

HOTEL MARKET UPDATE

24/12

NORDIC
HOTEL
MARKET
TRENDS
AND
ECONOMIC
INDICATORS



Annordia advised Artmax on the letting of Waxholms Hotell

Annordia is pleased to have advised Artmax on the letting of Waxholms Hotell. This well-established and well-maintained hotel gem in the Stockholm archipelago will be operated by Jesper Ahlbom, owner of Familjen Ahlbom, and Stefan Strömberg, hotel entrepreneur and former co-founder of the hotel chain ESS Group. Their vision is to create a hotel with an international atmosphere and a premier gastronomic destination.

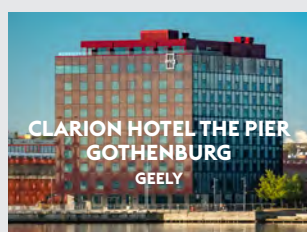
Waxholms Hotell features 42 elegantly decorated rooms, as well as two popular restaurants, and enjoys a beautiful archipelago location right by the quay in the heart of Vaxholm.

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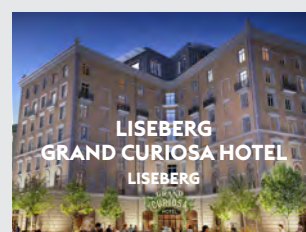
OUR SERVICES



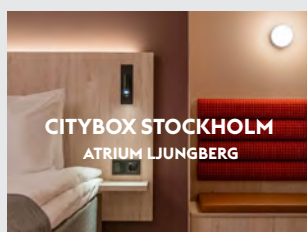
Market analysis
Establish the feasibility of a potential hotel investment.



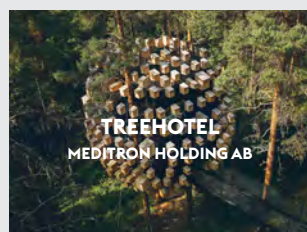
Concept development
Hotel planning and optimisation based on market characteristics.



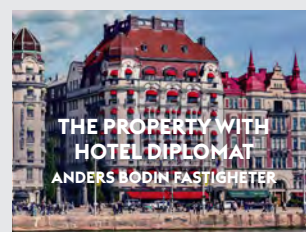
Lease advisory
Adding value in rent review, lease renewals and valuations.



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.



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 key indicators, such as the number of rooms sold, occupancy rate and RevPAR increased by 1-2 percent, while ADR remained the same in Sweden in October compared to the same month in 2023.

Stockholm experienced a positive development with a 5.6-percent increase in the number of rooms sold and a 4.6-percent increase in RevPAR. Gothenburg and Malmö showed neutral or negative development in their key indicators, with a notable decline of almost 4 percent in RevPAR.

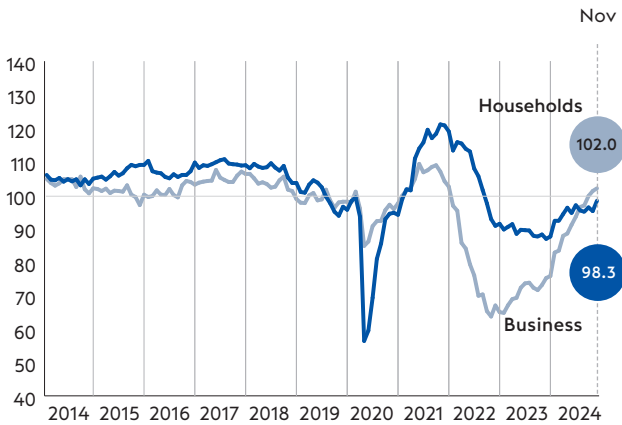
The unemployment rate in Sweden continued to rise slightly, while the Swedish Krona became even weaker compared to the Euro and the US dollar. The confidence indicators for both the households and the business sector continued their positive trend and is now close to the normal level.

The key indicators in the hotel market in Finland, Denmark and Norway improved significantly in October 2024 compared to the same month last year. In Helsinki, the number of rooms sold increased by 14.5 percent which led to a 15-percent increase in RevPAR. Norway, and Oslo in particular, also saw double-digit increases in RevPAR with equal increases in ADR and the number of rooms sold.

- The value of the Swedish Krona continued to decrease relative to both the Euro and the US dollar – see exchange rates on page 2.
- The unemployment rate increased for the 22nd consecutive month and reached 8.5 percent in October – see unemployment rate on page 2.
- The households' view on their own economy is more positive than usual.
- Most Swedish hotel companies surveyed anticipate an unchanged future demand for their services.

MACRO INDICATORS IN SWEDEN

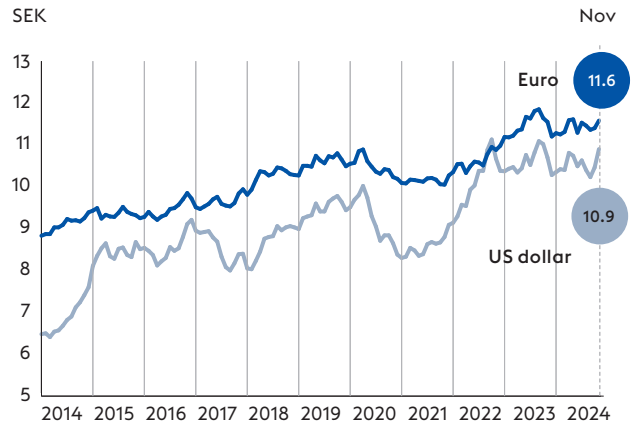
The household indicator remains above 100 units and has been increasing since September 2023. The business indicator has also had a generally positive development during 2024, and in November it reached its highest level since August 2022.



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

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

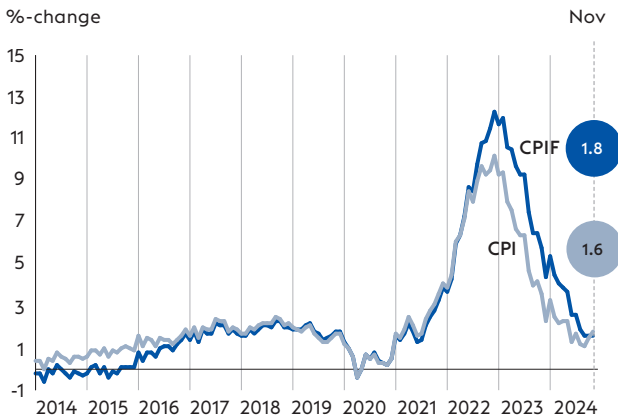
In November, the Swedish Krona weakened significantly against both the US dollar and the Euro. The result of the presidential election in the US strengthened the US dollar.



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

Source: The Central Bank of Sweden

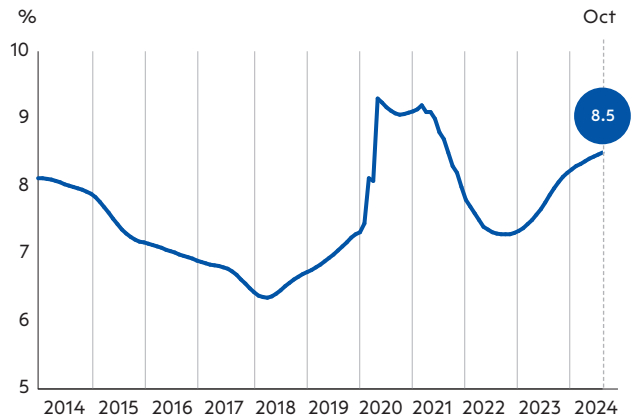
The inflation rate according to the Consumer Price Index (CPI) remained at 1.6 percent in November, while the Consumer Price Index with fixed interest rates (CPIF) increased from 1.5 percent in October to 1.8 percent in November.



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

Source: Statistics Sweden

The unemployment rate remained at around 8.5 percent in October, which is the highest level since the pandemic. The unemployment rate has increased for 22 consecutive months, though the increase has been limited to just 0.03 percentage points per month in recent months.



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

Source: The laborforce survey (Statistics Sweden)

1.6%

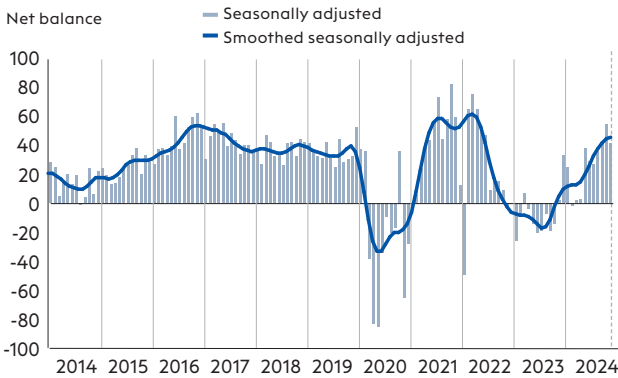
NOVEMBER INFLATION RATE CPI

1.8%

NOVEMBER INFLATION RATE CPIF

SWEDISH HOTEL MARKET SUMMARY

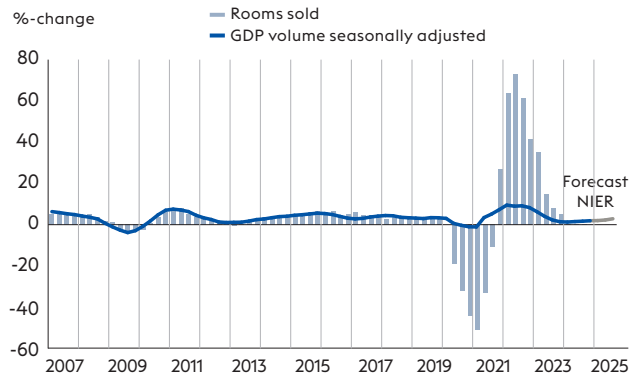
The seasonally adjusted and smoothed expectations of future demand increased from 45 to 46 units. Among the companies surveyed, unchanged future demand was the most common response.



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

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

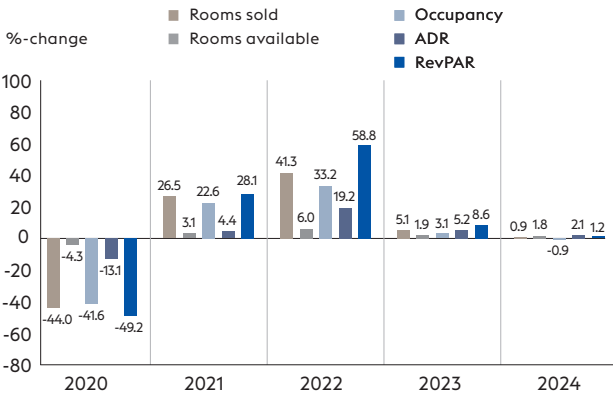
The GDP forecast anticipates a slow positive trend for the coming few quarters. Historically, the connection between GDP and the hotel industry has been strong.



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

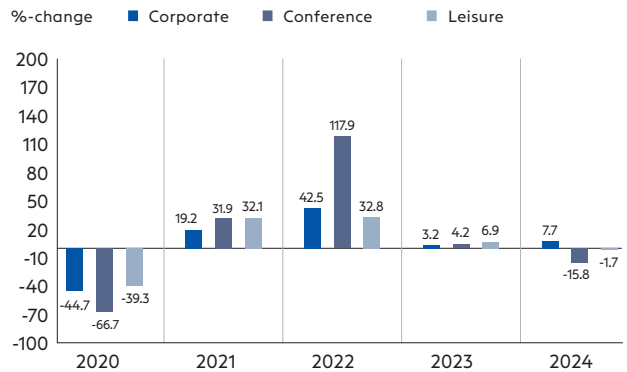
The key indicators for the period January to October 2024 were very similar to the same period last year. The number of rooms sold increased by less than 1 percent while the occupancy rate decreased by 0.5 percentage points. ADR increased by 2.1 percent.



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

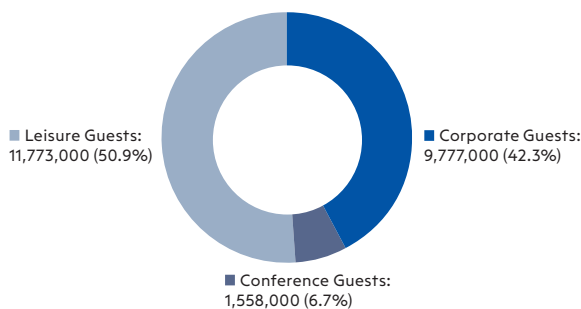
Source: The Swedish Growth Agency/Statistics Sweden

The number of rooms occupied by conference guests between January and October 2024 decreased by almost 16 percent compared to the same period in 2023. The leisure segment also decreased - although only slightly - while the number of rooms occupied by corporate guests increased.



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

Source: The Swedish Growth Agency/Statistics Sweden



The corporate segment accounted for 42 percent of the occupied rooms between January and October 2024.

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

Source: The Swedish Growth Agency/Statistics Sweden

TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES

MONTH OCTOBER

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	532	503	5.6	74.0	72.0	2.8	1,490	1,460	2.1	1,098	1,050	4.6
GOTHENBURG	242	241	0.2	68.7	70.7	-2.9	1,190	1,200	-0.8	817	849	-3.7
MALMÖ	111	115	-3.9	66.9	69.2	-3.4	1,036	1,040	-0.4	693	720	-3.8
SIGTUNA	75	77	-3.1	67.2	66.7	0.8	1,081	1,095	-1.3	727	730	-0.5
SOLNA	57	52	9.4	63.7	57.9	9.9	1,046	1,109	-5.6	666	642	3.7
JÖNKÖPING	39	38	5.0	55.7	53.1	5.0	1,092	1,094	-0.1	609	581	4.9
HELSINGBORG	35	34	2.8	53.8	52.2	3.1	945	1,017	-7.0	509	531	-4.1
UMEÅ	47	44	7.0	71.3	67.3	5.9	943	967	-2.5	672	651	3.3
UPPSALA	44	42	6.1	72.9	68.3	6.7	1,058	1,105	-4.2	771	755	2.2
LINKÖPING	43	40	9.0	67.5	62.1	8.7	953	970	-1.7	643	602	6.8
LUND	35	33	5.6	62.9	61.3	2.5	1,066	1,085	-1.8	670	666	0.7
KARLSTAD	32	34	-6.0	67.3	79.1	-14.9	1,118	1,073	4.2	753	848	-11.3
ÖREBRO	37	37	-0.3	71.9	71.6	0.3	1,146	1,159	-1.0	824	830	-0.7
VÄSTERÅS	33	34	-4.8	72.4	76.3	-5.2	1,224	1,137	7.7	886	868	2.1
SUNDSVALL	35	35	-1.0	62.7	62.9	-0.4	975	981	-0.6	611	617	-1.0
NORRKÖPING	33	30	9.9	66.3	61.0	8.6	1,086	1,157	-6.1	720	706	2.0
LULEÅ	26	21	19.7	66.9	61.0	9.7	1,069	1,029	3.9	716	627	14.1
GOTLAND	20	21	-2.8	44.6	45.6	-2.2	975	977	-0.2	435	446	-2.5
NACKA	26	26	1.1	63.2	62.5	1.0	1,351	1,777	-24.0	853	1,111	-23.2
HALMSTAD	23	24	-1.2	50.0	51.6	-3.1	1,091	1,201	-9.1	546	620	-11.9
GÄVLE	23	22	5.9	70.9	65.9	7.6	1,109	1,056	5.0	786	696	12.9
ÖSTERSUND	18	19	-3.2	64.5	67.1	-3.9	988	973	1.6	637	653	-2.4
VÄXJÖ	18	19	-7.1	60.0	64.9	-7.6	1,127	1,120	0.6	676	727	-7.0
KALMAR	20	17	16.2	70.7	61.8	14.5	1,020	976	4.5	721	603	19.6
SÖDERTÄLJE	18	15	20.8	54.7	52.4	4.4	1,093	1,139	-4.0	598	597	0.2
SWEDEN	2,417	2,362	2.3	59.8	59.2	1.0	1,177	1,178	0.0	704	697	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

YEAR-TO-DATE, JANUARY – OCTOBER

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	4,886	4,756	2.7	70.5	70.1	0.6	1,535	1,425	7.8	1,083	999	8.4
GOTHENBURG	2,247	2,231	0.7	66.7	69.6	-4.1	1,202	1,330	-9.6	802	925	-13.3
MALMÖ	1,106	1,116	-0.9	68.0	68.6	-0.8	1,074	1,018	5.5	731	698	4.6
SIGTUNA	679	689	-1.5	62.9	64.3	-2.2	1,059	1,055	0.4	666	678	-1.8
SOLNA	519	493	5.3	59.7	55.1	8.4	1,081	1,043	3.7	646	574	12.4
JÖNKÖPING	401	378	6.2	58.0	55.7	4.1	1,064	1,039	2.5	617	579	6.7
HELSINGBORG	375	374	0.2	58.1	59.2	-1.9	1,116	1,125	-0.8	648	666	-2.7
UMEÅ	393	399	-1.5	60.6	62.6	-3.2	926	937	-1.2	561	587	-4.4
UPPSALA	374	381	-2.0	63.4	64.6	-1.9	988	1,033	-4.4	626	668	-6.3
LINKÖPING	376	364	3.5	60.3	58.4	3.3	942	921	2.2	568	538	5.5
LUND	330	311	5.8	60.6	59.8	1.4	1,069	1,049	1.9	648	627	3.3
KARLSTAD	304	288	5.6	66.8	67.7	-1.3	1,075	1,003	7.3	719	679	5.9
ÖREBRO	321	317	1.3	63.9	63.7	0.4	1,094	1,086	0.7	699	692	1.1
VÄSTERÅS	302	306	-1.3	67.9	70.1	-3.2	1,143	1,073	6.5	776	753	3.1
SUNDSVALL	295	299	-1.3	54.7	55.1	-0.7	943	946	-0.3	516	521	-1.0
NORRKÖPING	290	274	5.8	59.1	56.8	4.0	1,115	1,146	-2.7	659	651	1.2
LULEÅ	247	234	5.4	66.0	63.7	3.6	1,061	1,019	4.2	700	649	7.9
GOTLAND	241	249	-3.5	51.2	54.1	-5.4	1,371	1,371	0.0	701	741	-5.4
NACKA	255	238	7.1	63.4	57.6	10.0	1,361	1,497	-9.1	863	863	0.1
HALMSTAD	250	238	4.9	56.4	55.5	1.5	1,211	1,304	-7.1	682	724	-5.7
GÄVLE	198	206	-3.7	63.8	64.3	-0.7	1,069	1,019	4.9	682	655	4.2
ÖSTERSUND	186	185	0.6	66.8	67.3	-0.7	981	975	0.6	655	656	-0.1
VÄXJÖ	169	175	-3.1	59.6	62.0	-3.9	1,060	1,048	1.1	632	650	-2.9
KALMAR	175	175	-0.3	64.1	66.0	-2.9	1,187	1,145	3.7	761	756	0.6
SÖDERTÄLJE	153	158	-2.8	51.9	50.7	2.3	1,101	1,046	5.3	571	530	7.7
SWEDEN	23,109	22,905	0.9	58.3	58.8	-0.9	1,212	1,187	2.1	706	698	1.2

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 NOVEMBER – OCTOBER											
	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	5,737	5,627	2.0	69.4	69.1	0.5	1,514	1,409	7.5	1,051	974	8.0
GOTHENBURG	2,664	2,610	2.1	66.1	68.2	-3.2	1,199	1,312	-8.6	792	895	-11.5
MALMÖ	1,296	1,300	-0.3	66.5	66.6	-0.2	1,061	1,007	5.4	705	671	5.1
SIGTUNA	799	809	-1.2	61.6	63.4	-2.8	1,053	1,053	0.1	649	667	-2.7
SOLNA	610	584	4.5	58.5	54.0	8.3	1,078	1,034	4.3	631	559	13.0
JÖNKÖPING	469	443	5.7	56.6	54.8	3.3	1,077	1,055	2.1	609	578	5.5
HELSINGBORG	436	432	1.0	56.4	57.1	-1.4	1,099	1,106	-0.6	619	632	-2.0
UMEÅ	463	470	-1.4	59.9	61.5	-2.6	932	934	-0.2	558	574	-2.8
UPPSALA	442	444	-0.6	62.6	63.9	-2.0	996	1,021	-2.5	623	652	-4.4
LINKÖPING	436	425	2.7	59.5	57.2	3.9	941	917	2.7	560	525	6.7
LUND	385	364	5.8	59.2	58.0	2.1	1,066	1,047	1.8	631	607	3.9
KARLSTAD	355	337	5.6	65.9	66.0	-0.2	1,069	1,006	6.3	704	664	6.1
ÖREBRO	373	373	0.0	62.4	62.6	-0.3	1,097	1,082	1.4	685	677	1.1
VÄSTERÅS	360	363	-0.9	67.5	69.1	-2.4	1,144	1,072	6.8	772	741	4.2
SUNDSVALL	346	354	-2.2	53.4	54.3	-1.7	945	943	0.2	505	512	-1.5
NORRKÖPING	338	320	5.4	57.7	55.6	3.7	1,112	1,130	-1.6	642	629	2.1
LULEÅ	291	279	4.1	64.7	63.0	2.6	1,054	997	5.8	682	628	8.6
GOTLAND	260	272	-4.2	48.4	51.5	-6.1	1,328	1,325	0.2	642	683	-5.9
NACKA	300	285	5.4	61.8	57.3	7.9	1,356	1,484	-8.6	839	850	-1.3
HALMSTAD	287	279	2.8	54.5	54.3	0.5	1,201	1,271	-5.5	655	690	-5.0
GÄVLE	235	245	-4.0	63.0	63.6	-0.9	1,069	1,011	5.7	674	643	4.8
ÖSTERSUND	216	218	-1.1	66.1	66.4	-0.4	992	969	2.4	656	643	2.0
VÄXJÖ	202	208	-3.2	59.5	61.9	-3.9	1,061	1,047	1.3	631	648	-2.6
KALMAR	200	203	-1.2	61.6	63.5	-3.0	1,156	1,114	3.7	712	708	0.6
SÖDERTÄLJE	179	186	-4.1	51.7	50.5	2.4	1,101	1,043	5.6	570	527	8.2
SWEDEN	26,976	26,805	0.6	57.1	57.6	-0.9	1,204	1,177	2.3	687	678	1.3

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 OCTOBER

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	2,417	2,362	2.3	59.8	59.2	1.0	1,177	1,178	0.0	704	697	1.0
DENMARK	1,283	1,217	5.5	62.0	60.0	3.3	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	908	885	2.6	52.4	50.4	4.0	1,179	1,178	2.2	618	594	6.3
NORWAY	1,505	1,413	6.5	55.6	52.6	5.8	1,283	1,250	6.3	714	657	12.4
STOCKHOLM	532	503	5.6	73.7	72.0	2.4	1,490	1,460	2.1	1,098	1,050	4.6
COPENHAGEN	569	534	6.7	75.0	72.0	4.2	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	248	216	14.5	62.2	55.9	11.3	1,251	1,235	3.4	778	690	15.1
OSLO	339	317	6.9	74.1	68.0	9.0	1,458	1,411	7.0	1,081	960	16.6

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 – OCTOBER

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	23,109	22,905	0.9	58.3	58.8	-0.9	1,212	1,187	2.1	706	698	1.2
DENMARK	12,143	11,765	3.2	60.8	59.7	1.7	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	9,366	9,313	0.6	53.3	53.1	0.4	1,242	1,240	2.2	662	659	2.6
NORWAY	15,341	14,601	5.1	57.4	54.8	4.9	1,332	1,299	6.2	765	711	11.4
STOCKHOLM	4,886	4,756	2.7	70.5	70.1	0.6	1,535	1,425	7.8	1,083	999	8.4
COPENHAGEN	5,360	5,121	4.7	72.5	70.1	3.5	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	2,314	2,146	7.8	59.4	57.1	4.2	1,301	1,298	2.3	773	741	6.6
OSLO	3,155	3,038	3.9	69.3	65.7	5.5	1,448	1,455	3.1	1,004	957	8.8

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 NOVEMBER – OCTOBER

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2024	2023		2024	2023		2024	2023		2024	2023	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	26,976	26,805	0.6	57.1	57.6	-0.9	1,204	1,177	2.3	687	678	1.3
DENMARK	14,063	13,664	2.9	59.0	58.3	1.3	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	11,085	11,034	0.5	52.6	52.4	0.4	1,262	1,256	2.6	664	659	2.9
NORWAY	17,666	16,899	4.5	55.8	53.0	5.4	1,319	1,288	6.1	737	682	11.9
STOCKHOLM	5,737	5,627	2.0	69.4	69.1	0.5	1,514	1,409	7.5	1,051	974	8.0
COPENHAGEN	6,276	6,011	4.4	71.0	68.5	3.5	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	2,727	2,547	7.1	58.6	56.3	4.1	1,313	1,308	2.5	769	736	6.7
OSLO	3,702	3,561	3.9	68.2	64.2	6.1	1,432	1,442	2.9	976	926	9.2

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.

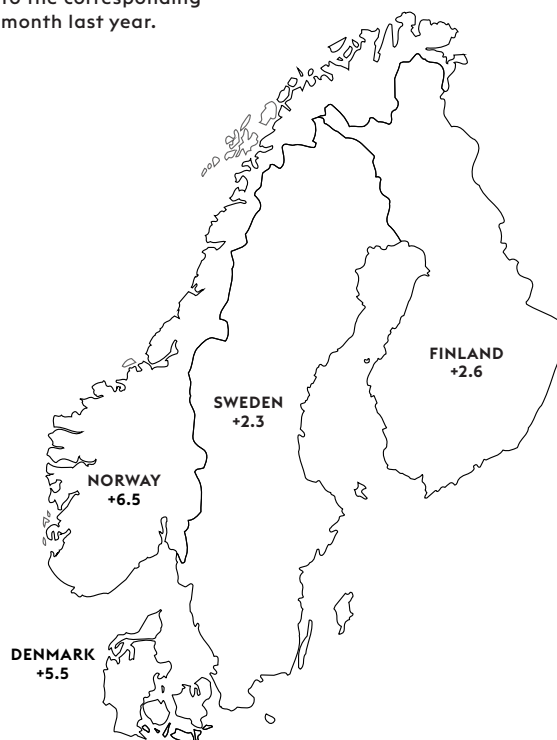
ADR: Accommodation revenue/Rooms sold.

RevPAR: Occupancy x ADR.

N/A: Not available.

ROOMS SOLD IN THE NORDICS IN OCTOBER

%-change compared to the corresponding month last year.



5.6%

INCREASE IN NUMBER OF ROOMS SOLD
IN STOCKHOLM, OCTOBER 2024

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.

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