

# HOTEL MARKET UPDATE

NORDIC HOTEL MARKET TRENDS AND ECONOMIC INDICATORS

Apr/24



*Cheers to Spring's Arrival and Insights of the Month:  
Increased demand for hotel rooms and higher room rates in Sweden in February,  
but lower occupancy rates due to increased supply.*

MACRO INDICATORS IN SWEDEN 2

SWEDISH HOTEL MARKET SUMMARY 3

TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES 4

NORDIC HOTEL MARKET - COUNTRIES AND CAPITAL CITIES 7



## Annordia advised Peab on the selection of Ästad Vingård

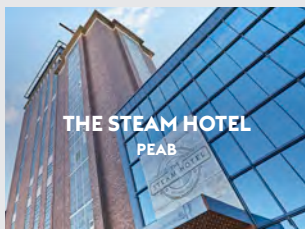
Annordia advised Peab on the selection of Ästad Vingård as the operator of Wärby Resort. The new destination is set to emerge at the historic Spångholmsgården in Bara, Svedala Municipality.

In a joint development company, Peab, Ästad Vingård, and The National plan to develop the destination with a focus on unique dining experiences, local produce, spa experiences, and proximity to the scenic nature of Skåne.

– *It's very exciting to be involved in a new destination in Skåne. Wärby Resort will be Ästad Vingård's second destination, and with them as the operator, we look forward to a unique resort of the highest quality,* says Hans Åke Petersson, CEO & Partner at Annordia.

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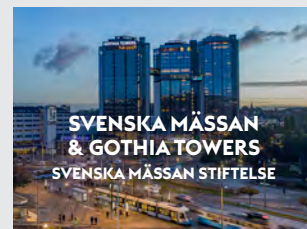
### OUR SERVICES



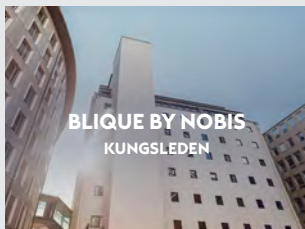
**Market analysis**  
Establish the feasibility of a potential hotel investment.



**Concept development**  
Hotel planning and optimisation based on market characteristics.



**Lease advisory**  
Adding value in rent review, lease renewals and valuations.



**Operator search**  
Recruitment of suitable hotel operators on favourable terms.



**Valuation**  
For acquisitions, year-end accounting and secured lending.



**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

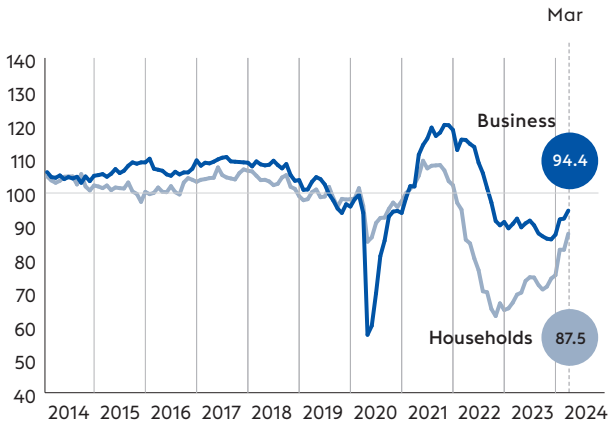
The hotel market statistics for Sweden in February 2024, compared to the previous year, demonstrate a positive development across several key metrics. Notably, the number of sold rooms and the ADR increased by 2.7 and 3.3 percent respectively. Additionally, the number of available rooms increased by 4.7 percent, leading to a decrease in the occupancy from 51.3 to 50.4 percent. RevPAR increased by 1.3 percent.

Looking at the macroeconomic statistics, there are some key takeaways. The confidence indicators for businesses and households increased, although the current levels are still indicating a weak sentiment. Furthermore, the unemployment rate reached 8.1 percent in February, following 16 consecutive months of increase.

- The confidence indicator for businesses increased in March by 2.2 units – see confidence indicators on page 2.
- The Swedish Krona strengthened slightly against the US Dollar but weakened against the Euro – see exchange rates on page 2.
- The unemployment rate reached 8.13 percent after 16 months of continued increase – see the unemployment rate on page 2.
- Hotel companies' expectations of demand for their services in the next 3 months decreased in March – see expectations on page 3.

## MACRO INDICATORS IN SWEDEN

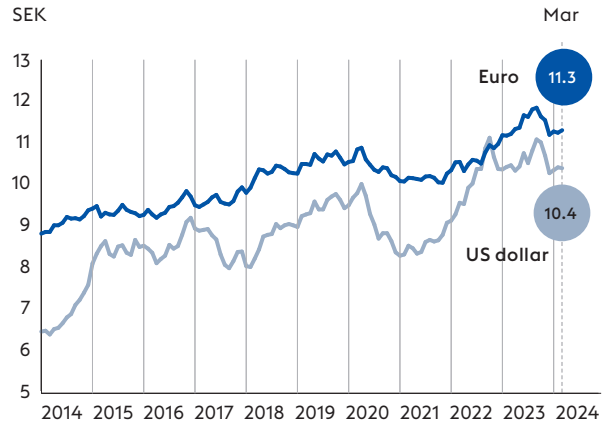
In March, the business confidence indicator continued its upward trend, reaching 94.4 units, while for households, the indicator increased by 4.8 units to 87.5. Despite the upward trend observed in previous months, both indicators still reflect a weak sentiment.



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

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

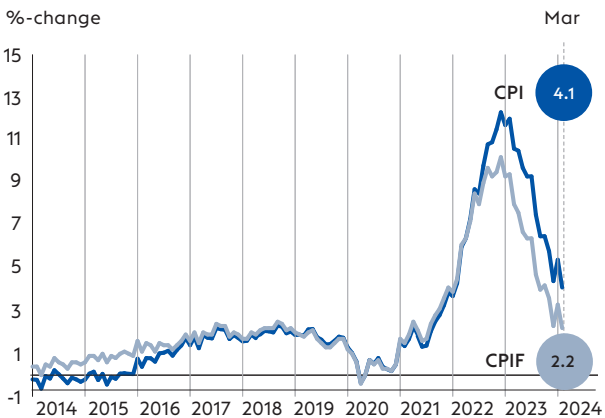
The exchange rates for the Swedish Krona strengthened slightly against the US Dollar but decreased in value compared to the Euro. Relative to the USD, the Krona increased 0.02 Krona.



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

Source: The Central Bank of Sweden

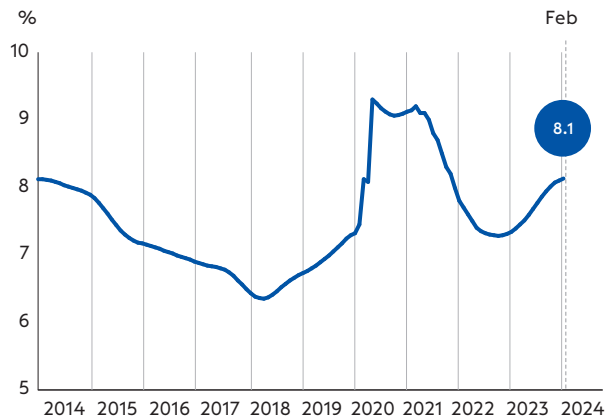
In March, inflation for the Consumer Price Index (CPI) experienced a further decline, dropping by 0.4 percent units to 4.1 percent, while the CPI with a fixed interest rate (CPIF) decreased by 0.3 percent units to 2.2 percent.



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

Source: Statistics Sweden

According to trend, the unemployment rate increased in February to 8.13 percent, marking the 16th consecutive month of continuous increase.



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

Source: The laborforce survey (Statistics Sweden)

4.1%

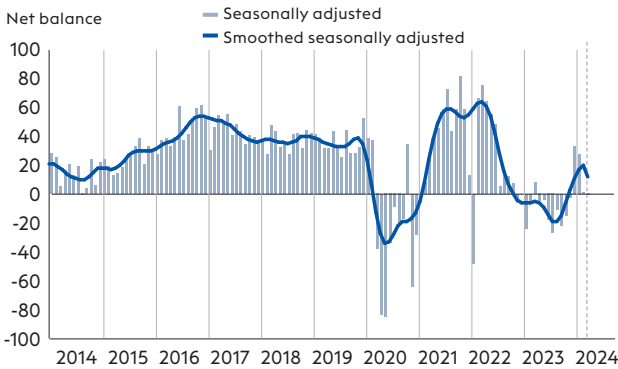
FEBRUARY INFLATION RATE CPI

2.2%

FEBRUARY INFLATION RATE CPIF

## SWEDISH HOTEL MARKET SUMMARY

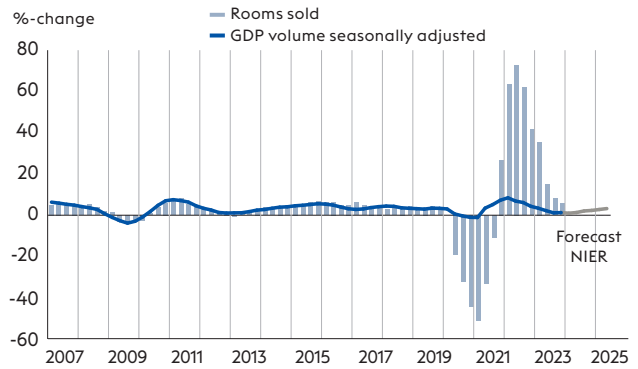
The seasonally adjusted and smoothed expectation of future demand decreased from 20 to 12 units. However, the actual responses show that about 40 percent of the surveyed companies anticipate an unchanged demand.



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

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

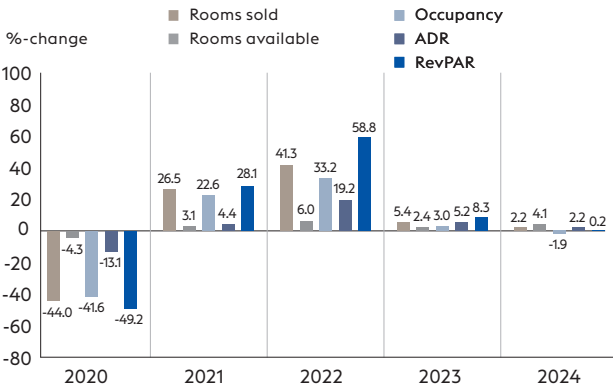
The GDP forecast anticipates the macroeconomic recession to subside in the 2nd quarter of 2024 and commence its recovery in the 3rd quarter. Historically, the connection between GDP and the hotel industry has been strong.



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

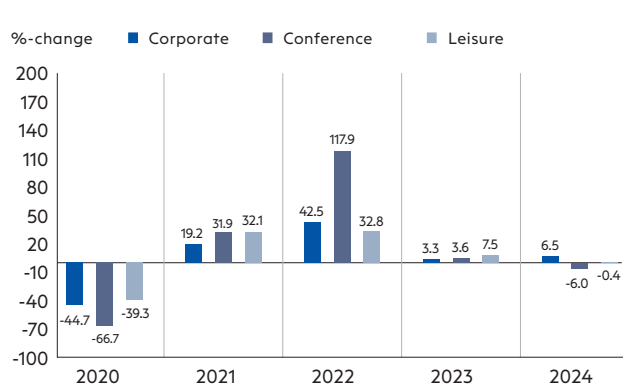
The number of rooms sold and the number of rooms available increased by 2.2 and 4.1 percent, respectively, in Jan-Feb 2024 compared to the previous year. Despite a decline in the occupancy rate, the ADR continued to rise.



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

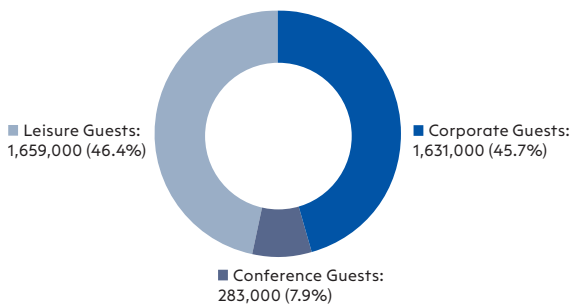
Source: The Swedish Growth Agency/Statistics Sweden

The conference and leisure segments year-to-date 2024 witnessed a decrease in the number of sold rooms compared to the same period in 2023. However, the corporate segment saw an increase of approximately 6.5 percent.



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

Source: The Swedish Growth Agency/Statistics Sweden



The business segment accounted for 53.6 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-Feb 2024.

Source: The Swedish Growth Agency/Statistics Sweden

## TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES

MONTH FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	384	362	6.0	59.2	57.8	2.3	1,311	1,225	7.0	776	709	9.5
GOTHENBURG	173	167	4.2	54.2	57.9	-6.4	1,044	1,055	-1.0	566	611	-7.4
MALMÖ	90	93	-3.5	58.1	62.1	-6.4	940	922	1.9	546	573	-4.7
SIGTUNA	63	57	11.4	61.6	57.2	7.6	1,123	1,066	5.3	691	610	13.3
SOLNA	37	38	-3.4	49.9	44.6	12.0	948	1,053	-9.9	473	469	0.8
JÖNKÖPING	29	26	10.0	45.3	42.6	6.4	978	927	5.4	443	395	12.2
HELSINGBORG	27	27	-3.2	42.6	48.0	-11.3	880	912	-3.6	375	438	-14.4
UMEÅ	40	40	-0.9	64.8	67.5	-4.0	1,050	1,035	1.4	680	698	-2.6
UPPSALA	30	31	-2.4	53.7	58.5	-8.2	936	892	4.9	503	522	-3.7
LINKÖPING	31	32	-4.9	51.7	56.5	-8.4	872	868	0.5	451	490	-7.9
LUND	23	21	9.2	43.8	43.6	0.6	1,041	1,035	0.6	456	451	1.2
KARLSTAD	25	24	5.0	62.1	61.2	1.5	1,030	968	6.4	639	592	8.0
ÖREBRO	27	27	-0.8	57.0	58.8	-2.9	1,023	997	2.6	583	586	-0.5
VÄSTERÅS	27	27	-1.9	63.9	67.5	-5.3	1,112	1,034	7.5	710	698	1.7
SUNDSVALL	26	26	0.9	50.1	52.1	-3.8	919	938	-2.0	461	488	-5.7
NORRKÖPING	20	19	6.7	44.8	44.0	1.7	964	939	2.6	432	413	4.4
LULEÅ	27	28	-1.2	77.0	82.0	-6.1	1,113	1,032	7.8	857	847	1.3
GOTLAND	8	8	-0.3	26.9	30.4	-11.3	732	724	1.2	197	220	-10.3
NACKA	20	17	18.2	52.2	45.1	15.7	1,253	1,452	-13.7	653	655	-0.2
HALMSTAD	17	16	6.8	44.9	40.3	11.3	1,044	1,138	-8.3	468	458	2.1
GÄVLE	18	19	-3.1	61.0	64.2	-5.0	1,011	957	5.7	617	614	0.4
ÖSTERSUND	17	16	3.5	63.3	64.9	-2.5	964	926	4.1	610	601	1.5
VÄXJÖ	15	15	0.9	56.3	58.3	-3.4	1,072	1,011	6.0	604	590	2.4
KALMAR	11	12	-6.5	43.9	48.0	-8.5	891	882	1.0	392	423	-7.5
SÖDERTÄLJE	11	12	-5.7	46.5	40.2	15.6	1,152	1,012	13.8	536	407	31.5
SWEDEN	1,865	1,816	2.7	50.4	51.3	-1.9	1,126	1,090	3.3	567	559	1.3

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 – FEBRUARY											
	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	739	701	5.4	55.1	54.2	1.6	1,250	1,183	5.6	688	641	7.4
GOTHENBURG	336	339	-1.0	52.2	56.8	-8.0	1,028	1,071	-4.1	536	608	-11.8
MALMÖ	165	171	-3.7	52.2	56.7	-8.0	929	933	-0.4	485	529	-8.3
SIGTUNA	124	112	10.8	58.4	55.5	5.2	1,089	1,106	-1.6	636	614	3.6
SOLNA	77	75	2.4	47.2	41.5	13.7	946	1,003	-5.6	447	416	7.3
JÖNKÖPING	60	53	13.8	46.1	42.8	7.6	987	985	0.2	455	422	7.9
HELSINGBORG	48	51	-5.0	37.7	43.2	-12.7	873	910	-4.0	329	393	-16.2
UMEÅ	75	71	6.2	59.8	57.6	3.7	990	967	2.4	592	557	6.1
UPPSALA	62	64	-2.9	54.0	57.5	-6.1	941	893	5.4	508	513	-1.0
LINKÖPING	58	58	0.2	48.7	48.6	0.1	885	855	3.5	430	416	3.6
LUND	48	41	15.1	44.6	45.6	-2.3	1,027	1,018	0.8	458	465	-1.5
KARLSTAD	48	45	5.3	58.0	55.3	5.0	999	936	6.8	580	517	12.1
ÖREBRO	51	49	3.1	51.8	52.5	-1.3	1,015	988	2.8	526	519	1.4
VÄSTERÅS	53	53	1.1	61.2	63.2	-3.2	1,087	1,031	5.4	666	652	2.1
SUNDSVALL	49	49	0.9	46.0	46.7	-1.6	906	912	-0.6	417	426	-2.3
NORRKÖPING	40	37	8.3	42.9	41.6	3.1	954	947	0.7	409	394	3.9
LULEÅ	52	50	2.9	70.7	71.2	-0.7	1,048	966	8.6	741	687	7.8
GOTLAND	15	16	-4.2	24.6	28.0	-12.0	707	721	-1.9	174	202	-13.7
NACKA	40	33	20.9	50.1	42.0	19.3	1,298	1,452	-10.6	650	610	6.6
HALMSTAD	31	29	6.8	39.6	40.4	-2.0	1,000	1,107	-9.6	396	447	-11.4
GÄVLE	34	35	-4.1	56.4	56.7	-0.7	980	932	5.2	552	529	4.5
ÖSTERSUND	32	37	-13.7	57.4	68.8	-16.6	931	904	2.9	534	622	-14.2
VÄXJÖ	30	29	0.4	54.5	55.7	-2.1	1,042	996	4.6	568	555	2.4
KALMAR	20	21	-2.5	40.1	44.3	-9.5	876	881	-0.5	351	390	-10.0
SÖDERTÄLJE	22	24	-7.5	44.9	38.6	16.1	1,104	991	11.4	496	383	29.4
SWEDEN	3,573	3,495	2.2	47.1	48.0	-1.8	1,097	1,074	2.1	517	515	0.2

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 MARCH – FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	5,645	5,543	1.8	69.1	67.2	2.8	1,427	1,310	9.0	986	880	12.0
GOTHENBURG	2,645	2,460	7.5	67.5	68.8	-1.9	1,301	1,291	0.8	878	888	-1.1
MALMÖ	1,300	1,252	3.8	66.1	65.3	1.3	1,013	969	4.6	670	633	5.9
SIGTUNA	821	761	7.9	63.2	62.3	1.5	1,048	1,026	2.2	663	639	3.8
SOLNA	586	563	4.0	55.8	50.1	11.3	1,038	992	4.6	579	497	16.4
JÖNKÖPING	453	444	1.9	55.1	58.4	-5.7	1,054	1,104	-4.5	581	645	-9.9
HELSINGBORG	432	429	0.7	56.2	57.7	-2.6	1,104	1,118	-1.3	620	645	-3.9
UMEÅ	474	463	2.2	61.9	64.7	-4.5	946	895	5.7	585	579	1.0
UPPSALA	447	428	4.6	63.0	65.3	-3.4	1,041	963	8.2	656	628	4.5
LINKÖPING	424	429	-1.3	57.9	58.5	-1.1	928	886	4.8	537	518	3.6
LUND	373	339	10.0	57.9	53.6	8.2	1,049	1,016	3.3	608	544	11.7
KARLSTAD	342	331	3.2	67.0	65.9	1.7	1,015	1,010	0.5	680	666	2.2
ÖREBRO	370	353	4.9	62.0	61.9	0.1	1,094	1,059	3.2	678	656	3.4
VÄSTERÅS	364	374	-2.7	69.0	70.3	-1.9	1,093	1,015	7.7	754	713	5.7
SUNDSVALL	350	367	-4.5	53.6	56.7	-5.5	946	898	5.4	507	509	-0.4
NORRKÖPING	325	326	-0.1	55.9	56.3	-0.8	1,137	1,135	0.2	635	639	-0.6
LULEÅ	279	287	-2.8	62.8	64.0	-1.9	1,033	902	14.5	648	578	12.3
GOTLAND	268	290	-7.4	50.2	54.1	-7.2	1,330	1,332	-0.1	668	721	-7.3
NACKA	290	273	6.1	58.3	57.6	1.2	1,448	1,417	2.2	845	817	3.5
HALMSTAD	277	284	-2.4	53.5	55.7	-4.0	1,268	1,212	4.6	678	675	0.5
GÄVLE	241	252	-4.3	63.4	65.0	-2.4	1,034	1,009	2.4	656	656	0.0
ÖSTERSUND	210	221	-4.9	64.6	66.9	-3.4	993	933	6.4	641	624	2.8
VÄXJÖ	207	213	-2.7	61.3	62.6	-2.0	1,058	1,008	5.0	648	630	2.8
KALMAR	200	205	-2.2	62.3	64.1	-2.8	1,120	1,036	8.0	697	664	5.0
SÖDERTÄLJE	181	174	4.2	52.0	52.3	-0.4	1,068	967	10.4	556	505	10.0
<b>SWEDEN</b>	<b>26,848</b>	<b>26,566</b>	<b>1.1</b>	<b>57.3</b>	<b>57.9</b>	<b>-1.1</b>	<b>1,185</b>	<b>1,134</b>	<b>4.5</b>	<b>679</b>	<b>656</b>	<b>3.4</b>

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 FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
<b>SWEDEN</b>	1,865	1,816	<b>2.7</b>	50.4	51.3	<b>-1.9</b>	1,126	1,090	<b>3.3</b>	567	559	<b>1.3</b>
<b>DENMARK</b>	823	799	<b>3.1</b>	45.0	45.0	<b>0.0</b>	N/A	N/A	<b>N/A</b>	N/A	N/A	<b>N/A</b>
<b>FINLAND</b>	890	844	<b>5.4</b>	53.2	52.3	<b>1.7</b>	1,339	1,281	<b>3.8</b>	712	670	<b>5.6</b>
<b>NORWAY</b>	1,238	1,143	<b>8.3</b>	50.4	47.7	<b>5.6</b>	1,259	1,237	<b>5.2</b>	635	591	<b>11.1</b>
STOCKHOLM	384	362	<b>6.0</b>	59.2	57.8	<b>2.3</b>	1,311	1,225	<b>7.0</b>	776	709	<b>9.5</b>
COPENHAGEN	349	341	<b>2.3</b>	51.0	51.0	<b>0.0</b>	N/A	N/A	<b>N/A</b>	N/A	N/A	<b>N/A</b>
HELSINKI	174	164	<b>6.2</b>	47.6	47.0	<b>1.3</b>	1,195	1,189	<b>-0.1</b>	569	559	<b>1.2</b>
OSLO	244	230	<b>6.1</b>	56.8	54.1	<b>5.0</b>	1,221	1,254	<b>0.6</b>	693	678	<b>5.7</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 – FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
<b>SWEDEN</b>	3,573	3,495	<b>2.2</b>	47.1	48.0	<b>-1.8</b>	1,097	1,074	<b>2.1</b>	517	515	<b>0.2</b>
<b>DENMARK</b>	1 599	1 538	<b>4.0</b>	43.5	42.4	<b>2.5</b>	N/A	N/A	<b>N/A</b>	N/A	N/A	<b>N/A</b>
<b>FINLAND</b>	1,689	1,644	<b>2.7</b>	49.0	48.6	<b>0.8</b>	1,319	1,257	<b>4.3</b>	646	611	<b>5.1</b>
<b>NORWAY</b>	2,378	2,206	<b>7.8</b>	47.0	43.8	<b>7.3</b>	1,235	1,214	<b>5.2</b>	581	532	<b>12.9</b>
STOCKHOLM	739	701	<b>5.4</b>	55.1	54.2	<b>1.6</b>	1,250	1,183	<b>5.6</b>	688	641	<b>7.4</b>
COPENHAGEN	691	657	<b>5.3</b>	48.9	46.8	<b>4.5</b>	N/A	N/A	<b>N/A</b>	N/A	N/A	<b>N/A</b>
HELSINKI	341	325	<b>4.7</b>	45.5	44.5	<b>2.3</b>	1,199	1,188	<b>0.3</b>	546	529	<b>2.5</b>
OSLO	489	455	<b>7.6</b>	54.7	50.6	<b>8.1</b>	1,211	1,237	<b>1.2</b>	662	626	<b>9.4</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

## 12-MONTH ROLLING AVERAGE MARCH – FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	26,848	26,566	1.1	57.3	57.9	-1.1	1,185	1,134	4.5	679	656	3.4
DENMARK	13,725	13,534	1.4	58.4	58.9	-0.8	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	11,078	10,867	1.9	52.5	51.9	1.3	1,231	1,194	2.5	646	619	3.8
NORWAY	17,097	16,662	2.6	54.1	52.6	2.8	1,286	1,239	7.3	696	652	10.3
STOCKHOLM	5,645	5,543	1.8	69.1	67.2	2.8	1,427	1,310	9.0	986	880	12.0
COPENHAGEN	6,054	5,660	7.0	69.1	65.6	5.3	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	2,575	2,452	5.0	56.7	55.1	2.9	1,272	1,257	0.5	721	692	3.5
OSLO	3,619	3,380	7.1	65.8	63.4	3.9	1,424	1,377	6.9	937	873	11.0

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.

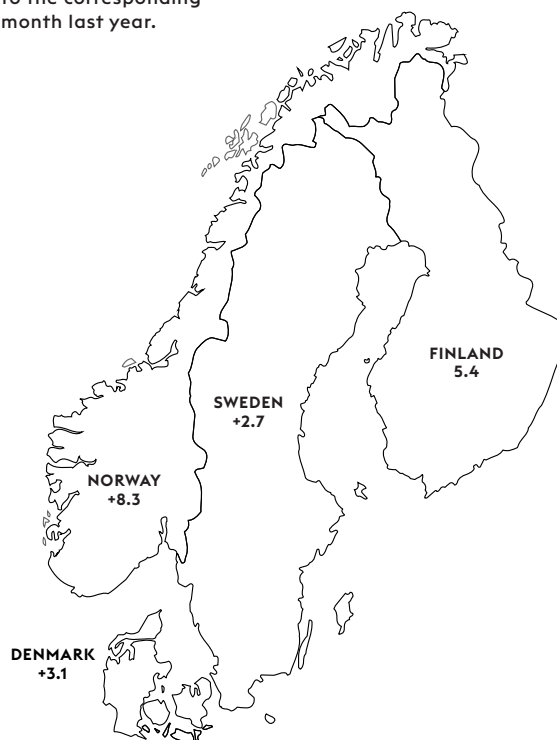
**RevPAR:** Occupancy x ADR.

**N/A:** Not available.

**31.5%**  
 INCREASE IN REVPAR  
 IN SÖDERTÄLJE, FEBRUARY 2024/2023

## ROOMS SOLD IN THE NORDICS IN FEBRUARY

%-change compared to the corresponding month last year.



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.

#### CONTACT

Hans Åke Petersson  
CEO & Partner  
hansake.petersson@annordia.com  
+46 70 699 37 51



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