

## Performance levels plunge for Dubai and Sharm El Sheikh hotels

Five and four star hotels in Dubai continued to experience weakening average room rates (ARR) in November, falling 6.9% to US\$315.03, whilst occupancy levels remained strong, albeit marginally lower than the same period last year at 84.9%. The 8.1% decrease in revenue per available room (RevPAR) was compounded by significantly lower food and beverage revenues which fell 12.0%, driving total revenue per available room (TRevPAR) 10.9% lower, to US\$449.80. Higher operating expenses compounded lower overall revenues, reducing gross operating profit per available room (GOPPAR) by 15.8% to US\$214.83.

Occupancy levels plunged in Sharm El Sheikh in November following the crash of a Russian civilian airplane in early November. A subsequent ban on travel and cancellation of flights to the region from Russia and various European countries severely impacted performance in the Red Sea destination. Occupancy levels fell 25.9 percentage points to 36.2%, resulting in a 42.0% drop in RevPAR to US\$17.94. Fixed payroll expenses compounded the fall in top line revenues, pushing profit margins to their breaking point with GOPPAR dropping to US\$1.24.

## Weak demand in Doha and Jeddah impacts hotel profits

The continued low oil prices are starting to have an impact on Doha's hotel market as demand levels fell in November with occupancy levels dropping 5.5 percentage points to 75.1%. The fall in demand impacted all remaining performance indicators with ARR and RevPAR dropping 12.8% and 18.8% respectively. Higher F&B demand offset the softer room revenue; however it was not sufficient

enough to prevent GOPPAR reducing 24.4% to US\$142.99.

Jeddah hotels witnessed softening demand levels in November with four and five star hotels recording a 3.8 percentage point reduction in occupancy to 70.7%. Hoteliers were unable to offset the falling demand as ARR fell by 3.8% to US\$245.05. The decrease in occupancy levels had a negative effect on the remaining performance indicators with RevPAR and TRevPAR falling 8.8% and 3.8% respectively. Higher operations expenses compounded lower revenues with GOPPAR dropping 21.2% to US\$108.23.

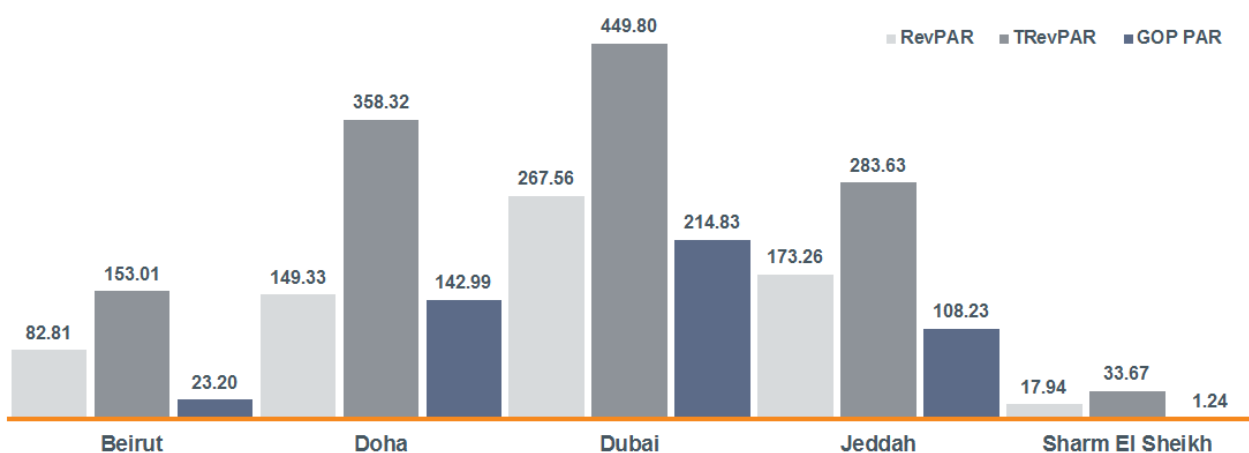
## Beirut hotels reverse the regional trend with stronger performance

Although Beirut hotels witnessed a 3.7 percentage point reduction in occupancy levels to 58.2% in November, hoteliers were able to yield significantly higher ARR which rose 15.8% to US\$142.29. The growth in ARR had a positive impact on all performance indicators with RevPAR and TRevPAR increasing 8.9% and 15.2% respectively. However higher operational expenses limited the growth in profits with GOPPAR increasing 3.3% to US\$23.20.

The month of November 2015

\$ Dollars	Occ %	ARR	RevPAR	TRevPAR	Payroll %	GOP PAR
Beirut	58.2	142.29	82.81	153.01	39.1	23.20
Doha	75.1	198.82	149.33	358.32	24.1	142.99
Dubai	84.9	315.03	267.56	449.80	20.3	214.83
Jeddah	70.7	245.05	173.26	283.63	26.3	108.23
Sharm El Sheikh	36.2	49.53	17.94	33.67	36.9	1.24

## MENA City Markets achieved REVPAR, TREVPAR and GOPPAR November 2015



## Editor's Notes

The hotels profiled in this report are drawn from the HotStats database and reflect the portfolios and distribution of the hotel chains that we survey and which operate primarily in the full-service sector.

**Please note:** The data samples are reviewed and rebased each year to reflect the changes in the HotStats survey base. As a result, performance ratios published last year may differ from those contained within this report.

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### The month of November 2015

	Occ %	ARR	RevPAR	TRevPAR	Payroll %	GOP PAR
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### Calendar year to November 2015

	Occ %	ARR	RevPAR	TRevPAR	Payroll %	GOP PAR
Beirut	57.8	155.79	90.11	168.57	36.2	34.23
Doha	70.5	210.89	148.62	345.35	24.2	136.06
Dubai	79.8	274.89	219.46	371.25	23.8	156.15
Jeddah	78.3	275.33	215.55	338.44	22.0	156.01
Sharm El Sheikh	63.2	53.22	33.63	58.80	24.6	15.65

### Twelve months to November 2015

	Occ %	ARR	RevPAR	TRevPAR	Payroll %	GOP PAR	
Beirut	58.3	154.20	89.93	167.92	35.8	34.51	Beirut
Doha	70.4	212.39	149.56	348.48	23.9	137.39	Doha
Dubai	80.0	279.75	223.70	380.84	23.1	162.86	Dubai
Jeddah	77.7	273.78	212.70	335.24	22.0	154.30	Jeddah
Sharm El Sheikh	62.1	52.97	32.88	58.01	24.7	15.11	Sharm El Sheikh

### The month of November 2014

	Occ%	ARR	RevPAR	TRevPAR	Payroll %	GOP PAR
Beirut	61.9	122.90	76.06	132.78	36.1	22.45
Doha	80.6	228.10	183.94	415.29	20.1	189.14
Dubai	86.1	338.22	291.05	504.72	17.2	255.29
Jeddah	74.5	254.83	189.94	294.93	21.8	137.40
Sharm El Sheikh	62.1	49.74	30.91	56.80	22.3	16.78

### Calendar year to November 2014

	Occ%	ARR	RevPAR	TRevPAR	Payroll %	GOP PAR
Beirut	54.4	131.16	71.36	127.21	37.0	17.56
Doha	70.8	217.13	153.77	346.89	22.3	146.86
Dubai	79.0	295.20	233.16	403.56	21.2	174.74
Jeddah	79.1	280.28	221.75	347.08	19.9	172.57
Sharm El Sheikh	62.4	47.43	29.58	53.84	21.9	16.38

### Twelve months to November 2014

	Occ %	ARR	RevPAR	TRevPAR	Payroll %	GOP PAR	
Beirut	54.2	131.40	71.23	129.21	36.3	18.53	Beirut
Doha	69.9	217.00	151.62	343.88	22.4	144.88	Doha
Dubai	79.0	298.51	235.79	409.01	20.9	178.70	Dubai
Jeddah	78.7	276.52	217.70	342.86	20.2	170.21	Jeddah
Sharm El Sheikh	61.6	46.69	28.75	52.86	21.8	16.13	Sharm El Sheikh

### Movement for the month of November

	Occ Change	ARR Change	RevPAR Change	TRevPAR Change	Payroll Change	GOP PAR Change
Beirut	-3.7	15.8%	8.9%	15.2%	-3.0	3.3%
Doha	-5.5	-12.8%	-18.8%	-13.7%	-4.0	-24.4%
Dubai	-1.1	-6.9%	-8.1%	-10.9%	-3.2	-15.8%
Jeddah	-3.8	-3.8%	-8.8%	-3.8%	-4.5	-21.2%
Sharm El Sheikh	-25.9	-0.4%	-42.0%	-40.7%	-14.6	-92.6%

### Movement for the calendar year to November

	Occ Change	ARR Change	RevPAR Change	TRevPAR Change	Payroll Change	GOP PAR Change
Beirut	3.4	18.8%	26.3%	32.5%	0.8	94.9%
Doha	-0.4	-2.9%	-3.3%	-0.4%	-1.9	-7.4%
Dubai	0.9	-6.9%	-5.9%	-8.0%	-2.5	-10.6%
Jeddah	-0.8	-1.8%	-2.8%	-2.5%	-2.1	-9.6%
Sharm El Sheikh	0.8	12.2%	13.7%	9.2%	-2.7	-4.5%

### Movement for the twelve months to November

	Occ Change	ARR Change	RevPAR Change	TRevPAR Change	Payroll Change	GOP PAR Change	
Beirut	4.1	17.4%	26.3%	30.0%	0.5	86.2%	Beirut
Doha	0.5	-2.1%	-1.4%	1.3%	-1.5	-5.2%	Doha
Dubai	1.0	-6.3%	-5.1%	-6.9%	-2.2	-8.9%	Dubai
Jeddah	-1.0	-1.0%	-2.3%	-2.2%	-1.8	-9.3%	Jeddah
Sharm El Sheikh	0.5	13.5%	14.4%	9.7%	-2.9	-6.3%	Sharm El Sheikh