

HOTEL MARKET UPDATE

24/05

NORDIC
HOTEL
MARKET
TRENDS
AND
ECONOMIC
INDICATORS



Annordia

HOSPITALITY CONSULTING



Annordia advised on the sale of Lundsbrunn Resort & Spa

Annordia is pleased to have advised Christer Kjellner on the sale of the operating company of Lundsbrunn Resort & Spa in Skaraborg.

The buyer is Winn Hotel Group, who took possession of the premises on April 2, 2024. Lundsbrunn Resort & Spa has over 335 beds across 186 rooms, encompassing a total of 15,000 square meters. Since the restart in 2020, Lundsbrunn Resort & Spa has transformed from a classic spa with origins from the 18th century to a modern resort.

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THE STEAM HOTEL
PEAB

Market analysis

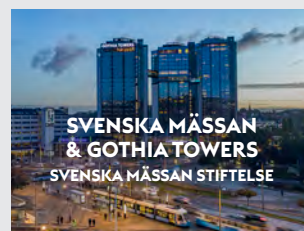
Establish the feasibility of a potential hotel investment.



CLARION HOTEL
SÖDERTÄLJE
STADSRUM

Concept development

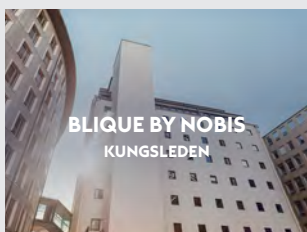
Hotel planning and optimisation based on market characteristics.



SVENSKA MÄSSAN
& GOTHIA TOWERS
SVENSKA MÄSSAN STIFTELSE

Lease advisory

Adding value in rent review, lease renewals and valuations.



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KUNGSLEDEN

Operator search

Recruitment of suitable hotel operators on favourable terms.



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HÖGFJÄLLSHOTELL & SPA
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For acquisitions, year-end accounting and secured lending.



BILLINGEHUS
HOST PROPERTY

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For owners and operators in the hospitality industry.

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

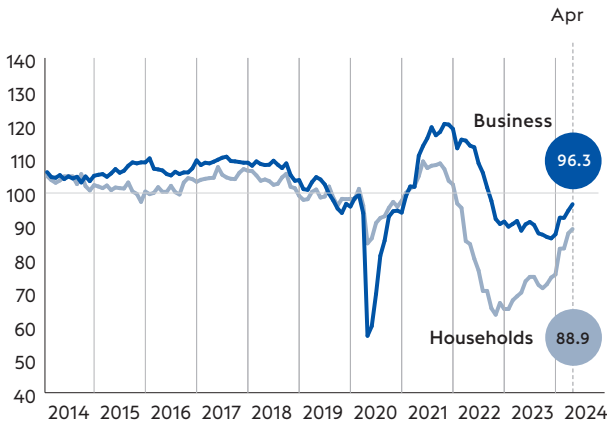
The hotel market statistics for Sweden in March 2024 demonstrate mixed developments across several key metrics. Notably, the number of sold rooms decreased in March by 5.5 percent compared to the same month last year. In 17 out of the 25 largest hotel regions in Sweden, there were fewer sold rooms compared to the same month last year, with Södertälje experiencing the biggest decrease by 20.0 percent. The difference in sold rooms can be attributed to Easter occurring mostly in March this year, whereas last year it was in April. The ADR increased by 1.4 percent, and while the number of available rooms increased slightly by 0.2 percent, the occupancy rate decreased by 5.7 percent from the same month last year. RevPAR also decreased by 4.3 percent compared to last year.

Furthermore, the hotel market in the Nordic countries experienced similar development with negative trends across several key metrics, except for Denmark, which showed positive trends in number of sold rooms and occupancy rate.

- Stockholm and Malmö experienced a decrease in the number of sold rooms, while Gothenburg saw an increase - see table on page 4.
- The conference segment decreased by 33.8 percent compared to the same month last year. - See year-to-date graph on page 3.
- The GDP forecast anticipates an increase in the third quarter - see forecast on page 3.
- Almost 60 percent of the hotel companies expect unchanged demand next three months – see expectations on page 3.

MACRO INDICATORS IN SWEDEN

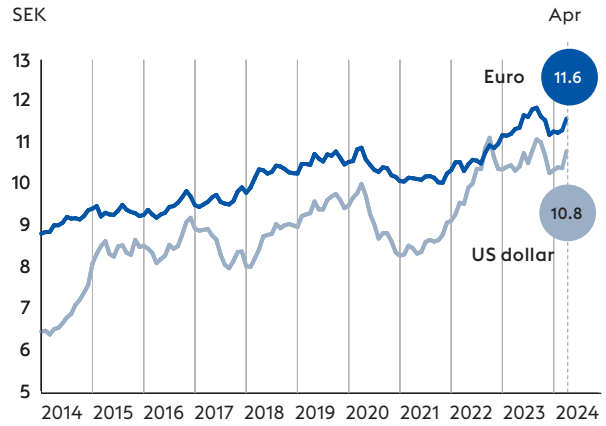
In April, the business confidence indicator continued its upward trend, reaching 96.3 units, while for households, the indicator increased by 1.3 units to 88.9. Despite the upward trend observed in previous months, both indicators still reflect a weak sentiment.



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

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

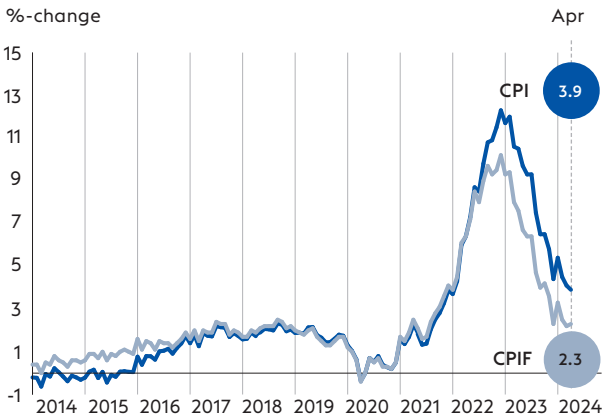
In April, the exchange rates for the Swedish Krona weakened against both the Euro and the US Dollar. Relative to the Euro and USD, the Swedish Krona decreased by 0.28 and 0.41 Krona, respectively.



The development of the Swedish Krona against the Euro and the US dollar, up to and including April.

Source: The Central Bank of Sweden

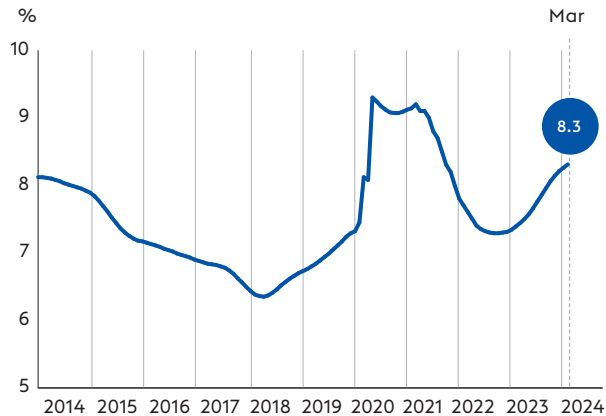
In April, inflation for the Consumer Price Index (CPI) continued its trend, dropping by 0.2 percentage points to 3.9 percent, while the CPI with a fixed interest rate (CPIF) increased by 0.1 percentage points to 2.3 percent.



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

Source: Statistics Sweden

According to trend, the unemployment rate increased in March to 8.31 percent, marking the 16th consecutive month of continuous increase.



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

Source: The laborforce survey (Statistics Sweden)

3.9%

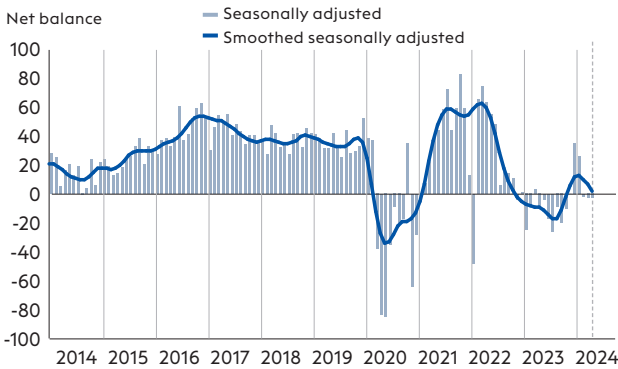
APRIL INFLATION RATE CPI

2.3%

APRIL INFLATION RATE CPIF

SWEDISH HOTEL MARKET SUMMARY

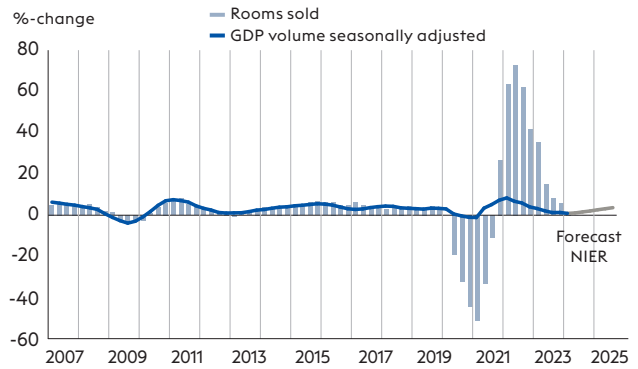
The seasonally adjusted and smoothed expectation of future demand decreased from 7 to 2 units. However, the actual responses in April show that about 60 percent of the surveyed companies anticipate an unchanged demand.



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

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

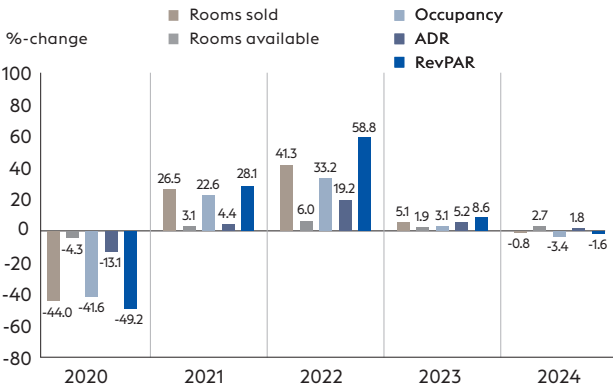
The GDP forecast anticipates the macroeconomic recession to subside in the 2nd quarter of 2024 and commence its recovery in the 3rd quarter. Historically, the connection between GDP and the hotel industry has been strong.



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

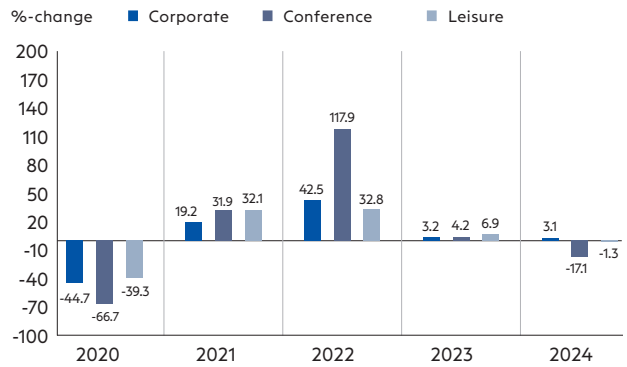
The number of rooms sold decreased by 0.8 percent while the number of rooms available increased by 2.7 percent in Jan-Mar 2024 compared to the previous year. Despite a decline in the occupancy rate by 3.4 percent, the ADR continued to rise.



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

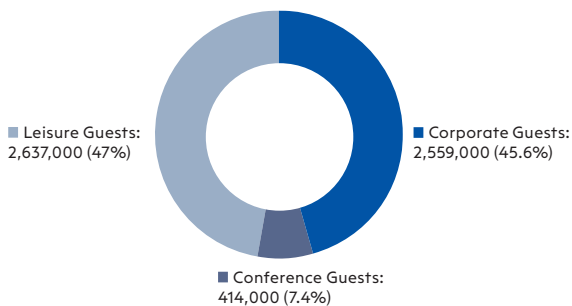
Source: The Swedish Growth Agency/Statistics Sweden

The conference and leisure segments year-to-date in 2024 continued to experience a decrease in the number of sold rooms compared to the same period in 2023, with reductions of 17.1 and 1.3 percent respectively. However, the corporate segment saw an increase of approximately 3.1 percent.



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

Source: The Swedish Growth Agency/Statistics Sweden



The business segment accounted for 53 percent of the occupied rooms in Sweden year-to-date 2024.

Distribution of occupied hotel rooms between different demand segments in the Swedish hotel market, Jan-Mar 2024.

Source: The Swedish Growth Agency/Statistics Sweden

TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES

	MONTH MARCH											
	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	442	453	-2.4	63.5	65.1	-2.4	1,286	1,245	3.3	816	810	0.7
GOTHENBURG	203	203	0.2	60.3	65.1	-7.3	1,046	1,108	-5.6	631	721	-12.5
MALMÖ	92	99	-6.9	59.0	59.3	-0.6	985	940	4.8	581	558	4.2
SIGTUNA	61	70	-11.9	56.6	63.5	-10.9	1,043	1,054	-1.0	590	669	-11.8
SOLNA	46	50	-7.9	56.1	51.9	8.0	996	1,092	-8.8	558	567	-1.5
JÖNKÖPING	36	32	14.3	52.9	46.7	13.4	1,073	983	9.2	568	459	23.8
HELSINGBORG	30	30	0.5	45.8	47.5	-3.5	941	963	-2.3	431	457	-5.7
UMEÅ	34	38	-12.1	51.7	58.5	-11.7	922	862	6.9	476	504	-5.5
UPPSALA	31	38	-19.2	51.5	63.5	-18.9	956	989	-3.4	492	628	-21.6
LINKÖPING	33	36	-9.8	51.4	56.9	-9.7	893	916	-2.4	459	521	-11.9
LUND	27	29	-4.9	49.6	53.7	-7.6	1,052	1,057	-0.5	521	567	-8.1
KARLSTAD	26	27	-3.0	61.7	61.3	0.7	1,017	981	3.6	627	601	4.4
ÖREBRO	29	33	-10.5	58.2	65.0	-10.5	1,036	1,056	-1.9	602	686	-12.2
VÄSTERÅS	30	33	-10.0	65.6	73.4	-10.6	1,161	1,059	9.7	761	777	-2.0
SUNDSVALL	29	30	-3.7	51.9	53.6	-3.2	941	938	0.3	488	503	-2.9
NORRKÖPING	25	24	4.8	51.7	50.1	3.3	956	971	-1.5	494	486	1.7
LULEÅ	27	26	2.6	71.3	69.3	2.8	1,079	982	9.9	769	681	13.0
GOTLAND	12	12	2.6	32.7	33.3	-1.6	776	764	1.6	254	254	0.0
NACKA	21	20	4.9	53.2	45.8	16.1	1,209	1,489	-18.8	643	682	-5.8
HALMSTAD	21	22	-4.9	50.1	50.6	-1.1	1,061	1,125	-5.7	531	570	-6.8
GÄVLE	18	21	-15.5	58.2	66.8	-12.9	1,013	1,040	-2.6	589	695	-15.2
ÖSTERSUND	18	20	-11.2	63.2	72.2	-12.5	936	1 010	-7.3	592	729	-18.9
VÄXJÖ	16	20	-19.7	55.3	68.4	-19.1	1,060	1,076	-1.5	586	736	-20.4
KALMAR	13	14	-5.7	47.5	55.2	-13.9	873	976	-10.6	415	539	-23.0
SÖDERTÄLJE	12	15	-20.0	48.3	47.5	1.7	1,101	1,016	8.4	532	482	10.2
SWEDEN	2,037	2,155	-5.5	51.4	54.5	-5.7	1,117	1,101	1.4	574	600	-4.3

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

	YEAR-TO-DATE JANUARY - MARCH											
	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	1,180	1,154	2.3	58.0	58.0	-0.1	1,263	1,207	4.6	732	700	4.5
GOTHENBURG	539	542	-0.5	55.0	59.6	-7.7	1,034	1,085	-4.7	569	647	-12.1
MALMÖ	257	271	-5.0	54.4	57.7	-5.6	949	935	1.5	517	539	-4.2
SIGTUNA	185	181	2.0	57.8	58.3	-0.9	1,074	1,086	-1.1	620	633	-2.0
SOLNA	123	125	-1.7	50.2	45.1	11.2	965	1,038	-7.1	484	469	3.3
JÖNKÖPING	96	84	14.3	48.4	44.1	9.9	1,019	987	3.3	494	435	13.5
HELSINGBORG	78	80	-2.9	40.5	44.7	-9.4	899	930	-3.3	364	415	-12.4
UMEÅ	109	109	-0.4	57.0	58.0	-1.8	969	929	4.4	552	539	2.5
UPPSALA	93	102	-9.0	53.1	59.6	-10.9	946	929	1.8	503	554	-9.2
LINKÖPING	91	94	-3.7	49.6	51.5	-3.7	888	878	1.1	440	452	-2.6
LUND	75	70	6.9	46.3	48.6	-4.8	1,036	1,034	0.2	479	503	-4.7
KARLSTAD	74	72	2.3	59.3	57.3	3.4	1,005	953	5.5	596	546	9.1
ÖREBRO	80	82	-2.4	54.0	56.9	-5.1	1,023	1,015	0.7	552	578	-4.4
VÄSTERÅS	83	86	-3.2	62.7	66.8	-6.1	1,114	1,042	6.9	698	696	0.4
SUNDSVALL	78	78	-0.8	48.0	49.1	-2.3	919	922	-0.3	441	453	-2.6
NORRKÖPING	65	61	6.9	45.9	44.6	3.0	955	956	-0.2	438	426	2.8
LULEÅ	79	77	2.8	70.9	70.5	0.5	1,059	971	9.0	751	685	9.6
GOTLAND	27	28	-1.3	27.7	30.1	-7.8	738	740	-0.2	205	222	-8.0
NACKA	61	53	14.9	51.1	43.3	17.9	1,268	1,466	-13.5	648	635	2.0
HALMSTAD	52	51	1.7	43.3	44.3	-2.3	1,025	1,115	-8.1	444	494	-10.2
GÄVLE	52	57	-8.4	57.0	60.2	-5.3	992	973	1.9	565	585	-3.5
ÖSTERSUND	49	57	-12.8	59.4	69.9	-15.1	932	942	-1.0	553	659	-16.0
VÄXJÖ	46	49	-7.7	54.8	60.2	-9.0	1,048	1,028	1.9	574	619	-7.2
KALMAR	33	35	-3.8	42.7	48.1	-11.2	875	919	-4.8	374	442	-15.5
SÖDERTÄLJE	34	39	-12.4	46.0	41.7	10.5	1,103	1,001	10.2	508	417	21.7
SWEDEN	5,610	5,653	-0.8	48.6	50.3	-3.4	1,104	1,084	1.8	536	545	-1.6

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 APRIL – MARCH											
	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	5,634	5,612	0.4	69.0	68.0	1.4	1,431	1,319	8.5	987	897	10.0
GOTHENBURG	2,645	2,506	5.5	67.1	69.6	-3.6	1,296	1,295	0.1	869	901	-3.5
MALMÖ	1,293	1,267	2.1	66.1	65.8	0.5	1,017	974	4.5	673	641	5.0
SIGTUNA	813	772	5.3	62.6	62.7	-0.1	1,047	1,037	1.0	656	651	0.9
SOLNA	582	573	1.6	56.2	50.9	10.2	1,030	1,009	2.1	579	514	12.5
JÖNKÖPING	457	442	3.4	55.6	57.7	-3.7	1,061	1,100	-3.5	590	635	-7.1
HELSINGBORG	433	431	0.4	56.0	57.6	-2.7	1,103	1,122	-1.7	617	646	-4.4
UMEÅ	469	463	1.3	61.3	63.9	-4.1	951	911	4.3	583	582	0.0
UPPSALA	440	432	1.7	62.0	65.3	-5.1	1,040	967	7.5	645	632	2.0
LINKÖPING	420	433	-3.0	57.4	58.9	-2.5	926	895	3.5	532	527	0.9
LUND	372	344	8.1	57.6	54.3	6.0	1,049	1,030	1.8	604	560	7.9
KARLSTAD	341	331	2.9	67.1	65.7	2.0	1,018	1,015	0.3	683	667	2.3
ÖREBRO	367	360	1.8	61.4	62.3	-1.5	1,092	1,063	2.8	671	662	1.3
VÄSTERÅS	361	375	-3.8	68.3	70.4	-3.1	1,102	1,032	6.7	753	727	3.5
SUNDSVALL	349	367	-4.9	53.5	56.7	-5.8	947	904	4.7	506	513	-1.3
NORRKÖPING	326	327	-0.3	56.0	56.6	-1.1	1,135	1,139	-0.3	636	645	-1.4
LULEÅ	280	293	-4.5	62.9	64.6	-2.5	1,042	912	14.3	656	589	11.4
GOTLAND	269	290	-7.2	50.2	53.7	-6.6	1,330	1,332	-0.1	667	716	-6.8
NACKA	291	273	6.8	59.0	57.6	2.5	1,428	1,423	0.4	843	819	2.9
HALMSTAD	276	284	-3.0	53.5	55.6	-3.9	1,264	1,219	3.7	676	678	-0.4
GÄVLE	238	251	-5.1	62.7	64.7	-3.2	1,032	1,017	1.5	647	658	-1.8
ÖSTERSUND	207	224	-7.5	63.8	68.1	-6.3	986	948	4.1	629	645	-2.5
VÄXJÖ	203	215	-5.4	60.2	63.1	-4.7	1,056	1,015	4.1	636	641	-0.8
KALMAR	199	205	-2.6	61.6	64.4	-4.4	1,113	1,044	6.6	685	672	1.9
SÖDERTÄLJE	178	178	0.2	52.2	52.6	-0.8	1,074	976	10.1	561	513	9.3
SWEDEN	26,729	26,796	-0.2	57.0	58.2	-2.0	1,187	1,144	3.7	676	666	1.6

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

NORDIC HOTEL MARKET – COUNTRIES AND CAPITAL CITIES

MONTH MARCH

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	2,037	2,155	-5.5	51.4	54.5	-5.7	1,117	1,101	1.4	574	600	-4.3
DENMARK	1,022	1,012	1.0	51.0	51.0	0.0	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	932	945	-1.3	51.8	52.7	-1.7	1,306	1,252	4.6	676	660	2.8
NORWAY	1,322	1,381	-4.3	51.6	51.7	-0.2	1,273	1,215	6.3	657	628	6.1
STOCKHOLM	442	453	-2.4	63.5	65.1	-2.4	1,286	1,245	3.3	816	810	0.7
COPENHAGEN	454	436	4.2	60.0	59.0	1.7	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	191	190	0.5	48.8	49.4	-1.2	1,174	1,201	-1.9	573	593	-3.1
OSLO	270	277	-2.4	60.9	58.8	3.6	1,264	1,262	1.5	770	742	5.2

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 – MARCH

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	5,610	5,653	-0.8	48.6	50.3	-3.4	1,104	1,084	1.8	536	545	-1.6
DENMARK	2,621	2,550	2.8	46.1	45.5	1.5	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	2,622	2,589	1.3	49.9	50.0	-0.1	1,318	1,266	4.4	658	633	4.3
NORWAY	3,699	3,587	3.1	48.6	46.6	4.3	1,243	1,195	5.5	604	556	10.1
STOCKHOLM	1,180	1,154	2.3	58.0	58.0	-0.1	1,263	1,207	4.6	732	700	4.5
COPENHAGEN	1,145	1,092	4.9	52.8	51.0	3.5	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	532	515	3.2	46.7	46.2	1.0	1,194	1,203	-0.5	557	556	0.4
OSLO	760	732	3.8	56.8	53.4	6.3	1,224	1,227	1.2	695	655	7.5

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

12-MONTH ROLLING AVERAGE APRIL – MARCH

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	26,729	26,797	-0.3	57.0	58.2	-2.1	1,187	1,141	4.0	676	664	1.8
DENMARK	13,735	13,611	0.9	58.4	59.0	-1.0	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	11,066	10,971	0.9	52.4	52.3	0.4	1,242	1,217	2.3	651	636	2.7
NORWAY	17,038	16,735	1.8	54.1	52.8	2.4	1,283	1,218	6.8	694	643	9.4
STOCKHOLM	5,634	5,615	0.3	69.0	68.1	1.3	1,431	1,321	8.3	987	899	9.7
COPENHAGEN	6,072	5,747	5.7	69.2	66.4	4.2	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	2,576	2,502	3.0	56.6	55.8	1.5	1,276	1,277	0.2	723	712	1.7
OSLO	3,612	3,406	6.1	66.0	63.5	3.9	1,416	1,353	6.1	935	860	10.3

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.

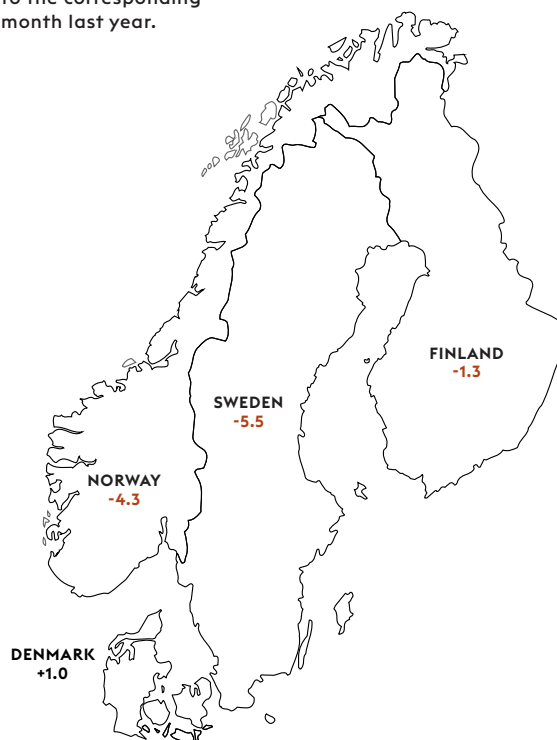
RevPAR: Occupancy x ADR.

N/A: Not available.

23.8%
 INCREASE IN REVPAR
 IN JÖNKÖPING, MARCH 2024

ROOMS SOLD IN THE NORDICS IN MARCH

%-change compared to the corresponding month last year.



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