

# HOTEL MARKET UPDATE

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NORDIC HOTEL MARKET TRENDS AND ECONOMIC INDICATORS

## Mar/24

*Key takeaway of the month:*

*More guest rooms were sold, and room revenue increased on the hotel market in Sweden during January 2024.*



MACRO INDICATORS IN SWEDEN 2

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TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES 4

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## Hotel operator search for an iconic Varberg destination: Tullhuset & Kallbadhuset

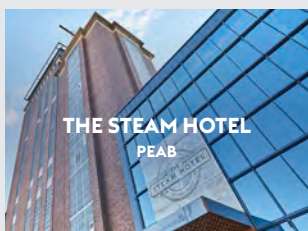
This is a rare opportunity to lease two of Varberg's landmarks, Tullhuset and Kallbadhuset, situated in one of the city's prime locations. Annordia is currently conducting an operator search on behalf of the property owner, Varbergs Fastighets AB (VFAB).

Kallbadhuset will maintain its original function as a spa experience destination, while Tullhuset is planned to be transformed into a 19-room hotel with a substantial restaurant operation.

Varberg is a renowned seaside destination and spa resort with a strong business sector. The vision is to create a high-quality product that attracts both families and leisure guests, as well as conference and business travelers.

If you are interested in this lease opportunity, please feel free to get in touch:  
+46 8 400 272 75 | [annordia.com](http://annordia.com)

### OUR SERVICES



THE STEAM HOTEL  
PEAB

#### Market analysis

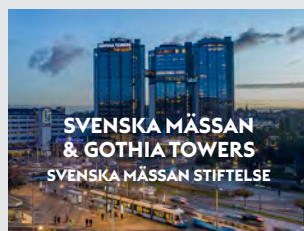
Establish the feasibility of a potential hotel investment.



CLARION HOTEL  
SÖDERTÄLJE  
STADSRUM

#### Concept development

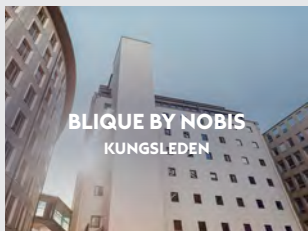
Hotel planning and optimisation based on market characteristics.



SVENSKA MÄSSAN  
& GOTHIA TOWERS  
SVENSKA MÄSSAN STIFTELSE

#### Lease advisory

Adding value in rent review, lease renewals and valuations.



BLIQUE BY NOBIS  
KUNGSLEDEN

#### Operator search

Recruitment of suitable hotel operators on favourable terms.



STORHOGNA  
HÖGFJÄLLSHOTELL & SPA  
CIBOLA

#### Valuation

For acquisitions, year-end accounting and secured lending.



BILLINGEHUS  
HOST PROPERTY

#### Transaction advisory

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

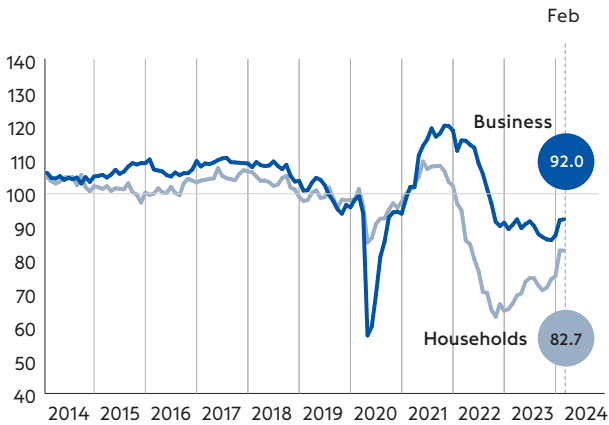
The hotel market statistics for Sweden in January 2024 compared to the corresponding month last year show a strong development of multiple key figures. Notably, both the number of sold rooms and total revenue saw an increase of approximately 1.7 percent. Additionally, the number of available rooms increased by 2.3 percent. However, when compared to January 2023, both the RevPAR and occupancy rate decreased by approximately 0.6 percent and 0.6 percentage units, respectively.

Looking at the macroeconomic statistics, there are some key takeaways. The confidence indicator for businesses continued to increase, although the current level is still relatively low. Furthermore, the unemployment rate reached 8.1 percent following 15 consecutive months of growth.

- The confidence indicator for businesses increased in February by 0.2 units – see confidence indicators on page 2.
- The Swedish Krona strengthened against the Euro but weakened against the US Dollar – see exchange rates on page 2.
- The unemployment rate reached 8.1 percent after 15 months of continued increase – see the unemployment rate on page 2.
- The expectations for future demand when smoothed and seasonally adjusted increased from 17 to 20 units – see expectations on page 2.

## MACRO INDICATORS IN SWEDEN

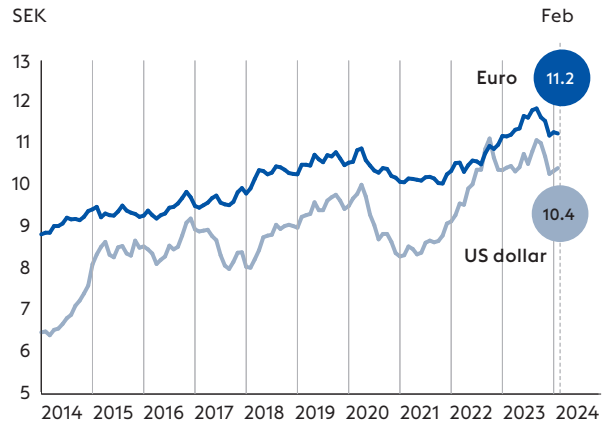
In February, the business confidence indicator continued its upward trend, reaching 92 units. For households, the indicator was unchanged at 82.7 percent. Despite the growth seen in the previous month, both indicators remain relatively low.



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

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

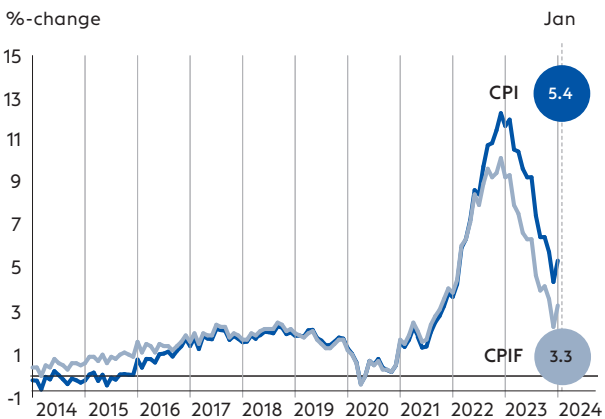
The exchange rates for the Swedish Krona weakened against the US Dollar but increased slightly in value compared to the Euro. Relative to the USD, the Krona decreased by 0.07 Krona.



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

Source: The Central Bank of Sweden

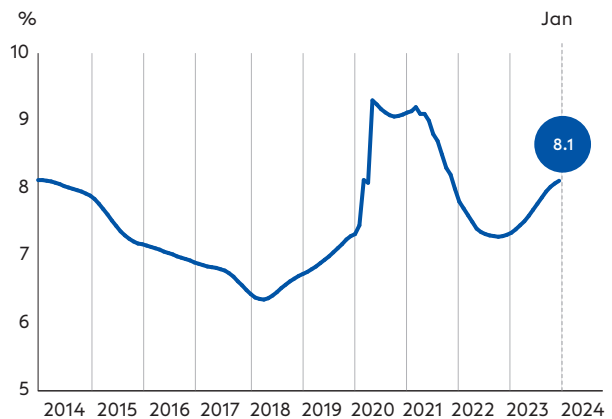
In January, inflation increased by one percental unit for both the Consumer Price Index (CPI) and the CPI with a fixed interest rate (CPIF). This marks the first significant increase in inflation in over a year, since the decline began.



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

Source: Statistics Sweden

According to trend, the unemployment rate increased in January to 8.1 percent, marking the 15th consecutive month of continuous increase.



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

Source: The laborforce survey (Statistics Sweden)

5.4%

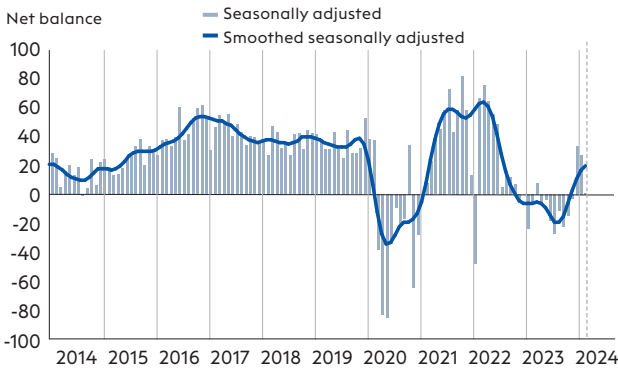
JANUARY INFLATION RATE CPI

3.3%

JANUARY INFLATION RATE CPIF

## SWEDISH HOTEL MARKET SUMMARY

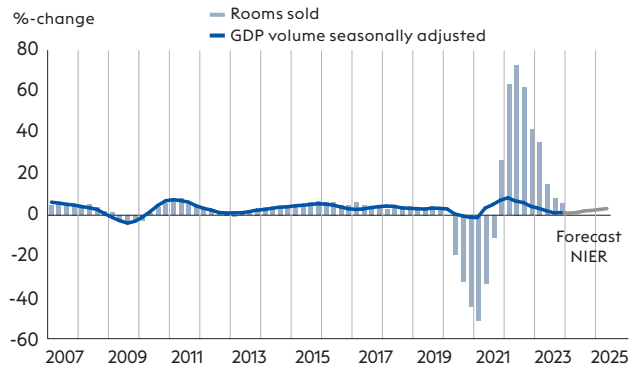
The seasonally adjusted and smoothed expectation of future demand increased slightly from 17 to 20 units. However, the actual responses show that about half of the surveyed companies anticipate an unchanged demand.



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

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

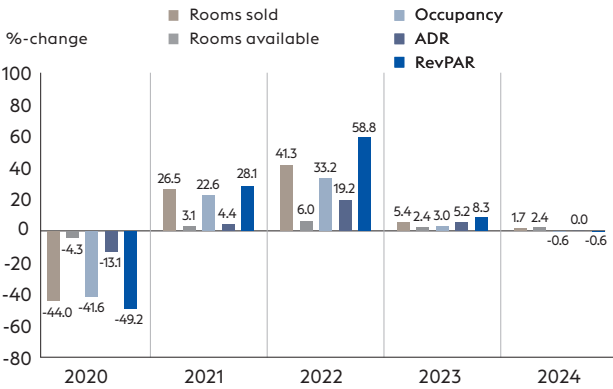
The GDP forecast anticipates the macroeconomic recession to subside in the 2nd quarter of 2024 and commence its recovery in the 3rd quarter. Historically, the connection between GDP and the hotel industry has been strong.



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

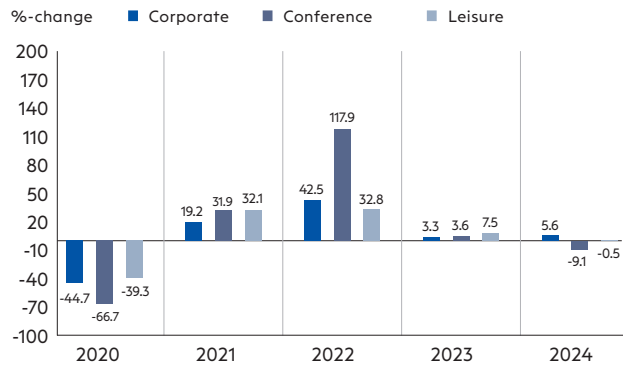
In January 2024, compared to the corresponding month last year, there was an overall positive development observed, with both the number of sold rooms and total revenue experiencing a 1.7 percent increase.



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

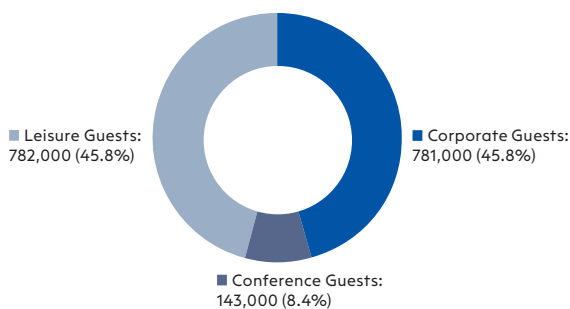
Source: The Swedish Growth Agency/Statistics Sweden

During the first month of 2024, both the conference and leisure segments witnessed a decrease in the number of sold rooms compared to January 2023. However, the corporate segment saw an increase of approximately 5.6 percent.



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

Source: The Swedish Growth Agency/Statistics Sweden



The business segment accounted for 54.2 percent of the occupied rooms in Sweden during January 2024.

Distribution of occupied hotel rooms between different demand segments in the Swedish hotel market, Jan 2023.

Source: The Swedish Growth Agency/Statistics Sweden

## TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES

	MONTH JANUARY											
	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2023	2022		2023	2022		2023	2022		2023	2022	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	355	339	4.8	51.3	50.5	1.4	1,184	1,133	4.5	607	573	6.0
GOTHENBURG	162	173	-5.9	50.2	55.6	-9.8	1,010	1,093	-7.6	507	608	-16.6
MALMÖ	75	78	-4.0	46.5	51.4	-9.5	916	939	-2.5	426	483	-11.8
SIGTUNA	61	55	10.0	55.4	56.5	-2.0	1,055	1,131	-6.8	584	639	-8.6
SOLNA	40	37	8.5	45.0	38.9	15.8	944	937	0.7	425	364	16.6
JÖNKÖPING	31	27	17.4	46.8	43.4	7.9	996	1,035	-3.8	466	449	3.8
HELSINGBORG	21	23	-7.1	33.0	38.4	-14.2	865	908	-4.7	285	349	-18.2
UMEÅ	35	31	15.6	54.9	48.3	13.8	922	875	5.4	507	423	19.9
UPPSALA	32	33	-3.4	54.2	61.3	-11.5	946	819	15.6	513	502	2.2
LINKÖPING	28	26	6.5	45.6	41.8	9.2	899	849	5.9	410	355	15.6
LUND	25	21	21.2	45.3	46.8	-3.2	1,013	926	9.5	459	433	5.9
KARLSTAD	23	21	5.7	54.1	49.7	8.8	965	899	7.3	522	447	16.8
ÖREBRO	24	22	7.7	47.0	46.0	2.0	1,007	969	3.9	473	446	6.1
VÄSTERÅS	26	25	4.3	58.8	58.4	0.6	1,062	990	7.3	624	578	7.9
SUNDSVALL	23	23	0.8	42.1	42.3	-0.5	892	879	1.5	376	372	1.0
NORRKÖPING	19	18	9.9	41.0	39.4	4.1	943	967	-2.5	387	381	1.5
LULEÅ	24	23	8.0	64.7	52.4	23.4	976	1 043	-6.5	631	547	15.4
GOTLAND	7	7	-8.6	22.3	21.7	2.8	677	879	-23.0	151	191	-20.8
NACKA	20	16	23.7	48.2	38.8	24.2	1,343	1 602	-16.1	647	621	4.2
HALMSTAD	14	13	6.8	34.6	38.3	-9.7	945	1 077	-12.3	327	413	-20.8
GÄVLE	16	17	-5.3	51.8	50.4	2.9	944	943	0.1	489	475	3.0
ÖSTERSUND	15	20	-27.6	51.8	70.7	-26.7	892	895	-0.4	462	633	-27.0
VÄXJÖ	14	14	-0.1	52.8	52.2	1.1	1,009	983	2.6	533	513	3.8
KALMAR	9	9	2.6	36.4	40.4	-9.9	859	879	-2.3	313	355	-12.0
SÖDERTÄLJE	11	12	-9.2	43.4	37.2	16.7	1,056	988	6.9	458	367	24.7
SWEDEN	1,707	1,679	1.7	44.0	44.2	-0.6	1,064	1,064	0.0	468	471	-0.6

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

	YEAR-TO-DATE JANUARY - JANUARY											
	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2023	2022		2023	2022		2023	2022		2023	2022	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	355	339	4.8	51.3	50.5	1.4	1,184	1,133	4.5	607	573	6.0
GOTHENBURG	162	173	-5.9	50.2	55.6	-9.8	1,010	1,093	-7.6	507	608	-16.6
MALMÖ	75	78	-4.0	46.5	51.4	-9.5	916	939	-2.5	426	483	-11.8
SIGTUNA	61	55	10.0	55.4	56.5	-2.0	1,055	1,131	-6.8	584	639	-8.6
SOLNA	40	37	8.5	45.0	38.9	15.8	944	937	0.7	425	364	16.6
JÖNKÖPING	31	27	17.4	46.8	43.4	7.9	996	1,035	-3.8	466	449	3.8
HELSINGBORG	21	23	-7.1	33.0	38.4	-14.2	865	908	-4.7	285	349	-18.2
UMEÅ	35	31	15.6	54.9	48.3	13.8	922	875	5.4	507	423	19.9
UPPSALA	32	33	-3.4	54.2	61.3	-11.5	946	819	15.6	513	502	2.2
LINKÖPING	28	26	6.5	45.6	41.8	9.2	899	849	5.9	410	355	15.6
LUND	25	21	21.2	45.3	46.8	-3.2	1,013	926	9.5	459	433	5.9
KARLSTAD	23	21	5.7	54.1	49.7	8.8	965	899	7.3	522	447	16.8
ÖREBRO	24	22	7.7	47.0	46.0	2.0	1,007	969	3.9	473	446	6.1
VÄSTERÅS	26	25	4.3	58.8	58.4	0.6	1,062	990	7.3	624	578	7.9
SUNDSVALL	23	23	0.8	42.1	42.3	-0.5	892	879	1.5	376	372	1.0
NORRKÖPING	19	18	9.9	41.0	39.4	4.1	943	967	-2.5	387	381	1.5
LULEÅ	24	23	8.0	64.7	52.4	23.4	976	1 043	-6.5	631	547	15.4
GOTLAND	7	7	-8.6	22.3	21.7	2.8	677	879	-23.0	151	191	-20.8
NACKA	20	16	23.7	48.2	38.8	24.2	1,343	1 602	-16.1	647	621	4.2
HALMSTAD	14	13	6.8	34.6	38.3	-9.7	945	1 077	-12.3	327	413	-20.8
GÄVLE	16	17	-5.3	51.8	50.4	2.9	944	943	0.1	489	475	3.0
ÖSTERSUND	15	20	-27.6	51.8	70.7	-26.7	892	895	-0.4	462	633	-27.0
VÄXJÖ	14	14	-0.1	52.8	52.2	1.1	1,009	983	2.6	533	513	3.8
KALMAR	9	9	2.6	36.4	40.4	-9.9	859	879	-2.3	313	355	-12.0
SÖDERTÄLJE	11	12	-9.2	43.4	37.2	16.7	1,056	988	6.9	458	367	24.7
SWEDEN	1,707	1,679	1.7	44.0	44.2	-0.6	1,064	1,064	0.0	468	471	-0.6

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 FEBRUARY – JANUARY											
	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2023	2022		2023	2022		2023	2022		2023	2022	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	5,680	5,432	4.6	68.9	65.9	4.6	1,415	1,299	8.9	975	855	13.9
GOTHENBURG	2,619	2,399	9.2	67.5	67.6	-0.1	1,296	1,292	0.2	875	874	0.1
MALMÖ	1,300	1,214	7.0	66.4	63.6	4.4	1,004	964	4.1	667	613	8.7
SIGTUNA	786	740	6.1	62.6	61.2	2.3	1,052	1,013	3.9	659	620	6.3
SOLNA	587	546	7.5	55.2	48.7	13.5	1,036	978	5.9	572	476	20.1
JÖNKÖPING	444	437	1.6	55.0	58.2	-5.5	1,052	1,103	-4.6	579	641	-9.8
HELSINGBORG	437	422	3.7	57.0	57.0	0.2	1,101	1,119	-1.6	628	637	-1.4
UMEÅ	477	459	4.0	62.3	64.8	-3.9	946	882	7.3	589	571	3.1
UPPSALA	422	418	0.8	63.2	64.7	-2.3	1,037	956	8.5	656	619	6.0
LINKÖPING	425	419	1.4	58.3	57.4	1.7	926	882	5.0	540	506	6.8
LUND	369	334	10.5	57.6	52.7	9.2	1,042	1,001	4.1	600	528	13.7
KARLSTAD	341	325	4.9	67.0	64.7	3.5	1,011	1,006	0.5	678	651	4.1
ÖREBRO	374	343	9.0	62.9	60.9	3.3	1,091	1,056	3.3	686	643	6.8
VÄSTERÅS	361	371	-2.7	68.4	69.5	-1.6	1,085	1,003	8.1	742	697	6.5
SUNDSVALL	355	361	-1.8	54.6	56.0	-2.5	946	893	6.0	516	500	3.3
NORRKÖPING	324	322	0.8	55.9	55.7	0.3	1,135	1,137	-0.1	635	633	0.2
LULEÅ	287	278	3.2	63.2	61.0	3.7	1,032	896	15.2	652	546	19.4
GOTLAND	272	289	-5.6	50.1	53.7	-6.7	1,335	1,340	-0.4	669	720	-7.1
NACKA	289	269	7.6	58.0	57.1	1.6	1,472	1,421	3.6	853	810	5.3
HALMSTAD	280	280	0.0	53.3	55.0	-3.0	1,273	1,209	5.3	679	665	2.2
GÄVLE	244	249	-2.1	63.8	64.2	-0.7	1,029	1,010	2.0	657	649	1.2
ÖSTERSUND	210	218	-3.7	64.2	66.0	-2.8	997	930	7.2	640	614	4.3
VÄXJÖ	206	210	-1.9	61.3	61.5	-0.3	1,053	1,001	5.3	646	616	4.9
KALMAR	202	203	-0.5	62.6	63.9	-2.1	1,121	1,034	8.4	702	661	6.2
SÖDERTÄLJE	181	171	6.3	51.2	52.0	-1.6	1,063	958	10.9	544	499	9.1
SWEDEN	26,876	26,096	3.0	57.3	57.0	0.6	1,182	1,128	4.7	677	643	5.4

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 JANUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2023	2022		2023	2022		2023	2022		2023	2022	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
<b>SWEDEN</b>	1,707	1,684	1.4	44.0	44.4	-0.9	1,064	1,061	0.3	468	471	-0.6
<b>DENMARK</b>	776	739	5.0	42.0	40.0	5.0	N/A	N/A	N/A	N/A	N/A	N/A
<b>FINLAND</b>	799	800	-0.1	45.0	45.2	-0.4	1,300	1,232	4.6	585	557	4.2
<b>NORWAY</b>	1,140	1,063	7.2	43.8	40.3	8.8	1,217	1,217	5.2	533	490	14.4
STOCKHOLM	355	333	6.7	51.3	49.6	3.3	1,184	1,154	2.6	607	573	6.0
COPENHAGEN	342	315	8.6	47.0	43.0	9.3	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	167	162	3.3	43.6	42.3	3.1	1,206	1,189	0.6	526	503	3.7
OSLO	245	224	9.1	52.8	47.5	11.1	1,208	1,249	1.8	638	593	13.2

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 – JANUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2023	2022		2023	2022		2023	2022		2023	2022	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
<b>SWEDEN</b>	1,707	1,684	1.4	44.0	44.4	-0.9	1,064	1,061	0.3	468	471	-0.6
<b>DENMARK</b>	776	739	5.0	42.0	40.0	5.0	N/A	N/A	N/A	N/A	N/A	N/A
<b>FINLAND</b>	799	800	-0.1	45.0	45.2	-0.4	1,300	1,232	4.6	585	557	4.2
<b>NORWAY</b>	1,140	1,063	7.2	43.8	40.3	8.8	1,217	1,217	5.2	533	490	14.4
STOCKHOLM	355	333	6.7	51.3	49.6	3.3	1,184	1,154	2.6	607	573	6.0
COPENHAGEN	342	315	8.6	47.0	43.0	9.3	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	167	162	3.3	43.6	42.3	3.1	1,206	1,189	0.6	526	503	3.7
OSLO	245	224	9.1	52.8	47.5	11.1	1,208	1,249	1.8	638	593	13.2

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

## 12-MONTH ROLLING AVERAGE FEBRUARY – JANUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2023	2022		2023	2022		2023	2022		2023	2022	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	26,876	26,102	3.0	57.3	57.0	0.6	1,182	1,128	4.8	677	643	5.4
DENMARK	13,701	13,385	2.4	58.4	58.5	-0.1	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	11,032	10,648	3.6	52.4	51.0	2.9	1,230	1,188	2.7	645	606	5.7
NORWAY	17,002	16,417	3.6	53.9	51.9	3.9	1,290	1,260	7.7	695	654	11.9
STOCKHOLM	5,680	5,426	4.7	68.9	65.8	4.7	1,415	1,300	8.8	975	855	13.9
COPENHAGEN	6,046	5,558	8.8	69.1	64.8	6.6	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	2,565	2,370	8.2	56.7	53.7	5.5	1,276	1,258	0.6	723	676	6.1
OSLO	3,605	3,299	9.3	65.6	62.4	5.2	1,433	1,403	7.5	940	875	13.0

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.

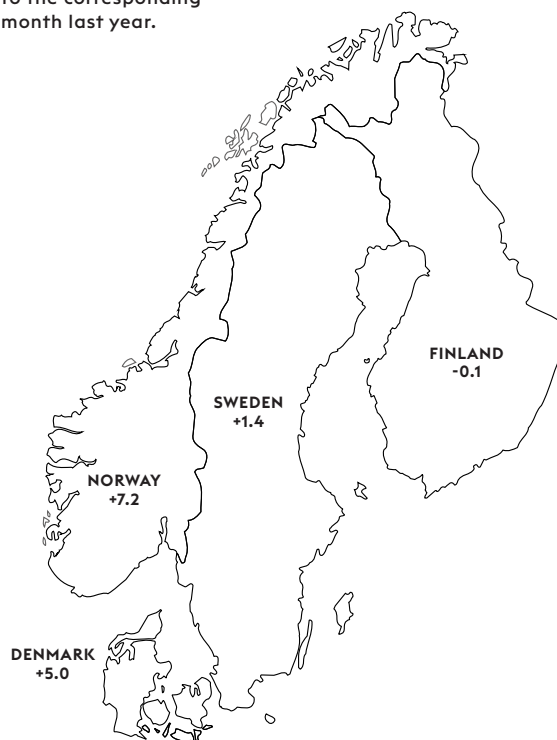
**ADR:** Accommodation revenue/Rooms sold.

**RevPAR:** Occupancy x ADR.

**N/A:** Not available.

## ROOMS SOLD IN THE NORDICS IN JANUARY

%-change compared to the corresponding month last year.



# 23.7%

INCREASE IN NUMBER OF SOLD ROOMS  
IN NACKA, JANUARY 2024/2023

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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