Uruguay

Macroeconomic Newsletter

A quarterly report issued jointly by the Debt Management Unit and the Macroeconomic Advisory Unit of the Ministry of Economy and Finance.

February 2024

Key Highlights

- Real GDP contracted 0.2% YoY during the third quarter of 2023. However, the monthly economic indicator (IMAE) increased 5.1% in November compared to the same month in 2022, suggesting an economic recovery during the last quarter of the year.
- The three pillars of the fiscal rule were met in 2023, for a fourth consecutive year. In addition, the fiscal deficit of the Central Government (excluding (excluding the extraordinary revenue effect from the "Cincuentones Law") was an estimated 3.3% of GDP in 2023.
- During 2023, both the employment and the activity rate experienced an increase, resulting in a cumulative addition of around 37,000 net jobs. Moreover, the unemployment rate stood at 7.8%.
- Consumer prices grew by 1.53% in January 2024 MoM broadly unchanged from the 1.55% increase logged in the same month of 2022. This recent reading completed eight consecutive months with headline inflation within the Central Bank´s target range.
- Uruguay continues to be recognized as the most solid democracy in South America and is ranked 14th globally, according to the latest Democracy Index Report published by The Economist. Furthermore, the country leads Transparency International´s list of countries with the lowest perceived corruption in the region.

I. Real Sector

The economy contracted 0.2% year-on-year (YoY) in the third quarter of 2023, expanding 1.0% in seasonally adjusted terms with respect to the previous quarter. The seasonally adjusted GDP level stood 4.7% above the one reached in the last quarter of 2019 (i.e. pre-pandemic level).

Demand and Supply Components

On the production front, a notable decrease was observed in Construction and Electricity, Gas, and Water activities. The Construction sector experienced a contraction of 8.6% in 2023Q3 compared to the corresponding period in 2022, mainly explained by reductions in investments for the third pulp mill, the Central Railway, as well as for port works and communication line infrastructure. Regarding the latter, the decline was mostly attributed to the lower hydraulic electricity generation because of the severe drought.

The decrease in these activities was partially offset by the positive performance of the Agricultural, Fishing and Mining, Transportation and Storage, and, Information and Communications sectors.

The Agricultural, Fishing, and Mining sector expanded by 9.6% during 2023Q3 with respect to the same period in 2022. Such increase is mainly driven by the growth of livestock and forestry activities. Moreover, Transportation and Storage and Information and Communications activities experienced an increase of 2.6% YoY due to increases in the production of both transport and storage services.

On the expenditure front, the YoY real GDP contraction was explained by a decrease in net external demand that was not offset by the increase in domestic demand. In terms of the first component, the decline is driven by the decrease in the physical volume of exports (9.2%). Particularly, a reduction in soybeans sales as well as in exported services, partially offset by an increase in cellulose exports. On the other hand, the greater dynamism of internal demand is attributed to the increase in final consumption expenditure (3.3%), on the back of sustained increases in real incomes.

On the other hand, imports of goods and services increased by 5% due to higher imports of non-durable consumer goods (mainly fuels and gasoline) and motor vehicles. In contrast, imports of intermediate goods and capital goods decreased (associated with lower purchases of metallic products and machinery as well as oil), Regarding service imports, a significant increase was observed in spending on tourism abroad, particularly in Argentina.

Monthly Economic Activity Indicator (IMAE)

In November 2023, the IMAE showed a 5.1% increase compared to the same month in 2022 and a 2.0% growth in seasonally adjusted terms compared to October 2023, signaling an improvement in the recent evolution of the country´s economic activity.

The IMAE is a synthetic indicator that summarizes the activity of the different branches of the economy in a given month, measured at constant 2016 prices. The calculation is based on multiple supply-side indicators that are weighted by the share of economic activities within the GDP.

MoF authorities revised macroeconomic projections for 2023 and presented projections for 2024.

On February 22nd, 2024, the Minister of Economy and Finance, Mrs. Azucena Arbeleche, delivered a presentation on the current macroeconomic and financial situation of Uruguay and its outlook. Please access it here (in Spanish).

The Minister announced a revised growth estimation of around 0.5% for 2023 (final data will be released by the Central Bank in March 2024) as a consequence of the severe drought registered last year, particularly in the agricultural sector.

For the current year, household consumption is expected to continue growing as real wages recover and employment remains firm. In this context, the Government foresees a 3.5% increase in real GDP for 2024.

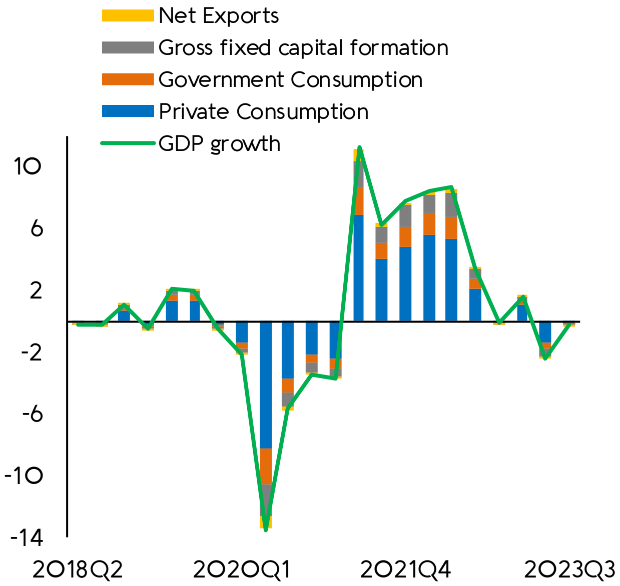
Mrs. Arbeleche added that 37,000 jobs in net terms were created last year and 76,100 more than in 2019, the year before the outbreak of COVID-19. "The consolidation of the job creation process, the decrease in inflation, and the increase in real wages and household consumption result in a better quality of life and more freedom for Uruguayans," she assured. For 2024, the government expects the creation of 14,000 additional jobs.

Regarding the fiscal situation, preliminary estimates of the deficit of the Central Government (excluding the impact of extraordinary inflows of funds to the Social Security Trust Fund) stood at 3.3% of GDP in 2023 (slightly above the official target of 3.2% of GDP).

Furthermore, Minister Arbeleche highlighted that the Government met all three pillars of fiscal rule, for a fourth year in a row: i) the preliminary structural fiscal deficit printed 2.7% of GDP, in line with the Government target set in last year`s Budget Law; ii) the change in real primary public expenditure was -0.4%, lower than the expenditure cap of 2.1% (given by the real potential GDP growth rate) and iii) the Central Government's net indebtedness was USD 2,424 million (the augmented legal limit for 2023 was USD 2,860 million).

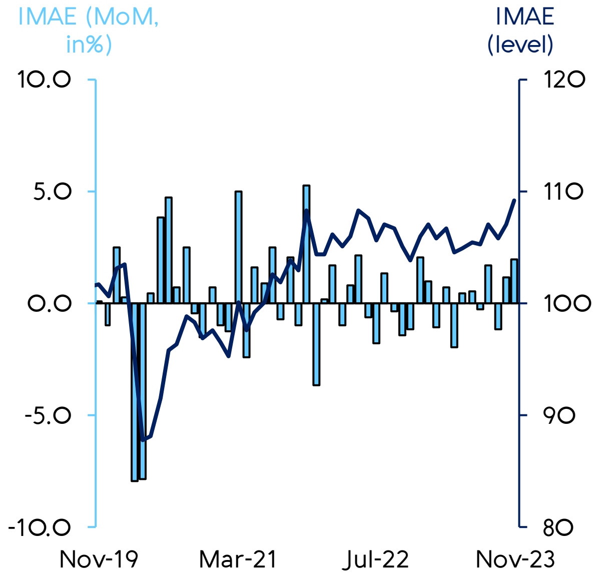
Regarding the fiscal result expected for 2024, minister Arbeleche pointed out that the fiscal deficit will reach 3.0% of GDP (excluding the impact of extraordinary inflows of funds to SSTF), and a structural deficit of 2.9% of GDP. The increase in real primary spending, meanwhile, is estimated at 2.8%, in line with the new cap given by potential real GDP estimated by the Committee of Experts for 2024, while the net indebtedness is projected at USD 2.28 billion for 2024 (below the legal limit of USD 2.3 billion).

Figure 1: Contribution to Real GDP Growth by Expenditure
(YoY, quarterly)



Source: Central Bank of Uruguay

Figure 2: Monthly Economic Activity Indicator (IMAE)
(In seasonally adjusted terms)



Source: Central Bank of Uruguay

II. Labor market

Throughout 2023, labor market indicators improved on average, reflecting strong performance and resulting in a cumulative addition of around 37,000 net jobs.

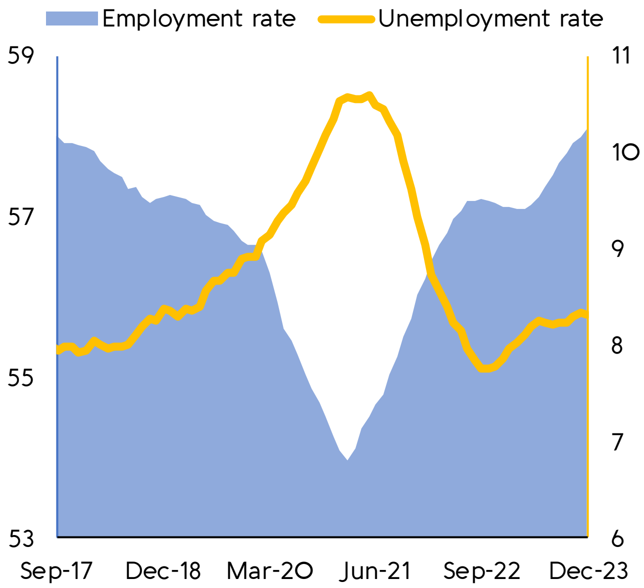
In December, the employment rate stood at 58.9%, marking a 1.2 p.p. increase from its 2022 level and a 1.1 p.p. increase from its 2019 (pre-pandemic level). Likewise, the activity rate (employed population, or those who are looking for a job, as a share of the total) also showed improvement during 2023, reaching 63.8%. This represents a 1.1 p.p. increase compared with December 2022 and a 0.7 p.p. growth before the pandemic.

The unemployment rate was 7.8% in December 2023, decreasing 0.1 p.p. from its print in the same month of 2022 and 0.7 p.p. lower than December 2019. On average, during 2023, the jobless rate was 8.3% (Figure 3).

The improvement in the labor market was also reflected in the continued reduction of beneficiaries under the unemployment insurance system. By the end of 2023, 42,075 beneficiaries were registered, indicating a 9.4% decrease compared to 2022.

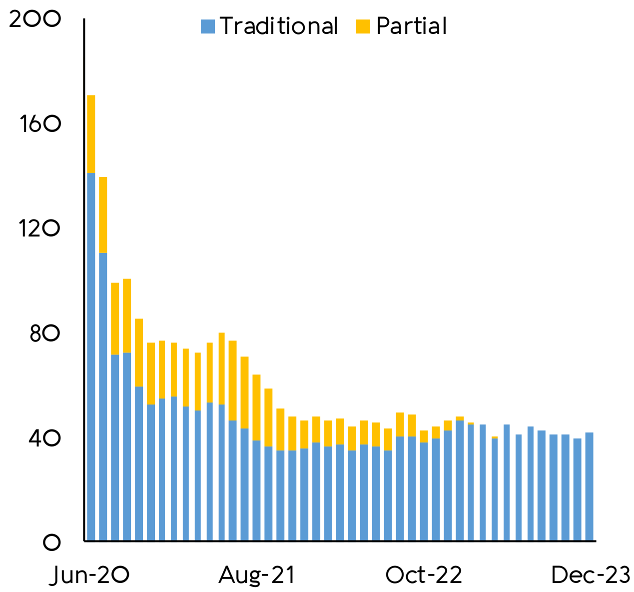
In addition, real wage recovery has continued to gain traction. The real wages index was up 3.7% in the year ended in December 2023 (12-month average).

Figure 3: Unemployment and Employment Rate
(Average of last 12 months, in %)



Source: National Institute of Statistics

Figure 4: Unemployment Insurance
(Number of beneficiaries, in thousands, by the regime)



Note: The traditional regime refers to the full unemployment insurance benefit according to Uruguayan law, whereas the partial regime implies that employees maintain the job relationship, working partial time.
Source: Social Security Institute

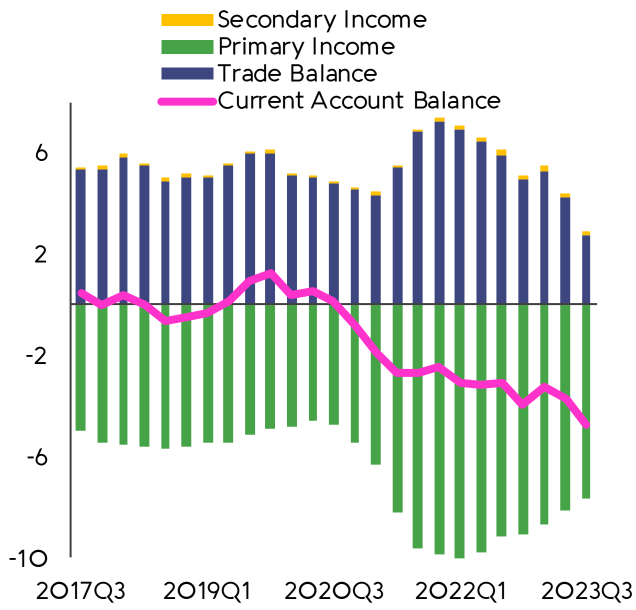
III. External Sector

During the third quarter of the current year, the Current Account of the Balance of Payment (CAB) recorded a USD 1,043 million deficit, from a deficit of USD 183 million in the same quarter of the preceding year. This result was explained by a deterioration in the Good and Services Account surplus, which amounted to USD 116 million (compared to USD 1,222 million in 2022Q3) due to a more significant contraction in exports relative to imports of goods, as well as a decline in exports and increase in imports of services.

Exports of Goods experienced a 25.9% year-on-year decline in 2023Q3, amounting to USD 3.6 billion. At the same time, imports of goods decreased by 7.7%, totaling US$3.3 billion. In the 12 months ending in September 2023, the trade balance stood at USD 1.9 billion (55% less than in the same period of the previous year). The trade balance of services recorded a deficit of USD 258 million in 2023Q3, compared to a deficit of USD 161 million in 2022Q3. This outcome was primarily attributed to a decline in exports of Others Services, triggered by reductions in other business services exports, partially offset by growth in financial services exports. Moreover, it is noteworthy that the export of transportation services, particularly maritime transportation, underwent a decline. In turn, imports of services experienced an increase of 3% compared to 2022Q3, mainly due to the expansion of the Travel category.

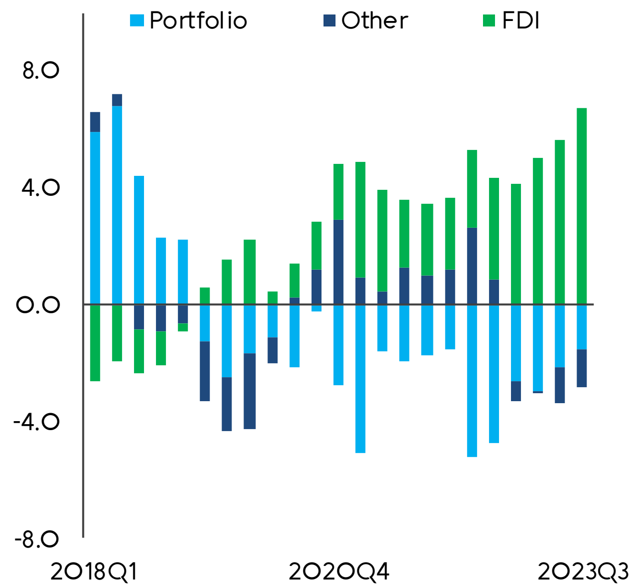
The Financial Account registered in 2023Q3 a capital inflow of USD 958 million, a figure higher than that observed in the same quarter of 2022 (USD 181 million). In the third quarter, the Uruguayan economy obtained net financing from the rest of the world mostly through Foreign Direct Investment (USD 1,670 million), Portfolio Investment (USD 112 million), and Financial Derivatives transactions (USD 5 million). Meanwhile, the country financed the rest of the world through Other Investments (USD 600 million). In the twelve-month period that ended in September 2023, the Financial Account presented a capital inflow of USD 3,276 million.

Figure 5: Current Account Balance
(Rolling 4-quarters, in % of GDP)



Source: Central Bank of Uruguay

Figure 6: Key Components of Net Capital Inflows
(Rolling 4-quarters, in % of GDP)

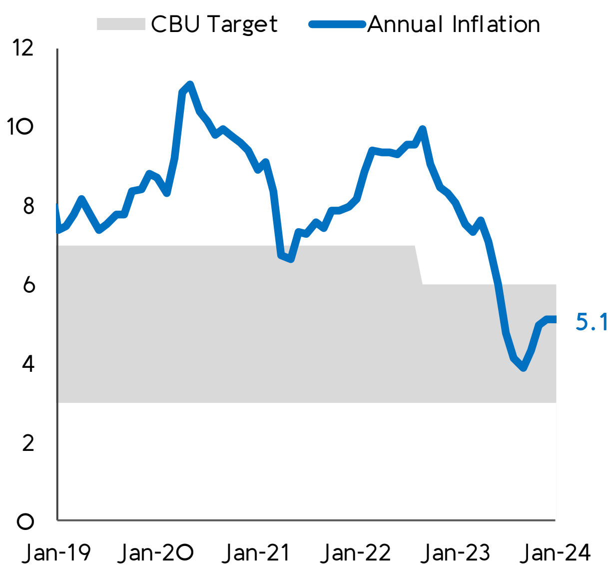


Source: Central Bank of Uruguay
Note: "Other" includes Other Investments and Financial Derivatives from the Financial Account of the Balance of Payments. Changes in Central Bank reserve assets are not included.

IV. Inflation and Monetary Indicators

Consumer prices grew by 1.53% in January, broadly unchanged from the 1.55% increase logged in the same month of 2022. In the last 12 months ended in January, inflation stood at 5.1%, almost 300pbs below the same month last year. January reading completed eight consecutive months with headline inflation within the Central Bank's target range (3.0–6.0%).

Figure 7: Inflation
(In %, YoY)



On February 22nd, 2024, the CB Board kept the policy rate at 9.0%. In the first meeting of the year, the monetary authorities highlighted that short-term projections suggest that inflation would continue to slow down in the coming months. In turn, inflation expectations continued declining and stood at historic lows (6.41%), approaching the ceiling of the target range.

On the other hand, the level of activity showed an increase in 2024Q1 due to the rebound in agriculture after overcoming the effects of the drought. Short-term projections suggest that the economy will continue growing in the next two quarters, pointed out the CB.

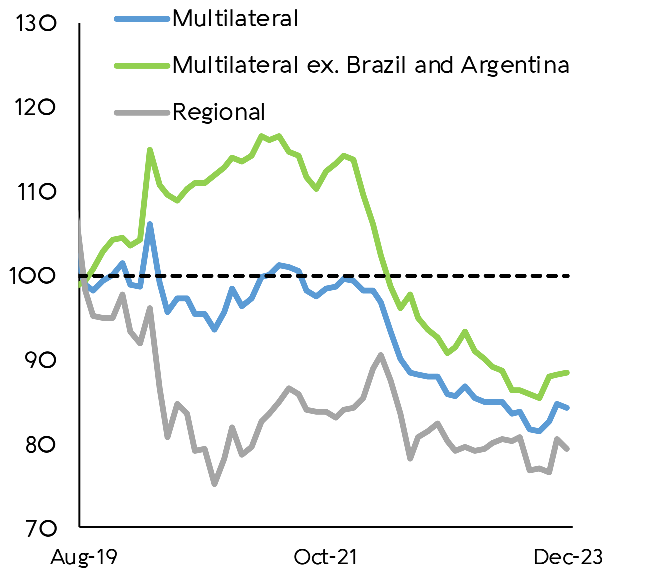
In the FX market, the peso depreciated by 4.2% on average in 2023Q4 compared to the previous quarter and by 1.2% month-on-month in January. Subsequently, in the first month of the current year, the peso experienced a depreciation of 0.2%, closing at 39.16 pesos per US Dollar at the inter-bank rate.

The real effective exchange rate (REER) showed a 1.8% depreciation in 2023Q4 compared to the previous quarter. Moreover, price competitiveness within the region increased by 0.7% (comprised of Argentina and Brazil and by 2.7% with extra-regional countries (US, México, Germany, Spain, United Kingdom, Italy, and China, according to the methodology of the Central Bank).

Figure 8: Nominal Exchange Rate
(Pesos per Dollar)

Source: Central Bank of Uruguay

Figure 9: Real Effective Exchange Rate
(Index base 100 = 2019)

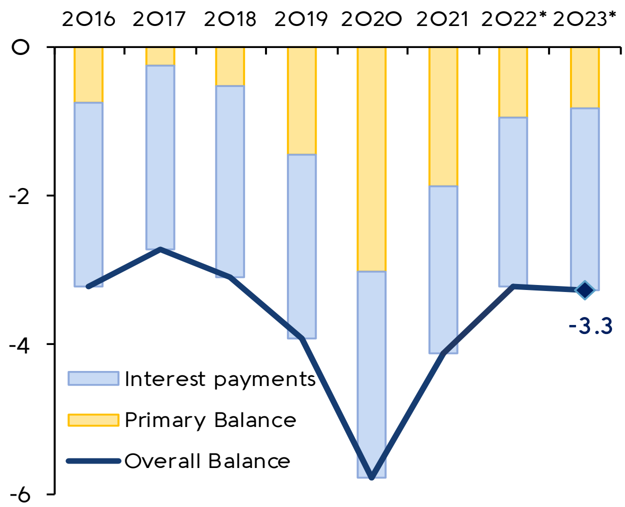


Note 1: The Regional Real Effective Exchange Rate is a weighted average of the REER of Argentina and Brazil.
Note 2: An upward movement in the index means a real exchange depreciation. Source: Central Bank of Uruguay.

V. Fiscal and Debt Indicators

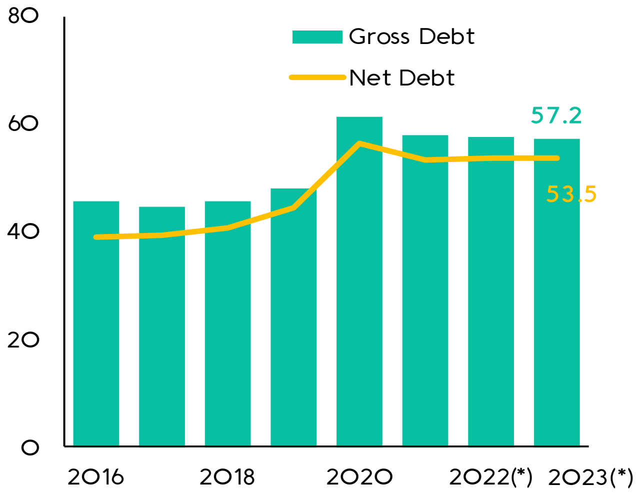
In the twelve months ending in December 2023, the fiscal balance of the Central Government stood at -3.1% of GDP. Netting out the effects of the Social Security Trust Fund, (0.1% of GDP), the adjusted fiscal result of the GC-BPS was equivalent to -3.3% of GDP (the sum of the components may differ from the totals due to rounding). In turn, the gross debt of the Central Government was equivalent to 57.2% of GDP as of December 2023, while net debt represented 53.5% of GDP (see Figure 11). This implied a reduction of 0.4 p.p. for the gross debt and maintenance of the net debt at the same level as percentage of GDP, compared with December 2022. Debt figures include all loans and financial market securities contracted/issued by the Central Government and Central Government securities held by the public SSTF, and exclude non-market Central Government securities issued to capitalize the Central Bank in previous years.

Figure 10: Central Government Fiscal Balance
(In % of GDP, excluding net effect from the SSTF)



Source: Ministry of Economy and Finance of Uruguay

Figure 11: Central Government Debt
(In % of GDP, end of period)



Source: Debt Management Unit and Central Bank of Uruguay

(*) For 2022 and 2023, annual nominal GDP figures are MoF estimates and projections; official annual GDP figures for 2023 (and revisions for annual GDP for 2022) will be released in March 2024

Considering the broadest measure of the Consolidated Public Sector debt statistics published by the Central Bank (Central Government, local governments, public enterprises, the state-owned insurance bank, and the Central Bank), and netting out cross-holdings of assets and liabilities, the gross debt stock stood at 67.5% of GDP by end-December 2023, while the net debt printed at 40.6% of GDP.

VI. Banking System

As of September 2023, financial institutions` capital buffer exceeded by more than 89% the minimum regulatory requirement set by the Superintendence of Financial Institutions (SFI). This regulatory threshold considers credit, market, operational, and systemic risks. In that sense, recent stress tests conducted by the SFI suggest that the banking system could withstand a significant recession scenario while maintaining a reasonably adequate equity level.

In turn, the SFI determined that the countercyclical capital buffer must be 0.75% of risk-weighted assets since July 2024, which implies an increase of 0.25 percentage points over the requirement established in December 2022.

Regarding the liquidity risk of the banking system, the ratio of liquid assets to total assets stood at 54.7%. It represents a 2.6 p.p. drop in 2023Q2 compared to the same period of the previous year. The aggregate profit of banks represented a return on assets of 2.1% and a return on equity of 20.1% as of September 2023. The general delinquency rate of credit stood at 1.9%, staying at minimal levels in historical terms.

VII. Recent Developments

VII.1 2023 Census confirms rising recent immigration and aging population

Last November 2023, Uruguay´s National Institute of Statistics (INE) presented demographic data collected in the 2023 census. According to the recent census, the Uruguayan population stood at 3,44,263, representing a 1% growth from 2011 figures. INE highlighted that this increase was driven by immigration; without it, the population would have contracted over the last 12 years.

Without immigrants, “we would have to be announcing a population drop,” pointed out the Director of INE, Mr. Diego Aboal. Approximately 61,800 foreigners have a residence permit, accounting for 3% of the population compared to 2% in 2011.

Among other findings, the census revealed that 52% of the Uruguayan population are women and 48% are men. Moreover, only 4% of Uruguayans live in rural areas, while 96% reside in urban areas, with 92% having access to drinking water and 99% to electricity. The average age was 29 years in 2004, 34 in 2011, and 38 in 2023.

Furthermore, Uruguay's population is growing old. In 1963, 28% of Uruguayans were aged up to 14, compared to only 18% of the total population now. INE also pointed out that the country has experienced a significant increase in the number of people aged over 65, with the population of centenarians doubling in the last 20 years.

VII.2 Uruguay continues to rank first in LATAM in terms of indicators of institutional stability and transparency

Uruguay is the most democratic country in South America; this is reflected in the average score of 8.66 obtained in the Democracy Index study recently published by The Economist’s Intelligence Unit (EIU). According to the London-based analysis group, Uruguay reached 14th place globally. Uruguay and Costa Rica are the only two countries in Latin America considered as a “full democracy” by EUI in 2023. Also, Uruguay was one of the few nations that obtained a perfect score in its electoral process and pluralism.

Norway, New Zealand, and Iceland top the index ranking. “Canada is the only ‘full democracy’ in North America, while the United States continues to languish as a ‘flawed democracy,’ a classification to which it was relegated in 2016. The Asia and Australasia region has five ‘full democracies,’ including three Asian ones (Japan, South Korea, and Taiwan) along with Australia and New Zealand,” the study says.

On the other hand, Uruguay leads Transparency International´s list of countries with the lowest perceived corruption in the region, and ranks 24th out of 180 countries globally in the "Corruption Perceptions Index" (CPI) released in January 2024 by the non-governmental corruption watchdog. The CPI is calculated using data from 13 sources provided by 10 independent institutions. These sources measure the overall extent of corruption (frequency and/or size of bribes). Countries are scored on a scale from 0 (highly corrupt) to 100 (very clean). The report analyzes press freedom, access to information about budgets, levels of integrity in public office, and independence of the judiciary, among others.

VII.3 Uruguay Government and HIF Global signed a memorandum for the construction of a green hydrogen plant

On February 28th, the Uruguayan Government signed a Memorandum of Understanding (MoU) with Chilean company HIF Global, which plans to build a green hydrogen plant in the Department Paysandú, located in the northwest zone. This is the first step towards signing an investment contract, pointed out the Secretary of the Presidency, Mr. Rodrigo Ferrés. If it comes to fruition, it would be the largest ever private investment in the country (close to USD 6 billion). About 3,000 jobs would be created during the construction period of the facilities. The following steps include feasibility studies, environmental permits, tax incentives negotiations, among others.

Uruguayan Government authorities and company representatives during the signing of the MoU in Montevideo

The project is expected to produce 80 million gallons of e-gasolines per year using 710,000 tons of captured carbon dioxide produced by the state-owned ANCAP's biofuel subsidiary (ALUR).

HIF Global is a Chilean Company and was founded in 2016 by Mr. César Norton Sacre, who currently serves as president. It has a presence in Latin America, the United States, Europe, the Middle East, and Asia. The principal stakeholders of the company are Andes Mining, Porsche, and the fund manager EIG, Baker Hughes, and Gemstone Investments.

In November 2023, the Uruguayan Government presented the strategy for the green hydrogen sector and its derivatives, detailed in a roadmap to the year 2040. The adoption of green hydrogen in Uruguay has the potential to bring significant environmental, economic, and energy security benefits. Green hydrogen, produced through renewable sources, offers a sustainable alternative to conventional fossil fuels, reducing greenhouse gas emissions and mitigating climate change impacts. Moreover, it promotes energy independence and resilience by diversifying the energy mix and reducing reliance on imported fossil fuels.

Hydrogen production could be close to one million tons per year by 2040, requiring the installation of 20 GW of renewable energies and 10 GW of electrolyzes, according to the Green Hydrogen Roadmap recently launched. The roadmap estimates that more than 30,000 jobs could be created and a USD 1.9 billion annual revenue opportunity by 2040.

VII.4 Strong growth of wind energy generation in Uruguay is highlighted by the National Aeronautics and Space Administration (NASA)

NASA's Science Mission Directorate highlighted Uruguay's remarkable strategy of rapidly incorporating wind energy into its electricity grid. Spotlighting the Peralta wind farm in Tacuarembó, in the center of the country, NASA highlighted the country's surplus wind energy production, which has resulted in exports to Argentina and Brazil for some years.

Simultaneously, Mr. Joel Jaeger from the World Resources Institute stressed Uruguay's unparalleled growth in clean energy, stating, "Uruguay has outpaced all other countries in wind power development during these five years".

Despite being a developing nation, Uruguay's commitment to renewable energy surpasses that of many high-income countries, according to Jaeger's analysis. "In only five years, Uruguay increased wind power from 1% to 34% of its electricity mix, an astonishing rise that's the fastest any country has ever achieved in that short a time frame. The speed is especially impressive considering that Uruguay's GDP per capita is four times lower than Denmark's, it didn't have any history with the wind industry before the mid-2000s and its electricity demand was growing", added.

The country´s effort to expand its share of renewable energy resulted in a significant proportion of sustainable sources. More specifically, by 2022, according to the National Energy Balance, Uruguay´s electricity generation consisted of 91% renewable sources (39% hydraulic, 32% wind, 17% biomass and 3% solar).

VII.5 Uruguayan and Brazil inaugurated the first bi-national airport in LATAM

On December 11, 2023, Uruguay and Brazil inaugurated the first and only binational airport in Latin America, in the Uruguayan department of Rivera. This facility will carry out domestic operations, passenger transit, and cargo transportation, marking a historic milestone in the region.

The new terminal works, managed by the *consortium* Aeropuertos Uruguay, encompassed the modernization and expansion of the passenger terminal, enhancements to the control tower, and the installation of updated aeronautical communications equipment, including an internal fiber optic network.

This inauguration marks another step forward in the development and modernization of Uruguay's aeronautical infrastructure and its national system of international airports. Under the management of Aeropuertos Uruguay, the country boasts eight air terminals: Carrasco International Airport, Punta del Este, Carmelo, Salto, Durazno, Melo, Paysandú and Rivera.

VII.6 Expansion of Montevideo's Terminal stands to double Port's capacity

Uruguay's main port terminal operator in Montevideo, Terminal Cuenca del Plata (TCP), is set to start the construction of a second wharf designed to accommodate ships with a deeper draft than the current one. Additionally, a container yard will be built, aiming to more than double the current international cargo volume of the country's leading port. The new expansion will not only enable the port to accommodate more and larger vessels but also enhance its competitiveness against ports in Argentina and certain regions of Brazil. For this new project, BID Invest will provide USD 103 million to TCP, while the commercial bank BBVA will invest an additional USD 46 million.

Moreover, the transaction will support several UN Sustainable Development Goals (SDGs), including Industry, Innovation and Infrastructure (SDG 9), Climate Action (SDG 13), Partnerships for Achieving the Goals (SDG 17), Gender Equality (SDG 5), Decent Work and Economic Growth (SDG 8).

The enlarged terminal will allow Montevideo to handle three or four ships simultaneously, including post-Panamax vessels of up to 400 meters in length. All this will potentially more than double annual throughput to more than 2.5 million Twenty-foot Equivalent Units (TEUs), from the current capacity of about one million TEUs.

VII.7 Uruguay`s capital tops highest quality of life in the region

According to a recent report by the prestigious international consulting firm Mercer, Montevideo has been ranked as the best city in Latin America and the Caribbean in terms of quality of life. The "Quality of Life" ranking, which assesses 241 countries, focuses on aspects such as the environment and sustainability, political stability, health, education, infrastructure, and socio-cultural environment.

The Uruguayan capital has consistently topped this list in several editions at the regional level. This ranking evaluates practical aspects of daily life for expatriate employees, such as access to drinking water, waste disposal, air purity, public services, and transportation, among others.

The global consulting firm Mercer has been conducting surveys on the quality of life in cities worldwide for 20 years. Mercer uses the index to advise its multinational clients on expatriate compensation and international employee relocations.

Montevideo is followed regionally by San Juan (Puerto Rico) and Buenos Aires (Argentina). Globally, it is topped by Vienna (Austria), Zurich (Switzerland), and Auckland (New Zealand).

This recognition by The New York Times and Mercer further solidifies Montevideo's standing in Latin America, offering its residents and visitors a unique blend of historic charm, exceptional quality of life, and a welcoming atmosphere.

Additionally, Montevideo ranks 36th among the 52 places recommended to visit by The New York Times this year. "Despite being the capital of one of South America's most progressive nations (weed and same-sex marriage are legal, and its electrical grid is almost entirely powered by renewable sources), Montevideo has a reputation for being on the quieter side. But as the city of 1.4 million celebrates 300 years, this is a perfect time to fall for Montevideo's more subtle, easygoing charms", according to the "2024 Travel Destinations: 52 Places to Go This Year", released by the American newspaper in January.

The New York Times highlighted Uruguay's gastronomy, with a special mention of the country's flagship *Tannat* wine, and the world's longest Carnival, celebrated for 40 nights running, with shows from late January through February.

VII.8 'Society of the Snow' film wins Oscar nominations and solidifies Uruguay as a global audiovisual hub

The movie 'Society of the Snow' recounts the survival story of the passengers of Uruguayan Air Force Flight 571, which crashed in the Andes. It vividly portrays one of humanity's most remarkable feats and serves as an emblem of resilience for the Uruguayan people. In January 2024, the Oscar Nominations were announced, revealing that the film has received a nomination for Best International Feature Film as well as nominations for Best Makeup and Hairstyling.

On October 13, 1972, a plane carrying a Uruguayan rugby team and their family members crashed in the Andes. Stranded for several days in highly adverse conditions, the survivors faced desperate situations such as intense cold and lack of food. After 72 days, 16 survivors were rescued. The tragedy's story has been immortalized in books and films, highlighting the incredible spirit of survival and solidarity among those affected.

The new Netflix production was nominated for the Golden Globe Awards as the Best Foreign Language Film and was nominated for two 2023 film Oscar awards: Best International Feature Film and Best Makeup and Hairstyling.

Narrated in the first person, similar to the eponymous book by journalist and writer Pablo Vierci upon which it is based, the two-and-a-half-hour film was partially shot in Uruguay, showcasing Uruguayan talent and national technical resources. Alongside the Andes and Sierra Nevada landscapes in Granada, Spain, the film featured locations in Uruguay including Sierras de Minas, the old Carrasco airport, the Pando Air Base, rugby fields, the San Juan Bautista church in Pocitos, and streets in neighborhoods of Montevideo such as Carrasco and El Prado.

The film, which has garnered numerous awards at festivals including San Sebastian, Mill Valley, and Middleburg, highlights Uruguay's richness and diversity as a setting, as well as its abundance of technical and artistic talent. 'The Society of the Snow' offers a unique cinematic experience and solidifies Uruguay´s position as an attractive place for audiovisual production thanks to the high quality of its artistic and technical resources.

Furthermore, Uruguay's geographic location provides a distinct advantage to audiovisual productions. With its opposite seasons to the northern hemisphere, filmmakers can work during the northern winter while enjoying summer conditions in Uruguay. Additionally, the country boasts the fastest mobile internet connection speed in Latin America, ensuring extensive coverage across the entire nation. *Source: Uruguay XXI Institute.*

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Uruguay — Economic Indicators

Economic structure and activity[1]	2016	2017	2018	2019	2020	2021	2022	2023 (Latest available)	As of:
Population (million)	3.48	3.49	3.51	3.52	3.53	3.54	3.55	3.44	2023
Annual Nominal GDP (local currency, billions)	1,734	1,864	2,003	2,188	2,255	2,675	2,930	3,011	2023Q3
Annual Nominal GDP (USD, millions)	57,630	65,058	65,173	61,999	53,611	61,383	71,250	77,349	2023Q3
GDP per Capita (nominal USD)	16,559	18,624	18,589	17,620	15,183	17,325	20,043	22,457	2023Q3
Real GDP (% change, YoY)[2]		1.7	0.2	0.7	-6.3	5.3	4.9	-0.2	2023Q3
By Sector									
Agriculture, fishing and mining		-10.8	5.6	2.3	-6.0	13.4	-21.5	9.6	2023Q3
Manufacturing		-2.9	5.4	-3.8	-5.7	7.6	-4.3	-1.0	2023Q3
Electricity, gas and water		3.9	4.0	10.2	-8.5	5.8	-5.7	-11.3	2023Q3
Construction		-6.7	-7.6	-0.5	2.0	6.0	1.5	-8.6	2023Q3
Commerce, restaurants and hotels		4.0	-8.4	0.3	-8.6	7.8	5.6	-1.1	2023Q3
Transportation, storage and information and communications		7.2	1.2	6.5	-7.9	0.8	6.8	2.6	2023Q3
Financial services		3.3	-1.4	1.3	-0.3	5.8	2.7	3.7	2023Q3
Professional services and leasing		7.6	-2.4	1.0	-6.2	8.1	3.8	-1.8	2023Q3
Public admnistration activities		-1.6	2.2	2.7	-0.6	0.1	0.3	2.0	2023Q3
Health, education, real state activities and other services		2.3	3.9	-0.4	-8.8	2.6	1.1	0.0	2023Q3
By Expenditure									
Final Consumption Spending		3.6	2.4	0.9	-6.9	4.0	3.4	3.3	2023Q3
o/w private sector		4.0	1.8	0.6	-6.8	2.9	4.5	3.4	2023Q3
o/w public sector		2.1	4.9	1.9	-7.1	8.4	-0.2	2.7	2023Q3
Gross fixed capital formation		0.9	-10.5	-2.0	1.2	16.5	3.9	-11.3	2023Q3
Exports (goods and services)		5.3	-1.1	4.6	-16.3	11.7	-5.6	-9.2	2023Q3
Imports (goods and services)		7.5	0.6	1.3	-12.2	18.2	3.7	5.0	2023Q3
Share of Nominal GDP by economic activity (in %)[3]									
Agriculture, fishing and mining	7.0	5.6	6.0	6.8	6.8	8.4	7.4		2022
Manufacturing	11.0	10.3	11.0	10.4	10.3	10.8	10.4		2022
Electricity, gas and water	2.7	2.9	2.7	2.5	2.6	2.8	2.3		2022
Construction	4.9	4.7	4.2	4.2	4.6	4.5	4.8		2022
Commerce, restaurants and hotels	13.5	13.5	12.4	12.0	11.9	13.8	14.4		2022
Transportation, storage and infromation and communications	8.5	8.7	8.8	9.2	8.3	7.7	8.1		2022
Financial services	5.0	5.1	5.1	5.0	4.8	4.5	4.6		2022
Professional services and leasing	6.9	7.4	7.4	7.5	7.4	7.3	7.3		2022
Government activities	4.8	4.9	5.0	5.2	5.4	4.8	4.8		2022
Health, education, real state activities and other services	24.9	25.9	26.3	26.2	26.6	23.7	23.9		2022
Share of Nominal GDP by expenditure (in %)[3][4]									
Final Consumption Spending	76.9	78.3	80.0	79.6	79.2	74.2	74.2		2022
Gross fixed capital formation	16.9	16.2	14.8	14.8	16.0	17.6	17.6		2022
Exports (goods and services)	26.9	25.9	26.5	27.8	25.2	30.5	31.3		2022
Imports (goods and services)	21.5	20.4	21.4	21.7	20.8	23.9	25.9		2022

(1) Figures are presented starting in 2016, given that the new GDP figures released by the Central Bank under the re-based national accounts statistics are only available from that year onwards.
(2) Latest available data corresponds to quarterly data. In the case of complete years, figures are on an annual basis.
(3) Published once a year by the Central Bank.
(4) Shares in nominal GDP do not add up to a 100%, given that the investment figure excludes change in inventories.

Sources: *Central Bank of Uruguay and National Institute of Statistics.*

Uruguay **Economic Indicators**

Balance of Payments [1] [2]

in USD million

	2016	2017	2018	2019	2020	2021	2022	Latest available 2023 Q3*
Current Account	**474**	**7**	**-298**	**770**	**-432**	**-1,519**	**-2,794**	**-3,657**
Goods and Services	3,065	3,478	3,280	3,724	2,425	4,460	3,520	2,107
Goods	2,050	1,957	2,385	3,113	2,224	4,637	3,499	1,856
Exports	10,612	11,122	11,778	11,865	10,127	15,848	17,040	15,054
Merchandise goods	9,158	10,057	10,125	10,126	8,659	12,098	14,176	12,056
Goods under merchanting (net)	1,455	1,065	1,653	1,740	1,468	3,750	2,864	2,998
Imports	8,562	9,165	9,394	8,753	7,904	11,211	13,541	13,197
Services	1,015	1,521	895	611	201	-177	22	250
Exports	4,901	5,723	5,475	5,363	3,729	3,746	5,473	6,073
o/w Tourism	2,285	2,823	2,624	2,255	1,058	540	1,753	2,417
Imports	3,886	4,202	4,580	4,751	3,528	3,923	5,451	5,823
Primary Income	-2,660	-3,557	-3,667	-3,026	-2,926	-6,057	-6,456	-5,924
Net employments´ remunerations	0	3	3	3	4	4	4	1
Net repatriated profits and dividends	-2,578	-2,443	-2,468	-3,508	-2,356	-2,432	-3,122	-376
Net reinvested earnings	524	-654	-680	759	-57	-3,017	-2,874	-736
Net interest paid	-606	-463	-522	-281	-516	-611	-464	-90
Secondary Income	70	86	89	72	69	78	142	161
Capital Account	**50**	**20**	**46**	**-373**	**54**	**-30**	**3**	**-2**
Financial Account	**204**	**915**	**-540**	**154**	**517**	**-184**	**-2,193**	**-3,276**
Foreign Direct Investment	1,823	2,037	729	-1,391	-1,019	-1,507	-2,956	-5,232
Change in assets held abroad by residents	1,308	4,724	2,456	79	-491	1,940	5,567	3,568
Change in claims held by non-residents in the economy	-516	2,687	1,727	1,470	528	3,448	8,523	8,800
Portfolio Investment	1,721	-2,170	-1,471	1,036	1,478	1,084	1,882	1,196
Change in assets held abroad by residents	441	-1,392	-790	2,405	2,753	1,373	1,916	2,631
Change in claims held by non-residents in the economy	-1,281	779	680	1,370	1,275	289	34	1,435
Financial Derivatives	6	-224	-21	7	46	443	374	276
Net creditor contracts	26	-213	4	27	98	446	390	-5
Net debtor contracts	21	10	26	19	51	3	16	0
Other Investment	-1,185	-1,177	631	1,612	-1,618	-1,048	86	708
Change in assets held abroad by residents	-2,354	-1,340	780	1,576	-422	692	654	189
Change in claims held by non-residents in the economy	-1,169	-164	149	-37	1,196	1,739	568	-519
Change in Central Bank Reserve Assets	-2,161	2,449	-408	-1,111	1,630	843	-1,578	-224
Errors and Omissions	**-320**	**888**	**-288**	**-243**	**896**	**1,364**	**598**	**383**

in % of GDP

	2016	2017	2018	2019	2020	2021	2022	Latest available 2023Q3*
Current Account	**0.8**	**0.0**	**-0.5**	**1.2**	**-0.8**	**-2.5**	**-3.9**	**-4.7**
Goods and Services	5.3	5.3	5.0	6.0	4.5	7.3	4.9	2.7
Goods	3.6	3.0	3.7	5.0	4.1	7.6	4.9	2.4
Exports	18.4	17.1	18.1	19.1	18.9	25.8	23.9	19.5
Merchandise goods	15.9	15.5	15.5	16.3	16.2	19.7	19.9	15.6
Goods under merchanting (net)	2.5	1.6	2.5	2.8	2.7	6.1	4.0	3.9
Imports	14.9	14.1	14.4	14.1	14.7	18.3	19.0	17.1
Services	1.8	2.3	1.4	1.0	0.4	-0.3	0.0	0.3
Exports	8.5	8.8	8.4	8.6	7.0	6.1	7.7	7.9
o/w Tourism	*4.0*	*4.3*	*4.0*	*3.6*	*2.0*	*0.9*	*2.5*	*3.1*
Imports	6.7	6.5	7.0	7.7	6.6	6.4	7.7	7.5
Primary Income	-4.6	-5.5	-5.6	-4.9	-5.5	-9.9	-9.1	-7.7
Net employments´ remunerations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net repatriated profits and dividends	-4.5	-3.8	-3.8	-5.7	-4.4	-4.0	-4.4	-0.5
Net reinvested earnings	0.9	-1.0	-1.0	1.2	-0.1	-4.9	-4.0	-1.0
Net interest paid	-1.1	-0.7	-0.8	-0.5	-1.0	-1.0	-0.7	-0.1
Secondary Income	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Capital Account	**0.1**	**0.0**	**0.1**	**-0.6**	**0.1**	**0.0**	**0.0**	**0.0**
Financial Account	**0.4**	**1.4**	**-0.8**	**0.2**	**1.0**	**-0.3**	**-3.1**	**-4.2**
Foreign Direct Investment	3.2	3.1	1.1	-2.2	-1.9	-2.5	-4.1	-6.8
Change in assets held abroad by residents	2.3	7.3	3.8	0.1	-0.9	3.2	7.8	4.6
Change in claims held by non-residents in the economy	-0.9	4.1	2.6	2.4	1.0	5.6	12.0	11.4
Portfolio Investment	3.0	-3.3	-2.3	1.7	2.8	1.8	2.6	1.5
Change in assets held abroad by residents	0.8	-2.1	-1.2	3.9	5.1	2.2	2.7	3.4
Change in claims held by non-residents in the economy	-2.2	1.2	1.0	2.2	2.4	0.5	0.0	1.9
Financial Derivatives	0.0	-0.3	0.0	0.0	0.1	0.7	0.5	0.4
Net creditor contracts	0.0	-0.3	0.0	0.0	0.2	0.7	0.5	0.0
Net debtor contracts	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Other Investment	-2.1	-1.8	1.0	2.6	-3.0	-1.7	0.1	0.9
Change in assets held abroad by residents	-4.1	-2.1	1.2	2.5	-0.8	1.1	0.9	0.2
Change in claims held by non-residents in the economy	-2.0	-0.3	0.2	-0.1	2.2	2.8	0.8	-0.7
Change in Central Bank Reserve Assets	-3.8	3.8	-0.6	-1.8	3.0	1.4	-2.2	-0.3
Errors and Omissions	**-0.6**	**1.4**	**-0.4**	**-0.4**	**1.7**	**2.2**	**0.8**	**0.5**

(*) Sum of last four quarters.
(1) In accordance with the Sixth Edition of the IMF´s Balance of Payments and International Investment Position Manual (BPM6), whereby:
(i) Current Account Balance (CAB), Capital Account Balance (KAB), Errors and Omissions (E&O) and Financial Account Balance (FAB) satisfy: CAB + KAB + E&O = FAB
(ii) "Goods under merchanting" are those goods that are bought by a resident and then sold to a non-resident, without undergoing any process of substantial transformation nor entering into the resident economy.
(iii) Regarding the Financial Account, a positive (negative) sign over the balance of an underlined entry means that net acquired assets abroad by residents were higher (smaller) than net financial liabilities accumulated by non-residents within the economy, implying a capital outflow (inflow) for that concept.
(iv) "Change in Central Bank Reserve Assets" stands for the variation of gross international reserve assets less valuation adjustments.
(v) Revised series under new methodology starts in 2012.
(2) GDP figures available since 2016 according to the latest update in National Accounts methodology, published by the Central Bank in December 2020.
Source: Central Bank of Uruguay.

Uruguay	Economic Indicators

Economic Activity and Monetary Indicators, and Relative Prices (1)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (Latest available)	As of:
Monthy economic activity indicator (YoY % real change)							1.7	0.2	0.7	-6.3	5.3	4.9	5.06	2023M11
Consumer inflation (YoY % change, eop)	8.6	7.5	8.5	8.3	9.4	8.1	6.6	8.0	8.8	9.4	8.0	8.3	5.09	2024M01
Producer inflation (YoY % change, eop)	11.1	5.9	6.3	10.6	6.6	-1.9	5.4	10.0	20.1	3.6	20.7	-1.88	-1.08	2024M02
Nominal exchange rate (UYU per USD, eop)	19.90	19.40	21.39	24.33	29.87	29.26	28.76	32.39	37.34	42.34	44.70	40.07	39.16	2024M01
Nominal exchange rate (UYU per USD, 12-month average)	19.30	20.32	20.50	23.23	27.33	30.08	28.65	30.74	35.28	42.06	43.57	41.13	38.80	2024M01
Nominal exchange rate (YoY % change, 12-month average)	-3.8	5.3	0.9	13.3	17.6	10.1	-4.8	7.3	14.8	19.2	3.6	-5.6	-4.7	2024M01
Real Effective Exchange Rate, REER (index base 100 = Dec-2011, eop)	100.0	85.0	79.4	78.6	79.2	75.8	77.1	69.3	72.7	70.5	71.4	61.5	60.5	2023M12
REER (YoY % change, if + = real depreciation)	-5.2	-15.0	-6.7	-1.0	0.8	-4.3	1.7	-10.1	5.0	-3.0	1.2	-13.9	-1.6	2023M12
Terms of Trade, ToT (index base 100 = Dec-2011, eop)	100.0	101.5	103.5	112.5	108.8	112.0	111.5	105.0	109.7	107.5	113.7	106.2	123.8	2023M12
ToT (YoY % change)	-1.1	1.5	2.0	8.7	-3.3	3.0	-0.5	-5.8	4.5	-2.1	-5.9	-5.6	18.0	2023M12
Monetary base (YoY % change)	17.3	21.9	17.4	1.4	7.2	9.7	3.6	10.4	7.7	5.8	2.0	-2.4	15.47	2023M12
M1' (YoY % change)	20.8	11.2	15.0	3.7	5.6	8.4	15.0	8.9	5.1	18.5	17.8	0.4	9.9	2023M12
International Reserves (% of GDP) (2)						23.3	24.5	23.9	23.4	30.3	27.6	21.2	20.6	2023M12
Interest rate on Central Bank´s 30-day bills (annual, in %, average) (3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.12	2024M02
Interest rate on Central Bank´s 1-year bills (annual, in %, average) (3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.4	9.14	2024M02
Monetary Policy Interest Rate (overnight reference, annual, in %, eop) (4)	8.75	9.0	9.25	.	.	.	.	.	.	4.5	5.75	11.25	9.00	2024M02
Overnight interbank interest rate (annual, in %, eop) (5)	8.8	8.9	5.3	20.0	18.0	3.5	8.6	5.0	9.0	4.3	5.5	11.3	9.00	2024M02
Interest rate on local currency deposits (annual, in %, average) (6)	5.5	5.2	5.1	8.5	7.9	6.0	5.3	5.3	6.5	4.2	4.5	8.9	7.3	2024M01
Total bank deposits by private non-financial sector (% of GDP)						47.6	43.8	45.9	49.8	48.3	40.7	52.2	50.5	2023M12
By currency (% of total) (7):														
Local currency	26.2	26.1	24.7	22.3	19.1	22.7	26.7	26.4	23.8	22.7	22.8	25.0	28.5	2023M12
Foreign currency	73.8	73.9	75.3	77.7	80.9	77.3	73.3	73.6	76.2	77.3	77.2	75.0	71.5	2023M12
By residency (% of total):														
Residents	84.4	84.2	84.5	84.3	83.7	87.4	90.2	90.2	89.6	89.7	90.6	91.4	91.9	2023M12
Non-residents	15.6	15.8	15.5	15.7	16.3	12.6	9.8	9.8	10.4	10.3	9.4	8.6	8.1	2023M12
Interest rate on local currency loans (annual, in %, average) (6)	21.9	20.7	22.0	21.5	23.2	24.7	24.6	23.8	23.6	20.2	17.5	21.6	16.3	2024M01
Total bank credit to private non-financial sector (% of GDP) (8)						25.5	23.7	24.8	25.3	49.1	21.1	26.4	28.7	2023M12
By currency (% of total) (5):														
Local currency	45.2	46.6	44.9	43.4	43.2	45.4	48.2	48.1	49.0	49.2	48.9	50.5	49.8	2023M12
Foreign currency	54.8	53.4	55.1	56.6	56.8	54.6	51.8	51.9	51.0	50.8	51.1	49.5	50.2	2023M12
By residency (% of total):														
Residents	98.6	98.8	98.9	98.9	99.0	99.0	99.0	99.3	99.1	98.6	96.6	97.1	96.1	2023M12
Non-residents	1.4	1.2	1.1	1.1	1.0	1.0	1.0	0.7	0.9	1.4	3.4	2.9	3.9	2023M12
Total bank credit to non-financial sector (YoY % real change)	9.7	6.9	14.8	9.3	11.9	-5.4	-6.4	4.6	2.0	2.7	4.5	1.3	5.0	2023M12

(1) Stocks are measured end-of-period (eop).

(2) Figures of ratios of GDP are presented starting in 2016, given that the new GDP figures released by the Central Bank under the re-based national accounts statistics are only available from that year onwards. Figures as a share of GDP are presented through December 2023 based on rolling 12-month Nominal GDP estimated by the Ministry of Economy and Finance; official GDP figures for 2023Q4 will be released by the Central Bank in March 2024.

(3) Weighted average of the cut-off rates in Central Bank´s auctions.

(4) From July of 2013 to September 3rd of 2020, the Monetary Policy instrument was based on the control of the Monetary Aggregate M1´. Since Septmber 4th of 2020, the Cental Bank of Uruguay returned to the interest rate as policy instrument.

(5) For end-year data, it uses latest rate available from interbank operations.

(6) Weighted average across all maturities.

(7) Assumes all deposits from, and loans to, non-residents are in foreign currency.

(8) Assumes loans to non-residents non-financial sector is private only.

Sources: *Central Bank of Uruguay and National Institute of Statistics*

Labor Market Indicators	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (Latest available)	As of:
Activity rate (% of working age population, eop) (1)	64.1	64.0	63.6	64.7	63.8	63.4	62.9	62.5	62.2	60.7	62.6	62.7	63.8	2023M12
Employment rate (% of working age population, eop)	60.1	59.9	59.4	60.4	59.0	58.4	57.9	57.2	56.7	54.5	58.3	57.7	58.9	2023M12
Unemployment rate (% of labor force, eop) (2)	6.3	6.3	6.5	6.6	7.5	7.9	7.9	8.4	8.9	10.2	7.0	7.9	7.8	2023M12
Unemployment insurance (number of beneficiaries, in thousands, eop)	26.2	31.1	35.4	38.5	45.2	44.4	42.5	43.8	45.4	77.4	46.2	46.4	42.08	2023M12
Nominal wages (index base 100 = Dec-2011, eop)	100.0	112.6	126.5	142.0	156.1	174.4	190.1	206.1	223.7	240.7	255.5	280.6	305.0	2023M12
Nominal wages (% change, 12-month average, YoY)	12.9	13.1	11.4	12.8	10.4	11.4	10.5	7.8	9.4	7.9	5.9	8.7	9.4	2023M12
Real wages (index base 100 = Dec-2011, eop)	100.0	105.2	108.7	112.5	112.9	116.6	118.1	118.4	118.1	116.3	114.5	115.7	120.3	2023M12
Real wages (% change, 12-month average, YoY)	4.03	4.23	3.00	3.38	1.56	1.55	2.95	0.19	1.27	-1.72	-1.49	-0.56	3.69	2023M12
Real wages (% change, accumulated 12 months, YoY)		5.17	3.31	3.50	0.39	3.28	1.32	0.23	-0.27	-1.52	-1.56	1.03	4.01	2023M12

(1) According to Uruguay´s legislation, the working age population is defined as people who are 14 or more years old.

(2) Labor force is defined as the sum of employed people and the unemployed who are looking for a job. The latter includes people who might be receiveing the unemployment insurance benefit.

Source: *National Institute of Statistics and Social Security Bank*

Uruguay — Economic Indicators

Public Finances[1][2]	2016	2017	2018	2019	2020	2021	2022	2023 (Latest available)	As of:
				(in % of GDP)					
Central Government									
Revenues	25.5	26.4	27.9	27.1	27.0	25.6	26.2	26.4	2023M12
Primary expenditures	26.3	26.7	27.3	27.5	29.5	27.2	27.1	27.3	2023M12
Primary balance	-0.7	-0.2	0.7	-0.4	-2.4	-1.6	-0.8	-0.8	2023M12
Interests payments [3]	2.5	2.5	2.6	2.4	2.7	2.1	2.2	2.3	2023M12
Headline Central Government balance	-3.2	-2.7	-1.9	-2.8	-5.1	-3.7	-3.0	-3.1	2023M12
Net effect of the Social Security Trust Fund ("Cincuentones Effect") [4]	.	.	1.2	1.2	0.7	0.4	0.2	0.1	2023M12
Extraordinary transfers to Social Security Trust Fund [5]	.	.	1.2	1.0	0.6	0.3	0.1	0.0	2023M12
Interest payments to the SSTF on its holdings of Central Government Debt	.	.	0.0	0.1	0.1	0.1	0.1	0.1	2023M12
Central Government balance excluding Cincuentones effect	.	.	-3.1	-3.9	-5.8	-4.1	-3.2	-3.3	2023M12
Rest of Non-Monetary Public Sector (NMPS)									
Local governments balance	0.1	0.1	0.0	-0.1	0.1	0.1	0.1	0.0	2023M12
Non-financial public enterprises balance	0.2	0.0	-0.2	-0.3	0.1	0.6	0.1	-0.2	2023M12
State-owned insurance bank balance	0.2	0.2	0.2	0.4	0.3	0.4	0.3	0.2	2023M12
Headline Rest of NMPS balance	0.5	0.2	0.0	0.0	0.4	1.1	0.5	0.1	2023M12
Central Bank									
Primary balance	-0.1	-0.1	-0.1	-0.1	0.0	0.0	-0.1	0.0	2023M12
Interests payments	0.6	0.6	0.7	0.4	0.5	0.9	0.6	0.5	2023M12
Headline Central Bank balance	-0.7	-0.7	-0.8	-0.5	-0.5	-0.9	-0.7	-0.6	2023M12
Consolidated Public Sector									
Primary balance	-0.3	-0.2	0.4	-0.5	-2.1	-0.7	-0.6	-1.0	2023M12
Interests payments	3.0	3.0	3.1	2.6	3.0	2.8	2.6	2.7	2023M12
Headline Overall balance	-3.4	-3.2	-2.7	-3.2	-5.2	-3.5	-3.2	-3.6	2023M12
Overall balance excluding Cincuentones effect	-3.4	-3.2	-3.9	-4.3	-5.8	-3.9	-3.4	-3.7	2023M12

(1) Figures of ratios of GDP are presented starting in 2016, given that the new GDP figures released by the Central Bank under the re-based national accounts statistics are only available from that year onwards. Figures as a share of GDP are presented through December 2023 based on rolling 12-month Nominal GDP estimated by the Ministry of Economy and Finance; official GDP figures for 2023Q4 (and revised GDP numbers for 2022) will be released by the Central Bank in March 2024.
(2) The sum of the components may not match the totals dut to rounding reasons.
(3) Includes interests from Capitalization Bonds held by the Central Bank.
(4) Since October 2018, following the so-called "Cincuentones Law", the public sector social security fund has been receiving the accumulated savings of workers and retirees aged fifty or above who chose to switch from the social security individual capitalization scheme into the "pay-as-you-go" regime. These inflows are recorded as public revenues, consistent with IMF methodology, and are held into a trust fund. For further details, refer to footnote 2 in the January 2019 Sovereign Debt Report by clicking
here.
(5) Transfers refer to the accumulated savings of workers and retirees who chose to fully switch to the defined-benefit sector social security scheme.
Source: *Ministry of Economy and Finance of Uruguay*

Public Debt [1][2]	2016	2017	2018	2019	2020	2021	2022	2023 (Latest available)	As of:
				(in % of GDP, unless otherwise indicated)					
Central Government [3][4]									
Gross debt	45.3	44.1	45.1	48.1	61.3	57.8	57.7	57.2	2023Q4
o/w in foreign currency (% of total)	54.7	49.2	53.8	56.1	54.5	52.7	47.4	45.7	2023Q4
held by non-residents (% of total)	55.5	53.5	55.0	57.4	58.7	55.4	49.9	48.3	2023Q4
Net debt	38.7	38.8	40.2	44.6	56.2	53.3	53.5	53.5	2023Q4
Memo Item: Social Security Trust Fund´s holdings of Central Government debt	.	.	0.9	1.7	2.4	2.5	2.8	2.7	2023Q4

Source: *Ministry of Economy and Finance*

Consolidated Public Sector[5]	2016	2017	2018	2019	2020	2021	2022	2023 (Latest available)	As of:
Gross debt	58.2	59.8	59.0	60.1	74.5	69.1	67.1	67.5	2023Q3
o/w in foreign currency (% of total)	52.6	41.4	47.0	53.6	50.3	49.6	44.8	40.7	2023Q3
held by non-residents (% of total)	50.0	44.8	46.5	50.9	52.0	51.6	46.9	44.2	2023Q3
Net debt	27.0	28.2	28.4	29.7	36.0	34.5	38.7	40.6	2023Q3

Source: *Central Bank of Uruguay*

(1) Figures are presented starting in 2016, given that the new GDP figures released by the Central Bank under the re-based national accounts statistics are only available from that year onwards.
(2) Stocks measured end-of-period.
(3) Debt figures as compiled by the Debt Management Unit which include all loans and financial market securities contracted/issued by the Central Government in domestic and foreign currency, in both local and international markets, and held or disbursed by private, multilateral, and/or other domestic or foreign public sector entities. They include Central Government securities held by the public Social Security Trust Fund, and exclude non-market Central Government securities issued to capitalize the Central Bank in previous years.
(4) Figures as a share of GDP are presented through December 2023 based on rolling 12-month Nominal GDP estimated by the Ministry of Economy and Finance; official GDP figures for 2023Q4 (and revised GDP numbers for 2022) will be released by the Central Bank in March 2024.
(5) Reported data nets out cross-holdings of assets and liabilities by institutions within the public sector, which consists of the Central Government (including the Social Security public fund), local governments, public enterprises, the state-owned insurance bank and the Central Bank.