Monthly Market Forecast

MENA Hotels

June 2021

Accelerating success.

Market Forecast

Methodology

Forecast Context

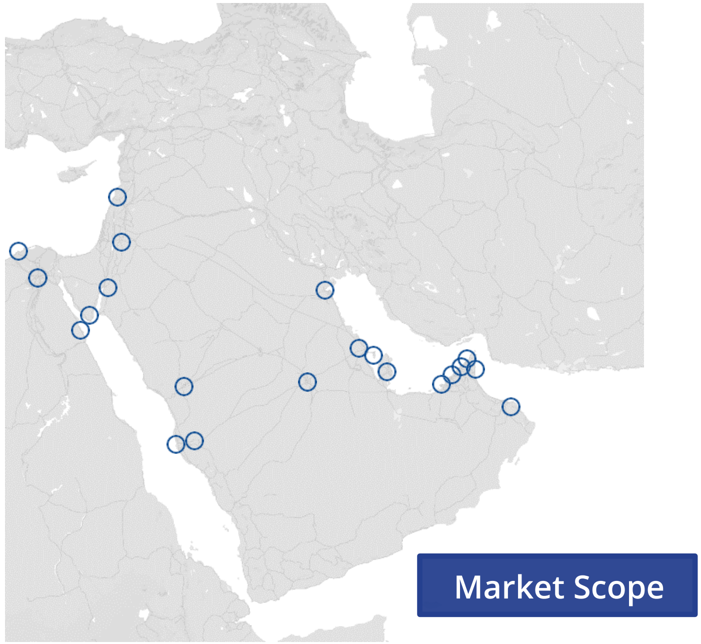
As we move through 2021, we begin to observe several markets build on recovery began in Q4 2020. Ongoing monitoring of the COVID-19 pandemic by government entities and other key touristic stakeholders has informed how markets open and close. While travel restrictions are easing, controlled and consistent growth is key to recovering, and in the future, improving on the hospitality performance in the key markets.

Forecasting Methodology

Any forecast is subject to a degree of uncertainty, COVID-19 has introduced a higher level for the hospitality industry. Data is sourced from the Colliers Hotels' database, STR Global and local statistics centres. 2019 has been used as the forecasting base. The analysis uses the latest available data but given the impact that COVID-19 has on the hotel market, changes in the recovery timeline will affect the forecast. Our forecast builds on the recovery which began in Q4 2020 and continues this recovery through FY 2021. The 2021 forecast accounts for hotel closures which June be prolonged as a result of COVID-19 or other forms of economic hardship.

Forecast Coverage

Considering the potential impact of COVID-19 on hotel performance, this publication has been prepared by Colliers, providing 2021 hotel occupancy forecasts for 25 submarkets in key MENA hospitality markets.



Market

Recovery Stages

2020 | 2021

Impact of COVID-19 | Recovery

Key Market Movements

Market Movements from previous forecast	Forecasted Occupancy 2021	Percentage Point change	Trend
Hurghada	46%	7.8 points	
Sharm El Sheikh	42%	5.4 points	
Ras Al Khaimah City	78%	1.2 points	
Alexandria	59%	-1.2 points	
Madinah	35%	-4.1 points	
Kuwait City	28%	-7.8 points	

Source: STR; Colliers, 2021

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June 2021

MENA Hotel Forecast

Full Year Occupancy % Forecast 2021

Country	City	Market	2021	
			Occ %	YoY Occupancy Variance
UAE	Dubai	Dubai Creek / Festival City	64	50%
UAE	Dubai	Sheikh Zayed Road / DIFC	62	46%
UAE	Dubai	Palm Jumeirah	68	59%
UAE	Dubai	Dubai Marina / JBR	71	38%
UAE	Abu Dhabi	Abu Dhabi Beach	54	14%
UAE	Ras Al Khaimah	Ras Al Khaimah City	78	12%
UAE	Ras Al Khaimah	Ras Al Khaimah Beach	58	31%
UAE	Sharjah	Sharjah	58	26%
UAE	Fujairah	Fujairah	54	14%
KSA	Riyadh	Riyadh	54	8%
KSA	Jeddah	Jeddah	55	43%
KSA	Makkah	Makkah	28	35%
KSA	Madinah	Madinah	35	33%
KSA	Al Khobar	Al Khobar	53	-2%
Egypt	Cairo	Cairo	44	62%
Egypt	Sharm El Sheikh	Sharm El Sheikh	42	81%
Egypt	Hurghada	Hurghada	46	92%
Egypt	Alexandria	Alexandria	59	31%
Oman	Muscat	Muscat	44	78%
Bahrain	Manama	Manama	44	58%
Kuwait	Kuwait City	Kuwait City	28	15%
Jordan	Amman	Amman	32	35%
Jordan	Aqaba	Aqaba	39	24%
Lebanon	Beirut	Beirut	33	40%
Qatar	Doha	Doha	67	12%

480

offices in

67

countries on

6

continents

$3.3B

in revenue

2B

square feet under management

18,000 +

professionals

About Colliers

Colliers is a global leader in commercial real estate services, with over 18,000 professionals operating in 67 countries. Colliers delivers a full range of services to real estate users, owners and investors worldwide, including global corporate solutions, brokerage, property and asset management, hotel investment sales and consulting, valuation, consulting and appraisal services and insightful research. The latest annual survey by the Lipsey Company ranked Colliers International as the second-most recognised commercial real estate firm in the world. In MENA, Colliers has provided leading advisory services through its regional offices since 1996.

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