HOTEL MARKET UPDATE

24/08

NORDIC HOTEL MARKET TRENDS AND ECONOMIC INDICATORS

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Varmt välkomna till HOTELL & FASTIGHETER 2024 den 16 OKTOBER på GRAND HÔTEL i Stockholm.

Nu är det dags för årets största mötesplats för hotell och hotellfastigheter 2024 i Stockholm. Den 16 oktober 2023 ses vi på Grand Hôtel. Årets stora branschdag arrangeras av Fastighetsvärlden med Annordia som huvudpartner.

Det här är något av det mest dynamiska segmentet i svenskt näringsliv just nu. Liksom andra branscher påverkas den just nu av en lågkonjunktur, men här pareras det genom nytänkande och alla de eldsjälar som satsar hårt på att bygga livskraftiga verksamheter. Besöksnäringen fortsätter att utvecklas och för tillfället kan den även dra nytta av att Sverige har blivit billigt internationellt sett.

Som vanligt tittar vi på spännande hotelltrender och idéer kring design och vi får höra det senaste kring marknadsutvecklingen. Hör om hur hotelloperatörer och fastighetsägare bör satsa för att ligga rätt i framtidens marknad och vilka som ser stora möjligheter i Sverige.

Läs mer och boka in dig här!

https://www.fastighetsvarlden.se/seminarier/hotell-fastigheter-2024/

Cover: Zzz Dreamscape Hotel, Stockholm

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

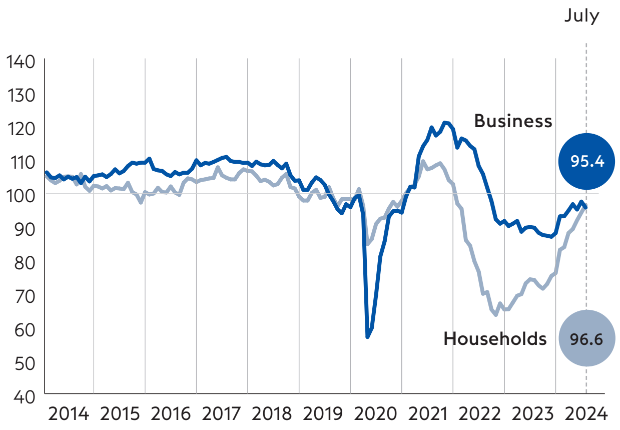
The hotel market statistics for Sweden in June 2024 demonstrate mixed developments across several key metrics. Notably, RevPAR in June decreased by 5.8 percent compared to the same month last year. Among the 25 largest hotel municipalities in Sweden, the key metrics were varied with Karlstad having a great increase in number of rooms sold, occupancy rate, ADR and RevPAR compared to the same month last year. Gothenburg, on the other hand, saw a big decrease in ADR in particular which led to a decrease of 41.2 percent in RevPAR. The reason is that there were no big concerts at Ullevi in the summer of 2024.

Furthermore, the hotel market in the Nordic countries experienced a development with positive trends in most key metrics in June 2024 compared to the previous year. However, Sweden as a whole had negative key metrics and Oslo had a decrease in the number of rooms sold, ADR and RevPAR but a slight increase in occupancy rate. Notably, Helsinki experienced the largest increase in number of rooms sold, with a 18.6 percent increase from the same month last year and the city's RevPAR increased by 24.1 percent.

- The number of rooms sold was practically unchanged in Stockholm and Malmö, while Gothenburg saw a decrease – see table on page 4.
- The number of rooms sold in the corporate segment increased by 5.2 per cent year-to-date compared to the same period last year – see graph on page 3. The conference segment decreased by 15.7 percent.
- Sweden saw a decrease in the number of rooms sold, occupancy rate, ADR and RevPAR compared to June 2023. See table on page 4.

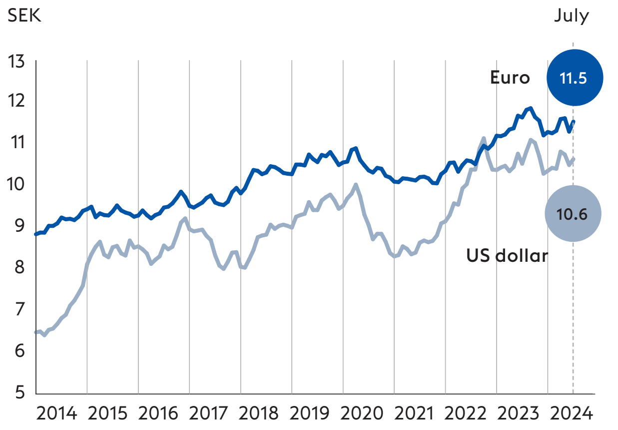
MACRO INDICATORS IN SWEDEN

In July, the business confidence indicator decreased by 2 units to 95.4, while the household indicator continued its nine-month upward trend, reaching 96.6 units. Both indicators still reflect a weak sentiment.



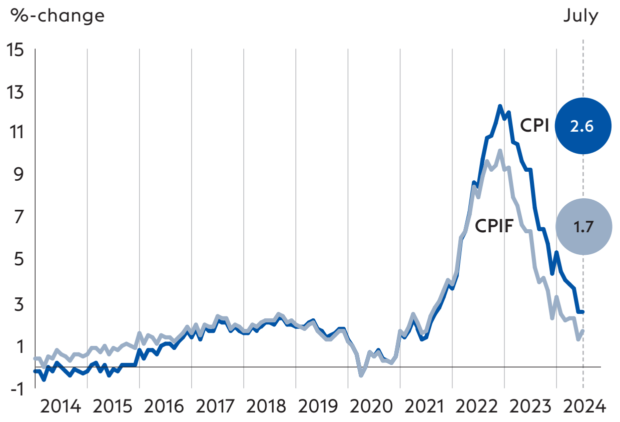
Confidence indicators for business and households in Sweden, up to and including July.
Source: The National Institute of Economic Research
Confidence indicators are an overall measure of the overall perceptions and expectations of business and households.

In July, the exchange rates for the Swedish Krona weakened by 0.14 krona against the US Dollar and 0.24 krona against the Euro.



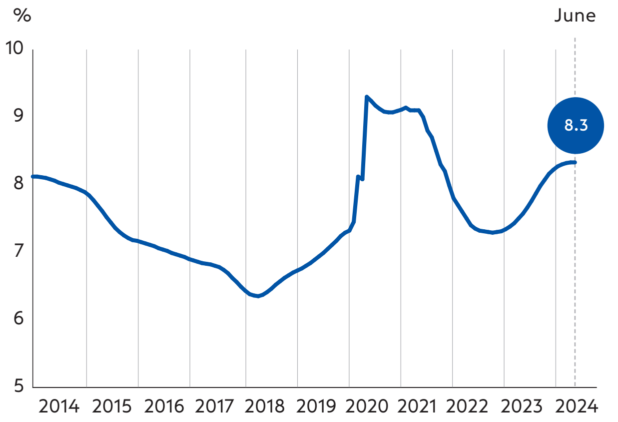
The development of the Swedish Krona against the Euro and the US dollar, up to and including July.
Source: The Central Bank of Sweden

The inflation rate according to the Consumer Price Index (CPI) was 2.6 percent in July, which was the same as in June. Meanwhile, the Consumer Price Index with fixed interest rates (CPIF) increased from 1.3 in June to 1.7 in July.



The inflation rate (CPI and CPIF) in the Swedish economy, up to and including July.
Source: Statistics Sweden

According to the trend, the unemployment rate remained the same in May and June compared to April.



Unemployment (trend) as a percentage of the Swedish market up to and including June.
Source: The laborforce survey (Statistics Sweden)

2.6%

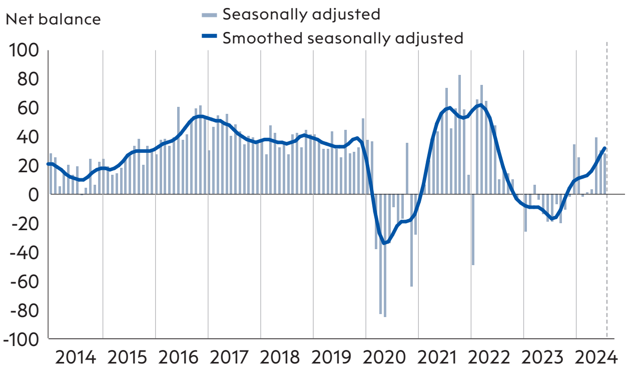
JULY INFLATION RATE CPI

1.7%

JULY INFLATION RATE CPIF

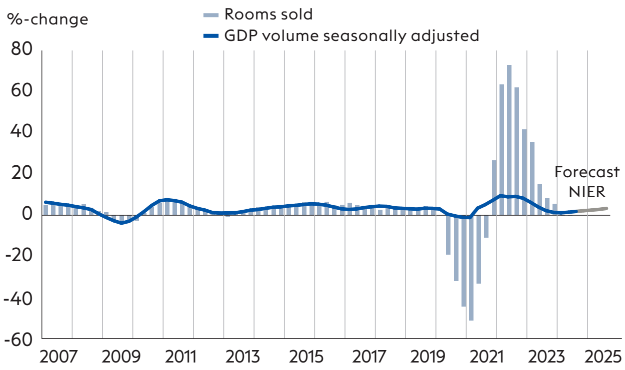
SWEDISH HOTEL MARKET SUMMARY

The seasonally adjusted and smoothed expectation of future demand increased to 30 units. About 55 percent of the surveyed companies in July anticipate an increased demand in the next three months.



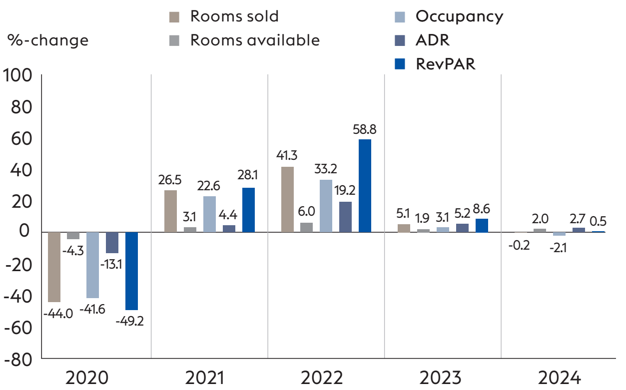
Swedish hotel companies' expectations of demand for their services in the next 3 months, up to and including July.
Source: The National Institute of Economic Research
Net balance: See definitions on page 8

The GDP forecast anticipates a slow positive trend for the coming few quarters. Historically, the connection between GDP and the hotel industry has been strong.



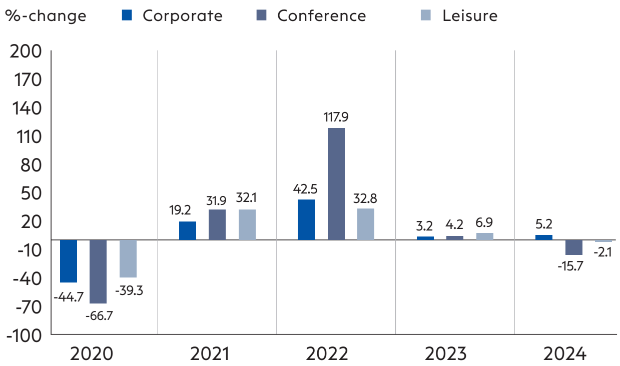
Development of occupied hotel rooms and GDP (volume) in Sweden, 4-quarter rolling averages.
Source: The Swedish Growth Agency/Statistics Sweden & the National Institute of Economic Research

The number of rooms sold decreased slightly while the number of rooms available increased by 2.0 percent in Jan-June 2024 compared to the previous year. Despite a decline in the occupancy rate by 2.1 percent, the ADR continued to rise.

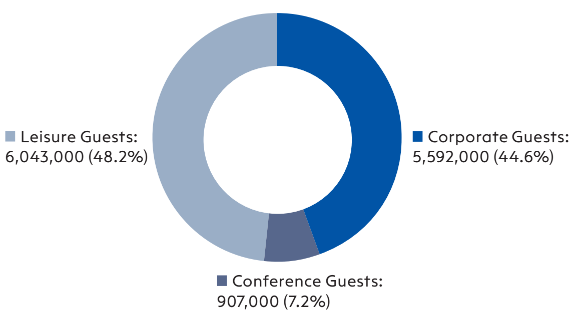


Development of key performance indicators in the Swedish hotel market, compared to the previous year, up to and including June.
Source: The Swedish Growth Agency/Statistics Sweden

The conference and leisure segments year-to-date in 2024 decreased in the number of rooms sold compared to the same period in 2023, with reductions of 15.7 and 2.1 percent respectively. However, the corporate segment saw an increase of approximately 5.2 percent.



Percentage change of occupied hotel rooms by demand segmentation in the Swedish hotel market compared to the previous year, up to and including June.
Source: The Swedish Growth Agency/Statistics Sweden



The business segment accounted for 52 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-June 2024.
Source: The Swedish Growth Agency/Statistics Sweden

TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES

MONTH JUNE

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	518	515	0.5	75.2	76.4	-1.5	1,669	1,620	3.0	1,256	1,238	1.5
GOTHENBURG	216	244	-11.5	65.1	75.4	-13.6	1,121	1,645	-31.9	730	1,241	-41.2
MALMÖ	115	114	1.4	71.3	69.6	2.4	1,027	1,035	-0.8	732	721	1.6
SIGTUNA	66	74	-10.2	60.8	67.8	-10.3	1,021	1,049	-2.7	621	712	-12.7
SOLNA	53	53	0.3	59.0	61.1	-3.4	1,034	1,076	-3.9	610	657	-7.2
JÖNKÖPING	45	40	11.4	64.0	58.8	8.9	1,056	1,066	-0.9	676	627	7.9
HELSINGBORG	42	40	5.2	66.0	62.9	5.0	1,175	1,174	0.1	776	738	5.1
UMEÅ	35	40	-12.8	53.6	62.8	-14.5	907	1,027	-11.7	486	645	-24.6
UPPSALA	35	39	-9.8	60.1	67.1	-10.4	974	1,230	-20.8	586	826	-29.1
LINKÖPING	36	35	2.3	58.6	57.4	2.0	910	871	4.4	533	500	6.5
LUND	36	35	3.3	67.4	65.8	2.4	1,125	1,087	3.5	758	715	6.0
KARLSTAD	31	26	20.4	67.5	62.4	8.2	1,091	934	16.8	736	582	26.4
ÖREBRO	29	29	1.6	59.0	58.4	1.0	1,043	1,028	1.4	616	601	2.5
VÄSTERÅS	30	30	1.4	68.5	67.4	1.6	1,128	1,018	10.8	772	686	12.6
SUNDSVALL	27	27	-1.2	50.8	50.7	0.1	910	890	2.2	462	452	2.4
NORRKÖPING	30	28	7.3	61.3	57.6	6.3	1,180	1,205	-2.1	723	695	4.0
LULEÅ	22	25	-13.2	59.2	68.2	-13.1	1,114	1,138	-2.1	659	775	-15.0
GOTLAND	37	36	0.6	64.0	65.5	-2.2	1,672	1,653	1.1	1,071	1,082	-1.1
NACKA	26	27	-0.8	66.6	64.0	4.2	1,354	1,397	-3.1	902	894	1.0
HALMSTAD	26	25	5.4	56.4	55.4	1.8	1,185	1,308	-9.4	669	725	-7.8
GÄVLE	17	19	-7.0	56.7	59.6	-4.9	1,070	986	8.5	606	587	3.2
ÖSTERSUND	18	16	9.7	66.1	60.9	8.5	944	945	-0.2	624	576	8.4
VÄXJÖ	16	16	0.0	58.1	59.6	-2.6	1,048	1,032	1.6	609	615	-1.1
KALMAR	18	19	-3.9	67.8	70.5	-3.8	1,150	1,120	2.7	780	789	-1.2
SÖDERTÄLJE	18	17	2.7	57.0	55.5	2.7	1,097	1,035	6.0	625	574	8.8
SWEDEN	**2,368**	**2,399**	**-1.3**	**60,0**	**61.7**	**-2.8**	**1,234**	**1,274**	**-3.1**	**740**	**786**	**-5.8**

The most positive rate of change for each variable is highlighted in grey.

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

YEAR-TO-DATE JANUARY – JUNE

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	2,699	2,658	1.5	65.9	65.9	-0.1	1,517	1,398	8.5	999	922	8.4
GOTHENBURG	1,193	1,222	-2.4	60.1	65.1	-7.7	1,118	1,261	-11.4	672	821	-18.1
MALMÖ	604	608	-0.7	62.9	63.2	-0.5	1,075	989	8.8	676	625	8.2
SIGTUNA	387	396	-2.1	60.2	61.9	-2.7	1,085	1,086	-0.2	653	673	-2.9
SOLNA	292	281	4.2	57.0	52.0	9.7	1,111	1,078	3.0	633	560	13.0
JÖNKÖPING	220	199	10.2	53.7	50.2	7.0	1,055	1,028	2.6	566	516	9.8
HELSINGBORG	198	196	1.1	51.4	52.8	-2.8	1,046	1,032	1.4	537	545	-1.5
UMEÅ	220	226	-2.9	57.0	59.8	-4.6	965	937	2.9	550	560	-1.8
UPPSALA	209	223	-6.4	59.7	63.8	-6.3	990	1,060	-6.6	591	676	-12.5
LINKÖPING	205	201	1.9	55.4	54.4	1.8	937	909	3.1	519	495	5.0
LUND	183	168	8.8	56.4	55.2	2.0	1,096	1,063	3.1	618	587	5.2
KARLSTAD	162	152	6.7	61.3	60.0	2.2	1,064	967	10.0	652	580	12.5
ÖREBRO	178	175	1.7	59.6	59.5	0.2	1,091	1,068	2.2	650	635	2.4
VÄSTERÅS	177	176	0.7	66.7	68.2	-2.2	1,156	1,059	9.2	771	722	6.8
SUNDSVALL	157	159	-1.7	48.7	49.4	-1.4	918	924	-0.6	447	456	-2.0
NORRKÖPING	154	143	7.8	53.4	50.5	5.6	1,058	1,070	-1.2	564	541	4.4
LULEÅ	141	142	-1.1	63.2	64.6	-2.2	1,082	1,029	5.1	684	665	2.8
GOTLAND	106	107	-0.4	42.0	43.9	-4.1	1,204	1,172	2.8	506	514	-1.5
NACKA	138	129	6.8	57.4	51.8	10.9	1,378	1,476	-6.6	792	765	3.5
HALMSTAD	128	121	5.7	49.9	49.0	2.0	1,094	1,195	-8.4	546	585	-6.6
GÄVLE	107	116	-7.5	59.0	61.2	-3.7	1,039	991	4.8	613	607	1.0
ÖSTERSUND	104	103	0.3	62.4	63.4	-1.5	946	936	1.1	590	593	-0.5
VÄXJÖ	96	100	-4.3	57.2	60.5	-5.4	1,075	1,045	2.8	615	632	-2.7
KALMAR	85	89	-4.5	53.2	58.0	-8.1	1,021	1,020	0.1	544	592	-8.1
SÖDERTÄLJE	86	90	-5.4	50.9	48.3	5.4	1,130	1,031	9.6	575	498	15.5
SWEDEN	**12,541**	**12,564**	**-0.2**	**53.5**	**54.7**	**-2.1**	**1,191**	**1,160**	**2.7**	**638**	**634**	**0.5**

The most positive rate of change for each variable is highlighted in grey.

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

12-MONTH ROLLING AVERAGE JULY – JUNE

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	5,649	5,619	**0.5**	69.0	68.4	**0.9**	1,477	1,375	**7.4**	1,019	939	**8.4**
GOTHENBURG	2,619	2,569	**2.0**	65.8	69.3	**-5.1**	1,242	1,333	**-6.8**	817	924	**-11.5**
MALMÖ	1,302	1,278	**1.9**	66.8	65.8	**1.5**	1,054	991	**6.3**	704	652	**8.0**
SIGTUNA	801	794	**0.9**	62.0	62.8	**-1.3**	1,048	1,057	**-0.8**	650	664	**-2.1**
SOLNA	596	575	**3.7**	57.2	52.0	**10.1**	1,062	1,044	**1.8**	608	542	**12.1**
JÖNKÖPING	466	440	**5.9**	56.3	55.6	**1.3**	1,067	1,089	**-2.0**	601	606	**-0.8**
HELSINGBORG	437	429	**1.8**	56.4	56.9	**-0.8**	1,113	1,099	**1.3**	628	625	**0.5**
UMEÅ	463	464	**-0.3**	60.1	62.4	**-3.7**	954	913	**4.6**	574	570	**0.7**
UPPSALA	435	443	**-1.8**	61.6	65.4	**-5.8**	1,000	1,016	**-1.6**	616	664	**-7.3**
LINKÖPING	427	420	**1.6**	58.4	56.9	**2.6**	937	909	**3.1**	547	517	**5.8**
LUND	382	348	**9.8**	58.9	55.1	**7.0**	1,065	1,046	**1.8**	627	576	**8.9**
KARLSTAD	349	330	**6.0**	67.1	65.0	**3.2**	1,051	1,006	**4.5**	705	654	**7.8**
ÖREBRO	372	362	**2.6**	62.2	62.0	**0.3**	1,102	1,066	**3.3**	685	661	**3.7**
VÄSTERÅS	365	365	**-0.1**	68.6	69.2	**-0.9**	1,132	1,046	**8.2**	777	724	**7.2**
SUNDSVALL	347	355	**-2.2**	53.4	54.6	**-2.2**	945	922	**2.5**	505	504	**0.2**
NORRKÖPING	333	322	**3.6**	57.1	55.8	**2.5**	1,130	1,141	**-1.0**	646	636	**1.4**
LULEÅ	277	291	**-5.0**	62.1	64.8	**-4.2**	1,045	963	**8.5**	649	624	**4.0**
GOTLAND	269	277	**-3.0**	49.9	51.9	**-3.9**	1,343	1,371	**-2.1**	670	712	**-5.9**
NACKA	292	282	**3.5**	59.9	56.9	**5.4**	1,424	1,459	**-2.4**	853	830	**2.9**
HALMSTAD	282	279	**1.1**	54.2	54.4	**-0.5**	1,233	1,247	**-1.1**	668	679	**-1.6**
GÄVLE	234	249	**-5.9**	62.4	64.5	**-3.3**	1,050	1,018	**3.1**	655	657	**-0.3**
ÖSTERSUND	215	220	**-2.4**	66.0	66.9	**-1.4**	992	959	**3.4**	654	642	**2.0**
VÄXJÖ	203	211	**-4.1**	59.9	62.5	**-4.2**	1,065	1,024	**4.1**	638	640	**-0.3**
KALMAR	197	203	**-2.9**	60.7	63.4	**-4.2**	1,122	1,078	**4.0**	681	683	**-0.3**
SÖDERTÄLJE	178	181	**-1.2**	52.2	51.1	**2.1**	1,102	1,006	**9.5**	575	514	**11.8**
SWEDEN	**26,749**	**26,756**	**0.0**	**56.9**	**57.8**	**-1.6**	**1,197**	**1,166**	**2.7**	**681**	**674**	**1.0**

The most positive rate of change for each variable is highlighted in grey.

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

NORDIC HOTEL MARKET – COUNTRIES AND CAPITAL CITIES

MONTH JUNE

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	2,368	2,399	**-1.3**	60.0	61.7	**-2.8**	1,234	1,274	**-3.1**	740	786	**-5.8**
DENMARK	1,371	1,350	**1.6**	69.0	68.0	**1.5**	N/A	N/A	**N/A**	N/A	N/A	**N/A**
FINLAND	1,025	983	**4.2**	58.3	56.0	**4.1**	1,253	1,248	**3.7**	730	702	**7.5**
NORWAY	1,854	1,794	**3.3**	68.0	67.0	**1.5**	1,482	1,452	**3.0**	1,010	967	**5.5**
STOCKHOLM	518	515	**0.5**	75.2	76.4	**-1.5**	1,669	1,620	**3.0**	1,256	1,238	**1.5**
COPENHAGEN	627	598	**4.8**	85.0	83.0	**2.4**	N/A	N/A	**N/A**	N/A	N/A	**N/A**
HELSINKI	290	245	**18.6**	75.5	66.1	**14.2**	1,467	1,400	**8.3**	1,106	922	**24.1**
OSLO	363	369	**-1.6**	82.0	81.0	**1.2**	1,853	1,921	**-2.6**	1,526	1,558	**-1.2**

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 – JUNE

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	12,541	12,564	**-0.2**	53.5	54.7	**-2.1**	1,191	1,160	**2.7**	638	634	**0.5**
DENMARK	6,436	6,273	**2.6**	55.2	54.0	**2.2**	N/A	N/A	**N/A**	N/A	N/A	**N/A**
FINLAND	5,329	5,258	**1.4**	50.9	50.6	**0.5**	1,255	1,270	**2.1**	639	643	**2.7**
NORWAY	8,294	7,893	**5.1**	53.2	50.2	**6.0**	1,317	1,273	**4.5**	700	639	**10.7**
STOCKHOLM	2,699	2,658	**1.5**	65.9	65.9	**-0.1**	1,517	1,398	**8.5**	999	922	**8.4**
COPENHAGEN	2,887	2,763	**4.5**	65.7	63.6	**3.4**	N/A	N/A	**N/A**	N/A	N/A	**N/A**
HELSINKI	1,255	1,168	**7.4**	54.4	52.2	**4.3**	1,282	1,316	**0.7**	698	687	**5.0**
OSLO	1,723	1,667	**3.3**	64.1	60.5	**5.8**	1,441	1,446	**0.6**	924	876	**6.5**

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 JULY – JUNE

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	26,749	26,756	**0.0**	56.9	57.8	**-1.6**	1,197	1,166	**2.7**	681	674	**1.0**
DENMARK	13,848	13,678	**1.2**	58.7	58.6	**0.2**	N/A	N/A	**N/A**	N/A	N/A	**N/A**
FINLAND	11,105	11,030	**0.7**	52.6	52.5	**0.3**	1,239	1,261	**1.5**	652	662	**1.8**
NORWAY	17,328	16,741	**3.5**	55.1	52.5	**5.0**	1,305	1,252	**5.2**	719	657	**10.4**
STOCKHOLM	5,649	5,619	**0.5**	69.0	68.4	**0.9**	1,477	1,375	**7.4**	1,019	939	**8.4**
COPENHAGEN	6,162	5,885	**4.7**	69.9	67.3	**3.8**	N/A	N/A	**N/A**	N/A	N/A	**N/A**
HELSINKI	2,646	2,532	**4.5**	57.7	56.0	**2.9**	1,280	1,325	**-0.2**	738	743	**2.7**
OSLO	3,640	3,474	**4.8**	66.9	63.2	**5.9**	1,429	1,411	**2.2**	956	892	**8.2**

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

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.

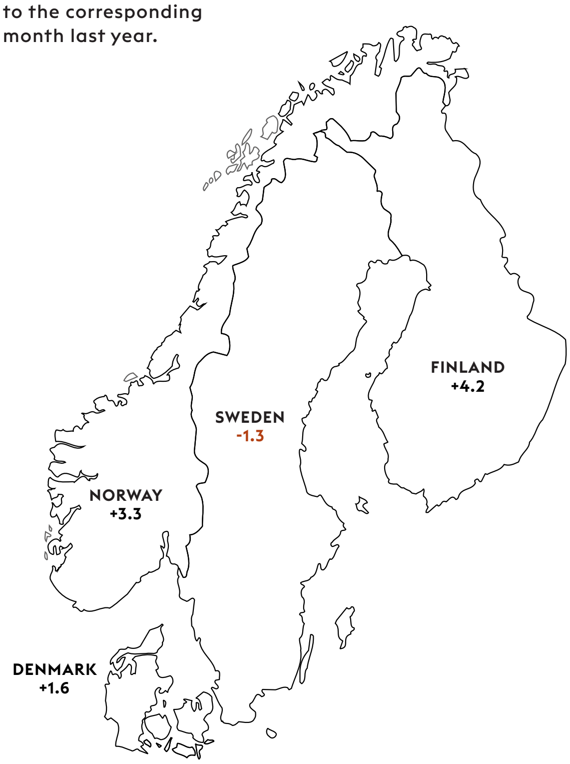
N/A: Not available.

41.2%

DECREASE IN REVPAR
IN GOTHENBURG, JUNE 2024

ROOMS SOLD IN THE NORDICS IN JUNE

%-change compared to the corresponding month last year.



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