Colliers

Monthly Market Forecast

MENA Hotels

September 2021

Accelerating success.

Market Forecast

Methodology

Forecast Context

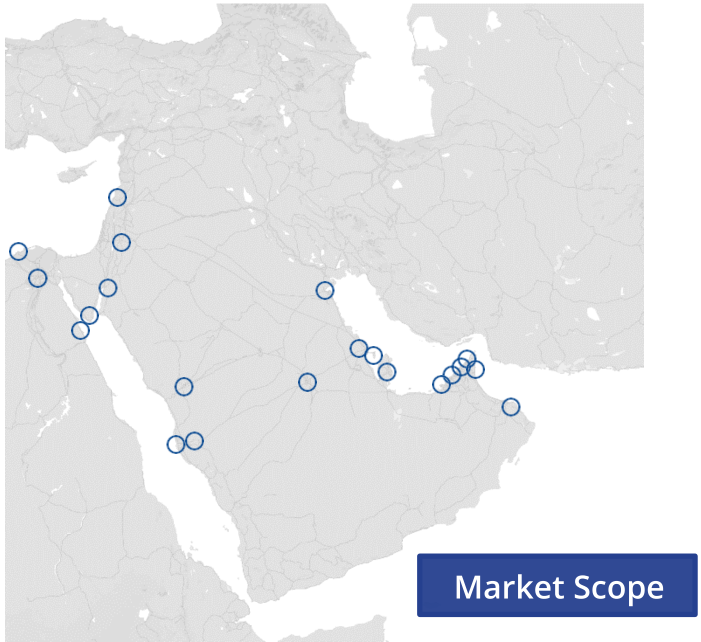
As we move through 2021, we begin to observe several markets build on recovery began in Q4 2020. Ongoing monitoring of the COVID-19 pandemic by government entities and other key touristic stakeholders has informed how markets open and close. While travel restrictions are easing, controlled and consistent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



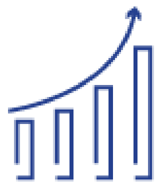
Market

Recovery Stages

2020

Impact of COVID-19

2021



Recovery

Key Market Movements

Market Movements from previous forecast	Forecasted Occupancy 2021	Percentage Point change	Trend
Beirut	38%	11.3 points	
Cairo	49%	3.4 points	
Sharm El Sheikh	43%	1.8 points	
Dubai Marina / JBR	72%	-1.0 points	
Jeddah	53%	-1.1 points	
Makkah	22%	-2.5 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	↑ 53%
UAE	Dubai	Sheikh Zayed Road / DIFC	63	↑ 48%
UAE	Dubai	Palm Jumeirah	68	↑ 59%
UAE	Dubai	Dubai Marina / JBR	72	↑ 39%
UAE	Abu Dhabi	Abu Dhabi Beach	56	↑ 17%
UAE	Ras Al Khaimah	Ras Al Khaimah	61	↑ 27%
UAE	Sharjah	Sharjah	62	↑ 37%
UAE	Fujairah	Fujairah	59	↑ 24%
KSA	Riyadh	Riyadh	58	↑ 17%
KSA	Jeddah	Jeddah	53	↑ 36%
KSA	Makkah	Makkah	22	↑ 5%
KSA	Madinah	Madinah	33	↑ 24%
KSA	Al Khobar	Al Khobar	56	→ 4%
Egypt	Cairo	Cairo	52	↑ 91%
Egypt	Sharm El Sheikh	Sharm El Sheikh	45	↑ 96%
Egypt	Hurghada	Hurghada	50	↑ 111%
Egypt	Alexandria	Alexandria	57	↑ 26%
Oman	Muscat	Muscat	42	↑ 70%
Bahrain	Manama	Manama	42	↑ 49%
Kuwait	Kuwait City	Kuwait City	30	↑ 22%
Jordan	Amman	Amman	35	↑ 45%
Jordan	Aqaba	Aqaba	43	↑ 36%
Lebanon	Beirut	Beirut	49	↑ 109%
Qatar	Doha	Doha	70	↑ 17%

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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