

# **Retail in Brazil**

March 2024

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# Retail in Brazil

# EXECUTIVE SUMMARY

Retail in 2023: The big picture Significant moves by major competitors in grocery retailers While some retailers are struggling, others are booming What next for retail?

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OXXO moves to open more stores Supermercado Hirota makes changes across its brands AMPM installs street stores, stores in business condominiums, and in residential condominiums

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# PROSPECTS AND OPPORTUNITIES

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# 2023 DEVELOPMENTS

Restructuring of Dia %, including reducing franchises and closing loss-making stores Todo Dia also reduces its number of stores, but maintains a presence in the Northeast and South regions

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# PROSPECTS AND OPPORTUNITIES

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With the judicial recovery process of Americanas, Havan becomes dominant in general merchandise stores Americanas sets out a new strategy Lojas Leader in variety stores is in judicial recovery, with debts above BRL1.0 billion, and it is feared it may be unable to avoid bankruptcy

#### PROSPECTS AND OPPORTUNITIES

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Americanas will depend on regaining the trust of suppliers and consumers for its restructuring plan to be successful Compact stores likely to become an increasing trend in general merchandise stores

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Lojas Renner continues to lead, with its growth also remaining above the channel average In 2023, Arezzo Indústria & Comércio closes some franchises of the Arezzo and Schutz brands The long-standing crisis for Lojas Marisa causes it to enter into judicial recovery and close nearly 100 stores in 2023

#### PROSPECTS AND OPPORTUNITIES

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National group Magazine Luiza faces challenges in 2023

#### PROSPECTS AND OPPORTUNITIES

With the prospect of increasing employment and an improvement in family income, growth is expected over the forecast period Climate change, with drought in the north and floods in the south, and the prospect of more intense summer heat signal strong sales of fans and air conditioners

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#### PROSPECTS AND OPPORTUNITIES

Approval of tax reform and confidence that the economic environment will heat up will be triggers for growth Mergers and acquisitions expected in home improvement and gardening stores, as well as homewares and home furnishings stores Petz, Cobasi, and Petlove likely to lead pet shops and superstores over the forecast period

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#### PROSPECTS AND OPPORTUNITIES

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# PROSPECTS AND OPPORTUNITIES

Retail e-commerce set to return to a stronger growth curve in the forecast period Americanas remains in the minds of consumers, and is expected to generate good sales via e-commerce Amazon will further intensify the competition with MercadoLibre, while some consumers will move away from marketplaces

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