Uruguay *in focus*

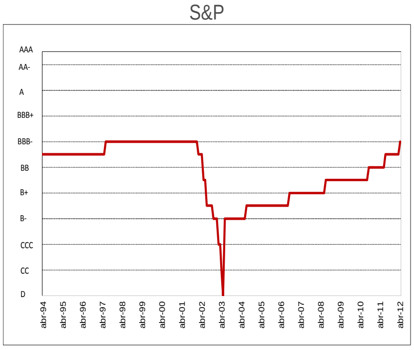
A quarterly bulletin issued by the Debt Management Unit

April 2012

S&P raises Uruguay's rating to IG

On April 3, 2012, Standard & Poor's Ratings Services raised its long-term foreign and local currency sovereign credit ratings on the Oriental Republic of Uruguay to 'BBB-' from 'BB+'. The outlook on the long-term ratings is stable.

Uruguay Credit Rating Evolution
S&P



Source: Bloomberg

“The upgrade is based on Uruguay's sound economic growth prospects and improving external and fiscal indicators, as FDI strengthens and improves economic diversification. Prudent economic policies in recent years, backed by a broad political consensus, have allowed Uruguay to grow rapidly and reduce its main credit vulnerabilities” said S&P. “Continuing improvement in fiscal indicators, with declining debt as well as lower levels of debt dollarization, combined with a further diversification of the sources of economic growth, could, over time, lead to a higher rating” according to S&P’s statement.

Likewise, other ratings agencies upgraded Uruguay's credit ratings and/or perspectives within the first quarter (See more on 'RECENT DEVELOPMENTS' on page 4)

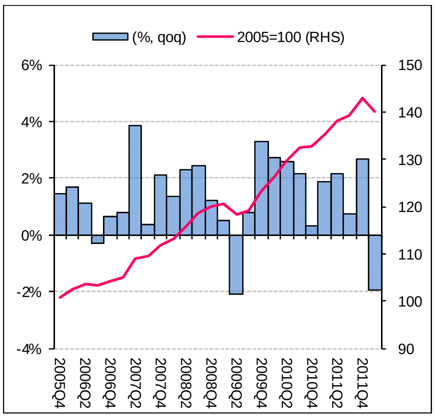
REAL SECTOR

Economy expanded 5.7% in 2011; analysts forecast 4.0% for this year

The Uruguayan economy recorded its 9th consecutive year of expansion in 2011, reaching a rate of 5.7% over the previous year. For 2010, GDP growth has been revised upward to 8.9% from 8.5%. On a seasonally adjusted basis (sar), Uruguay’s GDP real growth rate slowed down in the fourth quarter, falling 1.9% due to the effect of drought on the generation of electricity from hydro and the inactivity of the oil refinery (for maintenance).

Nevertheless, a number of leading indicators confirm that the economy will post positive growth in 2012Q1. According to the private think tank CERES, their leading activity index increased 0.1% in February, posting its 33rd consecutive monthly gain.

Real GDP
Seasonally adjusted



Source: Central Bank of Uruguay

As pointed out by the Central Bank (CB), the extraordinary decline observed in the level of activity in the last quarter of 2011 was due to the impact of the drought on electric power generation and the inactivity of the state oil refinery. In fact, as estimated by CERES, the level of activity grew 1.3% in 2011Q4 over 2011 Q3 after seasonal adjustment and correction of the GDP. All the activities increased their level of production with the exception of electricity, gas, and water. Commerce, restaurants, and hotels (9.9%), and transport, storage, and communications (12.6%) were the sectors that contributed most to the overall result in 2011.

During 2011Q4, primary activities increased 1.6% (sar) and 4.2% over the same period a year earlier driven by increased agricultural production and, to a lesser extent, livestock. In the former, the increase was explained by a higher production of wheat and barley and the ongoing works for summer crop harvest (soybean, sorghum, maize). In the livestock industry record milk production levels were partially offset by the decline in the beef production due to lower weight gain and declining exports of live cattle. Meanwhile, forestry showed a decline in production as a result of a declining demand.

Manufacturing industry decreased 7.9% on a sar basis and 6.4% on an interannual basis. This drop was mainly due to the closure of the refinery, which remained inactive throughout the quarter for maintenance, as well as the decreasing production of paper pulp, wood products, garments, yarn and fabric. Excluding these activities, the increase in other industries is noteworthy, in particular dairy products, syrups and concentrates, rice, rubber and plastic products, medicines and basic chemicals, metal products and motor vehicles.

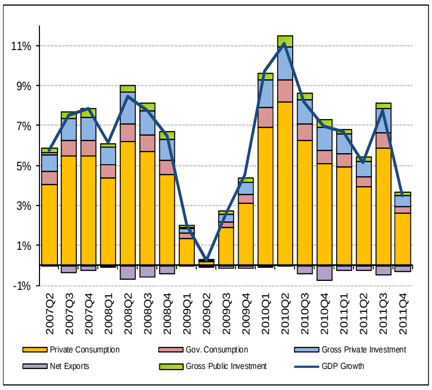
Electricity, gas and water registered a decrease of 41.4% (sar) in 2011Q4 and fell 14.4% compared with the same period of 2010. During the fourth quarter, electric power was generated by hydro and thermal, leading the latter to a decline as the value added per unit of production is much lower.

The construction sector posted a decrease of 0.2% (sar) but increased 6.9% on an interannual basis. The growing level of activity during 2011 continued the positive trend seen previously, particularly in private construction. Meanwhile, public construction recorded decreasing levels of activity by most state agencies.

Commerce, Restaurants, and Hotels recorded an increase of 1.1% (sar) and 9.0% (yoy), while Transport, Storage, and Communications grew 0.2% (sar) and 9.3% on an interannual basis. The high rates of growth in data services and mobile telephony, passenger and freight services and travel agencies are notable.

On the expenditure side, the increase in the level of activity was explained by the growth of domestic demand, which recorded a rise in the final consumption expenditure, partly offset by the decline in gross capital formation.

Contribution to GDP Growth by Expenditure
On a quarterly basis



Source: Central Bank of Uruguay

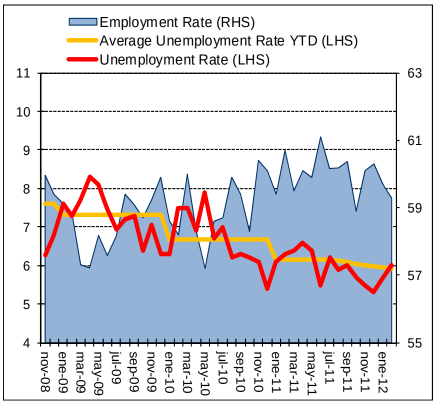
The increase in final consumption expenditure (5.4% yoy) was due primarily to the increase in Private final consumption (5.7%), mainly in the growth of consumer durables and not durable goods and automobiles and to a lesser extent, increase in Public consumption.

Gross fixed capital formation decreased by 1.3% (yoy) due to lower public sector investment and the completion of UTE constructions. This decline in public investment could not be offset by the increase in real estate from the private sector.

Exports of goods and services raised 6.7% due to an increase, among others goods, of meat, rice, milk, syrup, pulp, rubber and plastic products, and vehicles. Within exports of services, the increasing number of tourists as well as the growing expenditure per capita in terms of physical volume stands out.

Imports of goods and services fell 0.6% on-year, due to lower foreign purchases of capital goods and intermediate goods, which were partially offset by increased purchases of consumer goods and tourist services.

Unemployment and Employment Rate
% of Economically Active Population



Source: National Institute of Statistics.

The labor market also reflected the positive economic climate in the Uruguayan economy. The unemployment rate was 6.0% in February, after tumbling to a record 5.3% in December. In 2011 the average jobless rate was 6.0% which compares positively to the 6.7% of one year before. Private analysts foresee an increase of 1.0% in labor force for 2012. As well, CERES's Index of Labour Demand (ICDL) grew by 1.4% in March, the first increase of the index after five months of consecutive falls.

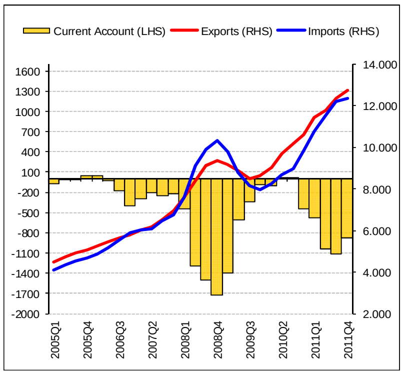
Upon learning the official growth numbers, private analysts revised their estimations for real growth in 2012 to 4.0% from 4.5%, according to the monthly survey published by the CB. These projections are in line with the official goal.

EXTERNAL SECTOR

Current account balance closed 2011 with a deficit of 1.8% of GDP

According to preliminary estimates of the CB, during 2011 the current account of the balance of payments registered a deficit of USD 875million, equivalent to 1.8% of GDP. Concomitantly, there was a strong inflow of capital, equivalent to 7% of GDP, enough to finance the current account deficit and accumulate reserves for USD 2.6billion (5.2% of GDP).

Current Account, Exports and Imports
Million of USD



Source: Central Bank of Uruguay

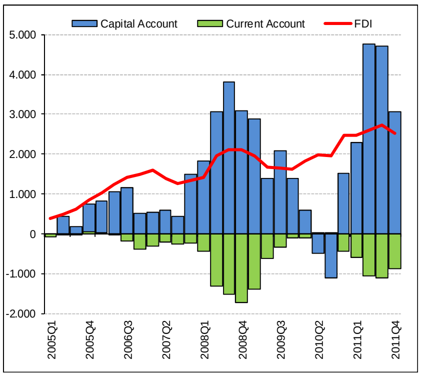
The largest current account deficit is due to deterioration in the trade balance, while the balance of income and transfers remained at similar levels to 2010. The performance on trade balance, in turn, is explained by the goods performance, not completely offset by better results in the services.

Imports' growth in physical volume started to slow in the first three quarters of 2011 and finally fell in the last. In this trend, energy imports, which had a significant share after the strong growth in 2011Q1 to meet the demand for power generation, fell in the second quarter and had a significant drop in the two remaining quarters. Exports of goods, meanwhile, showed a significant growth (18.6%), although at a slower pace than imports. Most of the growth of the export value resulted from higher prices, which have increased to a rate close to 17% in the last four quarters. In physical volume, the evolution of exports has been more humble, barely exceeding 1.6% for the entire year.

Total exports continued showing a growth trend during the first quarter of 2012. In that sense, data available on goods exports orders shows that in 2012Q1 external sales increased 18.2% compared to the same period of the previous year, according to think tank Uruguay XXI.

While in 2010 the balance of the Capital and Financial Account showed a positive flow of just USD 86million, in 2011 the net capital inflow was USD 3.4billion. Flows to the private sector largely exceeded the net outflow of USD 167million recorded in the public sector.

Capital, Current Account and FDI
Million of USD

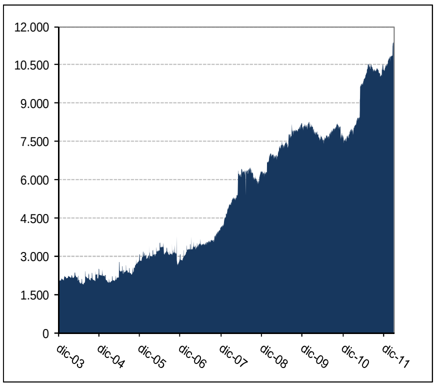


Source: Central Bank of Uruguay

A considerable part of these financial movements corresponded to Foreign Direct Investment (FDI) inflows, estimated at USD 2.5billion (close to 5% of GDP), at levels similar to those recorded in 2010. The higher capital inflows can be explained mainly by the performance of the financial system, both public and private. While in 2010 the financial system as a whole recorded a net outflow exceeding USD 1.8billion, in 2011 there was a net income of nearly USD 360million.

In 2011, international reserves of the CB increased by US$ 2.56 billion, thereby accumulating a total stock of over US$ 10 billion. This increase is explained largely by the increase in deposits of the banking system in the CB and in the government accounts. This represents an important change to the situation observed in 2010, when there was a decline in reserve assets of US$ 361 million and the total stock was below the US$ 8.0 billion.

External Reserve Assets
Million of USD



Source: Central Bank of Uruguay

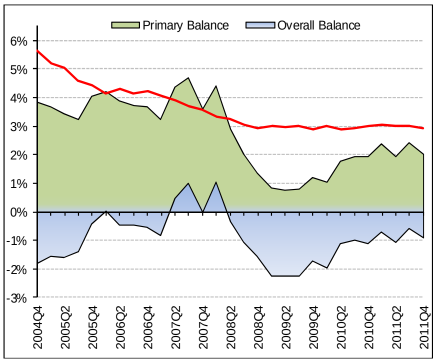
PUBLIC SECTOR
Global deficit at 1.3% of GDP

The consolidated fiscal deficit for the year ended in February 2012 was equivalent to 1.3% of GDP.

Income of the Non-financial Public Sector stood at 29.1% of GDP in the twelve months ending in February, an increase of 0.2% of GDP over January 2012 due to an increasing collection of BPS and an improved primary result of public enterprises (mainly Antel).

Current primary expenditure from Central Government and BPS stood at 24.6% of GDP, remaining constant over the rolling year to January 2012. Regarding investment, there was an increase of 0.5% of GDP mainly due to variation in stocks of oil and derivatives from ANCAP (0.4% of GDP) and an increase of fixed investment (0.1% of GDP).

Public Sector Balance and Interest
% of GDP



Source: Ministry of Economy and Finance

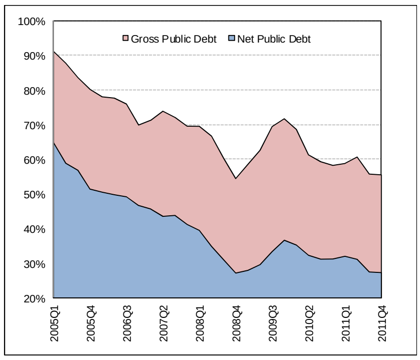
The interest bill stood at 2.8% of GDP, falling 0.2% compared to the rolling year to January. This is because the figure of February 2011, which was extraordinarily high, no longer accounts in the annual registration. At that time, due to the debt swap operation between the Central Bank and the Government, there was an advance payment of interest accrued to the date of the transaction (Debt Report January 2011).

Private analysts foresee a public global deficit of 1.2% and 1.1% of GDP for 2012 and 2013 respectively.

PUBLIC DEBT
Net Debt fell 3.9% of GDP in 2011

Overall consolidated indebtedness of the public sector amounted to the equivalent of USD 25.9bn at the end of 2011 (55.5% of GDP).

Public Sector Gross Debt
% of GDP and Million USD



Source: Central Bank of Uruguay

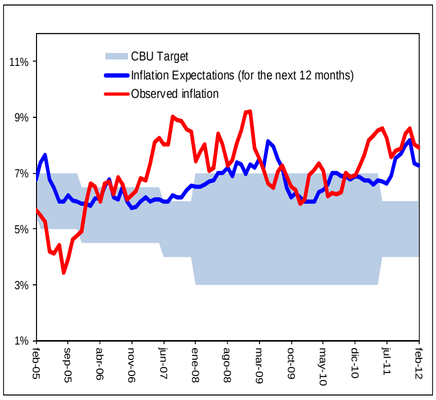
The consolidated net public debt totaled USD 12.7bn, equivalent to 27.2% of GDP. Measured in terms of GDP, the total net debt decreased 3.9% last year.

INFLATION & MONETARY INDICATORS

Central Bank left its benchmark interest rate unchanged at 8.75%

Consumer prices rose 7.48% in the rolling year ended in March, slowing over the same period ended in February (7.94%). The items of highest incidence in the increase were food and non-alcoholic beverages, which recorded a rise of 1.9%; and recreation & culture with an increase of 3.2%, explained mainly by rises in gambling games, (14.3%), as reported by the National Institute of Statistics.

Inflation, CPI
Last 12 months



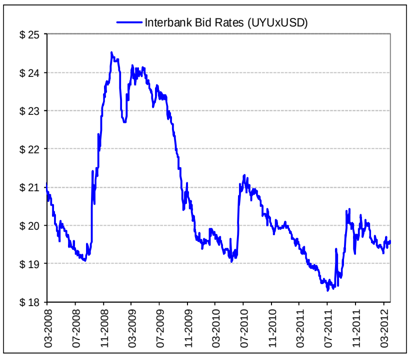
Source: Central Bank and National Institute of Statistics

Private analysts surveyed by the CB forecasted an inflation of 7.3% for 2011 and 6.7% for 2012.

Monetary Policy Committee (MPC) of the CB held in March noted that the inflation rate has started to ease, but still remains –as well as agents' expectations—notoriously well above the target range. Therefore, in order to provide a structure of interest rates that keep the contractionary bias of monetary policy, the CB deemed it convenient not to change the monetary policy rate, which remains at 8.75%.

According to the release of the institution, the CB will continue to monitor global and domestic events, with a special focus on economic stability and competitiveness, until the next meeting of the MPC scheduled for June.

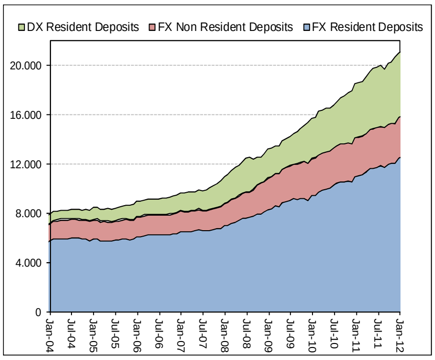
FX Market



Source: Central Bank of Uruguay

Nominal exchange rate, in turn, stabilized at around UYU 19.5 per USD in March. Private analysts forecast a nominal exchange rate of UYU19.7 per USD at the end this year, according to the survey of CB reported in March.

Total Deposits in the Banking System
Million of USD



Source: Central Bank of Uruguay

The overall banking sector continued to increase deposits. As of February 2012, residents' foreign currency deposits increased to USD 12.6bn, compared to USD 11bn one year before. Non-residents' deposits totaled USD 3.3bn in this period, compared to USD 3.1bn of the previous year.

RECENT DEVELOPMENTS

Fitch Revises Uruguay's Rating Outlook to Positive; Affirms 'BB+' FC IDR

On April 24th Fitch Ratings revised the Rating Outlook on Uruguay's Foreign and Local Currency Issuer Default Ratings (IDRs) to Positive from Foreign and Local Currency Issuer Default Ratings were affirmed at BB+ and BBB- respectively.

According to Fitch, the outlook revision reflects Uruguay's continued reduction in external and fiscal vulnerabilities underpinned by its strengthening international liquidity position and improved currency composition of government debt. 'Proactive and adept liability management has led to a noticeable improvement in government debt composition. At the same time, the share of public debt denominated in foreign currency has fallen from 66% in 2010 to 51% in 2011, thus reducing currency risk' said the agency in a statement. 'Government debt has a manageable repayment schedule, with the third-longest debt duration among sovereigns rated by Fitch,' said Santiago Mosquera, Director in Fitch's Sovereign Group.

DBRS Upgrades Uruguay to BB (high), Trend Remains Positive

On April 4th DBRS, Inc. upgraded the ratings on the long-term foreign and local currency debt of the Oriental Republic of Uruguay to BB (high) from BB, and maintained the Positive trends on both ratings. The reasons for the upgrade were: (1) sustained high rates of economic growth driven by investment, exports and a structural transformation of the agriculture sector, (2) very low rollover risk, and (3) larger financial buffers. According to DBRS, these factors have improved public debt dynamics and enhanced the resilience of the economy to adverse shocks.

The Positive trends reflect DBRS's assessment that the ratings could be raised to investment grade if fiscal discipline is sustained and public debt ratios continue on a downward trajectory. Continuing prudent fiscal management alongside solid growth prospects – in line with DBRS's baseline expectations – could result in an upgrade of the ratings.

Moody's assigns Positive Outlook to Uruguay's sovereign ratings

On January 26th Moody's Investors Service revised Uruguay's rating outlook to positive from stable for the Ba1 rating of the government. The outlooks of Uruguay's country ceilings for foreign currency bonds and for deposits have been also changed to positive from stable. "Along with an enhanced ability to manage adverse economic and financial conditions, the government's credit profile has been improving gradually—but steadily—moving closer in line with that present in higher-rated sovereigns", says Moody's.

'The positive outlook is based on the steady improvement in Uruguay's sovereign credit profile as a result of a strong and continued commitment by the government to fiscal discipline, a condition that has led to moderate deficits and declining debt metrics' Moody's said in a statement. The agency also highlighted 'the authorities' ability to reduce credit vulnerabilities embedded in the government debt structure through liability management operations that have lowered refinancing risks by extending average maturities while simultaneously decreasing the share of foreign currency-denominated debt'.

Accordingly, as the external environment is likely to be associated with an extended period of low global growth and persistent global financial turmoil in the near future, Moody's will closely monitor developments during the next 12-18 months in order to assess the country's ability to manage these conditions. Since Uruguay—as well as other Latin America countries—is likely to be tested in the coming months, Moody's will take the opportunity to assess the country's credit resilience during this period of time to determine if it is comparable to that typically associated with investment grade-rated sovereigns

R&I Affirms BB, Changes Outlook to Positive

On January 20th, Rating and Investment Information, Inc. (R&I) affirmed Uruguay's Foreign Currency Issuer Rating at BB while changing the rating outlook to positive. 'R&I feels that Uruguay is now more resilient against external shocks. Even amidst challenging external conditions, there is a good probability that Uruguay's rating may be upgraded as long as the country can maintain steady economic and fiscal management against external shocks despite the challenging' pointed out the agency.

Uruguay heads BTI 2012 Index of democratic emerging countries

The 2012 Bertelsmann Transformation Index (BTI) developed in Germany by the Bertelsmann Foundation states that Uruguay is the country with the best democracy among 128 emerging countries. The BTI assesses the quality of the economy, democracy and political management in developing countries and transition economies. The BTI is the only international comparative index that measures the quality of governance with self-collected analyzed data and provides a comprehensive analysis of policy-making achievements in the transformation process.

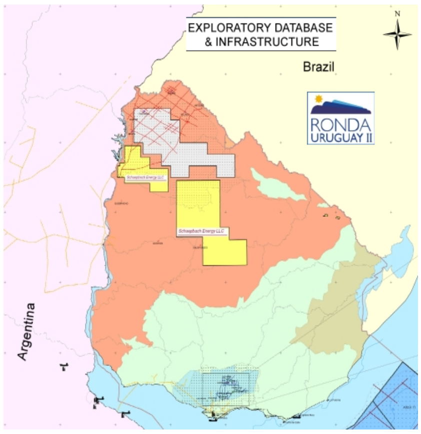
Uruguay achieved a score of 9.95 points out of a total of 10 in the Political Transformation Index. The BTI index includes other dimensions in which Uruguay stands out, such as Governance -ranking in 2nd place after Taiwan- and in Economic Transformation in the 10th place.

Hauke Hartmann, director of the Bertelsmann Foundation, described the Uruguayan case as "surprising". Mr. Hartmann said that despite the good figures in the previous report (2010), the country "managed to keep improving. It has an almost perfect score in democratic transformation and impressive notes in the other two sections".

ANCAP awarded hydrocarbons on/off-shore exploration contracts; firms will invest more than USD1.5bn

Uruguay's hydrocarbons refining company Ancap signed an agreement with US company Schuepbach Energy and Argentina's YPF to begin on-shore exploration for oil and gas in the north and centre of the country.

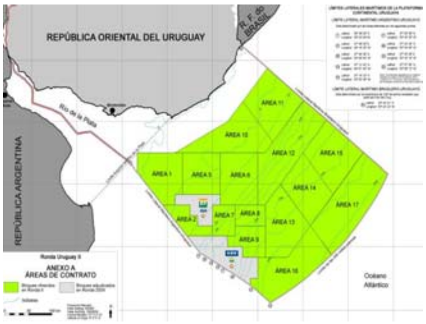
Schuepbach exploration will take place to the north of the country in an area covering 10.000 km2 in the provinces of Tacuarembó, Paysandú and Durazno with another option further north in Salto with 3.000 km2.



According to the contract the company will bring to Uruguay a state of the art but very costly equipment for seismic surveying with an investment in the range of USD 6 to USD 8million in the two-year period. If the results are positive Schuepbach will have the exclusive rights to an exploration-exploitation license over the contract area. Although the contract is for 30 years, Ancap can extend this for up to another decade. The exploration phase is expected to last eight years.

Meanwhile, YPF signed with Ancap a contract for onshore oil prospection over an area of around 10,000 km2 covering Artigas, Salto, Tacuarembó and Rivera Departments. During the time of the contract YPF will have the right of exclusivity for prospection activities in the area. The contract has an initial period of one year for the fulfillment of the Minimum Prospection Program that could be extended by one more year. Under this contract YPF acquires the right of priority to request one or more exploration and exploitation contract inside the area assigned for prospection activities.

As well, nine companies submitted a total of 19 bids for eight of the fifteen blocks offered by Ancap for exploration in the Oriental del Plata, Pelotas and Punta del Este offshore basins. Uruguay's second offshore licensing round (Ronda Uruguay II) attracted interest of eleven oil companies but nine of them qualified for the bidding process. The bids were made by Britain's BP and the BG Group, France's Total's, Shell, Tullow Oil Plc and Exxon Mobil Corp. Consortiums made up of Spain's Cepsa, Murphy and Argentina's YPF also made offers.



The tender was won by BP and BG - awarded three blocks each - and Total and Fullow Oil - one block each. The total investment will reach more than USD 1.5billion according to Raul Sendic, president of ANCAP. Contracts run for 30 years but could be extended by 10 years as long the presence of hydrocarbons is confirmed and firms abide by the agreed minimum exploration plan.

The marine platform is already been explored by a consortium of Petrobras, YPF and Galp, which were the bidding winners in the first Uruguay Round in 2009.

UTE made the largest wind energy allocation in its history

Uruguay's state power producer UTE has offered formal contracts for the projects submitted in the latest tender for wind generation. About USD 1.2billion will be invested in wind farms. Finally 438MW were allotted, increasing the capacity to the 342MW allocated previously. Additionally, UTE plans to bulid another 200MW, which will add to the current 60MW, over 1,000MW before the end of 2015.

“This confirms the importance of having an appropriate framework to attract investment. Companies are aware that this process is part of a multiparty agreement that has the full support of the different parties and, particularly, the unanimity of the members of the agency” pointed out Gerardo Rey, UTE director.

Uruguay has been one of the region's pioneers in the development of renewable energy. By 2015 the country will have one of the world’s biggest per capita consumption of renewable energy.

Likewise, Uruguay accorded with Brazil the possibility of increasing the power supply up to 800MW to meet peak consumption in the event of insufficient production. The installed capacity of Uruguay is around 1,500MW, with more than one third based on hydropower, which decreases the capacity of supply in times of drought. Both countries are working on the consolidation of a 500MW electricity interconnector which has funding from the Mercosur Structural Convergence (Focem), which would be available in 2013.

Takata to begin airbag production in 2012Q2

Takata, the Japanese leading global supplier of automotive safety systems, is scheduled to begin the production of airbags in May 2012. The new plant located in San José marks Takata’s first entry into Uruguay and will bolster the company’s existing manufacturing framework in South America, which currently comprises three production plants in Brazil. According to the company, the total investment in the plant was around USD 10million, with the idea of investing about USD 2.5million per year through 2014. By the end of this year the company expects to produce 80,000 airbags per month and for 2014, the goal is to achieve a production of 500,000 airbags on a monthly basis, 50% of the Brazilian market.

Forestal Oriental, UPM’s plantation company, invested USD 18million in modern nursery

UPM, through Forestal Oriental, opened a modern nursery last April in Guichón City, Paysandú.

The main objective of this USD 18million investment is to expand the seedling production area in order to secure the availability of high-quality seedlings and seed material to supply its main customer, UPM pulp mill in Fray Bentos.

The "Santana” nursery will employ 120 people directly, profiting from the experience acquired over the last 20 years in the first nursery, "San Francisco", also located in Paysandú.
Forestal Oriental has developed highly-productive, locally-adapted Eucalyptus varieties through its genetic improvement programme, and these varieties are propagated within the company’s own technologically advanced nursery.

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Uruguay — Economic Indicators[1]

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	last available	as of:
Economic structure and performance														
Population (mn)	3,3	3,3	3,3	3,3	3,2	3,2	3,2	3,2	3,2	3,2	3,3	3,3		2011
Nominal GDP (local currency, $bn)	276	278	289	340	393	425	471	549	636	688	791	902		2011 Q4
Nominal GDP (USDmn)	22817	20901	13627	12062	13712	17403	19630	23468	30387	30538	39391	46743		2011Q4
GDP per Capita (USD)	6912	6318	4119	3651	4231	5367	6051	7231	9358	9401	12120	14376		2011Q4
Unemployment (% of labor force, avg)	13,6	15,3	17,0	16,9	13,1	12,2	11,4	9,2	7,6	7,3	6,7	6,0	6,0	2012M02
Real GDP (% change)	-1,9	-3,8	-7,7	0,8	5,0	7,5	4,1	6,5	7,2	2,4	8,9	5,7		2011/2010
o/w Agricultural & Livestock	-3,3	-8,5	2,0	9,0	8,1	3,6	3,9	-6,1	5,7	2,0	0,7	4,2		2011/2010
Manufacturing	-3,7	-6,8	-5,7	4,9	7,5	14,2	8,1	7,1	17,3	-3,7	3,6	1,2		2011/2010
Electricity, gas & water	5,8	8,5	-5,5	-4,3	-13,6	6,1	-28,6	57,8	-52,6	41,9	88,0	-25,6		2011/2010
Construction	-8,1	-8,4	-18,2	-2,9	6,6	14,7	9,2	6,2	8,5	4,8	3,7	6,5		2011/2010
Commerce, restaurants & hotels	-5,6	-5,5	-17,7	-3,8	8,7	7,3	6,8	13,4	11,3	0,8	13,6	9,9		2011/2010
Transportation & communications	0,0	-4,1	-10,6	1,1	8,9	16,7	8,2	19,6	34,6	9,5	17,6	12,6		2011/2010
Gross domestic investment (% volume change)	-13,0	-9,1	-34,5	17,9	22,0	12,7	16,8	6,3	27,5	-10,7	10,1	7,0		2011/2010
Fix Gross domestic investment/GDP (%)	14,0	13,8	11,5	12,6	13,1	16,5	18,6	18,6	20,2	19,1	18,8	19,0		2011/2010
Consumption (% volume change)	-1,4	-2,1	-15,9	1,1	9,5	2,8	5,9	7,1	8,1	2,0	12,0	7,6		2011/2010
Consumption/GDP (%)	87,7	87,9	86,5	85,9	83,8	80,4	82,5	81,7	81,7	81,1	80,6	80,8		2011/2010
Exports (goods & services, % volume change)	6,4	-9,1	-10,3	4,2	30,4	16,3	3,2	7,4	10,1	2,5	6,0	5,8		2011/2010
Exports (goods & services)/GDP (%)	19,3	18,3	22,0	26,1	31,8	30,4	29,6	28,4	29,2	26,5	26,8	27,1		2011/2010
Imports (goods & services, % volume change)	0,1	-7,1	-27,9	5,8	26,8	10,1	15,3	5,7	21,0	-8,6	14,4	11,2		2011/2010
Imports (goods & services)/GDP (%)	21,0	20,0	20,0	24,6	28,7	28,5	31,4	29,5	33,5	25,5	26,0	27,3		2011/2010
Openness of the economy (%)	40	38	42	51	61	59	61	58	63	52	53	54		
Inflation and Monetary Indicators														
Inflation (CPI, % change, 12m)	5,05	3,59	25,94	10,19	7,59	4,90	6,38	8,50	9,19	5,90	6,93	8,60	7,48	2012M03
Inflation (WPI, % change, 12m)	9,5	3,8	64,6	20,5	5,1	-2,2	8,2	16,1	6,4	10,6	8,4	11,1	4,45	2012M03
Nominal exchange rate (UYU per USD, dec average)	12,45	14,06	27,20	29,19	26,51	23,58	24,38	21,63	24,33	19,96	19,98	19,96		
Nominal exchange rate (UYU per USD, 12m average)	12,10	13,32	21,22	28,17	28,65	24,42	24,01	23,41	20,94	22,54	20,07	19,30	19,29	2012M03
Nominal exchange rate (% change, 12m average)	6,70	10,04	59,4	32,7	1,7	-14,8	-1,7	-2,5	-10,6	7,7	-10,9	-3,8	-3,8	2011M12
REER (CPI, 2010=100)	101,5	107,5	122,4	149,0	137,7	125,4	131,0	121,8	112,8	101,3	100,9	94,0	93,0	2012M02
REER (% change, 12m, +=depreciation)		6,0	13,8	21,7	-7,5	-8,9	4,5	-7,0	-7,4	-10,2	-0,4	-6,8	-5,7	2012M02
Real Wages (% change, 12m)	-1,9	0,0	-19,5	-3,4	2,9	4,5	3,7	4,1	4,3	5,6	3,4	4,0	5,5	2012M02
Monetary Base (% change, 12m)				24,9	11,1	34,1	5,0	45,5	13,6	9,9	10,2	21,7	49,3	2012M03
M1 (% change, 12m)	-4,2	-3,2	4,7	34,0	13,0	33,4	20,0	31,8	17,5	11,9	28,1	19,2	20,1	2012M02
M2 (% change, 12m)	4,1	-0,8	-7,9	29,4	13,5	27,2	22,1	31,0	17,3	14,9	31,0	22,1	17,9	2012M02
Overnight interbank interest rate (%, dec avg)	17,5	42,7	51,3	1,4	1,0	0,8	1,0	7,2	5,0	7,1	6,5	8,8	8,8	2012M03
Short-term deposit interest rate (%, 60-90 days, dec avg)	16,2	22,4	61,8	8,7	5,0	2,3	2,0	2,5	3,3	4,8	4,4	5,3	5,9	2012M02
Total private NFS banking deposits/GDP (%, eop)	58,5	71,4	49,9	63,6	59,7	49,6	48,0	45,2	42,1	50,2	45,5	44,2	45,6	2012M02
Local currency private NFS deposits (USDmn equiv, eop)	1577	1339	605	692	862	1178	1421	2125	2256	3309	4337	5415	5406	2012M02
Foreign currency private NFS deposits (USDmn, eop)	11766	13590	6194	6981	7330	7456	7993	8489	10539	12015	13588	15230	15905	2012M02
o/w non-resident deposits (USDmn, eop)	4852	6194	1336	1382	1527	1553	1607	1739	2463	2957	3095	3222	3332	2012M02
Dollarization ratio (% of foreign currency deposits)	88,2	91,0	91,1	91,0	89,5	86,4	84,9	80,0	82,4	78,4	75,8	73,8	74,6	2012M02
Foreign currency deposits/Total reserve assets				3,3	2,9	2,4	2,6	2,1	1,7	1,5	1,8	1,5	1,5	2012M02
Domestic credit to private NFS/GDP	42,9	42,9	45,9	32,6	26,2	21,4	21,2	23,5	22,9	23,6	21,9	22,2	22,3	2012M02
Domestic credit to resident private NFS (USDm, eop)	9781	8957	6257	3930	3598	3717	4165	5517	6948	7213	8635	10387	10432	2012M02
Balance of payments and external trade														
(USDmn)														
Current account balance	-568	-498	382	-87	3	42	-392	-220	-1729	-92	-446	-875		2011Q4
Current external receipts	4488	4143	3230	3389	4756	5810	6679	7983	10317	9345	11245	13423		2011Q4
Current external payments	5055	4641	2848	3477	4753	5767	7071	8203	12046	9436	11692	14298		2011Q4
Trade balance (goods & services)	-533	-460	202	318	478	393	-90	158	-961	658	746	367		2011Q4
Merchandise balance	-927	-775	48	183	153	21	-499	-545	-1714	-272	-282	-1070		2011Q4
Exports of goods and services	3660	3262	2693	3053	4257	5085	5787	6933	9372	8637	10607	12746		2011Q4
o/w Merchandise exports, FOB	2384	2140	1922	2281	3145	3774	4400	5100	7095	6392	8030	9341		2011Q4
Tourism	713	611	351	345	493	594	598	809	1051	1312	1496	2187		2011Q4
Imports of goods and services	4193	3722	2492	2734	3778	4693	5877	6775	10333	7979	9861	12379		2011Q4
o/w Merchandise imports, FOB	3311	2915	1874	2098	2992	3753	4898	5645	8810	6664	8312	10411		2011Q4
Income	-61	-68	109	-488	-588	-494	-428	-516	-917	-887	-1310	-1368		2011Q4
Income, credit	780	833	453	242	372	563	742	885	757	532	464	500		2011Q4
o/w Interest receipts	780	833	453	242	367	560	724	869	737	512	434	474		2011Q4
Income, debit	842	901	344	730	960	1057	1170	1401	1674	1419	1774	1868		2011Q4
o/w Interest payments	753	798	660	622	742	839	916	882	840	808	833	863		2011Q4
Current transfers, net	28	30	72	83	113	144	126	137	148	138	118	126		2011Q4
Current transfers, credit	48	48	84	95	127	161	150	165	188	176	175	177		2011Q4
Current transfers, debit	21	18	12	12	14	17	24	27	39	38	57	51		2011Q4
Capital & financial account	772	490	-280	431	72	752	528	1505	3098	1380	1521	3058		2011Q4
Direct investment, net	274	291	180	401	315	811	1495	1240	2117	1604	2527	2527		2011Q4
o/w Foreign direct investment	273	297	194	416	332	847	1493	1329	2106	1620	2483	2528		2011Q4
Portfolio equity and debt investment, net	191	508	329	-311	-422	806	1686	1151	-558	-716	-548	1447		2011Q4
Other capital flows	306	-308	-789	336	174	-869	-2659	-889	1539	493	-459	-916		2011Q4
Net errors and omissions	17	285	-2430	1037	379	-174	-152	-279	864	300	-1435	381		2011Q4
Overall balance (increase in Central Bank intl reserve assets)	221	277	-2328	1380	454	620	-15	1005	2232	1588	-361	2564		2011Q4
memo items: Central Bank international reserve assets (eop)	2905	3100	772	2087	2512	3078	3091	4121	6360	7987	7656	10302	11285	2012M03
International investment position (eop, +=creditor)			-1694	-1256	-1528	-1301	-712	-2029	-1750	-961				
Total external debt (eop)	8895	8937	10548	11013	11593	11418	10560	12218	12021	14064	14468	14418		2011Q4
Net external debt (eop)	5800	5489	8857	8255	8624	7531	6959	6448	4537	4721	5537	3053		2011Q4
(% of GDP, unless otherwise indicated)														
Current external receipts/GDP	19,7	19,8	23,7	28,1	34,7	33,4	34,0	34,0	34,0	30,6	28,5	28,7		2011Q4
Current external payments/GDP	22,2	22,2	20,9	28,8	34,7	33,1	36,0	35,0	39,6	30,9	29,7	30,6		2011Q4
Current account balance/GDP	-2,5	-2,4	2,8	-0,7	0,0	0,2	-2,0	-0,9	-5,7	-0,3	-1,1	-1,9		2011Q4
Current account balance/Current external receipts	-12,6	-12,0	11,8	-2,6	0,1	0,7	-5,9	-2,8	-16,8	-1,0	-4,0	-6,5		2011Q4
Trade balance/GDP	-2,3	-2,2	1,5	2,6	3,5	2,3	-0,5	0,7	-3,2	2,2	1,9	0,8		2011Q4
Exports (goods & services, % change, 12 rolling months)		-10,9	-17,4	13,3	39,4	19,5	13,8	19,8	35,2	-7,8	22,8	20,2		2011Q4
Merchandise exports, FOB/GDP	10,4	10,2	14,1	18,9	22,9	21,7	22,4	21,7	23,4	20,9	20,4	20,0		2011Q4
Merchandise exports, FOB (% change, 12 rolling months)		-10,2	-10,2	18,7	37,9	20,0	16,6	15,9	39,1	-9,9	25,6	16,3		2011Q4
Tourism exports/GDP	3,1	2,9	2,6	2,9	3,6	3,4	3,0	3,4	3,5	4,3	3,8	4,7		2011Q4
Tourism exports (% change, 12 rolling months)		-14,4	-42,5	-1,8	43,1	20,5	0,6	35,3	30,0	24,8	14,0	46,1		2011Q4
Imports (goods & services, % change, 12 rolling months)		-11,2	-33,0	9,7	38,2	24,2	25,2	15,3	52,5	-22,8	23,6	25,5		2011Q4
Merchandise imports, FOB/GDP	14,5	13,9	13,8	17,4	21,8	21,6	25,0	24,1	29,0	21,8	21,1	22,3		2011Q4
Merchandise imports, FOB (% change, 12 rolling months)		-12,0	-35,7	12,0	42,6	25,4	30,5	15,2	56,1	-24,4	24,7	25,2		2011Q4
Net interest payments/Current external receipts	-0,6	-0,8	6,4	11,2	7,9	4,8	2,9	0,2	1,0	3,2	3,6	2,9		2011Q4
Foreign direct investment/GDP	1,2	1,4	1,4	3,5	2,4	4,9	7,6	5,7	6,9	5,3	6,3	5,4		2011Q4
Net foreign direct investment/GDP	1,2	1,4	1,3	3,3	2,3	4,7	7,6	5,3	7,0	5,3	6,4	5,4		2011Q4
Total external debt/Current external receipts	198,2	215,7	326,5	324,9	243,8	196,5	158,1	153,1	116,5	150,5	128,7	107,4		2011Q4
Net external debt/Current external recepts	129,2	132,5	274,2	243,6	181,3	129,6	104,2	80,8	44,0	50,5	49,2	22,7		2011Q4
International investment position/GDP (+=Creditor)			-7,4	-6,0	-11,2	-10,8	-5,2	-11,7	-8,9	-4,1	0,0	0,0		2011Q4
Share of merchandise trade w/MERCOSUR partners	44,1	42,7	40,6	39,1	35,5	33,1	35,8	37,5	37,1	36,7	36,8	28,4		

Uruguay — Economic Indicators[1]

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	last available	as of:
Public Finances														
(%)														
Non Financial Public Sector														
Overall balance/GDP	-2,9	-3,2	-3,4	-2,3	-1,0	-0,6	-0,8	-0,5	-1,8	-1,9	-0,8	-0,7	-1,3	2012M02
Revenue/GDP	26,0	27,2	26,6	27,9	28,0	28,0	28,4	28,6	26,9	26,9	35,0	28,9	28,9	2012M02
Expenditure/GDP	29,0	30,3	30,0	30,1	28,9	28,6	29,2	29,1	28,6	28,8	35,8	29,5	30,2	2012M02
o/w non-interest	26,9	27,9	26,2	24,6	24,0	24,2	24,9	25,3	25,8	26,1	32,8	27,1	27,7	2012M02
interest	2,0	2,4	3,8	5,5	4,9	4,3	4,3	3,8	2,9	2,7	3,0	2,5	2,5	2012M02
Primary balance/GDP	-0,9	-0,8	0,4	3,2	3,9	3,7	3,5	3,3	1,1	0,8	1,7	1,8	1,2	2012M02
Gross debt/GDP	30,6	37,4	74,6	89,7	82,8	68,3	60,8	58,0	45,1	56,3	42,8	42,2		2011Q4
Gross debt/Revenue	117,4	137,8	280,7	321,9	296,3	243,9	214,4	202,9	167,7	195,7	143,7	146,3		2011Q4
External debt/GDP	23,2	24,9	56,8	72,9	66,9	53,6	47,2	46,7	34,8	39,8	30,4	27,0		2011Q4
External debt/Gross debt	76,0	66,6	76,1	81,2	80,8	78,6	77,6	80,5	77,3	70,7	71,1	64,0		2011Q4
Foreign currency debt/Gross debt	76,0	66,6	76,1	79,6	76,9	75,2	73,1	68,0	66,6	64,0	62,3	51,6		2011Q4
Interest Payments/Revenue	7,9	8,9	14,4	19,8	17,5	15,5	15,3	13,4	10,8	9,9	8,2	8,5		2011Q4
Public Sector														
Overall balance/GDP	-3,3	-3,4	-3,7	-2,6	-1,8	-0,4	-0,5	0,0	-1,6	-1,7	-1,1	-0,9	-1,3	20112M02
Primary balance/GDP	-1,2	-0,9	0,2	3,0	3,8	4,0	3,7	3,6	1,4	1,2	1,9	2,0	1,4	20112M02
Gross debt/GDP	40,0	48,2	83,6	100,8	97,2	80,1	69,9	69,5	54,4	71,7	58,2	55,5		2011Q4
Net Debt/GDP	26,4	31,5	59,1	68,3	66,5	51,3	46,6	41,2	27,2	36,6	31,2	27,3		2011Q4
Gross External Debt/GDP	39,0	42,8	77,4	91,3	84,5	65,6	53,8	52,1	39,6	46,1	36,7	30,8		2011Q4
External Debt Service/International Reserve Assets	27,6	33,2	119,2	66,7	52,2	55,2	157,4	25,1	21,2	11,9	19,6			

(1) Data from 2008 are preliminary and may be subject to revision.