



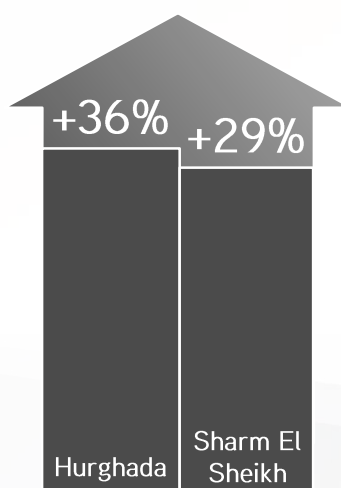
MENA HOTEL FORECASTS

3-Month Rolling Forecast Highlights

Sep 2018 – Nov 2018 | YoY RevPAR Variance %



Hot Spots



Hurghada

Following the trend of the first eight months, the Red Sea resort is expected to continue benefiting from positive security perception and return of chartered flights from traditional source markets.

Sharm El Sheikh

Similar to Hurghada, travel advisories from most source markets are now relatively relaxed resulting in a surge in international leisure demand. The market is growing from a relatively low base.



Sure & Steady

Abu Dhabi Beach

The Abu Dhabi beach hotels continue to witness strong momentum in occupancy and ADR. This trend is expected to continue over the next three months, mostly driven by the leisure segment.



Jeddah

The market has experienced continuous growth in RevPAR in the first eight months. The increase in performance is driven by growth in average daily rates.



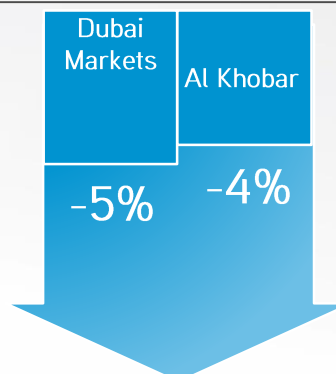
Work in Progress

Dubai Markets

The major hotel markets in Dubai are experiencing growing demand from more price-sensitive source markets resulting in a drop in ADR, which is adversely impacting the RevPAR.

Al Khobar

Al Khobar market is witnessing a downward trend in performance. Although the market has seen an increase in occupancy levels, a combination of new supply and rate compression is resulting in a dip in RevPAR.



Occupancy, ADR & RevPAR

3-Month Forecast | Sep 2018 – Nov 2018

Full-Year Forecast | 2018



Country	City	Market	3 Month Rolling Forecast				Full-Year Forecast			
			Occ %	ADR (\$)	RevPAR (\$)	YoY RevPAR Variance	Occ %	ADR (\$)	RevPAR (\$)	YoY RevPAR Variance
UAE	Dubai	Dubai Creek / Festival City	84	177	148	📉 -2%	82	183	150	📈 1%
UAE	Dubai	Sheikh Zayed Road / DIFC	82	153	125	📉 -9%	75	167	125	📉 -7%
UAE	Dubai	Palm Jumeirah	81	422	343	📉 -4%	79	434	344	📉 -4%
UAE	Dubai	Dubai Marina / JBR	88	256	226	📉 -3%	84	253	212	📉 -4%
UAE	Abu Dhabi	Abu Dhabi City	81	114	93	📉 -5%	75	104	78	📉 -2%
UAE	Abu Dhabi	Abu Dhabi Beach	76	234	177	📈 1%	70	218	154	📈 6%
UAE	Ras Al Khaimah	Ras Al Khaimah	77	165	126	📉 -2%	71	169	120	📈 5%
UAE	Sharjah	Sharjah	73	70	51	📉 -2%	71	73	52	📉 -1%
KSA	Riyadh	Riyadh	58	189	109	📉 -4%	55	197	108	📉 3%
KSA	Jeddah	Jeddah	55	264	145	📈 7%	63	260	165	📈 9%
KSA	Makkah	Makkah	47	186	87	📈 0%	62	190	118	📈 3%
KSA	Madinah	Madinah	53	151	79	📈 2%	60	155	92	📈 0%
KSA	Al Khobar	Al Khobar	53	133	71	📉 -4%	55	138	76	📈 8%
Egypt	Cairo	Cairo	72	107	77	📈 7%	69	113	78	📈 9%
Egypt	Sharm El Sheikh	Sharm El Sheikh	57	40	23	📈 29%	49	43	21	📈 37%
Egypt	Hurghada	Hurghada	73	49	35	📈 36%	53	50	27	📈 27%
Egypt	Alexandria	Alexandria	80	68	54	📈 14%	75	67	50	📈 14%
Oman	Muscat	Muscat	64	158	100	📉 -6%	56	180	100	📈 0%
Bahrain	Manama	Manama	53	149	79	📉 -7%	51	174	88	📉 3%
Kuwait	Kuwait City	Kuwait City	55	221	121	📈 3%	50	257	129	📈 7%
Jordan	Amman	Amman	55	137	76	📈 0%	52	144	75	📈 5%
Jordan	Aqaba	Aqaba	72	104	75	📈 4%	63	106	67	📈 13%
Lebanon	Beirut	Beirut	62	147	92	📈 1%	56	146	82	📉 -5%

Source: Colliers International, 2018

Disclaimer

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Contents of the Publication

This publication has been prepared by Colliers International Hotels MENA, providing hotel performance forecasts for 23 submarkets in key MENA hospitality markets.

- Key Performance Indicators include
 - Hotel occupancy %, calculated as occupied room nights / available room nights
 - Average Daily Rate (ADR), calculated as total rooms revenue / occupied room nights
 - Revenue per Available Room (RevPAR), calculated as rooms revenue / available room nights
- Forecasts include
 - 3-Month Rolling forecast, starting with the month of the publication
 - Year-End forecast, revisited on a monthly basis
- ADR and RevPAR are presented in USD for ease of comparison between markets



Forecasting Methodology

- The analysis is based on actual operating data from a sample of 3-, 4- and 5-Star hotels and quality serviced apartments (where relevant). Data is extracted from Colliers International Hotels' database, complemented by data from STR Global™ and local statistics centres.
- The forecasting methodology is based on an analysis of rolling averages, trend estimation and extrapolation. Anticipated events expected to shape the future dynamics of supply and demand are identified then weighted against relevance and impact, thereby forecasting performance of the hospitality market.
- Where available, monthly historical data trends from 2008 onwards is analysed to identify demand patterns, and is utilised as a forecasting base.
- The ADR of a sample submarket reflects its price positioning. As such, the markets containing a higher proportion of high-end properties show higher rates than samples with a larger share of limited-service establishments.



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- Destination / Tourism / Resort / Brand Strategy
- Market and Financial Feasibility Study
- Development Consultancy & Highest and Best Use Analysis
- Operator Search, Selection and Contract Negotiation
- Pre-Opening Budget Analysis and Operational Business Plan
- Technical Services / Asset Management / Project Monitoring
- Site and Asset Investment Sale and Acquisition/Due Diligence
- RICS Valuations for Finance Purposes and IPOs

Our hotels team in the MENA region:

\$13	45,385	12,753
billion	Hotel keys	Hotel keys
Investment value of	valued	under asset management
projects advised		

69 countries on 6 continents

\$2.7

billion in
annual revenue

2

billion square feet
under management

15,400

professionals
and staff

For further information,
please contact:

Christopher Lund

Associate Director | Hotels | MENA Region

Main +971 4 453 7400

Mobile +971 55 899 6110

christopher.lund@colliers.com

James Wrenn

Manager | Hotels | MENA Region

Main +971 4 453 7400

Mobile +971 55 736 6767

james.wrenn@colliers.com

Colliers International | MENA Region

Dubai | United Arab Emirates

+971 4 453 7400

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In MENA, Colliers International has provided leading advisory services through its regional offices since 1996. Colliers International currently has six corporate offices in the region located in Dubai, Abu Dhabi, Egypt, Riyadh, Jeddah and Doha.

Colliers International, 2018

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