



# Market Update

## AOCAP

20 April 2022

**Jesper Palmqvist** | Area Director Asia Pacific

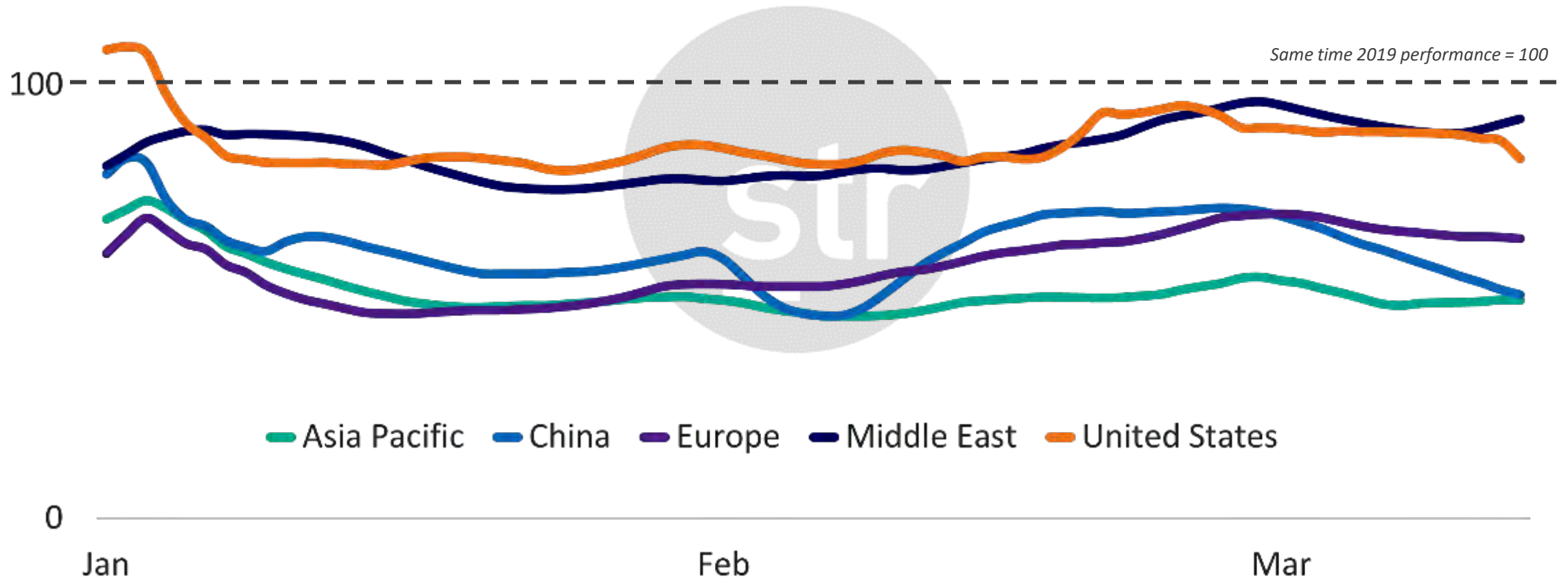
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**There are some very favourable signs right now**

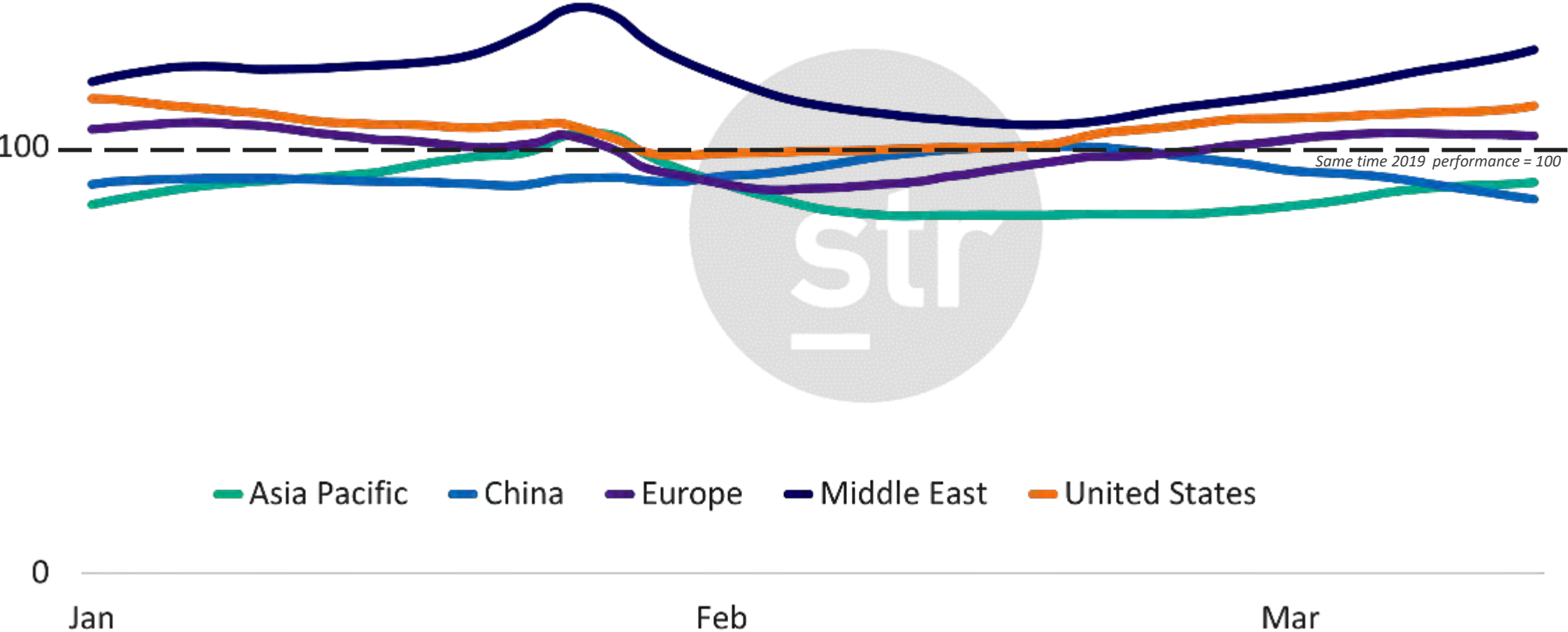
# Omicron wave generally much milder than prior waves

Occupancy R7 (TRI), Jan to 13 March 2022, indexed to 2019



# And rate progression continued into healthy 2019 comparisons

ADR R28 (USD) Constant Currency, Jan to 13 March 2022, indexed to 2019

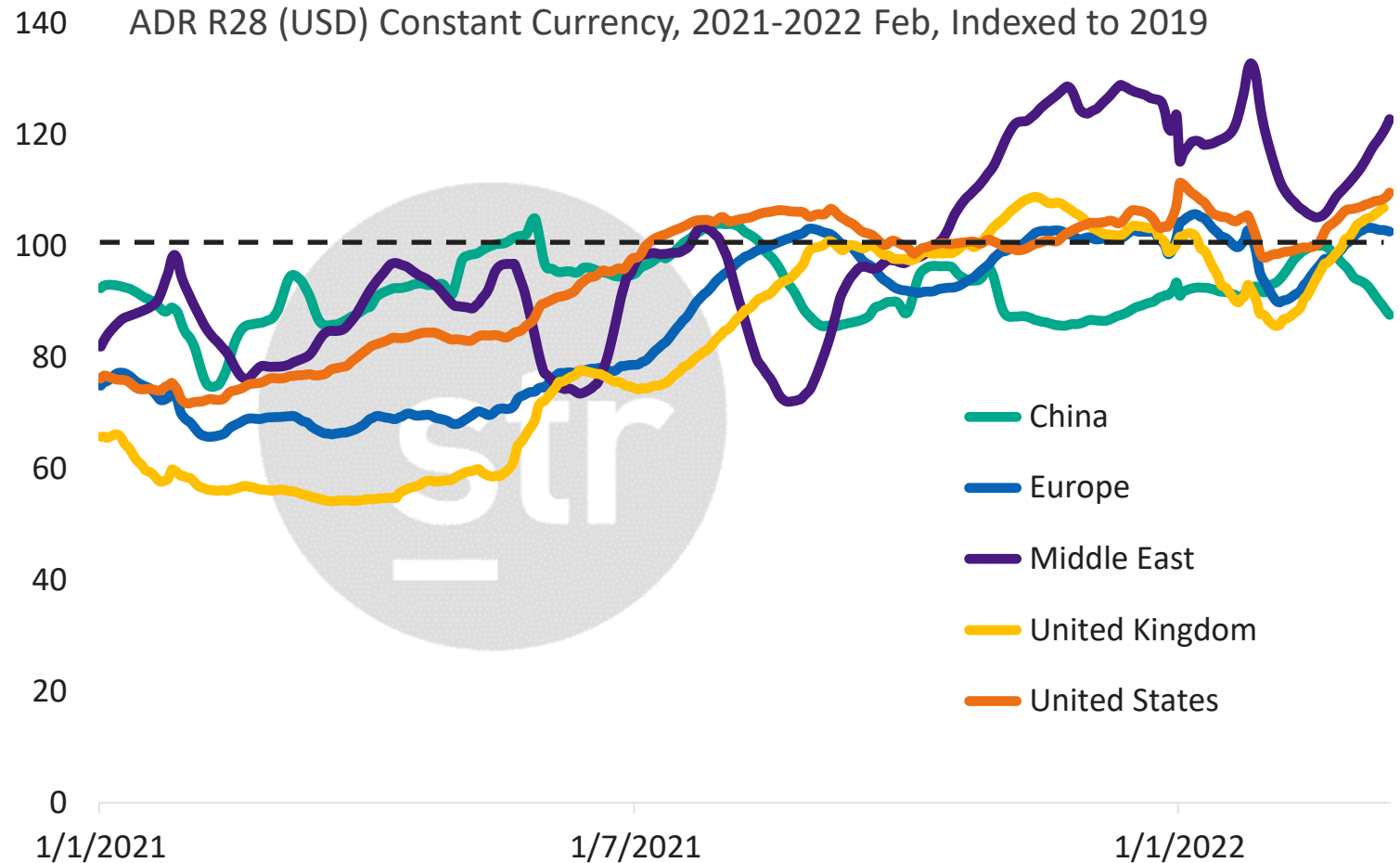


# ADR around the world has been increasing - since...

ADR R28 (USD) Constant Currency, indexed to 2019



- ... it was still a Demand crisis
- ... plenty of savings
- ... this is lasting a long time
- ... profitability pressure



# More countries easing restrictions... and more looks likely to follow



## Singapore says it's ready for 2022 travel demand when it returns

THE STRAITS TIMES | Singapore | 15 March 2022 | 11:00 AM SGT

## Indonesia to Expand Visa on Arrival Policy to Boost Foreign Tourist Visits

THE STRAITS TIMES | Jakarta | 15 March 2022 | 10:30 AM SGT

## Travellers from visa-waiver nations including Singapore allowed to enter New Zealand from May 1

JAPAN IMMIGRATION

## Japan to open borders to 10,000 arrivals a day from April

PM plans to increase cap from current 7,000, giving foreign students priority

## Australia fully reopens borders shut by COVID-19 pandemic, welcomes back tourists



AP Photo/Chris Wedel

## Thailand will be easing Covid-19 testing rules for foreign visitors

With new rules to allow self-test and rapid tests

By AP Photo/Chris Wedel

INTERNATIONAL

## Japan to ease COVID-19 induced border controls amid criticism as exclusionist



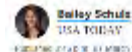
AP Photo/Chris Wedel

## Vietnam reopens borders to tourism after 2 years amid uncertainty

Online News Editor | 15 March 2022

THE STRAITS TIMES

## South Korea to allow fully vaccinated travelers to visit without a quarantine period



USA TODAY

Europe

## France lifts most COVID restrictions

## Singapore resumes border reopening after pause due to Omicron outbreak

## Report: United Kingdom to drop all COVID travel restrictions on Friday

Updated: Mar. 15, 2022, 2:25 pm | Published: Mar. 15, 2022, 2:27 pm

## Airfares are expected to fall by 40 percent in the coming months

THE STRAITS TIMES | 15 March 2022

## Sri Lanka entry requirements: Travel restrictions ease as Covid testing scrapped for fully vaccinated arrivals

## Turkey eases coronavirus-related restrictions: Minister



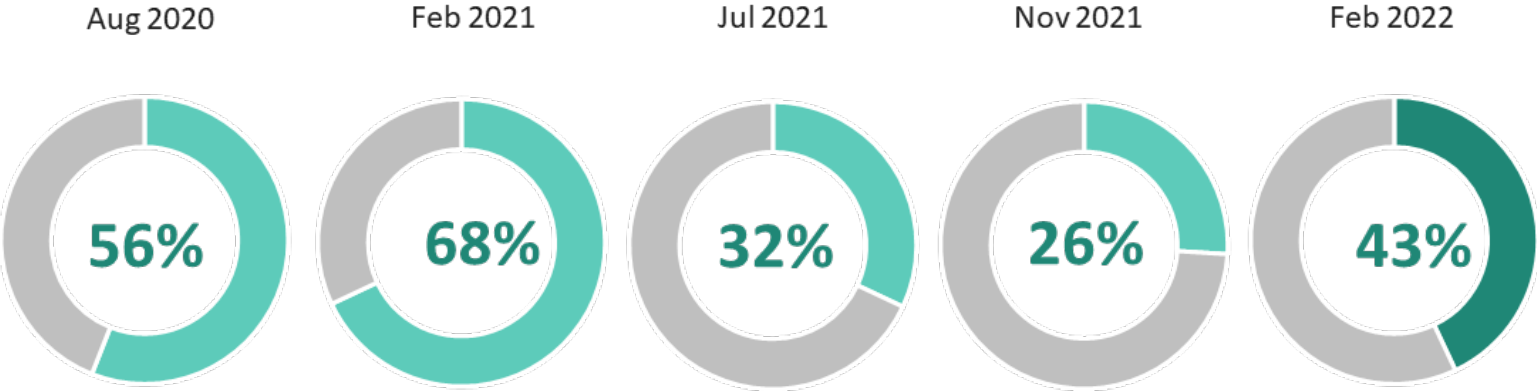
AP Photo/Chris Wedel

## France lifts COVID-19 rules on unvaccinated, mask wearing

By SYLVIE CORBET | March 14, 2022



# COVID-19 has become a less significant factor – Among those who have not booked or undertaken travel recently



By Feb 2022, respondents are now more keen on travelling  
Covid-19 fears receding in Q1 2022

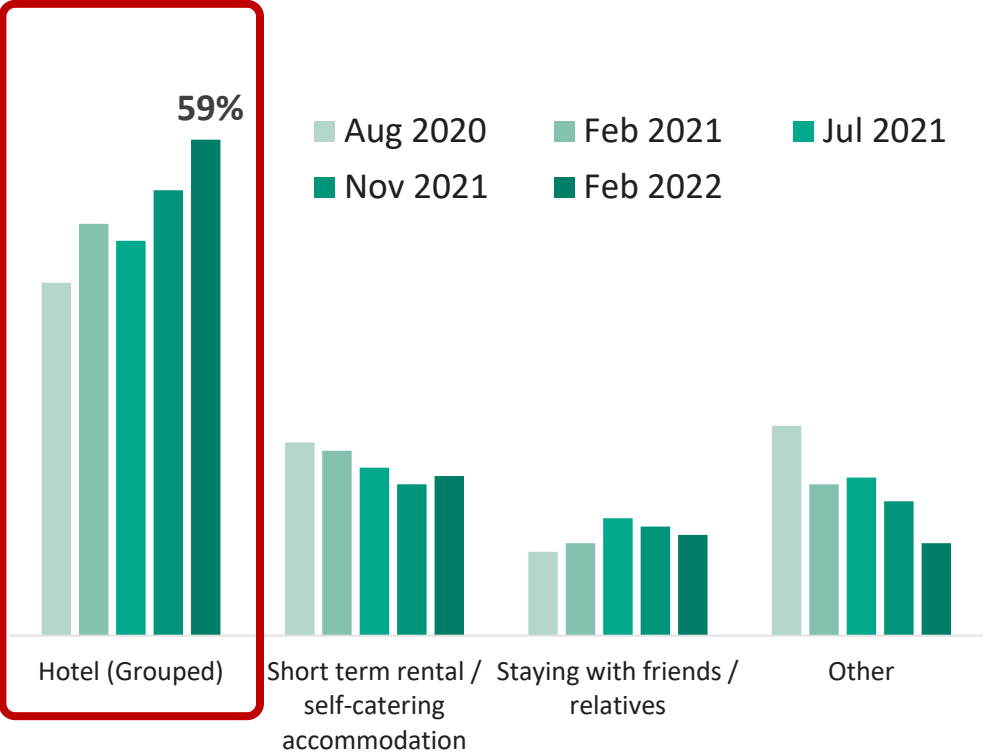


Q: Since 1<sup>st</sup> July 2020 (Aug 2020)/1<sup>st</sup> January 2021 (Feb 2021 & Jul 2021)/1<sup>st</sup> July 2021 (Nov 2021)/1<sup>st</sup> January 2022 (Feb 2022), have you... Base: All: Aug 2020 (1333), Feb 2021 (1333), Jul 2021 (1750), Nov 2021 (1440), Feb 2022 (1386)  
Q: To what extent has Covid-19 influenced your decision not to book or undertake an overnight trip? Base Aug 2020 (766), Feb 2021 (911), Jul 2021 (568), Nov 2021 (375), Feb 2022 (592)

# As COVID fears reside, more people are returning to hotels



Accessing the outdoors is still most sought after but other types of trips recorded increased appeal in February 2022.



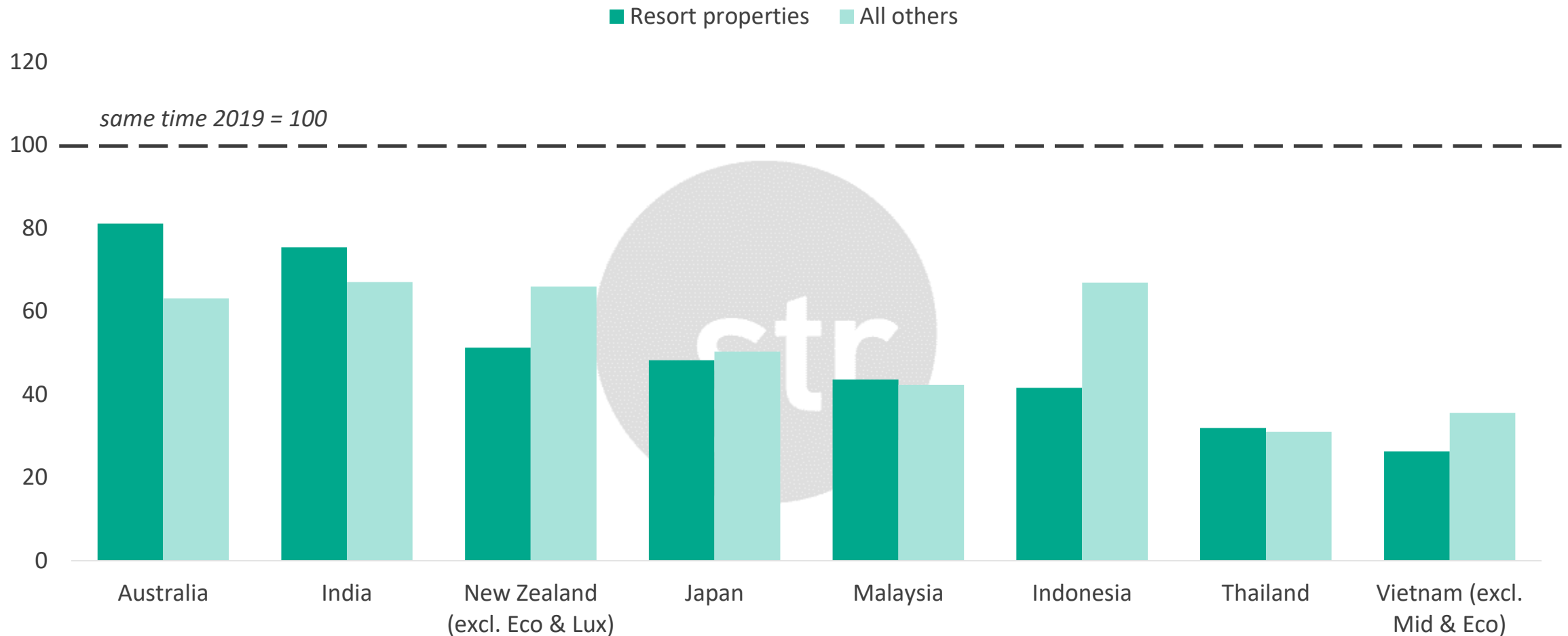
Q: On your most recent / upcoming overnight trip, what type of accommodation did / will you use? / Base (Booked or undertaken a trip): Feb 2021 (492), Jul 2021 (667), Nov 2021 (521), Feb 2022 (764)

Q: Thinking about your leisure trip preferences before COVID-19 compared to how you feel now, how interested are you in the following types of overnight leisure trips? Base: All Feb 2021 (1338), Jul 2021 (1750), Nov 2021 (1440), Feb 2022 (1386) / Net result (i.e. difference between "More interested" and "Less interested")



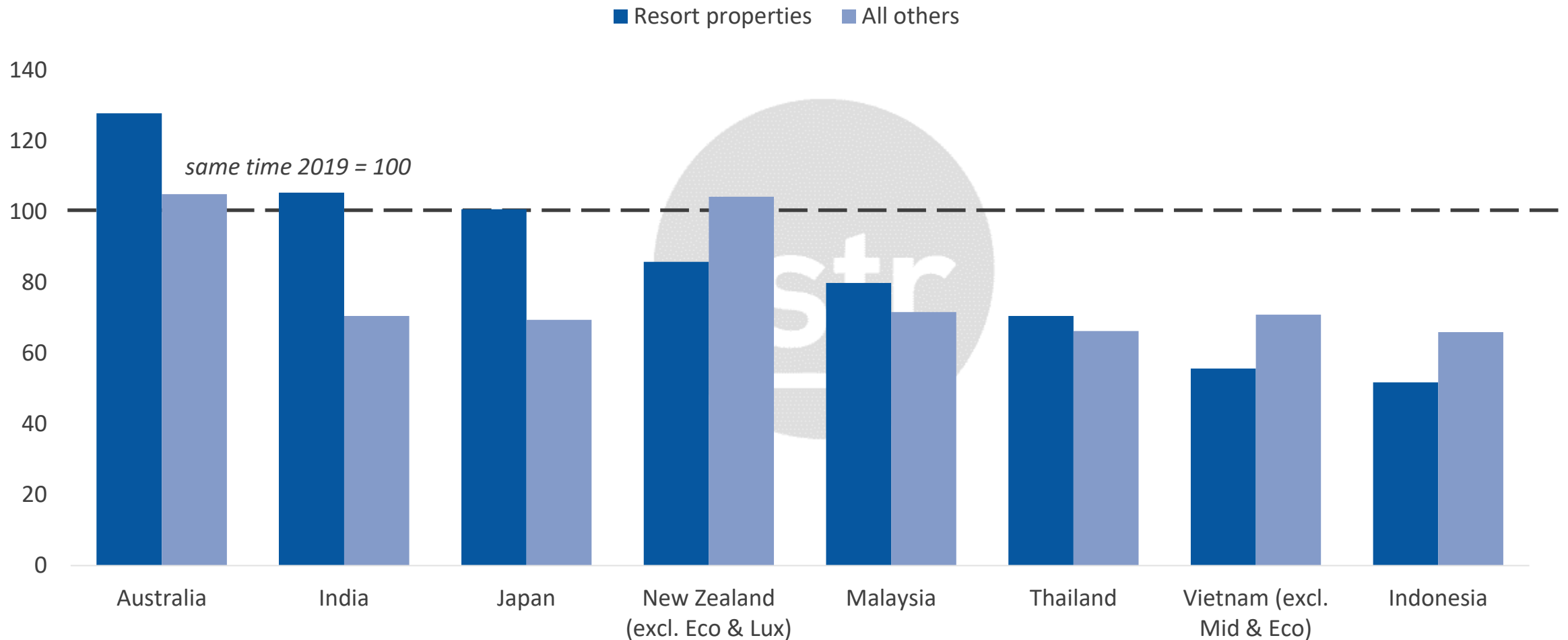
# Occupancy index - resorts vs. others

Selected APAC markets, resort properties vs. all others, occupancy indexed to 2019, FY 2021



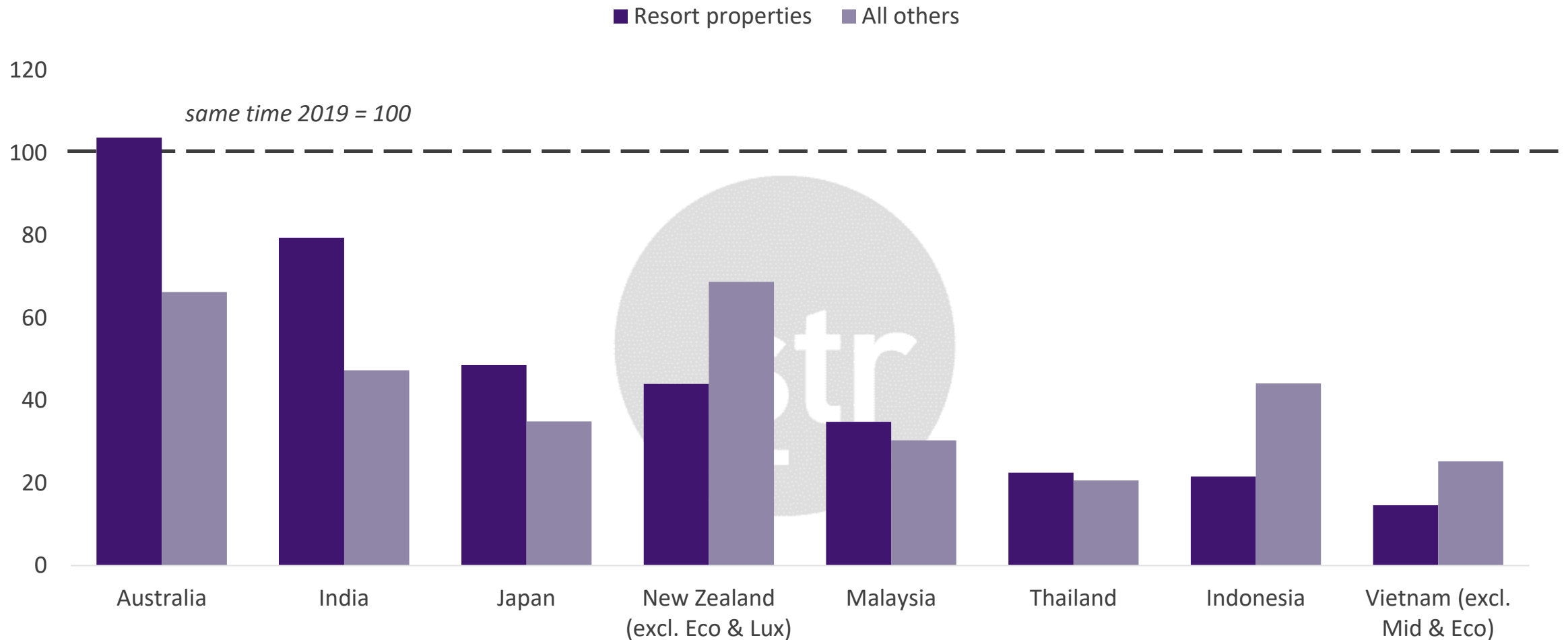
# ADR index - resorts vs. others

Selected APAC markets, resort properties vs. all others, ADR indexed to 2019, FY 2021



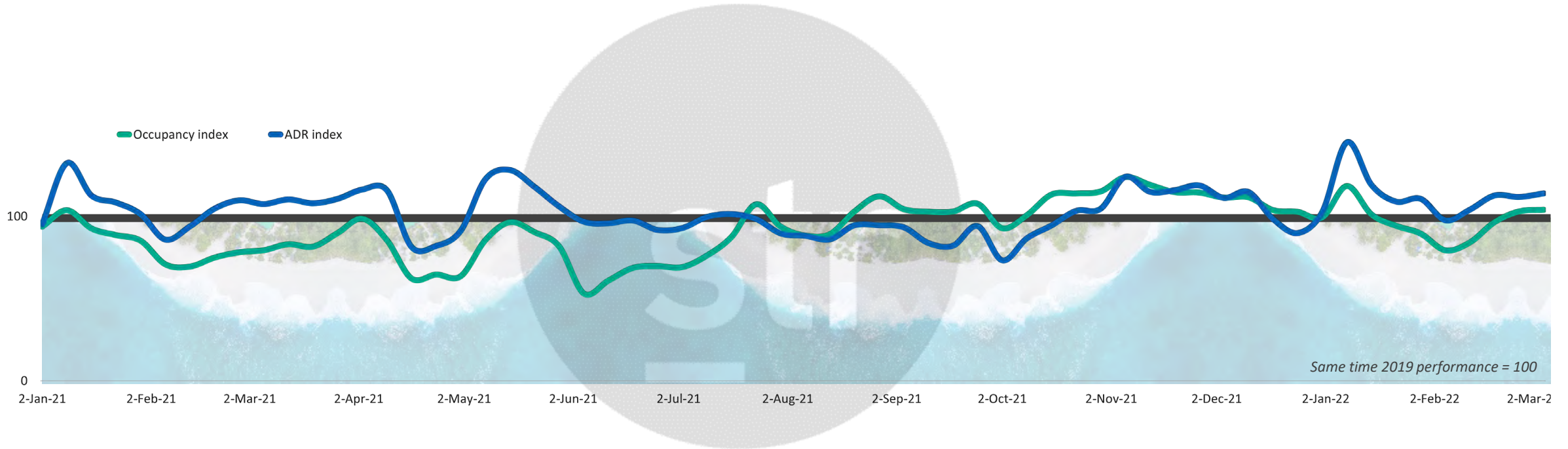
# RevPAR index - resorts vs. others

Selected APAC markets, resort properties vs. all others, RevPAR indexed to 2019, FY 2021



# The world's favourite travel bubble remain in the Maldives and they have seen premium rates

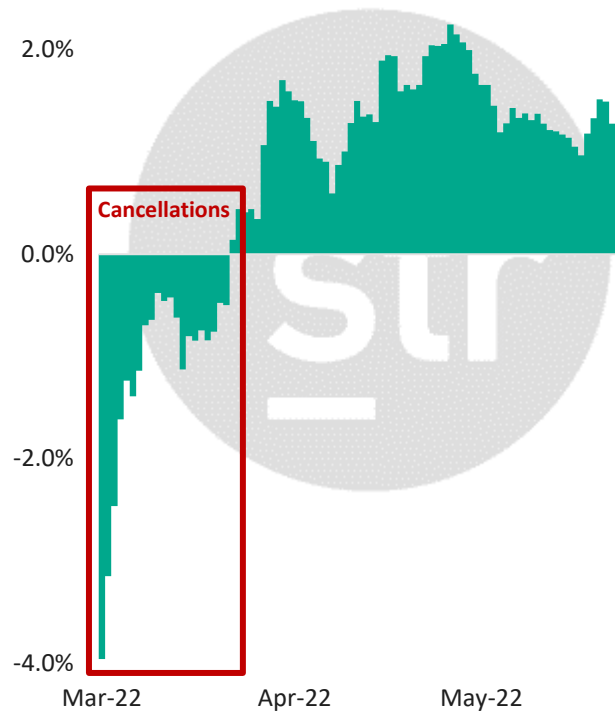
Maldives, weekly KPIs indexed to 2019, 2 Jan 2021 – 5 Mar 2022



# Source market pivoting quite important during volatile and turbulent times – very valid for the Maldives

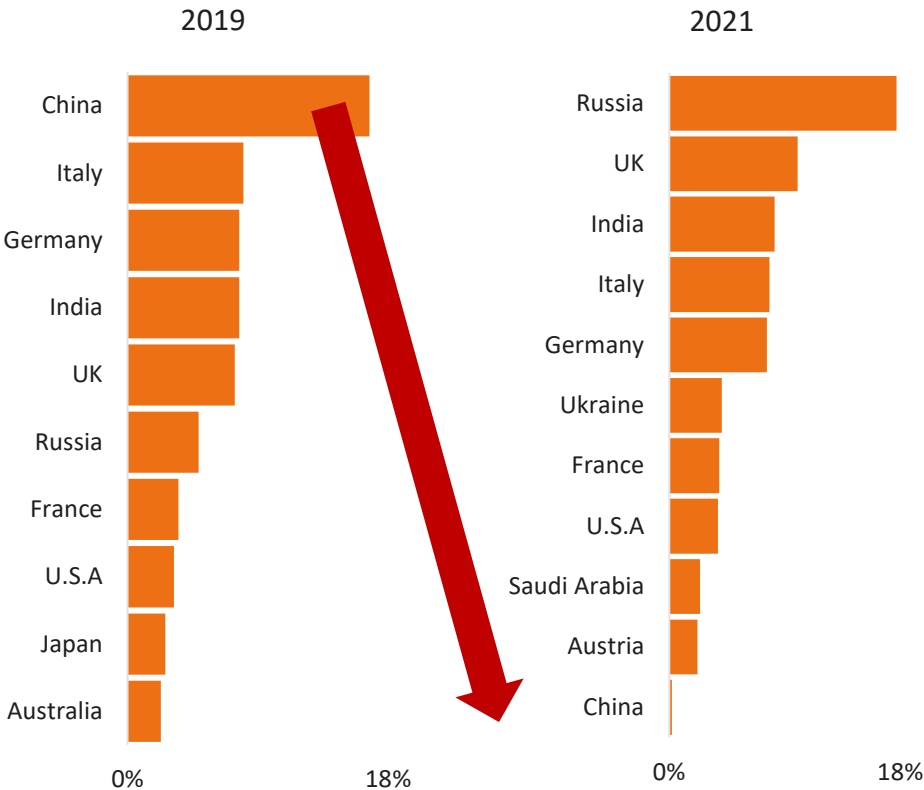


Eastern Europe source market drop



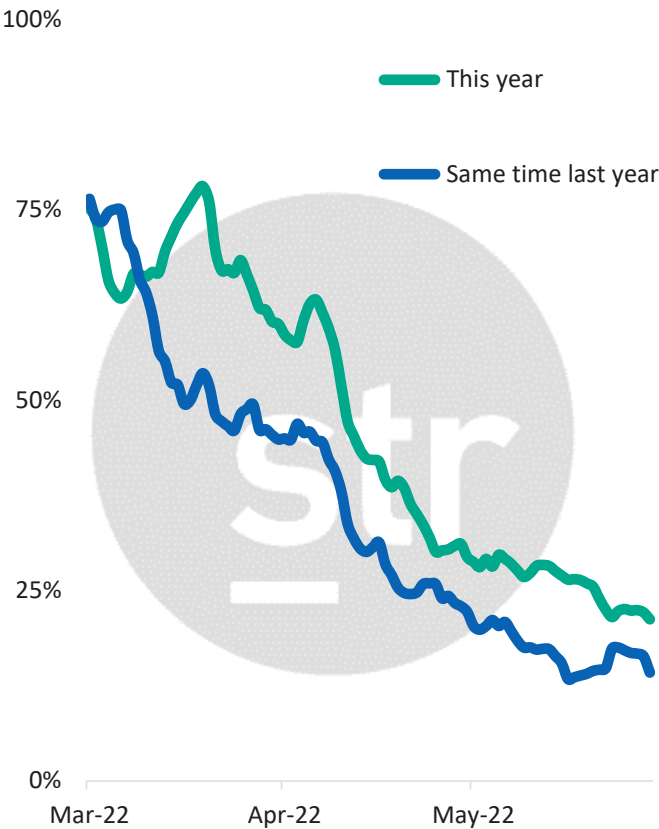
Maldives, pickup for the next 83 days as at 7 March 2022

China disappeared and not likely to return quickly  
India continues to build as an important source market



Maldives, Top 10 markets by share, 2019 vs. 2021

Still higher on the books compared to last year



Maldives, Business on the Books as at 28 Mar 2022

# Other Southeast Asia trends?

Starting to grow in Vietnam ...

... Limited still in Cambodia



Cambodia



Phu Quoc

Da Nang

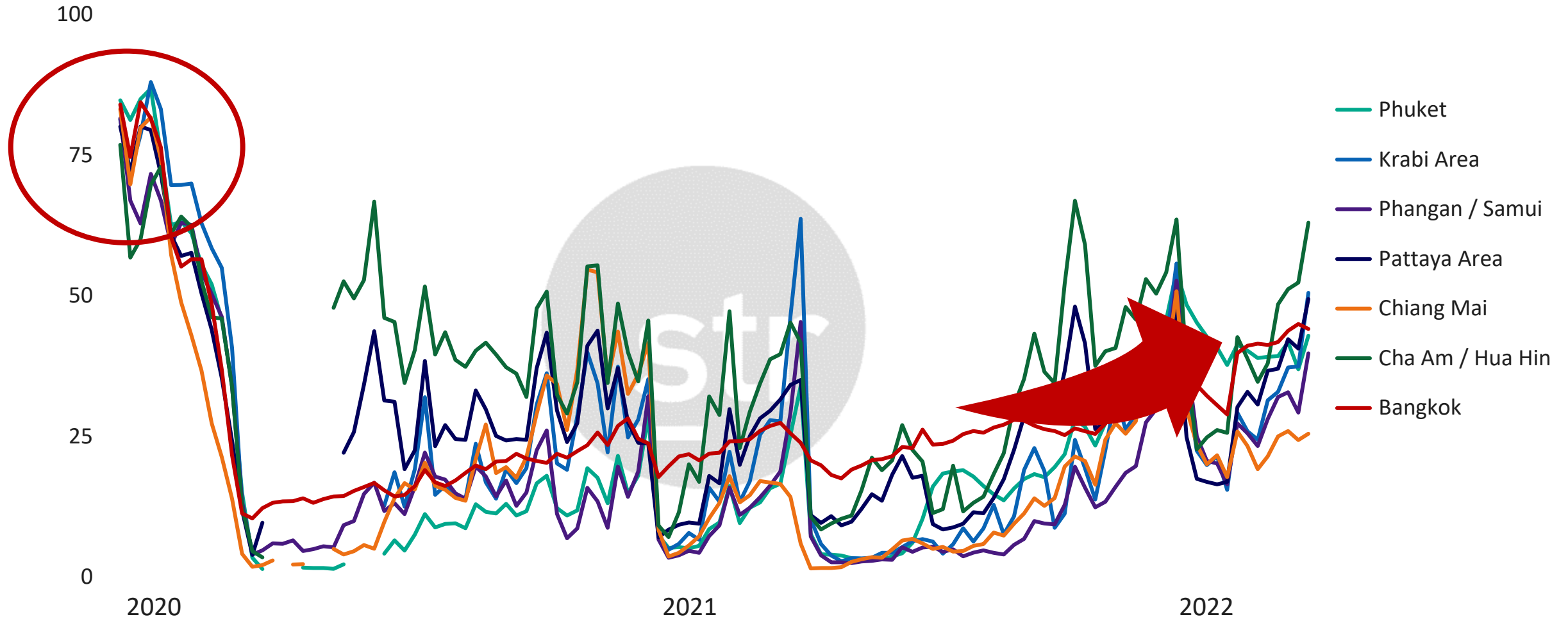
Nha Trang  
Cam Ranh





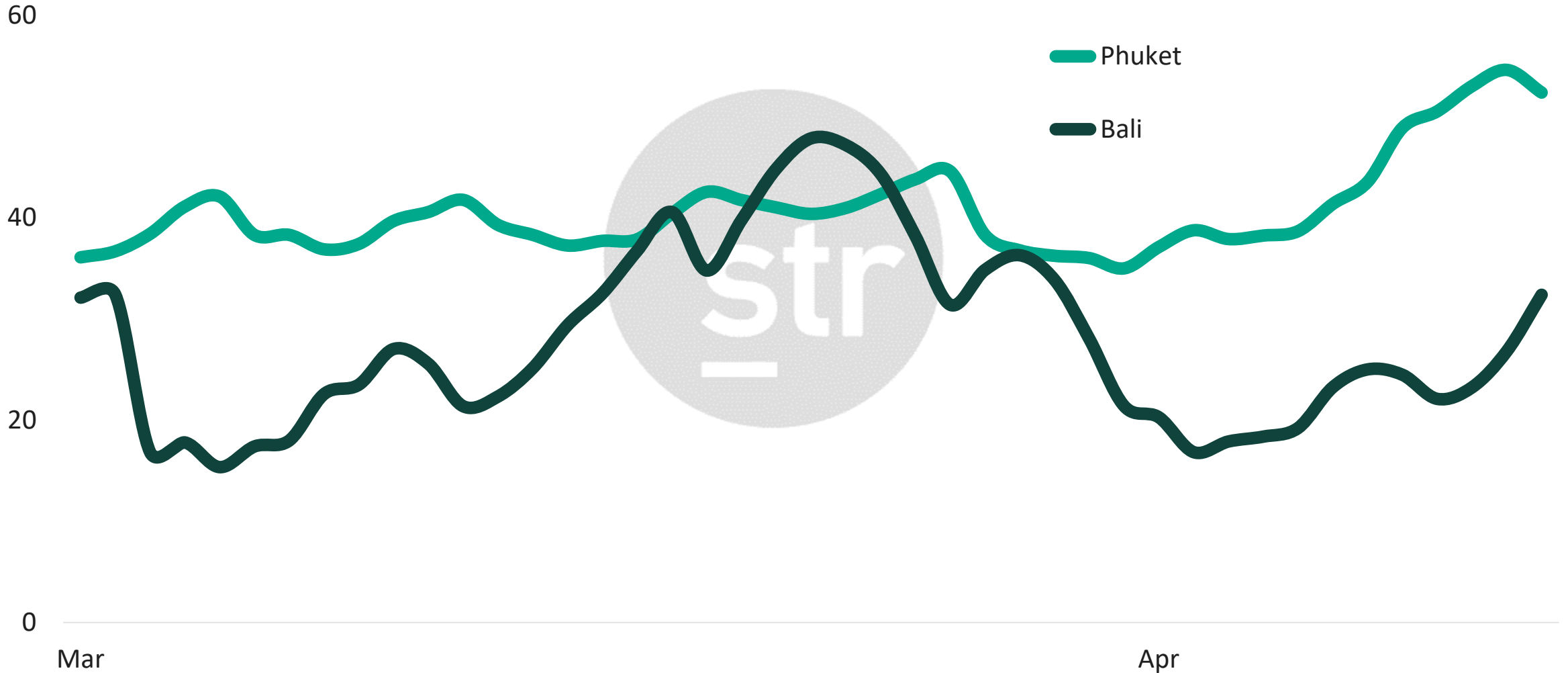
# Thailand: What matters is recent trend

Occupancy, Key Thai markets, Weekly R7, 2020 to 2022 April



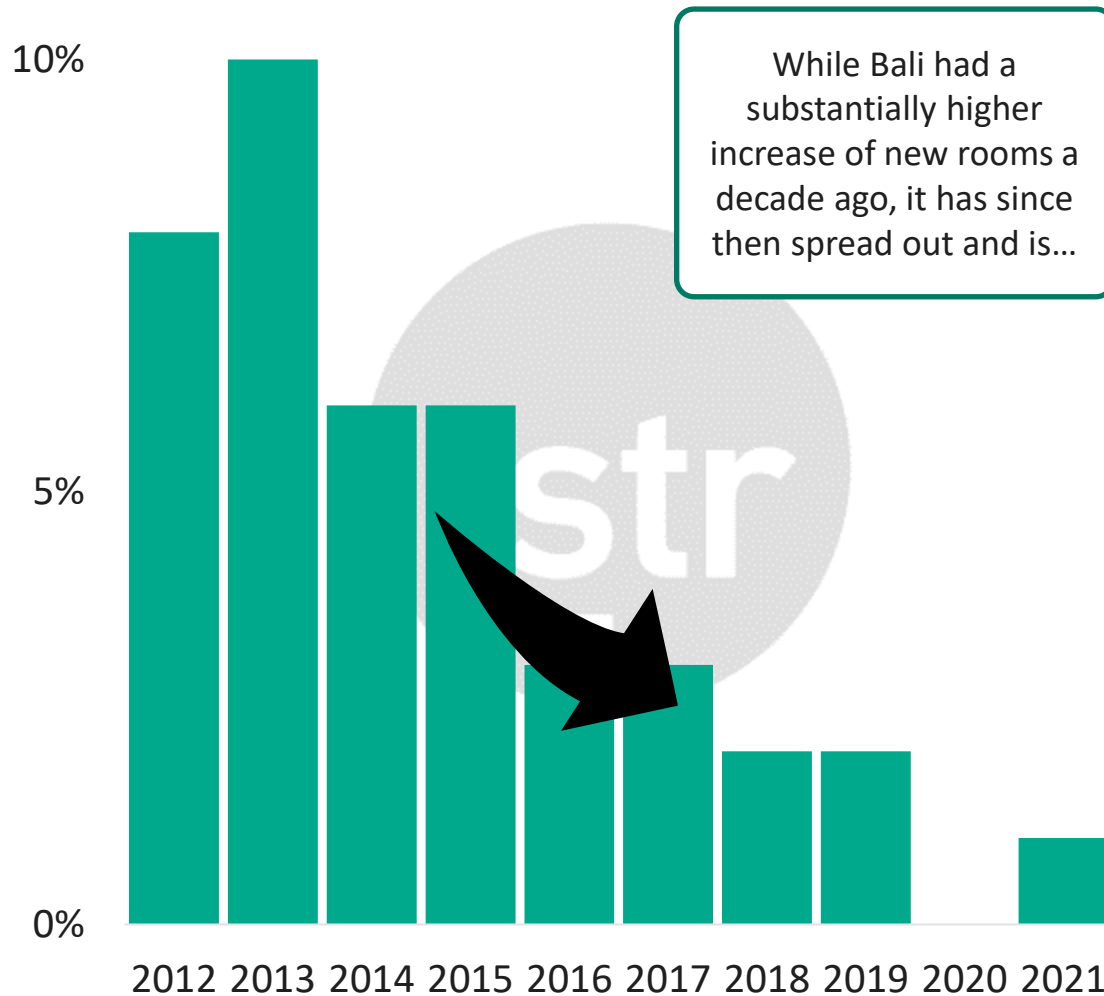
# Bali is a bit different than Phuket

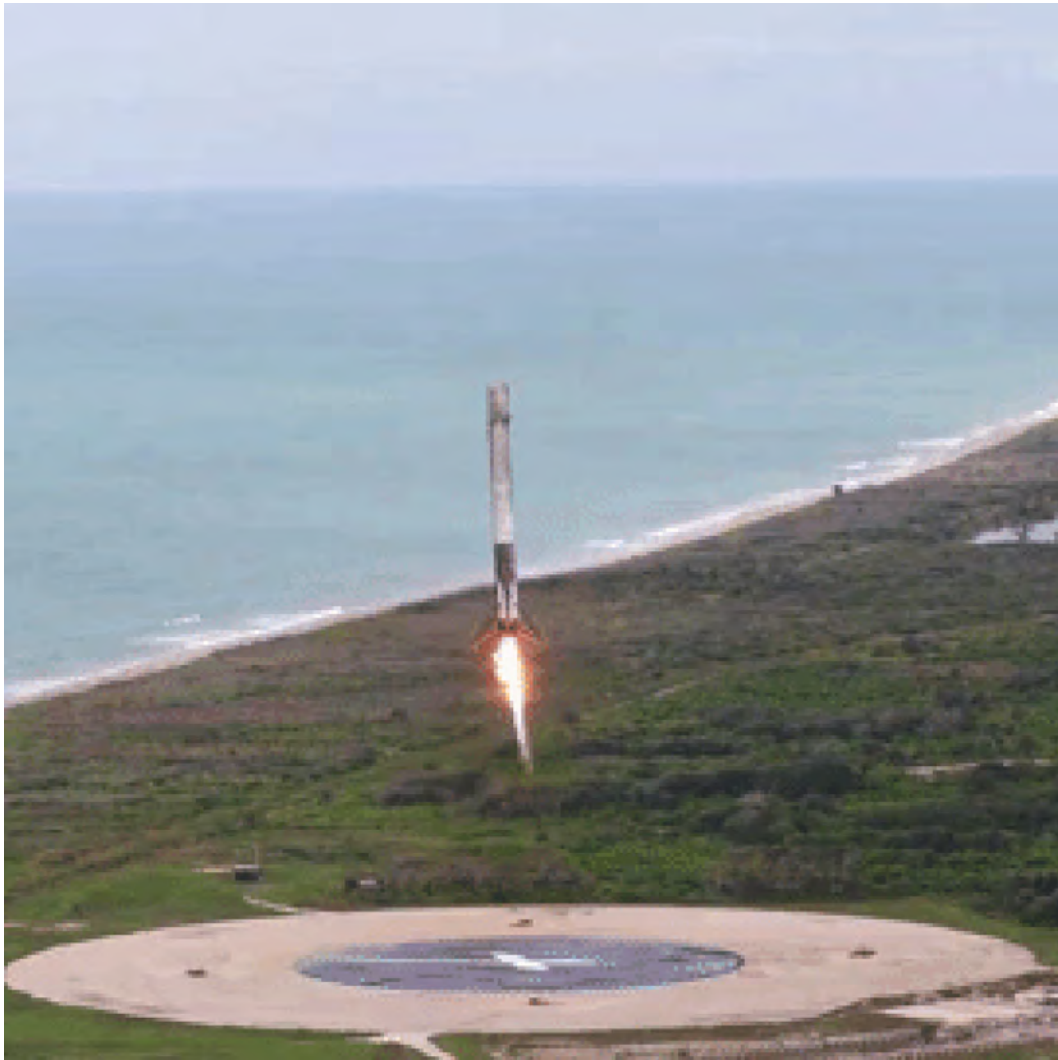
Daily data, Occupancy, Bali and Phuket, March 1 – Apr 11



# And Supply pressure is also different

Bali and Phuket, historic % increase of new rooms over existing supply

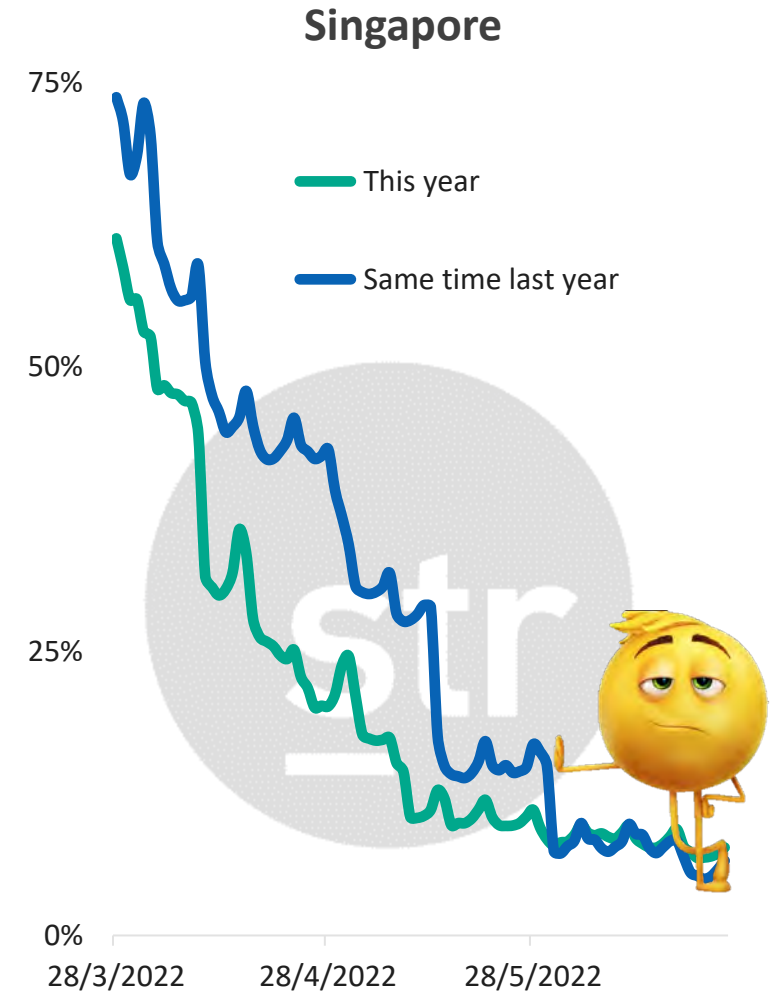
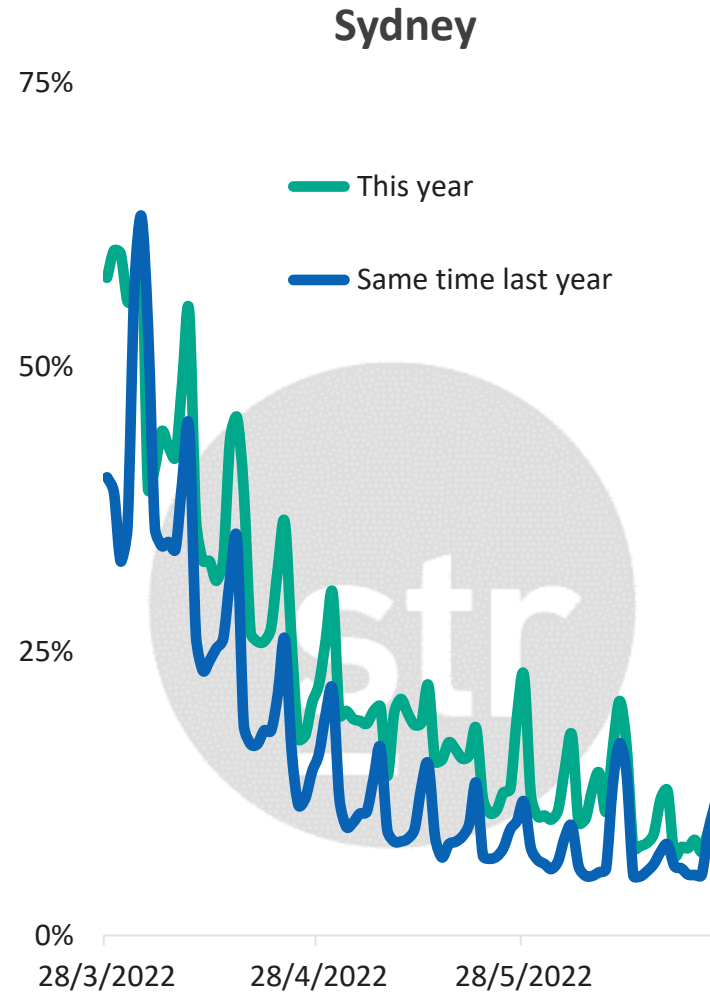
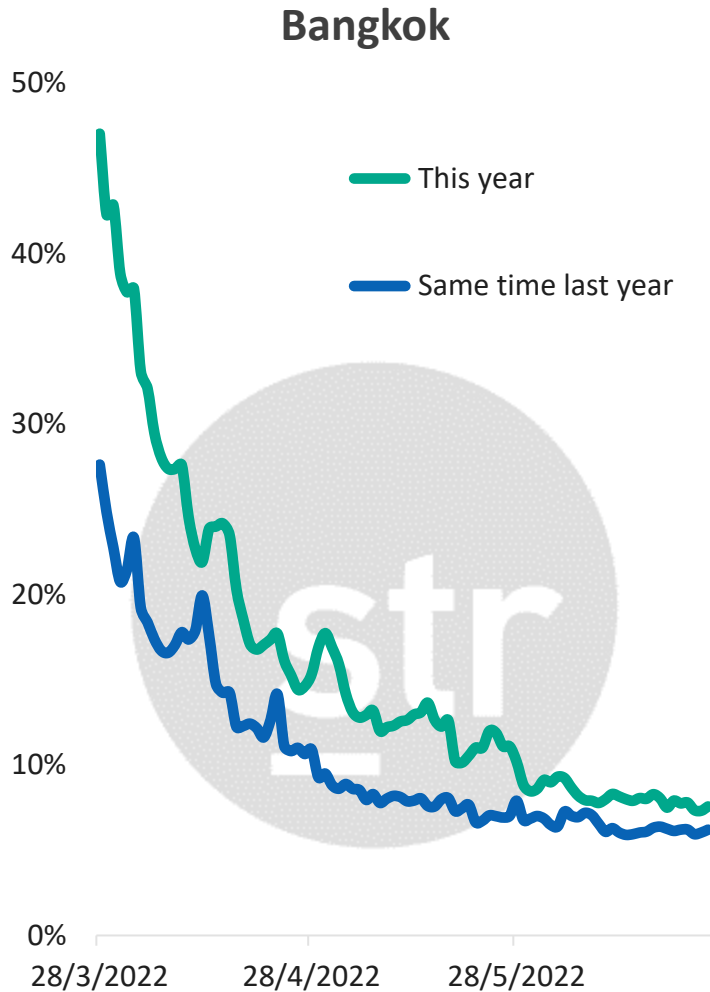




# What Next?

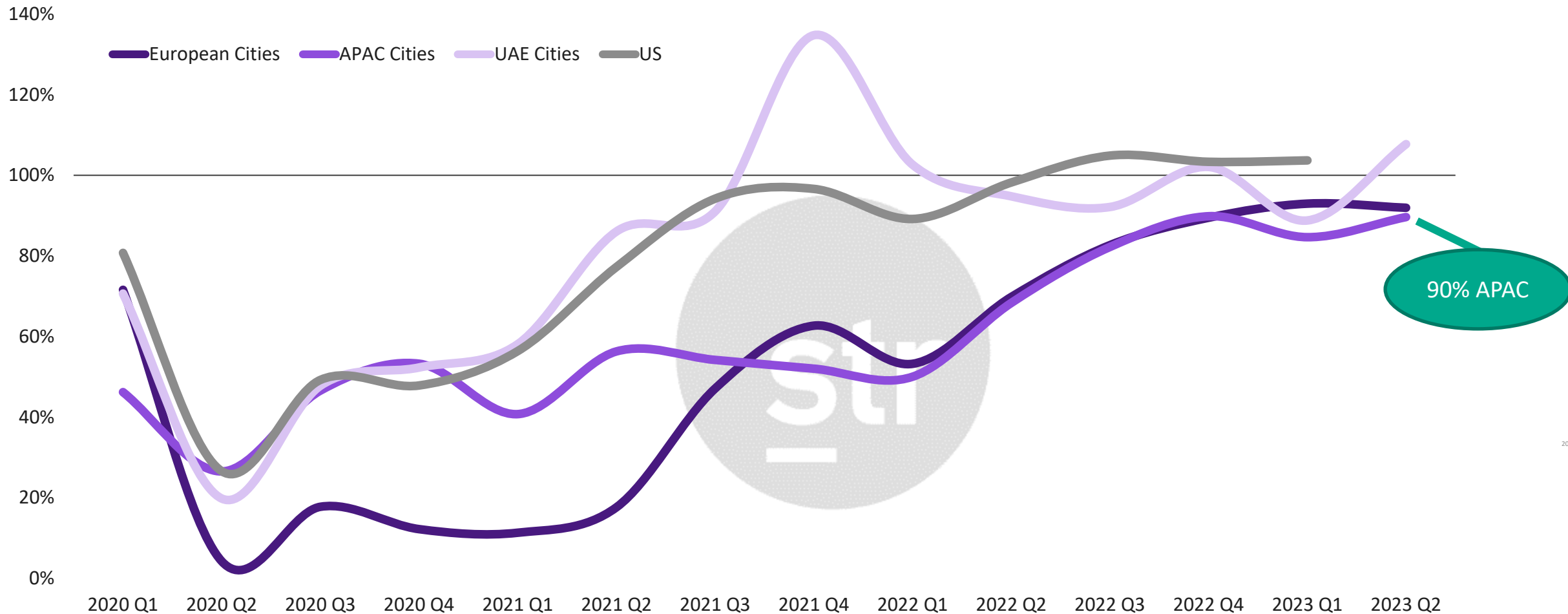
# In 2022 cities will start to catch up... some faster than others

Occupancy on the books – This year vs Same time last year, for the next 90 days - as at 28 March 2022



# US recovers in 2022, remaining regions lag slightly behind

Forecast RevPAR performance indexed to 2019, TRI



Source: February 2022 Forecast for European Cities, APAC Cities and UAE Cities, Jan22 Forecast for US Overall

Source: STR. © 2022 CoStar Group

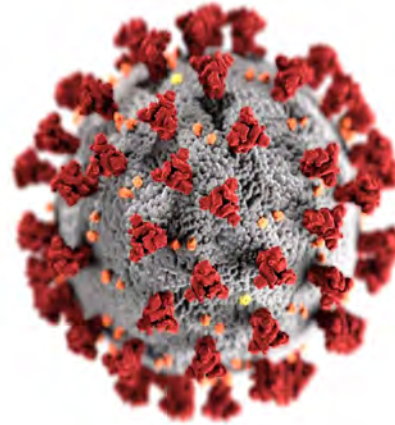


# Downside Risk to Forecasts

## External Factors



Inflation peaking now ?



It's not endemic until  
there are no surprises



Global logistics continue to be disturbed

**Source markets adjustments**

# Key takeaways



- 1 Demand has and will continue to recover  
... and grow past 2019 levels
- 2 Pent-up is not spent-up and will enable ADR growth  
... inflation is not the only driver, but will challenge profitability
- 3 Groups are coming back strong in many parts of the world  
... showing that it won't just be an online/metaverse world ahead



# Thank you | Contact

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**HOTEL DATA  
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