%	5.2%	2.9%
Baked goods, Rotisserie, etc.	19.6%	22.6%	14.1%	9.7%
Soft drinks and alcoholic beverages	-1.9%	8.3%	19.4%	13.3%
Household cleaning	-6.3%	-1.4%	2.5%	-4.4%
IT, Image, Audio, Video, etc.	-7.9%	-11.2%	-19.5%	-7.1%
Large household appliances	8.2%	0.1%	-18.7%	1.4%
Other household items	-3.1%	-2.1%	-0.2%	-3.7%
Bazaar	2.5%	2.5%	-1.0%	-6.2%
Cosmetics and Beauty	-8.5%	-6.4%	-6.7%	-9.1%
Toys	-1.8%	-1.2%	1.0%	-7.2%
Books and stationery	28.6%	-0.3%	2.4%	-47.0%
Hardware	-5.4%	-6.6%	-5.2%	-5.7%
Clothing	-1.4%	-0.6%	8.6%	1.8%
Footwear	8.8%	6.1%	1.5%	13.6%
Other	6.4%	0.4%	-8.2%	5.8%
TOTAL	1.6%	4.9%	7.0%	0.5%

Source: compiled by Uruguay XXI based on information from the CNCS.

In the first seven months of 2023, consumption and invoicing grew 3.4% and 9.3%, respectively¹¹. The consumption of beverages (water in particular) as a result of the water crisis that affected Montevideo and Canelones explained the increase. While during 2022 the share of beverages was 19.9% of the turnover, this figure rose to 22.2% in the January-July 2023 period. Beverage consumption was the only category that grew due to the higher purchase of water between May and July (over 20%). Cleaning and personal care showed the largest declines, both 7%, while food consumption fell 2%.

Although expectations deteriorated in the third quarter of the year, they are still optimistic, according to the supermarkets surveyed by the CNCS. Thirty-nine percent stated that future profitability will be better or much better.

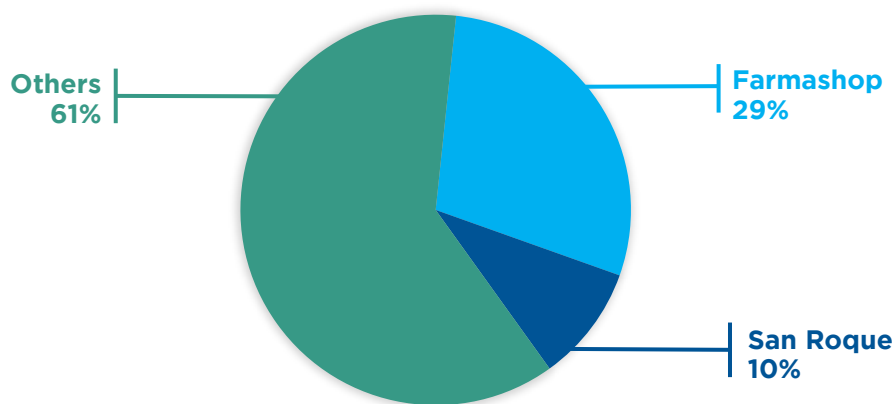
¹¹ Scanntech - Retail Seminar August 2023

2.2. PHARMACIES AND PERSONAL CARE

Health and beauty stores had a turnover of USD 474 million in 2021. Actual sales for the Pharmacies and Personal Care segment increased 7% in 2021, however, sales in terms of constant value declined. This was largely due to a drop in pharmacy spending. Consumers, more accustomed to living with COVID-19, spent less on healthcare, while products such as beauty and optical products saw an increase.

Farmashop (Linzor Capital Partners international group) was the segment leader with a 29% share of sales, followed by San Roque (Grupo De Narváez) with 10%. The rest of the retail stores accounted for a significant value of the segment's total sales (61%), in compliance with current legislation, which prohibits the concentration of points of sale in the hands of a few economic groups. In particular, the number of stores in a chain may not exceed 10% of the total number of points of sale.

Graph No. 9
Total pharmacy sales. Main companies
 (% share 2021)



Source: compiled by Uruguay XXI based on information from Euromonitor.

During 2022 Farmacity, together with IBF Negocios, acquired five FarmaGlobal points of sale. Farmacity plans to reformulate the product mix and renovate stores in order to maintain the Farmacity line, similar to that of modern pharmacies, which offer not only over-the-counter and prescription drugs, but a mix of health and beauty products as well. Farmacity also has a private label catalog to provide an affordable product line. It is well known to Uruguayan consumers, as many of them regularly travel to Argentina, which allowed it to branch out.

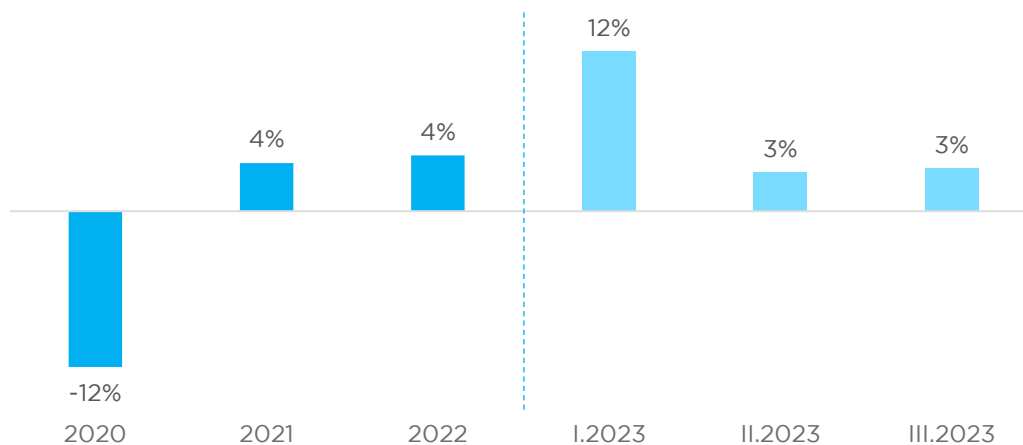
Expectations showed a drop in the third quarter of 2023 compared to the same period in 2022. However, they are still optimistic. Forty-three percent stated that future profitability will be better or much better.

This sector is also affected by the exchange rate gap in Argentina. According to a survey conducted by the Association of Pharmacies of the Interior (AFI), sales loss among its associates has been increasing; in 2021, when certain restrictions were still in force due to the health crisis as a result of COVID-19, it was a 20% fall compared to the previous year, while in 2022 the percentage drop doubled and so far in 2023 it has tripled.¹²

2.3. CLOTHING AND FOOTWEAR

Forty-nine percent of companies in the apparel sector stated that their sales increased in the third quarter of 2023, in fact, real sales grew 3% year-on-year, matching the result of the second quarter of 2023.

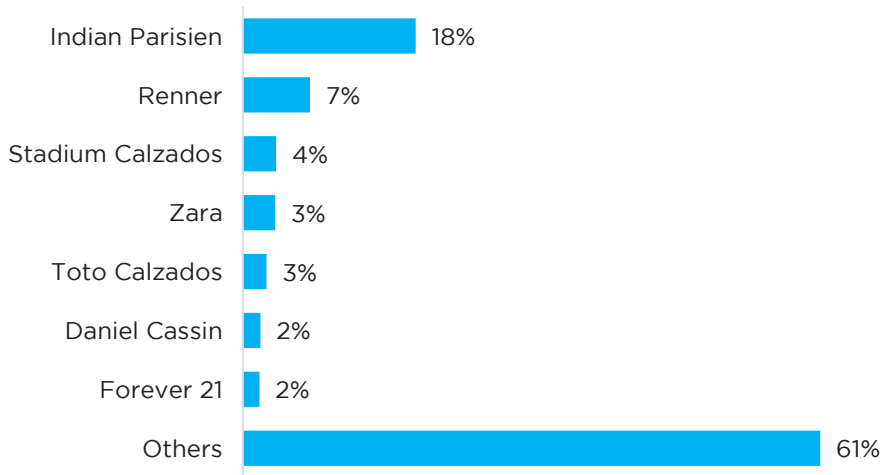
Graph No. 10
Apparel and footwear sales
 (% y-o-y variation)



Source: compiled by Uruguay XXI based on the CNCS.

¹² [“Uruguayan pharmacies report that deliveries, networks and platforms channel unchecked products from Argentina”](#) - El Economista Argentina

Graph No. 11
Total sales of clothing and footwear. Main companies
 (% share 2021)



Source: compiled by Uruguay XXI based on information from Euromonitor.

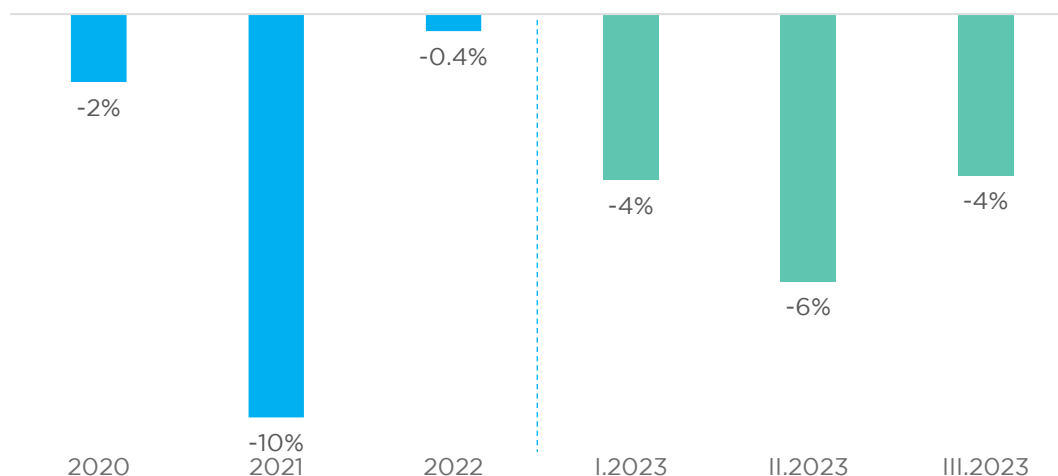
Indian Parisien maintained its leadership in the specialized apparel and footwear retail channel with 18% of total sales. The Uruguayan company surpassed international companies that arrived in the country in recent years, such as Renner, which is in second place with 7%, and Zara with 3%. The companies Stadium and Toto led in footwear with 4% and 3% of sales, respectively.

The perception of the current profitability of apparel companies recorded a slight decline compared to the first quarter of 2023, because in the second quarter of the year 31% of the companies in the industry stated that it is "better", while in the first three months of the year this figure was 32%.

2.4. HOME AND DECORATION

Home and Decoration sales accumulated a 0.4% drop in 2022, a negative evolution that continued during 2023.

Graph No. 12
Home and Decoration Sales
 (% y-o-y variation)



Source: compiled by Uruguay XXI with information from the CNCS.

It is currently a trend for fashion brands to invest in the decoration sector by offering their own lines. For example, the clothing chain Guapa! and its brand, Paprika, focused on home decoration was established in 2017. Currently, Paprika contributes around 40% of Grupo Unilam's turnover - which this year acquired the children's brand Pappolino - with 30 stores (Guapa! has 40). Mixed stores operate in the interior.

In addition, in the local market, Lemon also did this, launching the vertical La Casa in 2017, followed by Lolita with Lolita Home (2018) and Indian with Indian Home (2022). Zara was one of the first to go down this path and in 2003 launched Zara Home. In 2013 it opened its first store in Montevideo Shopping. Likewise, in 2022 H&M Home opened its first store in Montevideo Shopping.¹³

According to the latest CNCS report, with regard to the current profitability of the business, there is considerable optimism. Sixty-three percent stated that future profitability will be better or much better.

2.5. PET CARE

The retail sector has evolved worldwide in different areas and animal health centers have not been the exception. These are specialized pet stores that offer an integral selection of food,

¹³ [“Dressing the home”: Uruguayan fashion brands are betting on the decoration sector with their own collections”](#)
 - El País

food supplements, clothing, accessories, means of transportation, toys and furniture, along with veterinary and grooming services (esthetics and hygiene: grooming, baths, nail treatments, dermatological treatments and teeth cleaning).

In March 2023 Equipos Consultores conducted a survey and found that the number of households with dogs increased 57% in almost 10 years, from 1,150,000 in 2014 to 1,800,000 in 2023. In turn, the consulting firm estimated that cats would exceed 900,000; there is one in every four out of 10 households.¹⁴ In this regard, the Ministry of Livestock, Agriculture and Fisheries (MGAP, for its acronym in Spanish), the National Institute of Animal Welfare (INBA, for its acronym in Spanish) and the consulting firm Cifra carried out a survey between August and September 2023 which showed that 67% of Uruguayan households have at least one dog and 35% have a cat.¹⁵ According to preliminary census data, two out of every three households have a pet. It is estimated that there are more than two million, of which 1.4 million are dogs and almost 690,000 are cats¹⁶.

The pet industry has a turnover of more than USD 180 million per year in Uruguay, has grown steadily for years and, with the pandemic, has experienced greater development both domestically and abroad. In addition to food, there are more items related to the welfare of pets -toys, clothing, among others- whose expenditure in the Uruguayan market grew 10%.¹⁷

Laika¹⁸, a name that pays homage to the famous dog sent into space by the Soviet Union in 1957, is one of the first stores in the sector installed in Uruguay. The company opened its first store in Carrasco at the end of 2017 and today has ten points of sale. There are nine stores (of which eight are located in different neighborhoods of Montevideo and the ninth in Punta del Este) and they have an online retail channel. The e-commerce platform makes it possible to buy products, request grooming services, schedule consultations with a veterinarian, manage frequent orders and even access pets' electronic medical records. The stores, located in spacious premises of 150 m² or more, offer a wide range of products for dogs, cats, rodents, birds, fish, reptiles and other pets.

¹⁴ [“Snacks, toys and even anti-stress beds: supply of products increase with the rise in the number of pets”](#) - Forbes Uruguay

¹⁵ [“67% of Uruguayan households have at least one dog and 35% have a cat, according to a survey published by the MGAP”](#) - La Diaria

¹⁶ [“The INE published the first data on the 2023 Census: how many Uruguayans are there?”](#) - El Observador

¹⁷ [“The pet industry moves more than USD 180 million per year in Uruguay and is expected to continue growing”](#) - El Observador

¹⁸ [“The strategy behind Laika, the pet store that is growing in Montevideo”](#) - El País

Sucan¹⁹ is another company in the industry that started as an online business in 2015 and in August 2021 opened its first physical store after an investment of USD 150,000. The store, located on Avenida Italia, occupies about 200 m². With the opening, Sucan also partnered with Asisvet, an enterprise dedicated to veterinary care at home, and launched [Comoencasa.uy](https://comoencasa.uy), which unites those who need someone to take care of their pets with those who are open to receiving them at home.

In 2022 Sucan opened two new stores in Maldonado, with a USD 200,000 investment. One of the stores located in Punta del Este accounted for 5% of revenue in 2022. This store occupies nearly 400 m², of which 50% is intended for the store and the rest for storage. The second store is located in Paseo del Este, an open-air shopping mall in the same department.

Ciudad Aventura, has three stores: Punta Carretas, Casa Central and the Géant Store. It offers food, snacks, nutritional supplements, health and hygiene, bags and dispensers, accessories, furniture and pharmacy products. The products are for dogs, cats, birds, reptiles and rodents.

Shopping para Mascotas is a store located in Montevideo, in addition to its online store, with a variety of food, food supplements, accessories, transport and travel items, hygiene products, toys, clothes, entertainment items, furniture, etc.

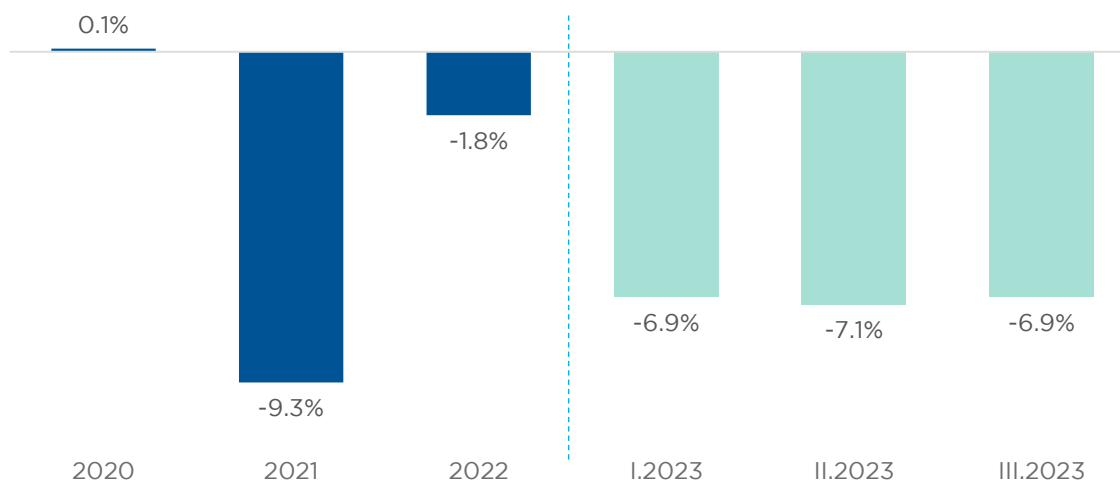
In addition, several e-commerce stores comprise the sector: **Mostaza Pet Shop**, **Animal Shop** and **Ser animal** are digital pet stores that allow you to make purchases with numerous payment methods and ship nationally.

2.6. HOUSEHOLD APPLIANCES

Home appliance sales recorded a 1.8% drop in 2022. According to the CNCS survey, the negative trend in sales continued in 2023. The year-on-year change in sales of home appliance companies in the third quarter of 2023 was -6.9%, remaining in a shrinking scenario for four consecutive quarters.

¹⁹ [“Sucan pet store started online, tested with one physical store and now opens two others in the eastern part of the country”](#) - El País

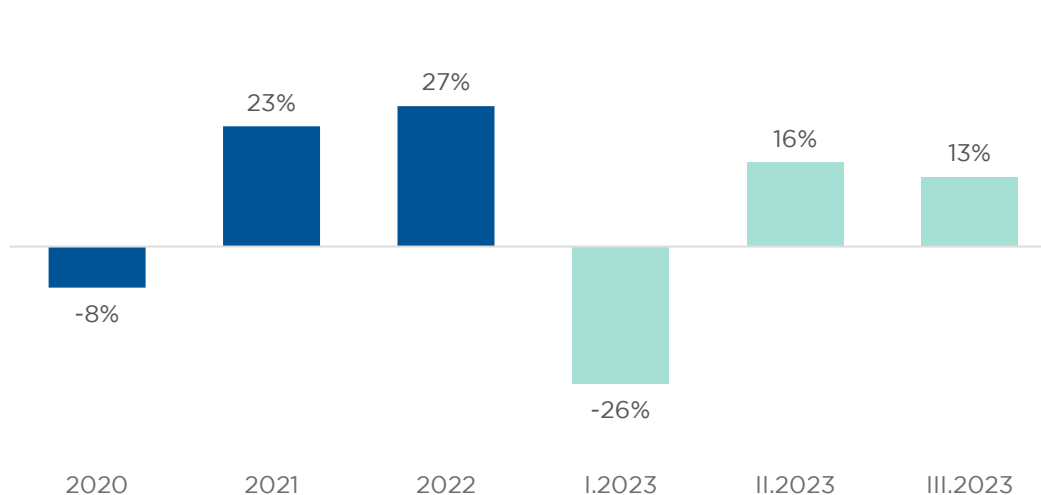
Graph No. 13
Sales of Household Appliances²⁰
 (% y-o-y variation)



Source: compiled by Uruguay XXI with information from the CNCS.

On the other hand, imports of household appliances increased 13% compared to the third quarter of 2022 and reached one of the highest levels in recent years. It is worth noting that in 2021 and 2022 variations of over 20% were observed.

Graph No. 14
Imports of home appliances
 (% y-o-y variation)

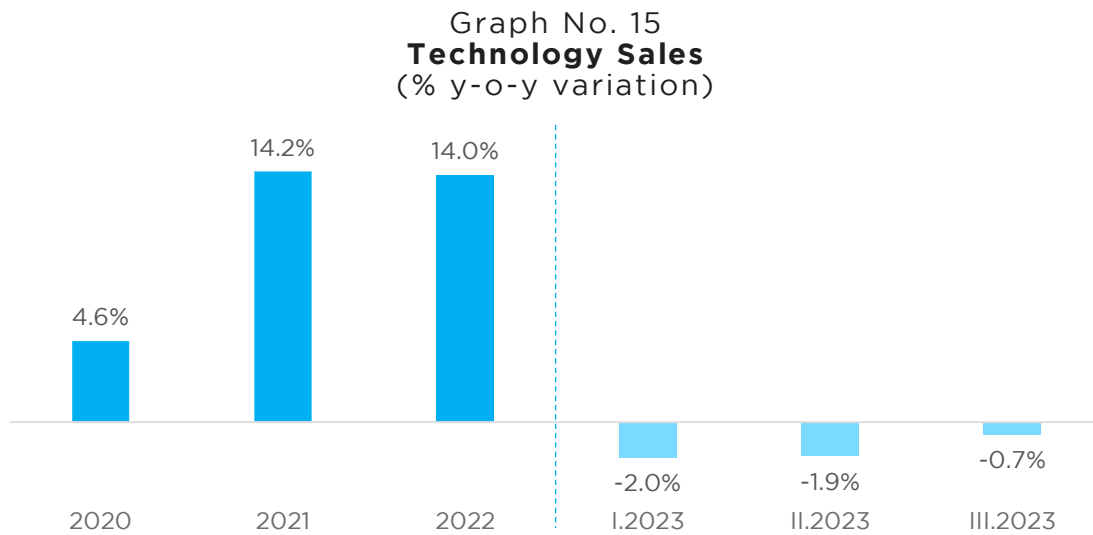


Source: compiled by Uruguay XXI with information from the DNA.

²⁰ Exante Consumer Sector Report, July 2023 (Montevideo only)

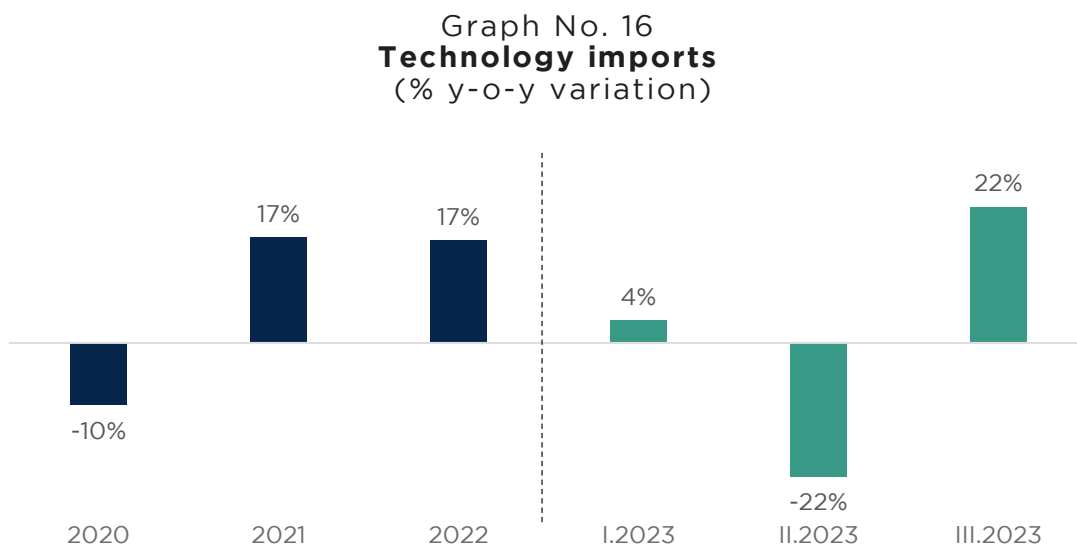
2.7. TECHNOLOGY

The Technology and IT segment is one of the few categories that had an increase in real sales during 2022 (14%). However, according to data from the latest CNCS survey, during 2023 sales showed a decline.



Source: compiled by Uruguay XXI with data from the CNCS.

Technology and IT imports showed stability in the January-September 2023 period. Among the two most important products of the sector, cell phones had the highest negative impact with a 7% decrease, while computer imports increased (21%).

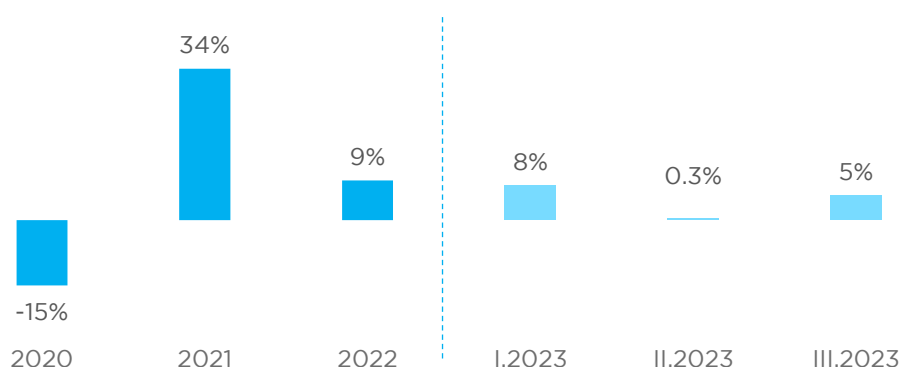


Source: compiled by Uruguay XXI with data from the DNA.

2.8. AUTOMOBILES

Another segment that stood out was automobiles²¹, which after registering a 15% year-on-year drop in 2020, reported a strong recovery in sales in 2021 and 2022, even surpassing the levels observed prior to the pandemic.

Graph No. 17
Automobile Sales
 (% y-o-y variation)



Source: compiled by Uruguay XXI with data from ACAU (Automotive Trade Association of Uruguay).²²

This is evidenced by the significant increase in automotive imports in recent years. It is important to highlight the growth of hybrid and electric cars. Imports of these vehicles were almost zero in 2015 and accounted for more than USD 130 million in 2023.

Table No. 4
Automotive sector imports by category*
 Millions USD

Automobiles	2015	2016	2017	2018	2019	2020	2021	2022	2023**
Electric	3	1	1	3	3	5	30	50	66
Hybrid	0	0	1	16	19	17	40	58	67
Conventional	541	481	621	482	462	380	604	702	717
Total	543	482	623	500	484	403	674	810	849

Note: *Corresponds to NCM 8703 and 8704. ** Corresponds to the accumulated from January - November 2023.

Source: compiled by Uruguay XXI based on data from the National Customs Directorate (DNA, for its acronym in Spanish).

²¹ Sales of passenger cars and SUVs are taken into account.

²² Automotive Trade Association of Uruguay (ACAU). ([link](#))

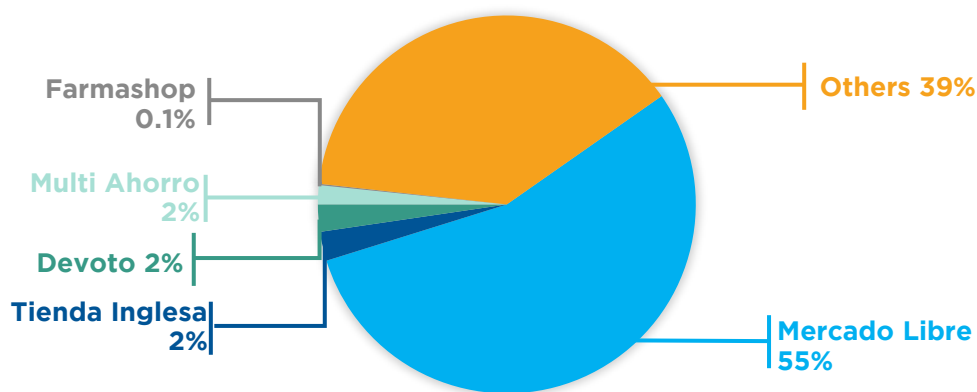
According to data published by the Automotive Trade Association (ACAU), sales of new passenger cars and SUVs were at around 31,000 units in the cumulative figure as of October 2023, which represented an increase of 4% compared to the same period of 2022. This includes the sale of 1,098 units of electric vehicles, in addition to 2,432 hybrid cars.

According to the latest CNCS survey, the expectations improved with regard to the second quarter of 2023 and were considered to be optimistic. Forty-eight percent stated that future profitability will be better or much better.

3. E-COMMERCE IN URUGUAY

E-commerce is playing an increasingly important role for companies in all sectors. In 2020 the pandemic drove virtuality and operated as an accelerator of this sales method. Thus, e-commerce is no longer just another sales channel but one of the most relevant, and in some sectors it is the only channel linking companies and consumers. According to Euromonitor data, e-commerce in Uruguay reached USD 734 million in 2022.

Graph No. 18
Main e-commerce companies
 (% share of total sales - 2022)

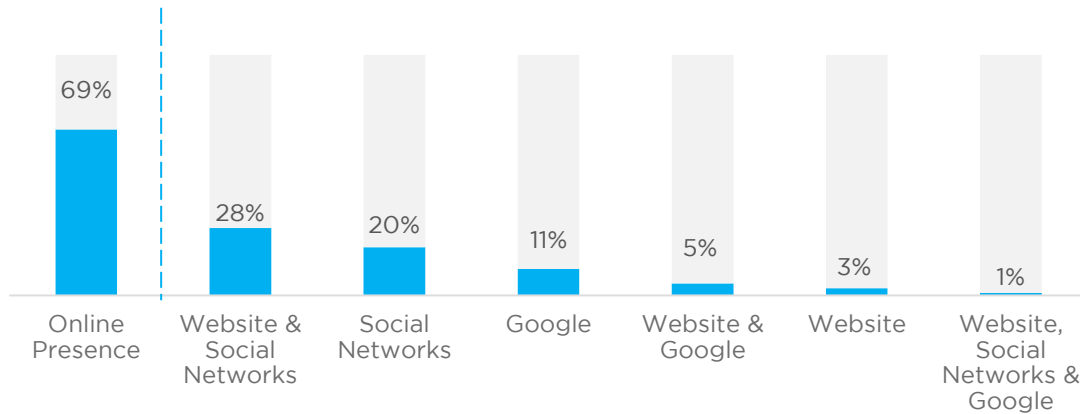


Source: compiled by Uruguay XXI with data from Euromonitor.

The structure of e-commerce and the development of the retail environment in Uruguay resulted in technology companies having a considerable share in the channel's total turnover. Mercado Libre was the leading company in Uruguay with almost 43% of total sales. In second place, Tienda Inglesa was the largest single player with 4% of total sales. Tienda Inglesa, together with other supermarket chains such as Devoto and Ta-Ta, were among the first to enter e-commerce in the country.

The weight of social networks is very relevant among Uruguayan companies, especially for micro and small companies, most of which do not have websites or online sales solutions integrated into their sites. In 2022, 69% of companies had some sort of digital presence, particularly through websites and social networks (28%).

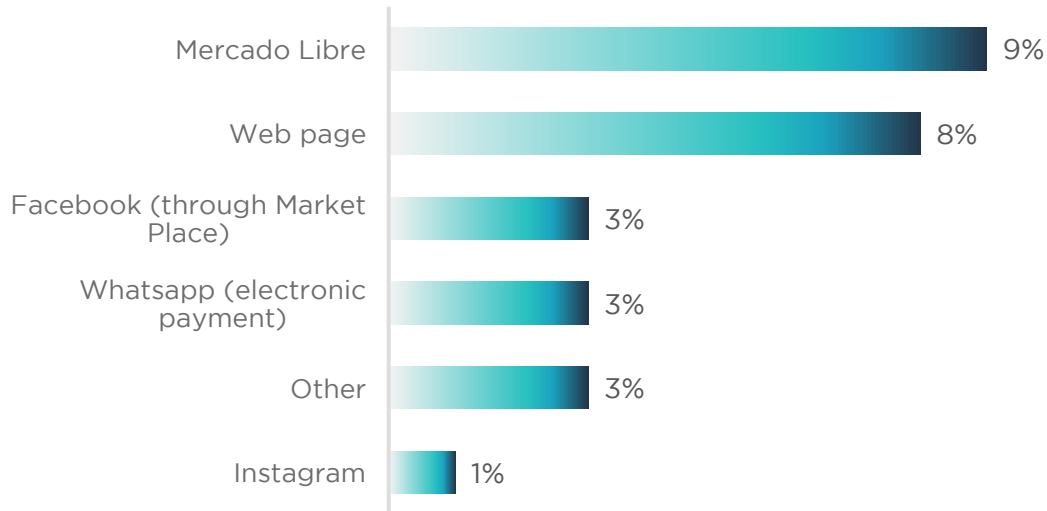
Graph No. 19
Company presence in the digital environment
 (Share % of total number of companies - 2022)



Source: compiled by Uruguay XXI with data from Perfil del Internauta (Grupo Radar) 2022.

The development of e-commerce by companies involves significant logistical, operational and conceptual challenges. It is not a matter of simply adding a new sales channel; it requires adapting the business model to e-commerce. Sometimes, a greater sophistication in the design and implementation of this channel is required, in order to ensure a good customer experience, something that can be costly and, to a greater extent, only large companies with a large volume of sales can justify the cost that these investments require. In fact, it is very expensive for the majority of small companies, who usually resort to using services of large e-commerce platforms, which explains the high participation of technology companies in this area.

Graph No. 20
Main sales channels among companies with an online presence
(Share % - 2022)

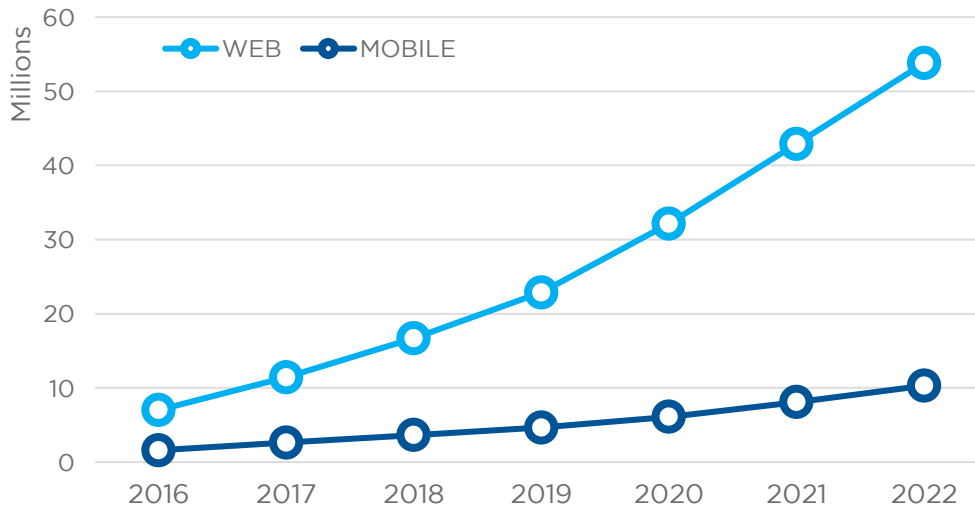


Source: compiled by Uruguay XXI with data from Perfil del Internauta (Grupo Radar) 2022.

The e-commerce boom has boosted the development of a new services value chain associated with retail trade, including those related to logistics and product delivery services. According to Euromonitor, in 2020, during the height of the pandemic, e-commerce sales in terms of value doubled. In 2021, although growth was lower, it was still present with an increase in sales in terms of value of almost one-quarter. This growth is supported by a highly banked population and, therefore, in a position to make digital payments, coupled with significant improvements related to logistics.

The BCU data show the exponential growth of web and mobile payments in recent years. In 2022, 64 million transactions were made in this way, an increase of 26% in year-on-year terms and 7.5 times the number of web and mobile payments in 2016.

Graph No. 21
Electronic transaction
 (Millions of transactions)

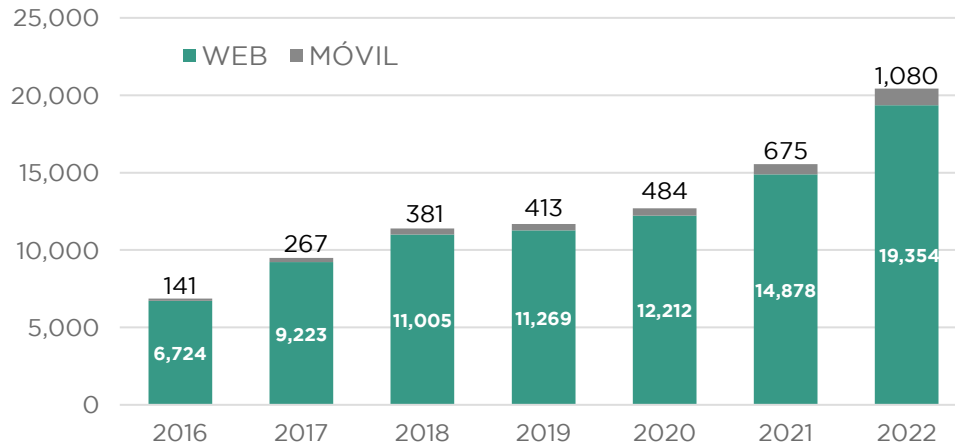


Source: compiled by Uruguay XXI based on data from the BCU.

In 2022, web payments reached USD 19.354 billion, while payments originated from a mobile device, not including face-to-face payments through QR code captures, amounted to USD 1.08 billion. Together they totaled close to USD 20.434 billion and grew by 31% in Uruguayan pesos and in real terms.

Uruguay, in addition to being at the forefront of the digital payment media transformation, also generated early on one of the main bases of e-commerce: access to the Internet. In this sense, the country is a leader in telecommunications development and Internet penetration reached 97% of the population in 2022.

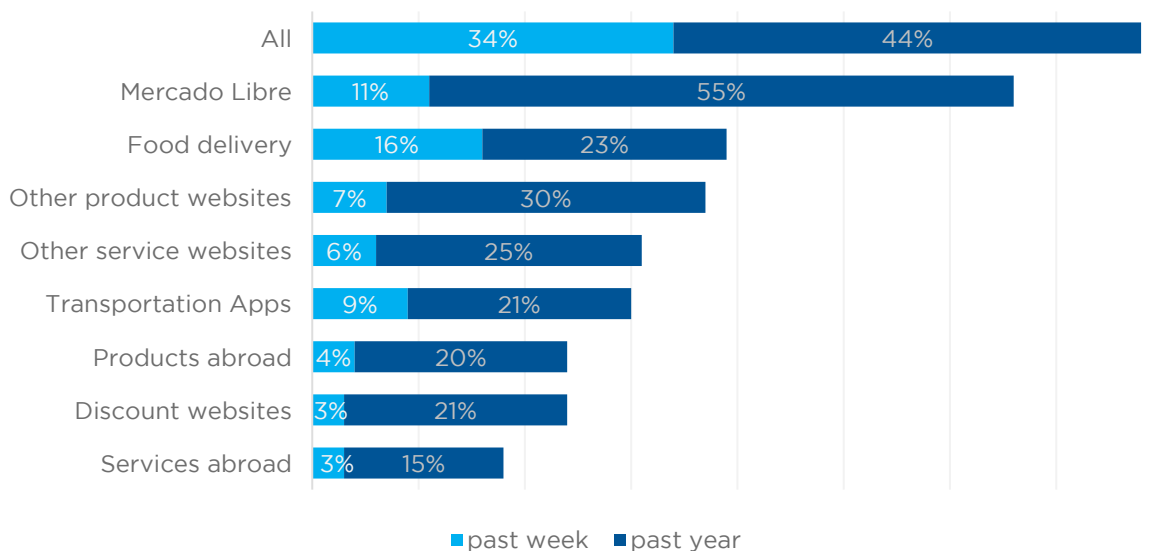
Graph No. 22
Amounts transacted by electronic means
 (Millions USD - 2022)



Source: compiled by Uruguay XXI with data from the BCU.

According to data from Grupo Radar's "Informe del Internauta" (Internet Users Report), the purchase of products and services through the Internet showed a sharp increase in recent years and was evidenced by the 1.9 million people who made online purchases in 2022, a figure that represented 78% of the population over the age of 18 in the country.

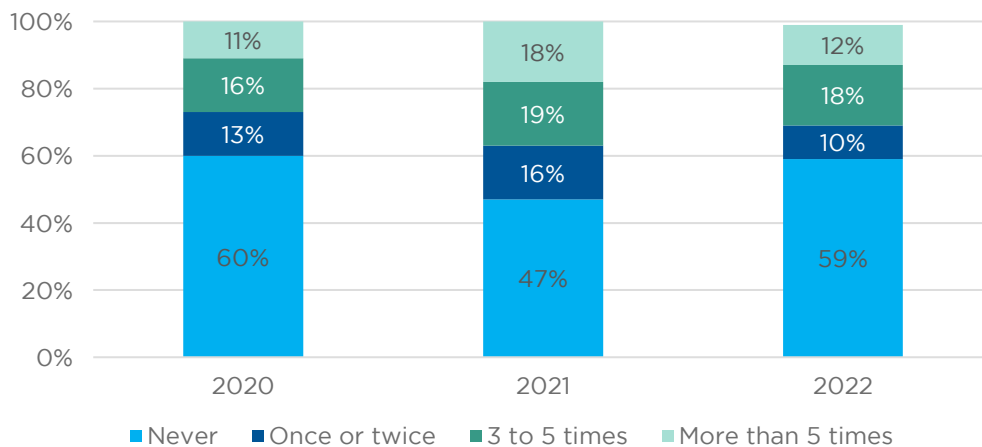
Graph No. 23
Online shopping frequency among Uruguay's population



Source: compiled by Uruguay XXI with data from Grupo Radar

E-commerce has become a common tool for purchasing goods and services among a high percentage of Uruguayans. Proof of this is that three out of ten Internet users bought products or services online in the past week and eight out of ten made online purchases at least once²³. In the past year, the number of Internet users who buy from small companies that advertise on Instagram and make transactions via WhatsApp dropped.

Graph No. 24
Internet users who purchase from small businesses

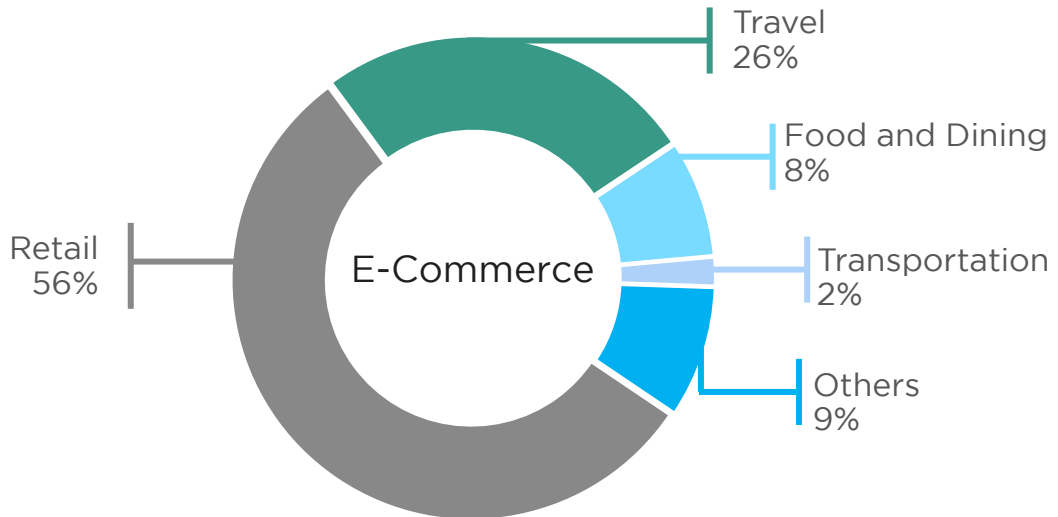


Source: compiled by Uruguay XXI with data from Grupo Radar.

The main areas in terms of market value were Retail 56%, Travel and Tourism 26%, Food and Dining 8% and Transportation 2%. In 2022, retail had the highest share for e-commerce with 56%, followed by Travel and Tourism with 26%. However, the contribution of the Retail sector fell by ten percent compared to the figure in 2021. With the reopening of stores and travel agencies and the increase in mobility, travel increased to 26%, although it still did not reach the share achieved in 2018 and 2019.

²³ Profile of the Uruguayan Internet user 19th edition 2022.

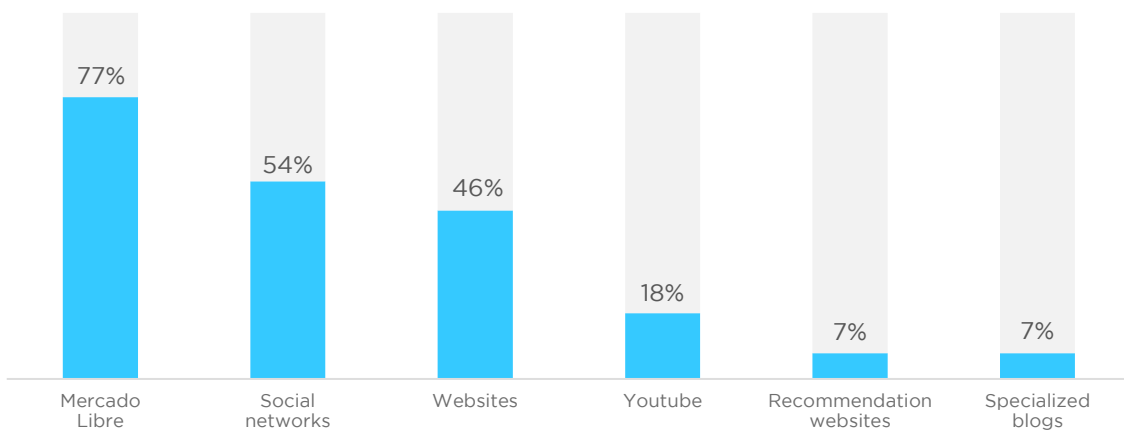
Graph No. 25
Shares of main e-commerce categories (2022)



Source: compiled by Uruguay XXI using data provided by Grupo Radar.

The influence of e-commerce on consumer decisions is significant. In Uruguay, 90% of those who have access to the Internet say that they search for information on products and brands online and 41% do so on a regular basis. Mercado Libre, company marketplaces and social networks were the main sources of information used by Internet users in Uruguay.

Graph No. 26
Websites referenced by e-commerce users



Source: compiled by Uruguay XXI using data from Grupo Radar.

Opinions on the overall experience of other shoppers play an increasingly important role in consumer decisions. Eighty-four percent of Uruguayan Internet users read comments on others' level of satisfaction regarding their shopping experience. Among these readers, 90% said it impacted their purchase decision and 41% said it strongly influenced them.

This data showed that e-commerce is in full expansion in Uruguay, and it is to be expected that connected consumers will continue to multiply and, at the same time, many of those who currently use e-commerce exclusively as an information channel, will enter the world of online shopping in the next few years.

4. COMMERCIAL CENTERS IN URUGUAY

4.1. SHOPPING MALLS

In 2022, shopping malls reported favorable results compared to 2021. On average, they experienced a 4% increase in sales, although some stood out with a 10% increase compared to 2021. However, there were also cases where sales increased 2%.

Compared to the pre-pandemic period, the data is encouraging, since in some cases it exceeds the figures for that period from 2% up to 13% in the annual sales balance. Several shopping centers highlighted how beneficial the lifting of the health emergency was, obtaining a recovery of up to 25%.²⁴

Based on a survey conducted by Opción consultants²⁵, where 11 shopping mall managers were interviewed, 77% anticipated growth in the sector in the next 12 months, while the remaining 23% estimated that the sector will remain stable. The main threat they identified was the exchange rate gap with Argentina. As positive aspects for the sector, they mentioned consumer trust, the return to normalcy in retailing after the pandemic, tourism and the increase in household incomes. In line with this optimism, 54% of the executives said they would increase investment compared to last year and 46% said they would keep the level of investment. They all anticipated that the demand for personnel will remain the same. Likewise, 77% of those surveyed said that the sector's profitability was "good or very good" and the remaining 23% rated it as neutral.

Montevideo Shopping

Montevideo Shopping was inaugurated in 1985 and has undergone numerous expansions. It is currently undergoing its 23rd expansion. The businesses in Montevideo Shopping employ over 2,500 people, with 140 stores and 32 kiosks. In 2023, sales increased in all areas, exceeding pre-pandemic levels²⁶.

In 2023 **La Cancha** and **Global Sport** carried out expansions, now featuring larger stores. Something similar happened with **Daniel Cassin**, which renovated and expanded its store with

²⁴ "The activity in shopping malls grew by 4% in December" - *Ámbito Financiero*

²⁵ "Shopping malls expect sales to increase; Argentine economy is identified as the main obstacle" - *El País*

²⁶ Information provided by Rodrigo Ferreiro, general manager of Montevideo Shopping - 2023.

a bi-brand proposal alongside **Piece of Cake**. The shoe store **Las Zapas** and **Prüne** followed suit. In the parking lot, next to Tienda Inglesa, **Grupo Fiancar** opened a store where they receive vehicles and make appraisals. Soon, **Victoria's Secret** will open. The mall also has a **Tienda Inglesa** hypermarket (superstore), a food court, ten multiplex movie theaters, two theaters and a casino.

In terms of dining options, Montevideo Shopping has added **Sbarro**, a pizzeria franchise, which already has stores in Nuevocentro, Tres Cruces, Portones, Punta Carretas, Plaza Italia and Géant. In addition, in the vicinity of Montevideo Shopping there is a broad culinary offer with establishments such as Tostado, Don Peperone, Burger King, El Club de la Milanese, Café Martínez, Burger Time, Gabbs, Ramona, Tres Fuegos and Cerveza Patagonia. In addition, on Luis Alberto de Herrera Street, between 26 de Marzo and Iturriaga, the U.S. chain Domino's Pizza of the Alsea group has opened.

Nuevocentro Shopping

In October 2013, Nuevocentro Shopping was unveiled, a project of more than 72,000 m² of construction that employs approximately 2,000 people (including a **Géant** hypermarket). Nuevocentro Shopping quickly became one of the most visited malls in the country and in its first years it grew beyond projected expectations. In October 2023 it celebrated its 10th anniversary with a promotion called "Los 10 años de Nuevocentro" (10 years of Nuevocentro), with raffles for vouchers worth USD 10,000.

In 2019, the mall carried out 20,000 m² expansions with a USD 25 million investment, which allowed it to include major international brands such as **H&M, Renner, Only, Jack & Jones, Miniso, Crocs, Cartoons, Market, Porto Vanila, Iberpark, Arpelli and TIC**, in addition to installing two more movie theaters, expanding the store **Divino** and the addition of the health care center **Asociación Española. Papanatas, Bath and Body Works and Fitpoint** were also recently added, making the total number of stores over 120, with 24 kiosks, five movie theaters, a Géant hypermarket and a parking lot with a capacity for 1,200 vehicles.

Nuevocentro Shopping is pet-friendly. The mall offers a free trolley reservation system for visitors to enjoy with their pets. In addition, they have a "Silent Hour" dedicated to deaf, blind or autistic visitors, so that they can participate in a positive experience of strolling and shopping. It takes place every Tuesday of the month from 10:00 am to 4:00 pm. La Plaza, an outdoor area with a gym, dog kennel and children's playground, was also opened along with La Terraza, a restaurant offering a dining proposal to be enjoyed outdoors with one of the best

views of the city. La Pasiva and Porto Vanila are also located in this space, as well as a sustainable vegetable garden created with recycled objects.

Portones Shopping

In 1994, in the eastern part of Montevideo, in the most residential area of the capital at the time, Portones Shopping opened its doors. This mall has two floors with 105 stores, 23 kiosks, a seven-screen multiplex cinema complex, a food court, entertainment and key retailers such as **McDonald's** and the **Devoto** hypermarket. The mall employs more than 1,200 people. Portones Shopping is in the process of expansion, which in a first stage would provide the mall with an additional 3,000 m².²⁷ In the last year it opened **Bath and Body Works, Fitpoint, Carter's, Cover Company** and a 140 m² expansion of the **Daniel Cassin** store took place, joined by the brand **Piece of Cake**.

Punta Carretas Shopping²⁸

Opened in 1994 by recycling an old penitentiary in the neighborhood of Punta Carretas, the most densely populated area with the highest concentration of people, Punta Carretas Shopping stands out for its brightness, constant innovation and spacious facilities distributed over three levels. It has more than 200 stores, a food court, ten movie theaters, a theater, a wide range of services and a modern intelligent parking lot.

The shopping mall is known for hosting fun events and being a magnet for events such as Street Food Festival along with Garage Gourmet and Open House (an interior design, art and design event). New brands that opened in the last year were **Le Pain Quotidien, Brandi, Divino, Óptica Estela Jinchuk, Soul Street Market, American Eagle Outfitters** and **Decathlon**, among others. In December 2023, **Calvin Klein** and **Tommy Hilfiger** stores opened under American Sportswear Group (ASW), a Panamanian group responsible for managing both brands in the region.

The mall also plans to transform the parking lot into a large pedestrian boulevard where people can visit the commercial development and go read a book, walk their pets, etc.²⁹

²⁷ According to information provided by Nelson Barreto, general manager of Portones Shopping. - 2023

²⁸ Fabrina Valle, head of sales at Punta Carretas Shopping, [El País](#)

²⁹ "[Goodbye, Punta Carretas parking lot \(hello, millionaire Master Plan\)](#)" - Infonegocios

Bus Station Shopping Tres Cruces³⁰

Inaugurated in November 1994 and with six expansions, Tres Cruces combines the services of a bus terminal³¹ and a shopping mall. With a total area of 81,500 m², the mall is divided into three levels: the bus terminal level, the parcels level and the mall level (distributed over two floors). It has 193 commercial offerings, service options and ticket offices, distributed on all levels³². The bus terminal has 32 ticket offices, 41 platforms and 38 service offerings, 32 parcel service modules and seven freight elevators that connect to the platform work area. In total, the mall employs 2,800 people and receives two million visitors per month (1.2 million to the mall and 800,000 to the terminal), in addition to more than 300,000 parcels³³.

In October 2022, the opening of the first food market inside a shopping mall was announced. The culinary proposal of Tres Cruces Shopping is led by **EQ Markets**, with restaurants **Angus Grill, Chelato, El Butiá, Entre Pintas, La Fonda, La Fugazetta, La Mexicana, Lombardía, Masquechino, Papa y pico, Takeshi** responsible for the gastronomic offer.³⁴

In a major milestone for the company, Tres Cruces obtained the UNIT Energy Management System certification, complying with the UNIT - ISO 50001:2018 standard for the maintenance and operation of facilities and infrastructure in Tres Cruces Shopping and Terminal. The ISO 50001 standard is a strategic tool to move towards a sustainable energy future and the reduction of CO₂ emissions³⁵.

Costa Urbana³⁶

Inaugurated in 2011 in Ciudad de la Costa, 18 kilometers east of Montevideo, it is one of the areas with the most urban development in the country. Its strategic location attracts visitors from the Carrasco bridge area to El Pinar neighborhood. It has 22,000 m², of which 16,000 m² are destined for commercial activity and 6,000 m² for offices, where most of the public agency offices are located. The construction of the mall required a USD 50 million investment and involved both domestic and foreign capital. The mall employs more than 1,600 people. The main changes and new brands installed in 2023 include dining options such as **Wok In Box** and **Miss Shawarma**, as well as brands such as **Homini, Toc Toc y Wings**.

³⁰ Marcelo Lombardi, general manager of Tres Cruces and *Tres Cruces renews proposal with new brands*, [El País](#).

³¹ Bus Terminal Station of the city of Montevideo for transport services originating and arriving more than 60 km away. It includes short, medium and long-distance bus traffic, as well as international trips.

³² "[Tres Cruces: a job-generating engine that connects industries throughout the country](#)" - El País

Interview with Marcelo Lombardi, general manager of Tres Cruces - 2023.

³⁴ "[Tres Cruces inaugurated the first food market in a shopping mall](#)" - Teledoce

³⁵ "[Tres Cruces obtains certification that reinforces its commitment to sustainable development](#)" - El País

³⁶ Information provided by Alberto Gossweiler, general manager of Costa Urbana Shopping.

Plaza Italia

Plaza Italia Shopping is a shopping center located in Malvín. The comprehensive project includes a variety of commercial premises, services, and a modern apartment complex. The first stage was completed in November 2020, with the opening of **Fresh Market, Farmashop** and 30% of the stores located on the first floor (basically financial, credit and collection services). At the start of 2021, new stores were added on the first floor: such as the **McDonald's** outdoor store and the **Sodimac** mega store with 12,000 m² of floor space.

The outlet mall was inaugurated in October 2021 with more than 20 stores and some 35 different brands: **Columbia, Caterpillar, Merrell, Hush Puppies, Rockford, Pasqualini, Daniel Cassin, Piece of Cake, Allie, Espacio BA, Nike, Adidas, Puma, Crocs, Legacy, Mistral, Fashion Builders, Stadium, Santa Barbara, Polo, Jack & Jones, Only, Macri, Paddock, Jansport, Aldo, Prüne, Indian, SiSi, Harrington and El Clon**, in exclusive or shared commercial spaces.

Gravity was added in 2022 with a new entertainment proposal. It is a 320 m² trampoline park set in space. The investment amounts to roughly USD 350,000. It is located next to the food court in the mall and has five game stations for children from six years old and up, although adults can also go; the trampolines can withstand up to 250 kilos.³⁷

Currently, the mall has 43 stores installed and three occupied kiosks. It also has a food court made up of companies such as **La Pasiva, Sbarro, Lo de Pepe, Panzeta, Las Delicias and Vicio-café**. On the first level there is also **Confitería Carrera**. An average of 400,000 people visit it every month³⁸.

Punta Shopping

Punta Shopping reopened in December 2023³⁹. Located a mere five minutes from the center of the Punta del Este peninsula, in the same space where it was located before the fire that forced it to close in August 2022. In the new facility the same brands that were previously there are present.

One of the biggest changes is the dining options. Behind this project is the head of EQ Entertainment and EQ Markets, responsible for Nexxt, Williman, Prado, Arocena, Los Horneros and Tres Cruces food markets. International brands such as **Subway, McDonald's** and **Burger**

³⁷ ["Gravity, the new amusement park that opens in Plaza Italia Mall"](#) - El País

³⁸ Interview with Marcelo Seoane, general manager of Plaza Italia - 2023

³⁹ On August 7, 2022 Punta Shopping experienced a fire that affected 80% of its facility. ["First images of the reconstruction of Punta Shopping one year after the fire: when will it reopen?"](#) - El Observador

King are already confirmed. Nearly USD 800,000 have been invested to prepare the new 1,000 m² space, which has a plaza with a 300-person seating capacity. The amount, which does not include the infrastructure provided by the shopping center, was earmarked for the construction of the premises and other services. The market is located above the original Tienda Inglesa, which gives it access to natural light and a view of Mansa Beach. As for the items on the menu, in addition to the three aforementioned multinationals that report directly to the mall, there is space for 12 other projects and a bar-brewery, which are managed by EQ Markets. It is estimated that the local proposals alone generate more than 150 direct jobs.⁴⁰

Las Piedras Shopping

With a USD 75 million investment, Las Piedras Shopping, located in Parque Artigas, was inaugurated in May 2017. The shopping mall has 131 stores, five movie theaters and a large food court distributed over three levels with a total floor area of 40,000 m². The establishment employs a total of 700 people and is visited by 300,000 people per month. The 2,000 m² **Ta-Ta** supermarket acts as the anchor store. Among the brands present are **Renner**, in a 1,500 m² area, **Antel** and the **National Directorate of Civil Identification**, as well as entertainment and cultural spaces. Sales in the first half of 2023 were at a similar level to those of January-June 2022, as growth was only 1%. The dining and entertainment category was 10% above 2022 sales.⁴¹

Oh! La Barra

The shopping mall located in La Barra, a beach area near Punta del Este, was inaugurated at the end of 2014. The approximate investment so far was USD 25 million, in a 12,000 m² area. There are more than 35 clothing, dining and entertainment stores.

Colonia Shopping

Unveiled in 2006, it is the first shopping center in Colonia. In 2008 the first expansion was completed with the construction of two movie theaters. In 2011 the second expansion was completed with an additional 300 m² of floor space and more than 100 parking spaces. Colonia Shopping has more than 42 established brands of clothing, restaurants, supermarkets, services and movie theaters.

⁴⁰ [“Punta Shopping renews its dining proposal with a hybrid market; it will have 12 restaurants and a pub”](#) – El País

⁴¹ [“What sales are like for malls after the pandemic and with the effect of a cheap Argentina?”](#) – El País

Mercedes Bus Terminal Shopping

It opened its doors in 2000 and serves 3,000 daily visitors from the country's capital city, cities in other departments of the country and also from Argentina. It is located in the capital of the department of Soriano, with a total area of 6,808 m² and 30 stores with a varied offer of food, fashion, technology and entertainment.

Salto Shopping

The Salto shopping center was the first shopping center built outside Montevideo. It covers 23,700 m², of which 8,000 m² correspond to 55 stores, including **Indian, Lolita, Daniel Cassin, Cuatroases, Only, Jack & Jones and Stadium**. The shopping mall receives 210,000 visitors per month and has three movie theaters⁴². It was created to meet the needs of the city's and surrounding area's inhabitants in terms of commercial services, as well as the national and international bus terminal. The Salto Shopping Mall boosted its commercial mix and in 2018 new brands such as **SiSi, Guapa and BAS** among others, arrived.

In 2019, the expansion of the **Toto** store was inaugurated, and San Roque store was renovated to become more modern, in 2020 **Mistral and Columbia** joined and in 2021 the "Paseo de los Salteños" (Salteños' Promenade) was inaugurated to pay tribute to outstanding personalities of the city.

Paysandú Bus Station Shopping

In 2016 the shopping mall opened in the department of Paysandú, through a public works concession contract between the Luis E. Lecueder firm and the Municipality of Paysandú. The mall also includes a bus terminal with 15 platforms. The total investment was USD 18 million and entailed the construction of the 18,430 m² facility. The shopping center has 45 stores and 200 parking spaces. The anchor store is the **Ta-Ta** supermarket.

Rio Branco Shopping

In 2018, the first part of the shopping center was unveiled in the city of Rio Branco, department of Cerro Largo, with an initial investment of USD 36 million. The project, developed by the **Duty Free Americas (DFA)** group together with Panamanian investors, has the largest free shop in the country with 10,000 m² and 11 stores of different brands employing around 170 people. The

⁴² [Luis Lecueder Studio](#)

shopping mall has a 12,000 m² parking lot, a 600 m² bus terminal and a supermarket, totaling 17,000 m².

Almenara MALL

It is the first open-air shopping center in Uruguay. Located on kilometer 22,500 of the Interbalnearia highway in a space of 70,000 m². The mall opened in 2021 and has over 70 commercial and culinary outlets employing more than 350 people. **Nativo** supermarket was the first to open its store in April 2021. The establishment has 24-hour security, parking for more than 500 vehicles and a children's game area. It recently opened a bowling alley, with RGB lighting, lots of interactivity and technology that offers guaranteed fun for all ages. With this new attraction, Almenara Mall offers complete leisure for its customers, combining technology, sustainability and innovation.

Minas Shopping Bus Station

The project for a new bus station for the city of Minas was inaugurated in December 2022. It arose from an open public tender called by the Municipality of Lavalleja. This tender was awarded to Manfely S.A. in 2019 and was approved by the Departmental Board through a unanimous vote. The construction work began with soil movement in mid-2021 and involved a construction period of 18 months. The project was developed by Estudio Luis E. Lecueder, who hired Gómez Platero Architects to carry out the architectural design and oversee the construction.

The building is divided into three main sectors: bus terminal, commercial premises and supermarket. It is an open-air shopping mall with 31 commercial and service offerings. The bus terminal has 11 boarding platforms, five ticket sales modules for transportation companies, and 112 seats where passengers can wait.

Paseo Del Este

In 2021, the construction of three floors with 3,000 m² began as well as the entry of the *Asistencial Médica*, the most important health service in Maldonado, which receives 150,000 consultations per month. In 2022, Paseo Del Este was consolidated with the addition of top-level brands such as **Renner, Mosca and Farmashop**. In 2016, **Sodimac** was already on the premises and in 2017 the first clothing outlet shopping mall in the country opened. Currently, the mall is in the third stage with the construction of 5,000 m² that will be destined to the home and services area.

4.2. NEW PROJECTS AND NEW INTERNATIONAL BRANDS

Atlántico Punta del Este

In December 2023 Atlántico Punta del Este launched its first stage, which includes more than 80 commercial proposals strategically distributed over three floors. It is located on Roosevelt Avenue and Parada 22. The commercial area covers 20,000 m² as well as 620 parking spaces distributed in three underground levels and three ground level parking lots⁴³. The mall is part of a mixed project comprising a shopping mall, offices, apartments and a hotel in a 120,000 m² area, for which more than USD 200 million were invested.

Montevideo Open Mall

In November 2023 Montevideo Open Mall opened with an area of more than 5,000 m². It houses a variety of stores such as TITS, Viaaqua, Lenso Ópticas, Nítido, Mundo Mac, Viceversa, and Trotamundos, among others. In the dining section, there are restaurants such as El Club de la Milanese, Lucciano's and Burger King. It has a parking lot with an expected capacity of 500 parking spaces. Since its opening, Montevideo Open Mall has boosted the local economy, generating more than 300 direct jobs.

Car One - Punta del Este

The Argentine businessman Manuel Antelo confirmed that he will open a second branch of his business model in Punta del Este, which includes vehicles and retail, with an investment of USD 40 million. It will be located in the El Jagüel area, near the Punta del Este Convention Center with quick access to La Barra. The project will be developed in two stages. The first will require a USD 20 million investment and the plan is to have it completed by November 2024. This phase includes the used and new vehicle sales sector and retail. In addition, Decathlon and the French clothing brand Kiabi, which first landed at Car One in Canelones in August 2023, will join. In October 2023, the inauguration of the new Naterial store marked Grupo One's landing in the Maldonado department. The initial project plan also includes a proposal for a fast-food chain and a supermarket.⁴⁴

⁴³ ["Inauguration of Atlántico Punta del Este: a USD 200 million investment"](#) - El País

⁴⁴ ["Car One land in Punta del Este with a USD 40 million investment"](#) - El País

Kiabi

With a USD 2 million investment, Kiabi has set up a 1,100 m² store in the Car One premises, between Decathlon and Naterial. It is the first of a projected five stores in Uruguay that will later expand to the region. Founded in 1978, Kiabi is a French brand with a huge network of customers -more than 23 million- worldwide that in 2022 marked a 10% growth in commercial terms, accelerating its sales in euros.⁴⁵

Naterial

With an USD 8 million investment, the French company Naterial will open four stores in Uruguay, with plans to finish by 2024. The brand arrived in the country thanks to the investment group responsible for Decathlon Uruguay and Car One Center, who acquired the rights of the French franchise for the region. The first store required a USD 5 million investment, covers 1,500 m² in the shopping center and will offer 600 items in its three lines: Design, Natural and Classic. It recently opened its new store located in La Barra, Maldonado.⁴⁶

Farmacy

The Argentine chain Farmacity landed in Uruguay thanks to IBF Negocios. The company arrived after an alliance with the Uruguayan investment group that involved an investment in the FarmaGlobal drugstore chain. The chain's branches will comply with the format and distinctive aesthetics of the Farmacity brand, adapting the physical space to local regulations. The range of products displayed, and the provision of services will adhere to the company's commitment to being a link between the community and health.⁴⁷

UNOde50 - Punta del Este

The well-known Spanish jewelry brand arrives in South America and opens its doors on the east coast. The stores will be located in La Barra (Route 10 at the corner of Los Ensueños) and on Calle 20 in La Punta, Fashion Road del Este (Calle 20 - El Remanso and Calle 31). The Madrid-based company, founded in the late 1990s, has over 130 company-owned stores and a presence in 80 countries.⁴⁸

⁴⁵ [“The French cut of fashion takes the catwalk in Car One \(with a USD 2 million investment, the brand Kiabi arrives in Uruguay\)”](#) - Infonegocios

⁴⁶ [“Head of Car One and his partners at Decathlon Uruguay join forces to invest USD 20 million in new stores”](#) - El País

⁴⁷ [“Argentine chain Farmacity lands in Uruguay with IBF Negocios”](#) - El País

⁴⁸ [“UNOde50 lands with two exclusive stores in Uruguay”](#) - Cien18centa

Viasono – Punta del Este

With almost 1,400 m² and located in Punta del Este's peninsula, Viasono opened a new store that includes a culinary offer. The store and coffee shop will be open every day of the year with normal business hours. The new proposal consists of Coffee&Wine.⁴⁹

Papanatas

The first Papanatas store required an investment anywhere between USD 150,000 and USD 200,000, including the development of the new brand. In this first instance, about 10 people will be employed. The group plans to open a second restaurant in the coming months, located on Avenue 8 de octubre, in the La Unión neighborhood. This new location will require an additional USD 100,000. The plan is to open several branches in Montevideo and the interior of the country. They offer food on the go, take away and delivery.⁵⁰

Hómini

Through a franchise system, the accessories brand is gaining presence in the interior of the country. The new stores opened in the departments of Soriano, Salto, Colonia and Maldonado. In 2023 they landed in the Tres Cruces and Costa Urbana shopping malls. A project for 2024 is to take the franchise to Paraguay, Chile, Colombia and Argentina. The investment required to access a franchise is an USD 8,000 initial fee, USD 20,000 for merchandise, and USD 30,000 to open the store.⁵¹

American Eagle

With a USD 6,500 per m² investment, the conglomerate Grupo David opened its first American Eagle clothing brand store in Uruguay at the end of February. The outlay was almost USD 1 million for the opening of the 148 m² store located on the first level of Punta Carretas Shopping. The second phase also includes the opening of an e-commerce platform in order to reach the entire country. The plan is to open five stores of the US retailer in three years.⁵²

Topper

Topper will invest over USD 1 million to open five proprietary stores in Uruguay. One opened on Avenue 18 de Julio (almost at the corner of Vázquez) and covers 150 m². The second is a

⁴⁹ [“Viasono opened a new store in Punta del Este which includes a dining experience”](#) – El País

⁵⁰ [“Creators of MBC and Gallagher’s now bet on French fries with Papanatas, a new fast food concept”](#) – El País

⁵¹ [“Hómini doubles its stores in Uruguay and plans to expand abroad”](#) – El País

⁵² [“The plan that Victoria’s Secret and American Eagle investors have to grow in Uruguay”](#)

150 m² outlet on Arenal Grande. The third outlet is in Car One and occupies 200 m². In total, with these newly operating business units, the company employs about 30 people. Topper's product portfolio comprises around 150 products and its strength is mostly in the children's sector, which represents between 35% and 40% of sales.⁵³

Las Zapas

This retail brand recently opened its first store in Nuevocentro, launched an e-commerce platform and later added a physical point of sale in Montevideo Shopping. The sports footwear has become an icon of urban fashion. It also opened a store in Punta del Este (Calle 20) during the season. This opening plan required an investment of USD 3 million. Las Zapas is also characterized by its boutique format; each store has about 150 m². Products from Nike, Adidas, Puma, Lacoste and Vans are available. In addition, there are iconic shoe lines such as Jordan, Air Max, Air Force, Dunk (all from Nike) and Superstars (from Adidas). The catalog is completed with clothing (shorts, pants, sweatshirts, T-shirts, jackets, tights), a category that represents 30% of the stores' offer. In addition, there are accessories such as socks, hats and shoelaces.⁵⁴

Decathlon

In 2022, the French sports store, Decathlon⁵⁵, disbursed USD 3 million to double its surface area from 1,500 m² to 3,000 m². In October 2023 it also opened an 1,800 m² store in Punta Carretas Shopping. This opening means the creation of more than 50 jobs and confirmation that the brand will continue to develop in the country. When the French multinational arrived, it stated that it would invest more than USD 15 million in Uruguay for the opening of five stores. The company has an ambitious expansion plan to be closer to its customers. This includes the opening of its second branch in Montevideo by 2024 - 2025, the arrival in Punta del Este by the end of 2025 or early 2026 and the possibility of arriving in Paraguay as its first international destination.⁵⁶

Decathlon markets more than 65 of its own brands, including Kipsta for everything related to soccer, Quechua for trekking, hiking and camping, Olaian and Nabaiji for surfing and swimming, Fouganza for horseback riding and Kalenji for athletics, among others.

⁵³ ["Topper's millionaire investment in Uruguay: opens five own stores and launches e-commerce"](#) - El País

⁵⁴ ["USD 3 million investment in a new urban sports fashion chain"](#) - El País

⁵⁵ ["Decathlon's expansion plans in Uruguay: where will the new stores be?"](#) - El Observador

⁵⁶ ["Decathlon opens its second store in Uruguay in Punta Carretas Shopping"](#) - El Observador

Grupo Fiancar

The Fiancar Group opened a new store in Montevideo Shopping. Under the slogan "appraise your car here", the new Montevideo Shopping store is located next to the entrance of Tienda Inglesa, receives vehicles, checks their mileage and completes the appraisal.⁵⁷

H&M

First it arrived in Uruguay with a store in Montevideo Shopping, then it landed in Punta Carretas Shopping and since August 2022 they have an online sales channel (uy.hm.com) that allows them to reach the 19 departments. Online sales were previously launched in Chile, Peru and Colombia. H&M offers online shopping in 57 markets, including Uruguay. The site features women's, men's, girls' and boys' lines, H&M sport and lingerie items and collections.⁵⁸

Gocco

In early April 2023 Gocco opened a store at the corner of Arocena and Otero. The store in the Carrasco neighborhood is the company's first in South America. In 90 m² it offers almost 400 models designed for newborns to children up to 12 years of age.

Gocco is a leading Spanish company in the children's clothing market that was founded in 2000.⁵⁹

Macro Mercado

In May 2023 Macro Mercado opened a new branch on Route 5 kilometer 22. The new location has a 3,000 m² store and a state-of-the-art logistics center.⁶⁰

El Clon

El Clon's expansion road map included three new openings as part of an investment plan estimated at USD 2.5 million. In 2022 the company, which sells bazaar products, toys, gardening utensils, groceries, household appliances, and other items, celebrated its 20th anniversary. The new branches joined the 26 stores located in Montevideo, Maldonado, Rocha, Tranqueras,

⁵⁷ ["Used and appraised: Fiancar Group opens a new store in Montevideo Shopping for a market that is on fire"](#) - El Observador

⁵⁸ ["H&M sees "great potential in Uruguay" to grow and expand its local offerings"](#) - El País

⁵⁹ ["Spanish children's brand Gocco lands in Uruguay"](#) - El País

⁶⁰ ["Macro Mercado launched a new brand on Route 5"](#) - Telemundo

Pando and Las Piedras. In addition, the retail chain is moving forward with its expansion plan, including sales on an online platform.⁶¹

Grupo Disco

Grupo Disco⁶² has more than 90 stores in Montevideo, Canelones, San José and Maldonado, and generates more than 6,500 direct jobs. Last season Fresh Market added three new stores in Punta del Este, La Barra and José Ignacio, totaling eight branches in the department of Maldonado. The new stores offer personalized service and ready-to-eat solutions, such as pizzas and sourdough bread.

On the other hand, Grupo Disco Uruguay opened two HOME stores in the east, one in La Barra and the other in José Ignacio. In Manantiales the Fresh Market store has 200 m², while the one in José Ignacio has 64 m², next to the one in Manantiales there is a HOME store with 150m². Another novelty of Grupo Disco is the launch of Foodies by Fresh Market, a new gourmet food brand, with an innovative concept and a menu for those who have celiac disease, at the Punta Carretas location.⁶³

Grupo Disco will also invest USD 32 million in new brands and logistics improvements. By 2024 they plan to open a minimum of five new Fresh Markets, a food plant will be built in Piriápolis to supply Punta del Este, and a distribution center will also be built in this beach town. The food processing plant will provide some 80 jobs in the summer and about 30 during the off-season.⁶⁴

Tienda Inglesa

In 2023 Tienda Inglesa began to offer its services to more customers in areas of Montevideo where they were not present before. In the last months of the year, it opened two new stores, one with over 600 m² on 18 de Julio and Tacuarembó and another with 900 m² on Boulevard Artigas at the corner of Garibaldi. In addition, there is a new store on Boulevard Artigas and Rivera and the reopening of Tienda Inglesa Montevideo Shopping. New openings are also planned in Maldonado: a new branch in Atlántico Shopping, while in 2024 they will reopen the one in Punta Shopping⁶⁵.

⁶¹ [“El Clon celebrates its 20th anniversary by opening new stores”](#) - El País

⁶² [“Fresh Market adds three new stores in Punta del Este for the 2023 summer”](#) - El Observador

⁶³ [“Foodie’s Fresh Market, a new concept of gourmet haute cuisine and innovation in Punta Carretas Shopping”](#) - El País

⁶⁴ [“Grupo Disco will invest USD 32 Million to continue growing \(through new brands and better logistics\)”](#) - Infonegocios

⁶⁵ [“Tienda Inglesa expands its presence in Uruguay to reach new areas”](#) - El Observador

Divino

In September 2023 Divino⁶⁶ opened a new store in Punta Carretas Shopping. It has 800 m² and a wide variety of products. Divino's distinctive feature lies in the diversity of its products, which come from different parts of the world such as Indonesia, Malaysia, Vietnam, Germany, France and Turkey, among other countries⁶⁷.

Mumuso

The brand that settled in Uruguay in 2020 opened its first franchise in 2023 in the city of Libertad, San José. Under this format, they are looking for a greater presence in the interior of the country and are already negotiating three other franchises. In addition, they are in negotiations with free shops on country borders to install booths that will give visibility to their line of beauty accessories, which, given the importance of this item in those stores, they anticipate will be successful in terms of sales.⁶⁸

Calvin Klein and Tommy Hilfiger

Calvin Klein and Tommy Hilfiger arrived in Montevideo thanks to the Panamanian group American Sportswear Group (ASW), in charge of managing both brands for the region. It should be noted that the Tommy Hilfiger brand has a long history in the country, as it has had an iconic store in Punta del Este for more than 20 years. As for the arrival of Calvin Klein, a 180 m² store was recently opened in Punta Carretas Shopping, next to the Tommy Hilfiger store.⁶⁹

The Candle Shop

The Candle Shop, Patagonia Candles' main brand, plans to open two or three stores in Montevideo and is evaluating whether it is feasible to open one in Punta del Este as well. Within the portfolio there are all kinds of scented products such as candles, wand diffusers, sprays, incense, essential oils and more. The production is mostly made in Argentina.⁷⁰

⁶⁶ ["A new Divino store was opened in Punta Carretas Shopping"](#) - El Observador

⁶⁷ ["Punta Carretas Shopping welcomes a well-known Uruguayan retail company"](#) - América retail

⁶⁸ ["Mumuso prepares its franchises to grow in the interior of the country"](#) - El País

⁶⁹ ["Calvin Klein and Tommy Hilfiger land in Montevideo: where can you find them?"](#) - El Observador

⁷⁰ ["Smells good: The Candle Shop lands in Uruguay \(and we tell you how much a franchise costs\)"](#) - Infonegocios

Iplace

In 2023 the company celebrated its second anniversary in Uruguay. For 2024 they plan an expansion that focuses on opening more stores, growing e-commerce and strengthening the corporate channel. They also see an opportunity for Uruguay to be a regional distribution hub, even for Brazil (the company's origin).⁷¹

INTERNATIONALIZATION OF URUGUAYAN BRANDS

Urban Haus

The company paid USD 500,000 to open a 250 m² store in Aventura Mall, in the iconic city of Florida. After six months of planning and negotiation, the first store in the United States opened in 2022; this is the company's largest project to date. Urban Haus currently operates in El Salvador, Spain, the United States and Paraguay.⁷²

BAS

The clothing brand Basic & Simple (BAS), originally from Uruguay, arrived in Ecuador through Grupo de Narváez, which manages the mass consumer chain Almacenes Tía. The corporation opened two stores. In addition, the brand has already enabled a website for people to shop online. BAS's product portfolio consists of men's, women's, children's, baby clothing as well as accessories.⁷³

Fitpoint

After its arrival in the Peruvian market in May 2022, the sportswear house Fitpoint opened two new stores and now has five locations in the country. Likewise, the brand plans to finish 2023 with eight stores in Peru. Since its creation in 2018 in the city of Maldonado, Fitpoint has managed to grow in the athletics segment recognizing the potential of athletes in the region. They also plan to open in Ecuador and Bolivia. They will also make e-commerce available in each country as well as opening the first physical stores in 2023. With a presence in four countries, Fitpoint will become a regional brand.⁷⁴

⁷¹ ["Iplace prepares to push the accelerator in Uruguay \(Is there a regional hub in the works?\)"](#) - Infonegocios

⁷² ["Uruguayan brand Urban Haus lands in exclusive Miami mall"](#) - El País

⁷³ ["Uruguayan clothing chain arrives in Ecuador with two stores"](#) - America retail

⁷⁴ ["The Uruguayan company that is strong at high altitude \(Fitpoint opened its fifth store in Peru\)"](#) - Infonegocios

Cryosmetics

Cryosmetics hit Amazon with three skin care products and seeks to position itself abroad. The labels were adapted to English, complying with US. regulations. The company's objective is to build the capacity to export to the United States, Mexico or Canada through global marketplaces like Amazon, eBay or Walmart.⁷⁵

Rotunda

In 2021, the brand Rotunda opened a store in the city of Asunción. Subsequently, they evaluated the possibility of opening stores in Argentina or Chile but opted for landing in the United States through e-commerce selling three clothing items (handbags, boots and coats).⁷⁶

⁷⁵ [“Cosmetics developed by Uruguayan scientists go on sale at Amazon”](#) – El País

⁷⁶ [“The million dollar strategy of Uruguayan brand Rotunda to grow in the US.”](#) – El País

5. IMPORTANCE OF RETAIL IN THE ECONOMY

5.1. RETAIL IN THE GDP

There are no official statistics available to accurately measure retail activity in the Uruguayan economy. The sector is included in the BCU's national accounts statistics under Trade, Accommodation, and Food and beverage supply. These activities generated a GDP of USD 11 billion and accounted for 14% of the GDP of the Uruguayan economy in 2022.

5.2. EMPLOYMENT OPPORTUNITIES

According to data from the Social Welfare Agency (BPS, for its acronym in Spanish), the commerce⁷⁷ sector employs almost 165,000 people in Uruguay (August 2023), which represents close to 10% of the total number of formal workers in the country.

Table No. 5

Staff employed by shopping malls

Punta Carretas (*)	3,500
Tres Cruces	2,800
Montevideo	2,600
Costa Urbana (**)	1,600
Nuevocentro	2,000
Portones	1,300
Plaza Italia	300
Las Piedras (**)	700
Car One (**)	600
Total	15,400

Source: compiled by Uruguay XXI based on Shopping Mall interviews – 2023.
 Note: *Information as of 2019 ** Information as of 2022

The non-specialized retail sector specifically (which includes supermarkets, hypermarkets, mini-markets, neighborhood stores, free shops and consumer cooperatives) employs around 60,000 people, while the country's main shopping centers generate approximately 11,000 jobs.

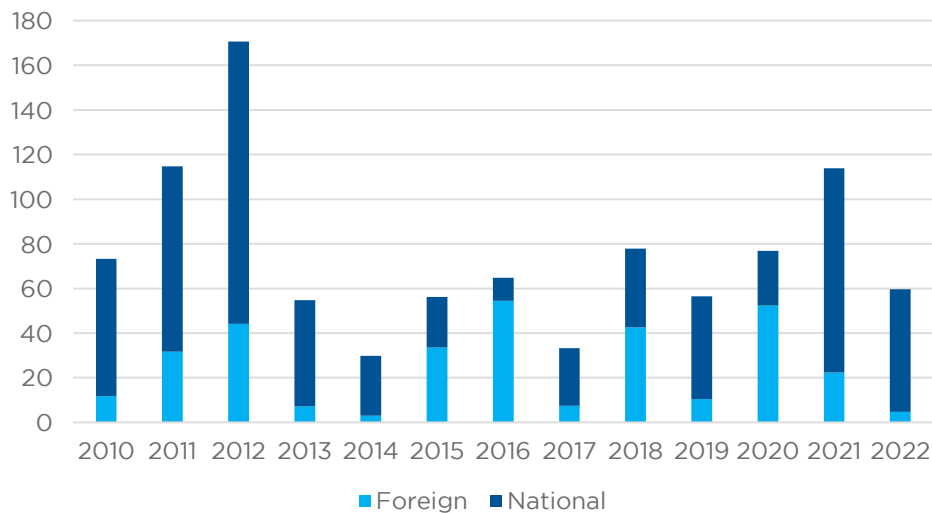
⁷⁷ All groups of division 47 of the ISIC Rev. 4 Classification are included.

5.3. PROMOTED INVESTMENT IN THE SECTOR

Uruguay has an attractive investment promotion regime that grants tax benefits to companies that decide to invest in the country⁷⁸. Investors make use of this regime, and according to information from the Commission for the Application of the Investment Law (COMAP, for its acronym in Spanish), more than 770 projects were promoted in the retail sector, totaling USD 982 million between 2010 and 2022⁷⁹.

Of the total investment promoted between 2010-2022 in the retail sector, foreign companies accounted for 33% of the total amount invested. Companies mostly originate from Chile, France, the United States, Sweden, Argentina and Brazil. One of the aspects valued by the Investment Law for obtaining tax exemptions is having locations in the interior of the country.

Graph No. 27
Projects recommended by COMAP by origin of capital
 (Millions USD)



Source: compiled by Uruguay XXI based on information from the COMAP.

⁷⁸ See [Regulatory Framework](#).

⁷⁹ Projects promoted by COMAP in the commercial sector, and which also carry out retail sales (division 47 of the ISIC Rev. 4 Classification) were considered. Fuel stations are excluded.

6. FOREIGN GROUPS⁸⁰

The retail sector in Uruguay has received significant investments in the past decade, the arrival of major international brands in recent years has promoted new practices and business models, positioning Uruguay at the forefront of the sector in terms of commercial infrastructure, technological implementation and logistics.

The high level of income, combined with the political and economic stability that Uruguay offers are a great incentive. The country offers a modern and dynamic environment for business development in the retail sector, with great investment opportunities. Below are some of the main foreign groups already present in Uruguay and their respective brands.

Bestseller

The Bestseller group landed with its brands Jack & Jones and Only in 2015 with an original plan to create 80 stores. They also have a children's clothing store in the neighborhood of Punta Carretas and in Punta del Este - Name It - whereas in Las Piedras Shopping they have the women's clothing brand Vero Moda. Their regional headquarter is located in the World Trade Center free trade zone, where they carry out activities such as trading, IT and human resources support, marketing, purchasing, legal, data analysis, e-commerce, finance and accounting, design services and sales. In addition, through a logistics operator, the group centers its regional distribution activities for Uruguay, Paraguay, Chile and Brazil from the Parque de las Ciencias free trade zone.

Renner

The clothing brand arrived in 2017 after choosing Uruguay to open its first store abroad. They have already opened 10 stores in the country, including a 3,000 m² store in Montevideo Shopping. Likewise, a couple of new openings of the brand could be expected in Maldonado.

David Group

This Panamanian company represents several US. brands such as Tommy Hilfiger, Victoria's Secret, Bath & Body Works and American Eagle, which are present in Uruguay.

⁸⁰ ["Foreign groups gain footage in Uruguayan malls: who are they and what brands do they manage"](#) – El País

Grupo One

Grupo One in partnership with Sabine Mulliez opened Decathlon in the retail park Car One. The group also opened the brand Naterial, dedicated to outdoor furniture, and Kiabi, a clothing brand.

Grupo Axo

In November 2022, Grupo Axo, from Mexico, acquired all of Chile's Komax group and its businesses in Chile, Peru and Uruguay. Komax landed in Uruguay in 2019 by purchasing the brand SiSi.

Harari Group

The Panamanian group, through its controlled Regency Group, reached an agreement with the Spanish company Inditex to operate Zara brand stores in Argentina and Uruguay under a franchise modality.

Forus Group

The Forus Group originated in Chile in 1980 with Hush Puppies, which is currently its flagship brand. They later added Columbia, CAT, Aldo and Rockford. In 1993 they entered the Uruguayan market and in 2007 they bought the national brand Pasqualini. In 2021 they brought the Spanish brand Mango and opened a store in Montevideo Shopping.

American Sportswear Group (ASW)

American Sportswear Group (ASW), which manages the Tommy Hilfiger and Calvin Klein brands in most Latin American countries (except Mexico and Brazil), will open a store of each brand in Punta Carretas Shopping.

7. ANNEXES

7.1. REGULATORY FRAMEWORK

For further information on the sector's regulatory framework please visit: [Regulatory Framework](#).

7.2. INSTITUTIONAL FRAMEWORK

For more information on the institutional framework of the sector in Uruguay, visit: [Institutional Framework](#).

8. URUGUAY AT A GLANCE

URUGUAY IN NUMBERS

Official name	Oriental Republic of Uruguay
Geographic location	South America, borders with Argentina and Brazil
Capital city	Montevideo
Surface area	176.215 km ² . 95% of the territory is productive soil that could be used for livestock exploitation
Population (2022)	3.57 million people
Population growth (2022)	0.3% (annually)
GDP per capital (2022)	USD 20,043
Currency	Uruguayan Peso (\$)
Literacy rate	0.98
Life expectancy at birth	77.9 years of age
Government type	Democratic Republic with presidential system
Political division	19 departments
Time zone	GMT - 03:00
Official language	Spanish

MAIN ECONOMIC INDICATORS

Indicators	2018	2019	2020	2021	2022	2023*
GDP (Annual Var %)	0.16%	0.74%	-6.26%	5.28%	4.92%	0.10%
GDP (USD Millions)	65,118	61,992	53,613	61,380	71,250	78,590
Population (Millions of people)	3.51	3.52	3.53	3.54	3.55	3.44
GDP per capita (USD)	18,573	17,619	15,184	17,324	20,043	22,846
Unemployment rate - Annual Average (% EAP)	8.3%	8.9%	10.4%	9.3%	7.9%	8.3%
Exchange rate (Pesos per USD, Annual Average)	30.8	35.3	42.1	43.6	41.1	38.8
Exchange rate (Average Annual Variation)	7.3%	14.7%	19.2%	3.6%	-5.6%	-5.6%
Consumer Prices (Cumulative annual variation %)	8.0%	8.8%	9.4%	8.0%	8.3%	5.1%
Export of goods and services (USD Billions)**	17.253	17.228	13.851	19.527	22.565	24.803
Import of goods and services (USD Billion)**	13.973	13.504	11.430	15.125	18.894	22.515
Trade Surplus / Deficit (USD Billion)	3.28	3.724	2.42	4.402	3.67	2.288
Trade Surplus / Deficit (% of GDP)	5.0%	6.0%	4.5%	7.2%	5.2%	2.9%
Overall Fiscal Result (% of GDP)	-3.9%	-4.4%	-5.8%	-4.1%	-3%	-
Gross Capital Formation (% of GDP)	14.9%	14.3%	16.4%	19.2%	19%	-
Public Sector Gross Debt (% of GDP)	59.1%	60.1%	74.5%	69.1%	67%	-
Foreign Direct Investment (USD Millions) ***	-11	2018	753	1923	3675	-
Foreign Direct Investment (% of GDP)	0.0%	3.3%	1.4%	3.1%	5%	-

*Projected data is in red.

Sources: BCU, INE, MEF (Ministry of Economy and Finance) and estimated data (*). The fiscal result data include the effect of Act N°19,590 (fifty-year-olds). In 2017 the BCU adopted the methodology of the 6th manual on balance of payments. The methodology includes purchase and sale of goods and re-exports and data has been available since 2012. Data are net flows so they may take on negative values (**).



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