Colliers

Monthly Market Forecast

MENA Hotels

August 2021

Accelerating success.

Market Forecast

Methodology

Forecast Context

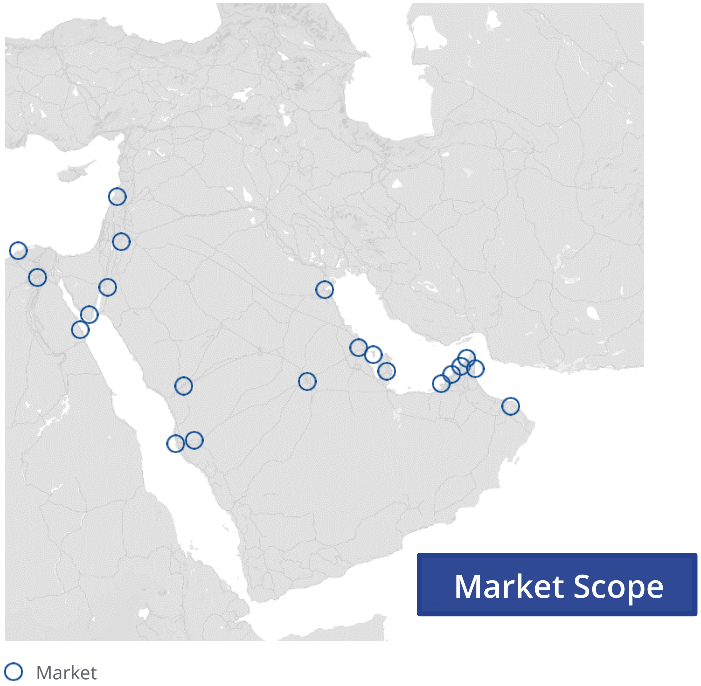
As we move through 2021, we begin to observe several markets build on recovery began in Q4 2020. Ongoing monitoring of the COVID-19 pandemic by government entities and other key touristic stakeholders has informed how markets open and close. While travel restrictions are easing, controlled and consistent 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 August 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 24 submarkets in key MENA hospitality markets.

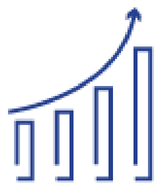


Recovery Stages

2020

Impact of COVID-19

2021



Recovery

Key Market Movements

Market Movements from previous forecast	Forecasted Occupancy 2021	Percentage Point change	Trend
Cairo	49%	4.3 points	
Sharjah	62%	3.4 points	
Riyadh	57%	3.0 points	
Madinah	32%	-2.7 points	
Makkah	25%	-2.9 points	
Manama	43%	-4.5 points	

Source: STR; Colliers, 2021

Market Forecast

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MENA Hotel Forecast

Full Year Occupancy % Forecast 2021

Country	City	Market	2021	
			Occ %	YoY Occupancy Variance
UAE	Dubai	Dubai Creek / Festival City	65	↑ 54%
UAE	Dubai	Sheikh Zayed Road / DIFC	64	↑ 49%
UAE	Dubai	Palm Jumeirah	69	↑ 61%
UAE	Dubai	Dubai Marina / JBR	73	↑ 41%
UAE	Abu Dhabi	Abu Dhabi Beach	56	↑ 18%
UAE	Ras Al Khaimah	Ras Al Khaimah	61	↑ 27%
UAE	Sharjah	Sharjah	62	↑ 36%
UAE	Fujairah	Fujairah	58	↑ 23%
KSA	Riyadh	Riyadh	57	↑ 14%
KSA	Jeddah	Jeddah	54	↑ 39%
KSA	Makkah	Makkah	25	↑ 17%
KSA	Madinah	Madinah	32	↑ 22%
KSA	Al Khobar	Al Khobar	56	→ 4%
Egypt	Cairo	Cairo	49	↑ 79%
Egypt	Sharm El Sheikh	Sharm El Sheikh	43	↑ 88%
Egypt	Hurghada	Hurghada	51	↑ 112%
Egypt	Alexandria	Alexandria	57	↑ 26%
Oman	Muscat	Muscat	42	↑ 68%
Bahrain	Manama	Manama	43	↑ 53%
Kuwait	Kuwait City	Kuwait City	30	↑ 22%
Jordan	Amman	Amman	33	↑ 37%
Jordan	Aqaba	Aqaba	43	↑ 36%
Lebanon	Beirut	Beirut	38	↑ 61%
Qatar	Doha	Doha	70	↑ 16%

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.

FOR MORE INFORMATION

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