



Thailand Update

Hotel Performance and Outlook

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Source markets: Rebooting into what?

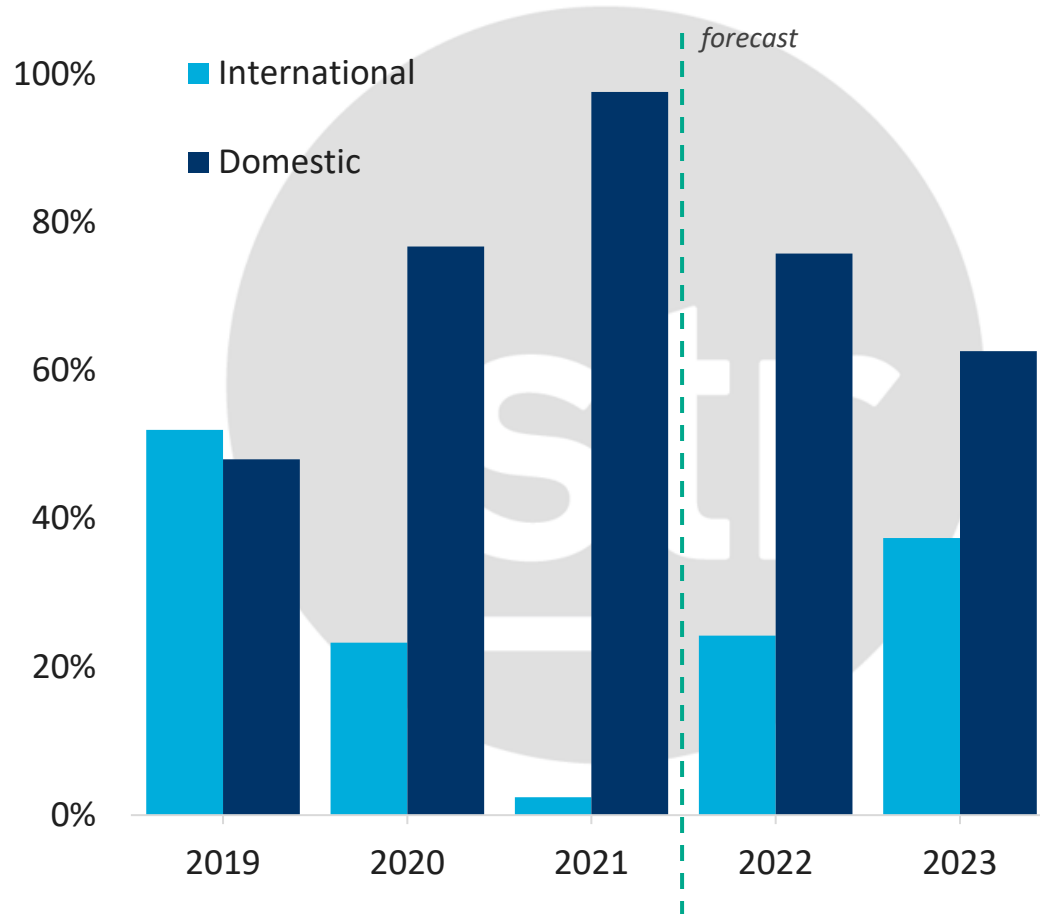


TOURISM
ECONOMICS

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Thailand: Intl. vs domestic share of total nights spent (19-23)



Usual Top 10 Arrival nationalities



Highest spend per person

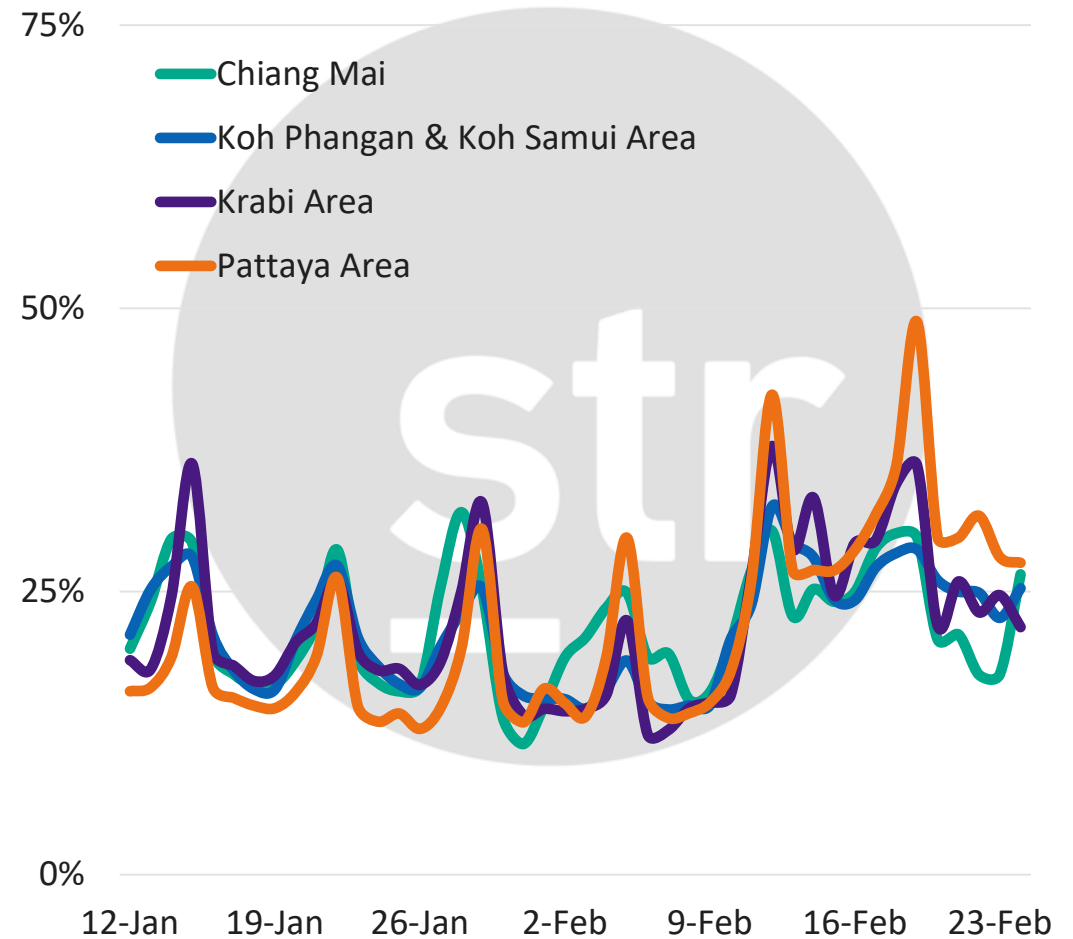
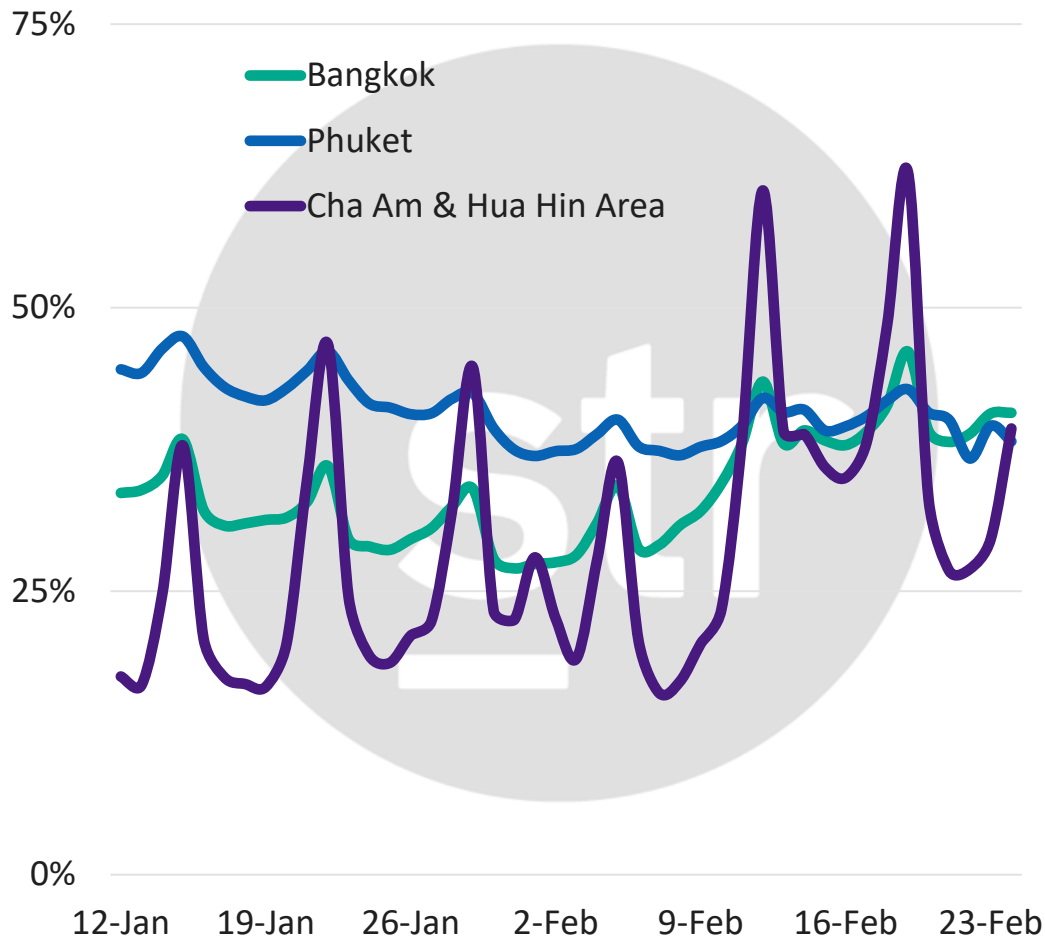


Recently: Drive-to return, Phuket maintain and resorts slight gain



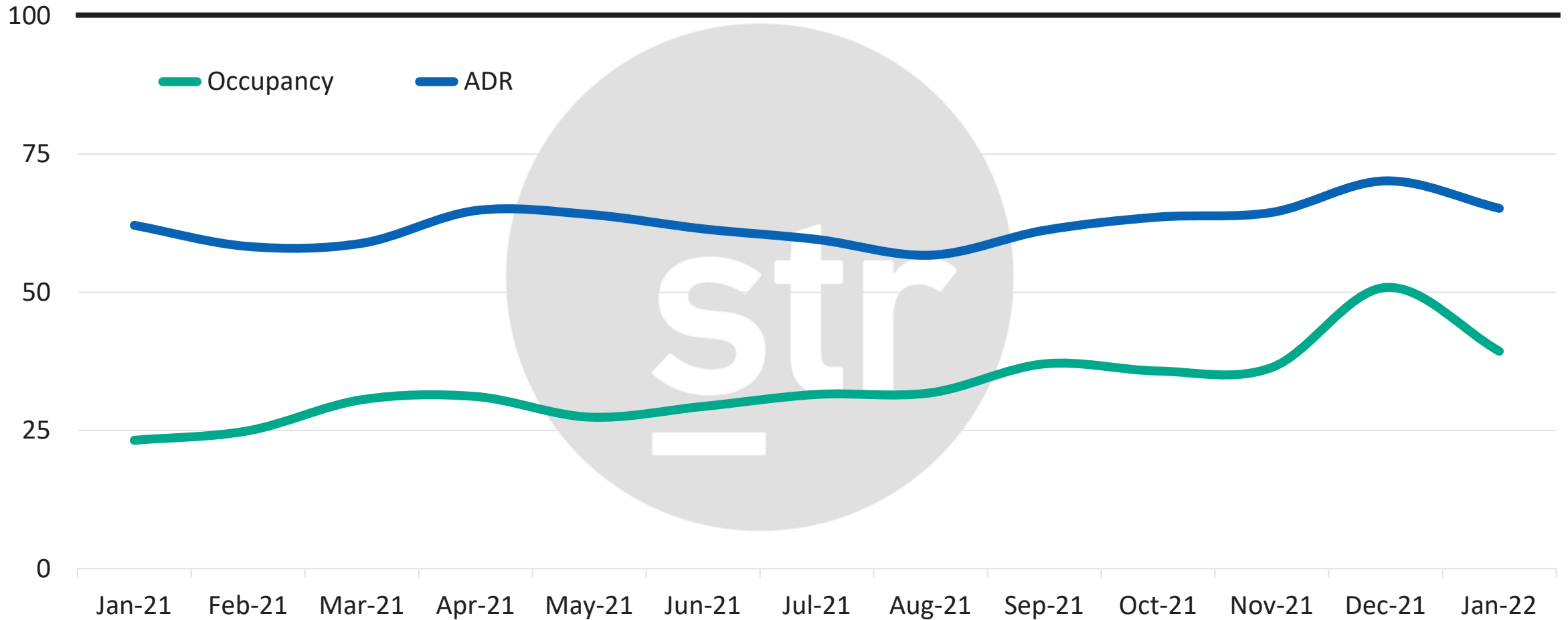
Last couple of weeks providing (yet again) proof of speed

Selected Thailand markets/submarkets, Daily Occupancy (%), 12 Jan – 24 Feb



Omicron setback seems to have stopped by end of January...

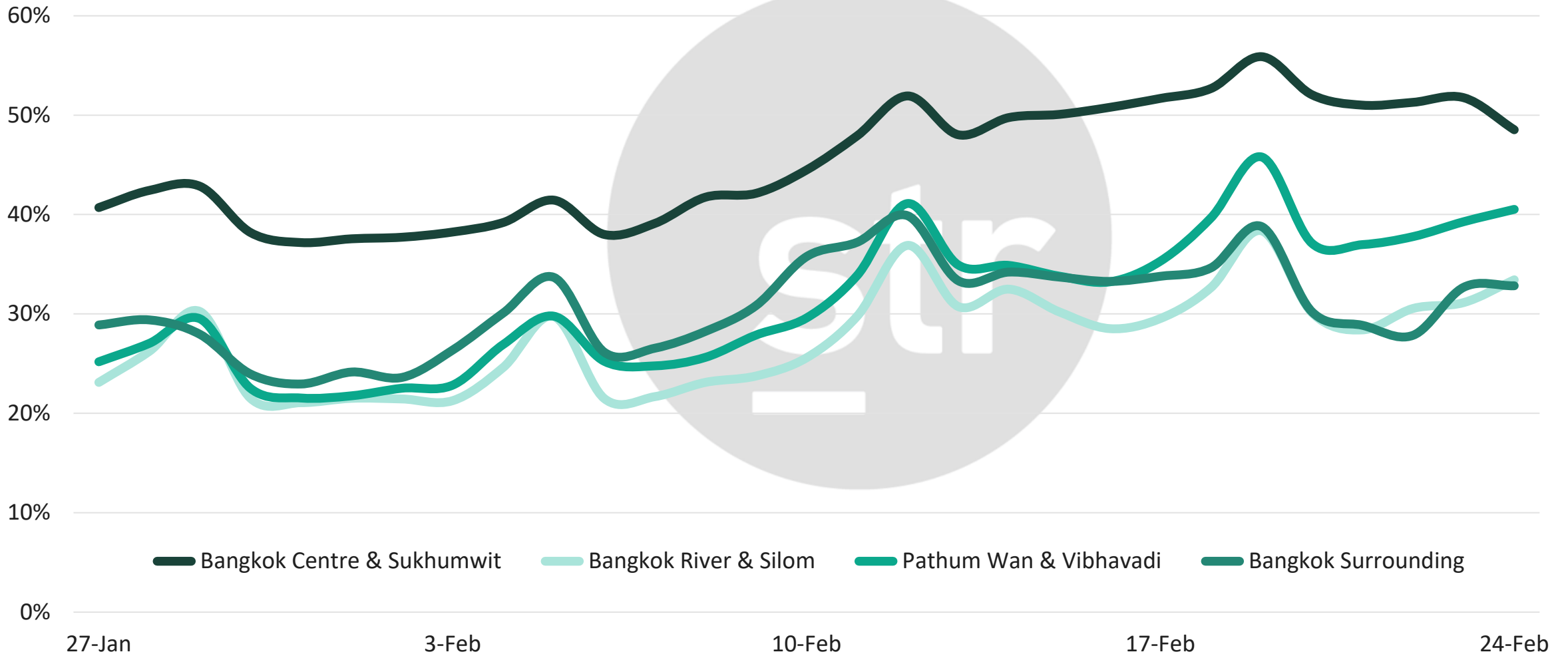
Bangkok Occupancy and ADR (THB) for 2021 and Jan 2022, indexed to 2019



... and February resuming Test & Go pushed Sukhumvit Over 50%



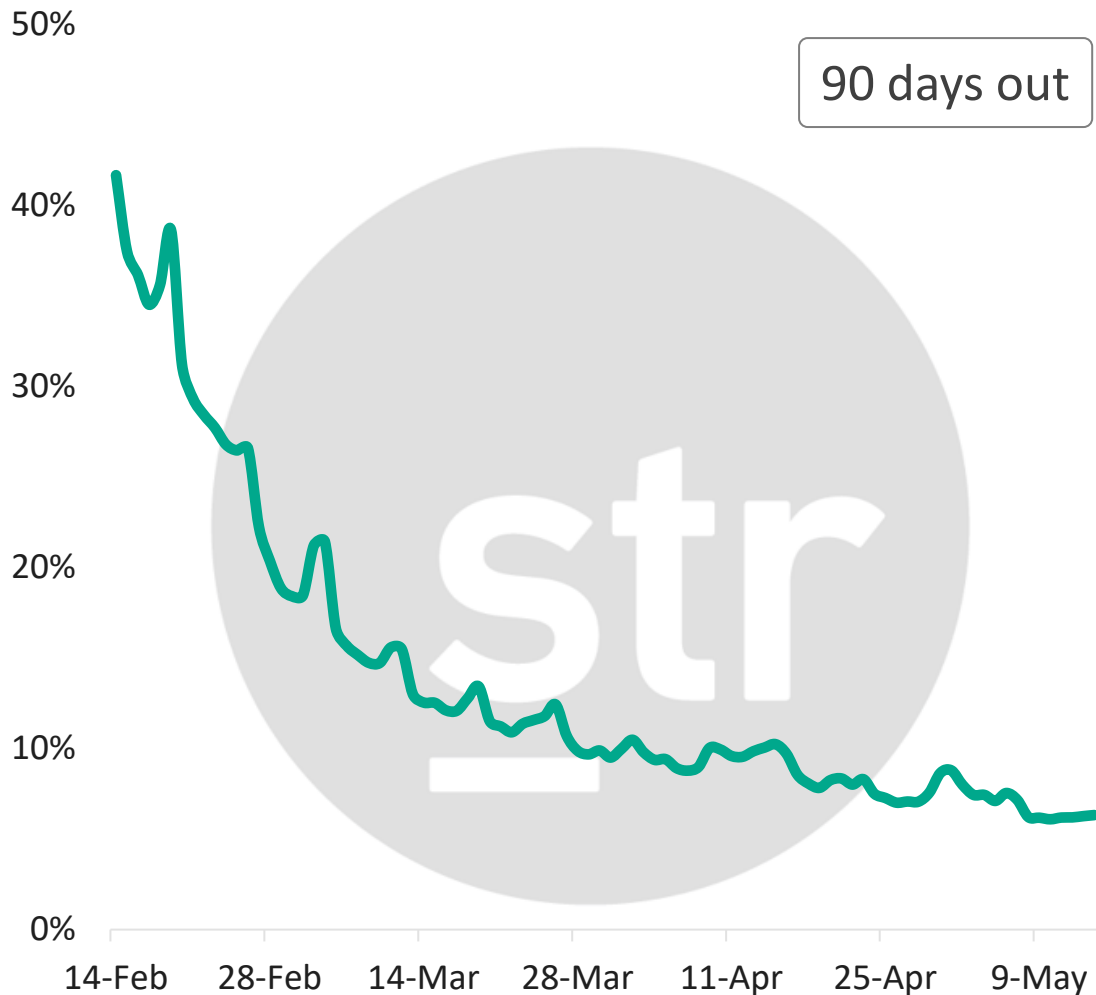
Bangkok submarkets, Daily Occupancy (%), 27 Jan-24 Feb 2022



What's next? Lead time is short and volatile



Bangkok, Occupancy on the books for the next 90 (at 14 Feb) and 365 days (at 7 Feb)



Uncertainty limits Bangkok future bookings as so far it's mostly about resorts...

...But that can change quickly when Test & Go transitions into easier travel restrictions

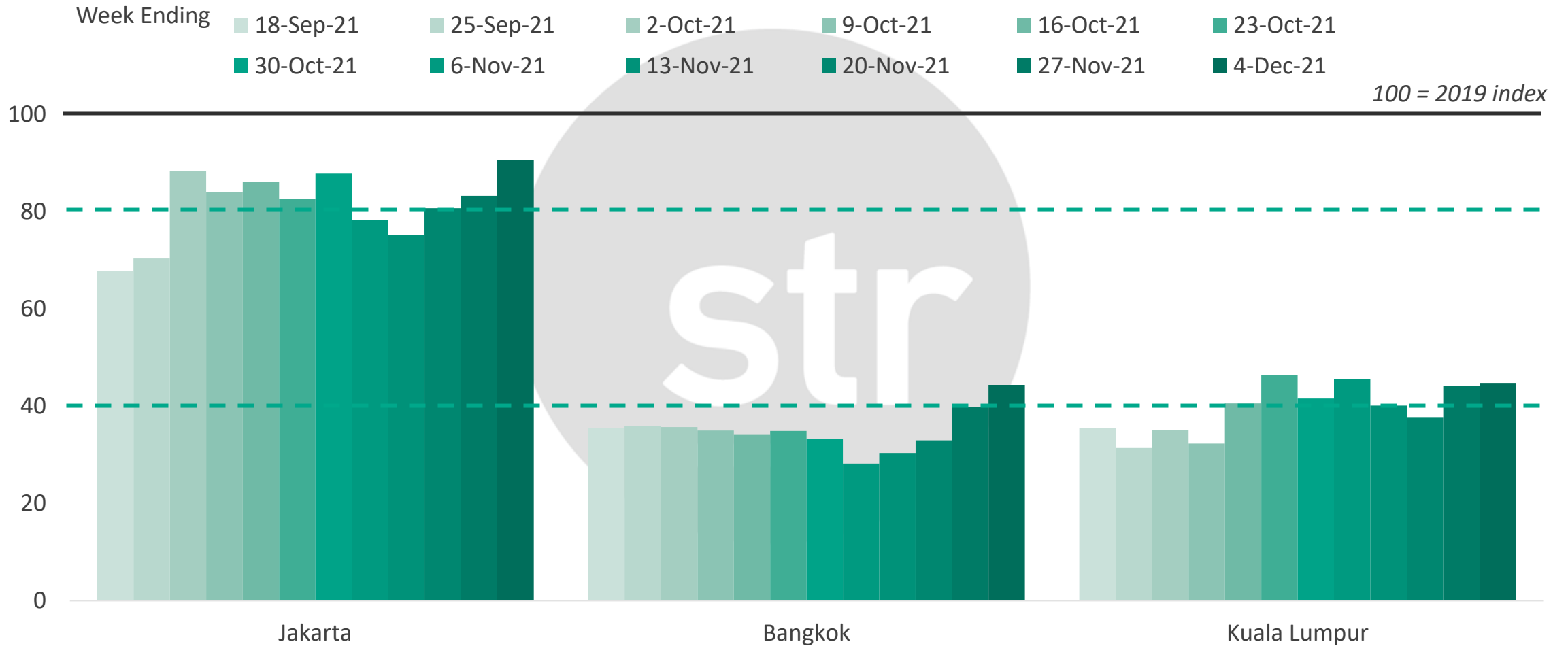
Expect normal ADR variation between hotel classes to open up in Q2

Weekday and Corporate made a huge diff pre-Omicron



Shows importance of Bangkok to get Corporate and MICE back on track promptly

APAC selected markets, weekday occupancy (standard) indexed to 2019, 18 Sep – 4 Dec 2021



Thailand Market Supply and Pipeline Growth

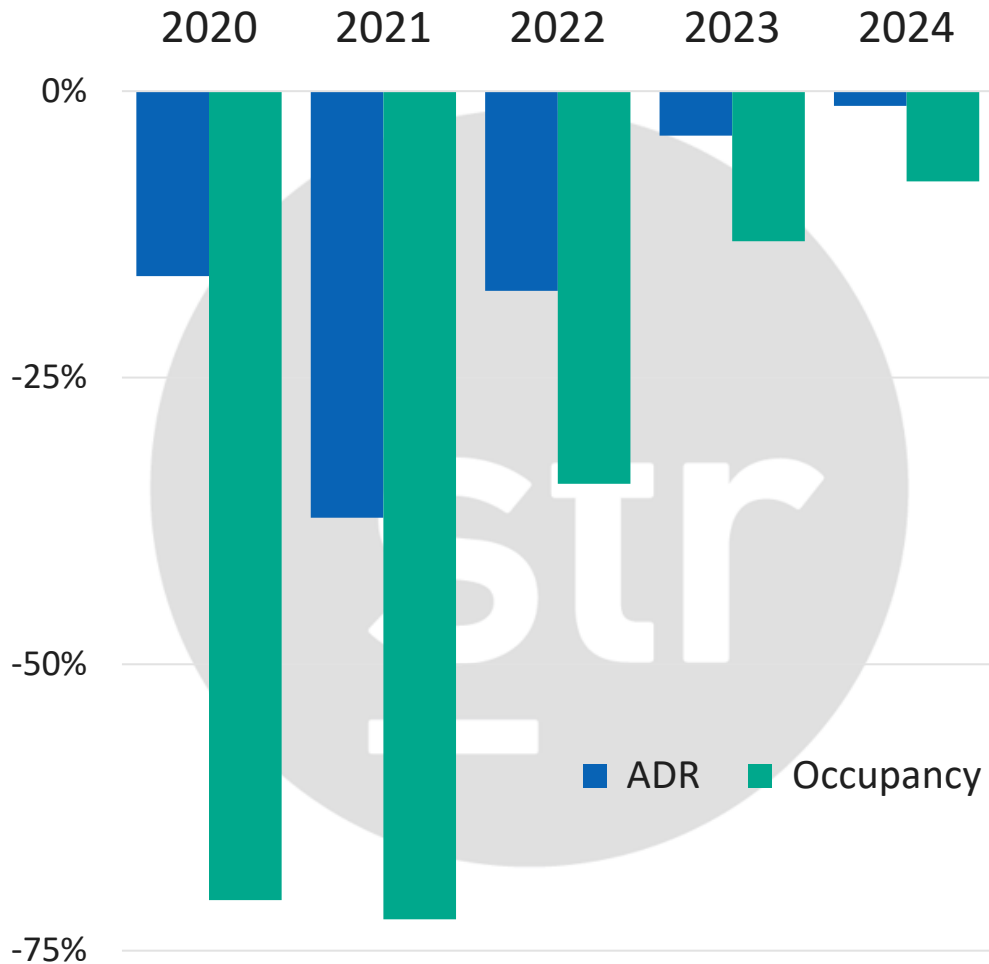
Thailand expecting +11% in hotels and +20% in rooms over existing supply in the next few years



- Temporarily closed rooms have largely reopened
- Hotel supply growth varies around the country
 - Phuket & Pattaya a lot of rooms – Much less planned in Hua Hin and Chiang Mai
- Wide variety of brands planned – but also a lot of Independent hotels
- Upscale (35%) and Upper Midscale (25%) remain most popular
- 1/3 of pipeline due to open in 2022, that's a lot of new hotels...
- ... and even if some of those could be further delayed ...
- ... it will still represent a big spike in openings, compared to normal 2-4%



Forecasting – Combining all factors



Risk

- Macroeconomic recovery pace (...and geopolitics)
- Pressure on Goods & Services
- New Supply against volatile Demand

Upside

- Fast potential Demand recovery, seen already
- Brand Thailand's popularity
- Proven historic yield power

Cautious optimism that Q2-Q3 can grow at decent pace, since the economy and industry desperately needs it.

Risk remains and important to remember that it will take more than 1 year to really hit numbers, the gap is that big.



Thank you | Contact

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