

# HOTEL MARKET UPDATE

NORDIC HOTEL MARKET TRENDS AND ECONOMIC INDICATORS

Sep/22



*What's popping?  
Read our latest hotel  
market report.*

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## Annordia advised Alma and Mässing on a new destination hotel in Uppsala

We are pleased to have led the operator search and selection process, and carried out the initial feasibility study, on behalf of the property owners Alma Property Partners and Mässing Properties. The hotel will cover 10,000 square meters and make up a third of the new block that is to be built in Uppsala city, on the property Fålhagen 3:1. It will be completed in 2026.

Nordic Choice Hotels will operate the hotel with 210 guest rooms, 3 restaurants and bars and gym. With a roof bar and terrace of 900 square meters and a spa area with a 19-meter outdoor pool and sun terrace, a new kind of unprecedented venue and destination is created in Uppsala.

Give us a call and we'll tell you more. +46 8 400 272 75. [annordia.com](http://annordia.com)



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## HOTEL MARKET UPDATE

*Welcome to Annordia's monthly market snapshot Hotel Market Update. In this report you'll find important statistical information in respect of the Swedish and Nordic hotel markets.*

Annordia has undertaken significant research and analysis of every aspect of the hospitality industry. Over time, we have built comprehensive databases with the latest market information in order to support our consultancy services. We therefore have a unique insight into current market dynamics that we gladly share and which we hope helps to grow your interest in the hotel sector.

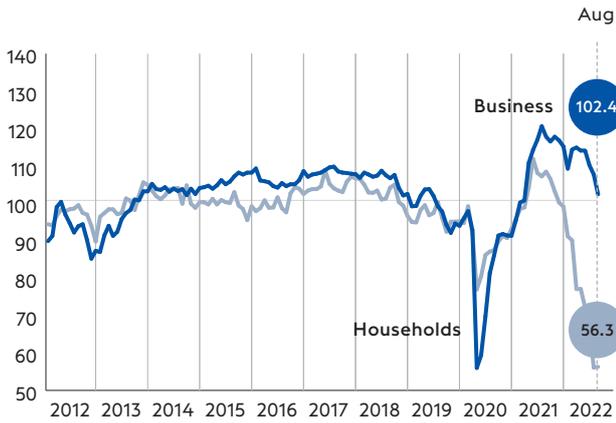
### TALKING POINTS OF THE MONTH

Demand for hotel rooms continued to be high in July 2022 despite the ongoing concern about future developments in the Swedish economy. Households' view of the development has been gloomy for a longer period while the view from businesses has been more positive, although it has become increasingly negative in recent months. The occupancy rate in July 2022 was at the same level as it was in July 2019, 69 percent. The big difference is otherwise in terms of the average daily rate, which was 22 percent higher compared to July 2019. What remains to recover are the foreign guest nights, which are still 5 percent lower in July this year compared to July 2019. Hotel companies' expectations for demand in the next three months was lowered during the month.

- Inflation was 9.8 percent in August 2022. The business confidence indicator continued downward during August – see macro indicators on page 4.
- 4 out of 10 hotel companies expect increased demand in three months' time, while 2 out of 10 expect reduced demand – see hotel companies' expectations on page 5.
- The demand for hotel rooms in July in Sweden was 19 percent higher than in July 2021. The level was also 6 percent higher than in July 2019 – see page 6.
- Occupied hotel rooms increased in all the Nordic countries between July this year and July 2021. Due to an increased supply, however, occupancy in Finland and Norway did not increase, but was unchanged – see page 9.

## MACRO INDICATORS IN SWEDEN

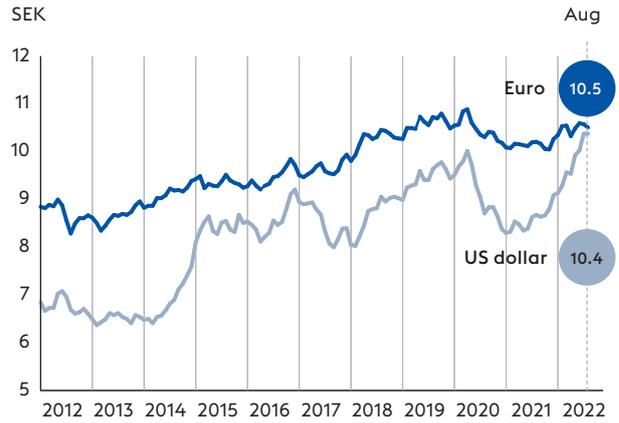
The household confidence indicator was unchanged in August but remains at its lowest level throughout the 2000s. The business sector indicator has continued to fall in 2022 and the gap between the two indicators has thus narrowed somewhat.



Confidence indicators for business and households in Sweden, up to and including August.

Source: The National Institute of Economic Research  
Confidence indicators are an overall measure of the overall perceptions and expectations of business and households.

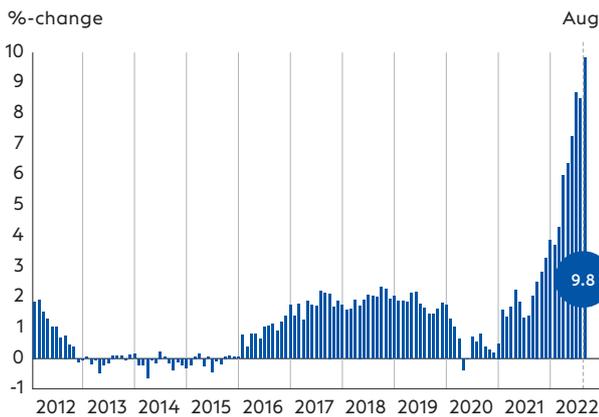
The value of the Swedish krona against the US dollar was unchanged during August and against the Euro it strengthened slightly. The krona's value against both the US dollar and the Euro is at historically low levels.



The development of the Swedish krona against the Euro and the US dollar, up to and including August.

Source: The Central Bank of Sweden

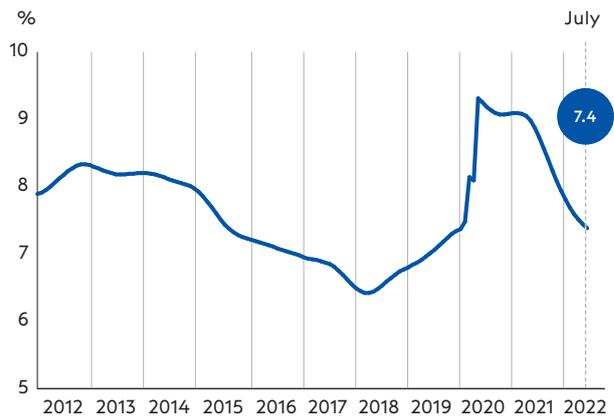
The rate of price increase, according to the CPI, continued to rise in August. The rate of increase was 9.8 percent between August 2022 and August 2021. Strongly rising electricity prices account for much of the increase.



The inflation rate (CPI) in the Swedish economy, up to and including August.

Source: Statistics Sweden

Unemployment, according to trend, was 7.4 percent in July. The level continues to decrease with each passing month and the level is now approximately one percentage point higher than the lowest level in the 2010s measured in 2018.



Unemployment (trend) as a percentage of the Swedish market up to and including July.

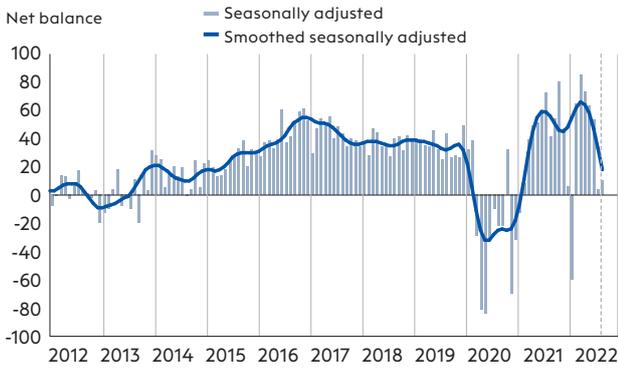
Source: The laborforce survey (Statistics Sweden)

# 9.8%

AUGUST INFLATION RATE

## SWEDISH HOTEL MARKET SUMMARY

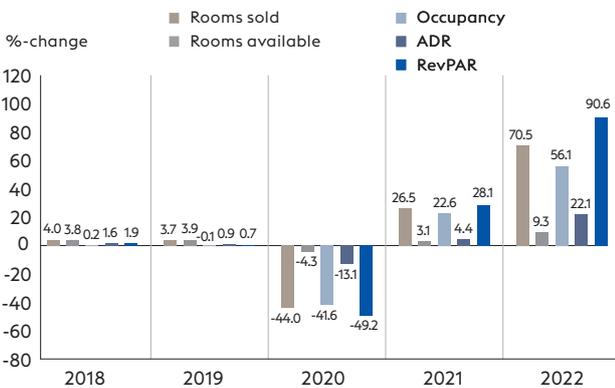
Hotel companies' expectations of demand for the next three months have fallen during the summer. Increased uncertainty surrounding the economy and the high levels of demand are assumed to have dampened expectations.



Swedish hotel companies' expectations of demand for their services in the next 3 months, up to and including August.

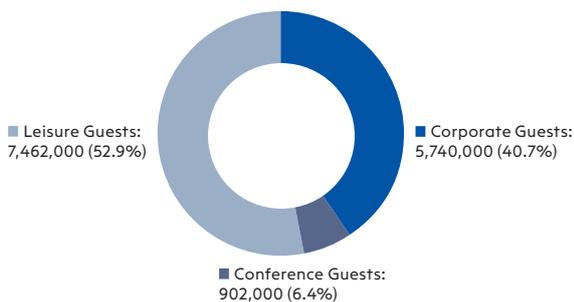
Source: The National Institute of Economic Research  
Net balance: See definitions on page 8

The RevPAR level was almost twice as high year-to-date this year compared to the corresponding period 2021. Compared to the corresponding period in 2019, the RevPAR level is now only 1.3 percent lower.

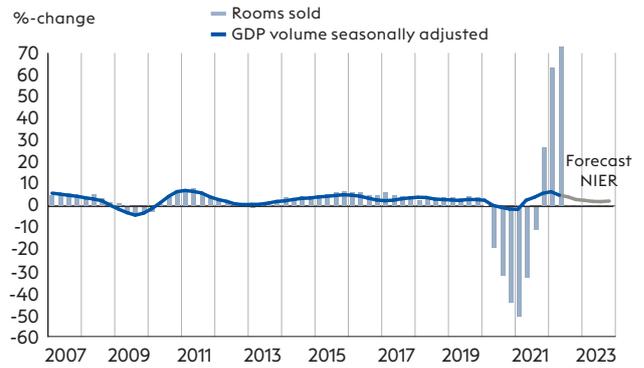


Development of key performance indicators in the Swedish hotel market, compared with the previous year, up to and including July.

Source: The Swedish Growth Agency/Statistics Sweden



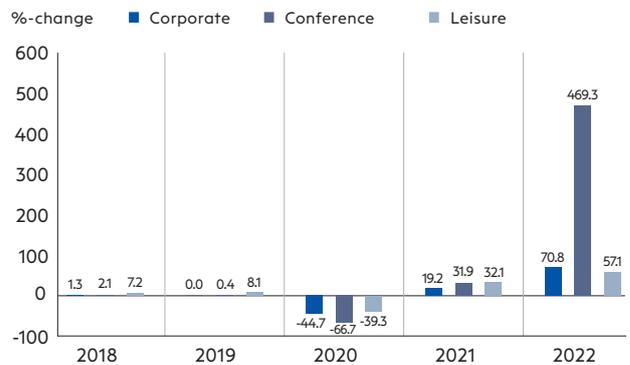
The Swedish economy is expected to grow by roughly two percent in 2022, which will support the growth in the hotel market. Historically, the connection between growth in the economy and in the hotel industry has been strong.



Development of occupied hotel rooms and GDP (volume) in Sweden, 4-quarter rolling averages.

Source: The Swedish Growth Agency/Statistics Sweden & the National Institute of Economic Research

Occupied hotel rooms from leisure guests was 57 percent higher year-to-date July 2022 compared to the same period in 2021. It was also 5 percent higher compared to the same period in 2019.



Percentage change of occupied hotel rooms by demand segmentation in the Swedish hotel market compared with the previous year, up to and including July.

Source: The Swedish Growth Agency/Statistics Sweden

The corporate segment accounted for 40.7 percent of the occupied hotel rooms in the country year-to-date July 2022.

Distribution of occupied hotel rooms between different demand segments in the Swedish hotel market, Jan-July 2022.

Source: The Swedish Growth Agency/Statistics Sweden

## TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES

MONTH JULY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	513	324	58.6	71.4	52.1	37.2	1,204	857	40.4	860	446	92.7
GOTHENBURG	273	206	32.9	89.4	72.1	23.9	1,616	1,074	50.5	1,444	775	86.4
MALMÖ	128	108	19.1	78.1	68.6	13.9	962	822	17.2	751	563	33.4
SIGTUNA	58	35	65.7	57.1	36.7	55.3	899	730	23.2	513	268	91.3
SOLNA	43	25	68.1	45.0	30.5	47.5	928	616	50.7	418	188	122.3
JÖNKÖPING	46	43	6.4	76.7	75.8	1.1	1,037	940	10.3	795	713	11.6
HELSINGBORG	55	48	13.1	82.6	80.4	2.7	1,358	1,134	19.7	1,122	912	23.0
UMEÅ	44	38	14.0	74.7	66.3	12.7	876	730	20.0	654	484	35.2
UPPSALA	37	29	29.6	67.2	51.8	29.8	917	706	29.9	617	366	68.7
LINKÖPING	39	38	3.6	61.8	63.5	-2.6	924	736	25.4	571	467	22.2
LUND	30	29	6.2	55.1	60.6	-9.0	984	841	17.1	543	509	6.6
KARLSTAD	38	30	25.2	88.0	70.8	24.3	1,057	886	19.3	930	627	48.3
ÖREBRO	33	29	13.1	65.0	64.5	0.8	966	844	14.5	628	544	15.5
VÄSTERÅS	33	29	14.0	70.4	65.3	7.8	991	926	7.0	697	605	15.4
SUNDSVALL	39	38	1.3	70.2	79.2	-11.3	996	847	17.5	699	671	4.2
NORRKÖPING	37	36	5.3	73.2	76.9	-4.8	1,462	1,276	14.6	1,070	981	9.0
LULEÅ	29	22	31.0	76.2	58.3	30.7	881	740	19.0	671	432	55.5
GOTLAND	53	55	-4.6	82.9	88.4	-6.2	2,062	1,736	18.8	1,710	1,535	11.4
NACKA	23	23	2.9	64.3	54.2	18.8	1,294	1,165	11.1	832	631	31.9
HALMSTAD	36	37	-2.2	78.1	87.1	-10.3	1,667	1,566	6.5	1,303	1,365	-4.5
GÄVLE	27	27	-2.1	81.4	84.2	-3.3	1,109	963	15.1	903	811	11.4
ÖSTERSUND	25	23	7.5	87.3	82.4	6.0	1,163	834	39.4	1,016	687	47.8
VÄXJÖ	18	18	-0.1	61.6	70.7	-12.9	897	901	-0.5	553	637	-13.3
KALMAR	26	26	-1.4	93.4	94.9	-1.6	1,391	1,297	7.3	1,299	1,231	5.5
SÖDERTÄLJE	15	11	33.7	54.6	54.7	-0.1	821	710	15.7	449	388	15.6
SWEDEN	2,778	2,329	19.3	69.5	62.4	11.3	1,213	1,031	17.7	843	644	31.0

The most positive rates of change for each respective variable are highlighted in grey.

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden

## YEAR-TO-DATE JANUARY - JULY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	2,840	1,247	127.7	58.9	29.9	96.8	1,217	789	54.3	716	236	203.6
GOTHENBURG	1,231	613	100.6	61.5	33.5	83.7	1,251	913	37.0	769	305	151.7
MALMÖ	631	326	93.5	57.8	31.6	82.7	920	752	22.4	532	238	123.7
SIGTUNA	369	144	155.4	53.0	21.8	143.3	953	728	31.0	506	159	218.6
SOLNA	274	127	116.1	42.1	23.5	79.5	928	611	52.0	391	143	172.9
JÖNKÖPING	221	135	63.5	55.6	36.2	53.4	1,035	852	21.5	576	309	86.4
HELSINGBORG	234	148	58.6	55.4	38.1	45.6	1,136	912	24.6	630	347	81.4
UMEÅ	260	155	68.2	65.8	40.7	61.6	859	701	22.5	566	286	98.0
UPPSALA	222	116	90.6	59.4	32.0	85.6	939	678	38.5	558	217	157.1
LINKÖPING	232	144	60.8	55.1	36.8	49.4	855	687	24.4	471	253	85.9
LUND	177	108	63.6	48.0	35.5	35.5	958	762	25.7	460	270	70.3
KARLSTAD	176	102	73.1	60.9	36.4	67.0	979	772	26.9	596	281	112.0
ÖREBRO	188	111	69.2	56.3	37.3	51.1	1,028	799	28.6	579	298	94.3
VÄSTERÅS	205	131	57.2	65.3	44.2	47.8	962	884	8.9	628	391	60.9
SUNDSVALL	198	137	44.1	52.4	40.7	28.9	881	752	17.1	462	306	50.9
NORRKÖPING	175	120	46.2	51.7	40.2	28.6	1,146	1,019	12.4	592	410	44.6
LULEÅ	148	102	45.6	57.1	43.3	31.7	866	770	12.4	494	334	48.0
GOTLAND	172	134	27.7	56.4	48.1	17.2	1,401	1,279	9.6	790	615	28.4
NACKA	130	72	81.1	52.6	33.9	55.1	1,351	1,270	6.4	711	431	65.0
HALMSTAD	159	110	45.0	52.3	45.9	13.8	1,219	1,201	1.5	637	551	15.6
GÄVLE	140	104	35.0	62.8	47.5	32.2	993	862	15.2	624	410	52.3
ÖSTERSUND	115	79	45.8	60.5	41.6	45.3	926	746	24.1	560	310	80.3
VÄXJÖ	110	66	68.3	56.2	37.1	51.4	973	861	12.9	546	319	71.0
KALMAR	113	88	27.7	62.1	50.2	23.6	1,027	939	9.4	638	472	35.2
SÖDERTÄLJE	89	53	67.5	48.9	34.8	40.7	892	699	27.6	436	243	79.5
SWEDEN	14,103	8,270	70.5	53.1	34.0	56.1	1,093	895	22.1	581	305	90.6

The most positive rates of change for each respective variable are highlighted in grey.

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden

	12-MONTH ROLLING AVERAGE AUGUST – JULY											
	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	4,688	2,143	118.8	57.5	29.4	95.5	1,139	808	41.0	655	238	175.6
GOTHENBURG	2,058	1,042	97.6	60.4	33.7	79.1	1,183	880	34.4	714	297	140.7
MALMÖ	1,066	569	87.3	56.8	32.6	74.3	897	749	19.8	509	244	108.8
SIGTUNA	604	245	146.9	49.8	22.2	124.5	929	751	23.8	462	166	177.9
SOLNA	436	225	94.2	39.4	26.0	51.7	886	633	40.0	349	164	112.3
JÖNKÖPING	378	240	57.0	55.3	37.4	47.7	1,004	836	20.0	555	313	77.3
HELSINGBORG	390	250	56.2	54.7	39.0	40.0	1,058	878	20.4	578	343	68.6
UMEÅ	462	272	69.5	68.0	41.9	62.2	817	709	15.2	555	297	86.8
UPPSALA	384	207	85.4	59.5	33.6	77.1	880	706	24.6	524	237	120.7
LINKÖPING	401	253	58.8	55.9	37.7	48.4	815	709	15.0	456	267	70.7
LUND	309	191	61.9	48.9	37.0	32.1	922	765	20.5	450	283	59.2
KARLSTAD	297	180	64.7	59.9	37.8	58.6	941	772	21.9	564	292	93.4
ÖREBRO	325	205	58.4	58.2	39.7	46.5	994	804	23.5	578	320	81.0
VÄSTERÅS	354	230	53.7	65.9	45.6	44.7	958	897	6.7	632	409	54.4
SUNDSVALL	350	246	42.4	53.0	42.1	26.0	858	763	12.5	455	321	41.7
NORRKÖPING	302	209	44.5	53.3	40.3	32.4	1,112	1,011	10.1	593	407	45.7
LULEÅ	258	178	44.7	57.6	41.7	38.0	840	760	10.6	484	317	52.6
GOTLAND	288	227	27.1	55.2	46.5	18.7	1,325	1,159	14.3	732	539	35.7
NACKA	221	119	86.6	51.2	33.6	52.2	1,355	1,271	6.6	694	428	62.3
HALMSTAD	276	182	51.8	53.0	45.4	16.8	1,180	1,196	-1.3	626	543	15.3
GÄVLE	254	187	36.1	66.2	49.8	33.1	975	856	13.8	645	426	51.5
ÖSTERSUND	201	131	53.9	61.0	40.0	52.5	899	742	21.3	549	297	84.9
VÄXJÖ	193	118	63.2	57.3	38.3	49.5	940	842	11.6	538	322	66.9
KALMAR	196	149	31.4	62.2	49.7	25.0	986	915	7.8	613	455	34.8
SÖDERTÄLJE	148	93	59.5	48.4	34.8	39.4	869	712	22.1	421	247	70.2
SWEDEN	23,859	14,204	68.0	52.6	34.1	54.3	1,048	882	18.8	551	301	83.3

The most positive rates of change for each respective variable are highlighted in grey.

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden

## NORDIC HOTEL MARKET – COUNTRIES AND CAPITAL CITIES

### MONTH JULY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
<b>SWEDEN</b>	2,778	2,329	<b>19.3</b>	69.5	62.4	<b>11.3</b>	1,213	1,031	<b>17.7</b>	843	644	<b>31.0</b>
<b>DENMARK</b>	1,276	915	<b>39.5</b>	72.0	54.0	<b>33.3</b>	N/A	N/A	<b>N/A</b>	N/A	N/A	<b>N/A</b>
<b>FINLAND</b>	1,110	1,045	<b>6.2</b>	61.5	61.7	<b>-0.3</b>	1,136	983	<b>11.5</b>	699	606	<b>11.1</b>
<b>NORWAY</b>	1,703	1,528	<b>11.5</b>	62.0	62.0	<b>0.0</b>	1,318	1,249	<b>-0.2</b>	817	775	<b>-0.2</b>
STOCKHOLM	513	324	<b>58.6</b>	71.4	52.1	<b>37.2</b>	1,204	857	<b>40.4</b>	860	446	<b>92.7</b>
COPENHAGEN	568	275	<b>106.6</b>	77.0	41.0	<b>87.8</b>	N/A	N/A	<b>N/A</b>	N/A	N/A	<b>N/A</b>
HELSINKI	241	162	<b>48.9</b>	64.5	48.7	<b>32.4</b>	1,113	853	<b>25.8</b>	718	415	<b>66.6</b>
OSLO	299	193	<b>55.2</b>	67.0	55.0	<b>21.8</b>	1,347	968	<b>31.6</b>	903	533	<b>60.4</b>

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden, Statistics Norway, Statistics Denmark, Statistics Finland  
\*Changes in ADR and RevPAR are as per the respective changes in local currencies

### YEAR-TO-DATE JANUARY – JULY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
<b>SWEDEN</b>	14,103	8,270	<b>70.5</b>	53.1	34.0	<b>56.1</b>	1,093	895	<b>22.1</b>	581	305	<b>90.6</b>
<b>DENMARK</b>	6,445	2,858	<b>125.5</b>	55.6	25.6	<b>116.8</b>	N/A	N/A	<b>N/A</b>	N/A	N/A	<b>N/A</b>
<b>FINLAND</b>	5,672	3,590	<b>58.0</b>	47.3	34.0	<b>39.2</b>	1,101	907	<b>16.9</b>	521	308	<b>62.8</b>
<b>NORWAY</b>	8,848	4,890	<b>80.9</b>	48.8	33.4	<b>46.1</b>	1,217	1,034	<b>11.3</b>	594	346	<b>62.6</b>
STOCKHOLM	2,840	1,247	<b>127.7</b>	58.9	29.9	<b>96.8</b>	1,217	789	<b>54.3</b>	716	236	<b>203.6</b>
COPENHAGEN	2,855	880	<b>224.3</b>	59.3	19.9	<b>198.2</b>	N/A	N/A	<b>N/A</b>	N/A	N/A	<b>N/A</b>
HELSINKI	1,149	478	<b>140.2</b>	46.6	24.3	<b>91.9</b>	1,149	871	<b>27.2</b>	536	211	<b>144.2</b>
OSLO	1,659	521	<b>218.5</b>	56.1	25.6	<b>119.0</b>	1,336	861	<b>46.8</b>	749	221	<b>221.5</b>

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden, Statistics Norway, Statistics Denmark, Statistics Finland  
\*Changes in ADR and RevPAR are as per the respective changes in local currencies

## 12-MONTH ROLLING AVERAGE AUGUST - JULY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	23,859	14,204	68.0	52.6	34.1	54.3	1,048	882	18.8	551	301	83.3
DENMARK	11,051	5,372	105.7	55.8	28.2	98.2	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	9,646	6,179	56.1	47.1	33.7	39.7	1,070	892	15.7	504	301	61.6
NORWAY	14,960	8,750	71.0	48.3	33.3	45.0	1,172	985	12.5	566	329	63.2
STOCKHOLM	4,688	2,143	118.8	57.5	29.4	95.5	1,139	808	41.0	655	238	175.6
COPENHAGEN	4,679	1,573	197.4	57.4	21.0	173.2	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	1,899	810	134.4	45.3	24.4	86.0	1,111	878	22.0	503	214	126.8
OSLO	2,700	1,036	160.7	54.3	26.1	107.7	1,255	835	42.3	681	218	195.5

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden, Statistics Norway, Statistics Denmark, Statistics Finland  
 \*Changes in ADR and RevPAR are as per the respective changes in local currencies

## DEFINITIONS

**Net balance:** Net balance is the difference between the number of positive versus negative responses received from hotels regarding their demand expectations for their services.

**Occupancy:** Rooms sold/Available rooms.

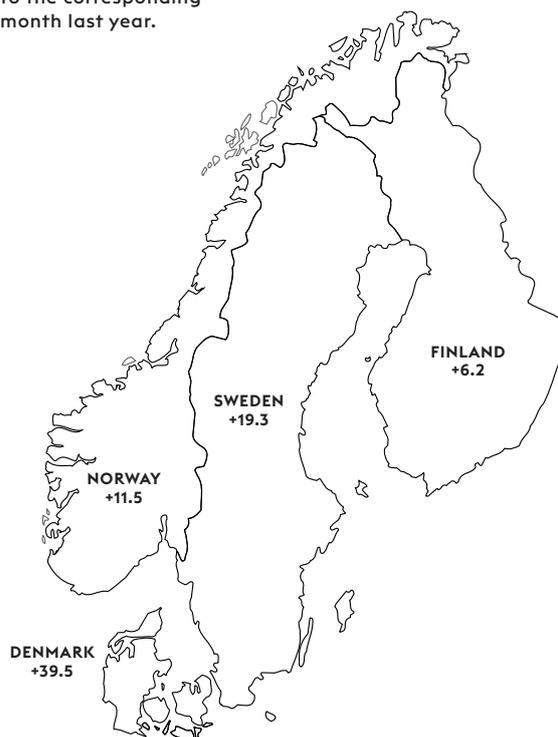
**ADR:** Accommodation revenue/Rooms sold.

**RevPAR:** Occupancy x ADR.

**N/A:** Not available.

## ROOMS SOLD IN THE NORDICS IN JULY

%-change compared to the corresponding month last year.



**92.7%**  
 INCREASE IN REVPAR  
 IN STOCKHOLM, JULY 2022

Annordia was born from a passion for hotels. Thirty years on, we're proud to be one of the Nordic region's leading hotel investment and development consultancies. We are a full-service advisor that assists clients across the Nordics through every phase of the investment cycle – from market analysis, concept development and operator search to valuations as well as lease and transaction advisory.

Please contact us if you want to know more.

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in October.*

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