



# Recovery, not growth

## Trends and outlook

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RHIC 2010

Moscow, 26 Oct 2010



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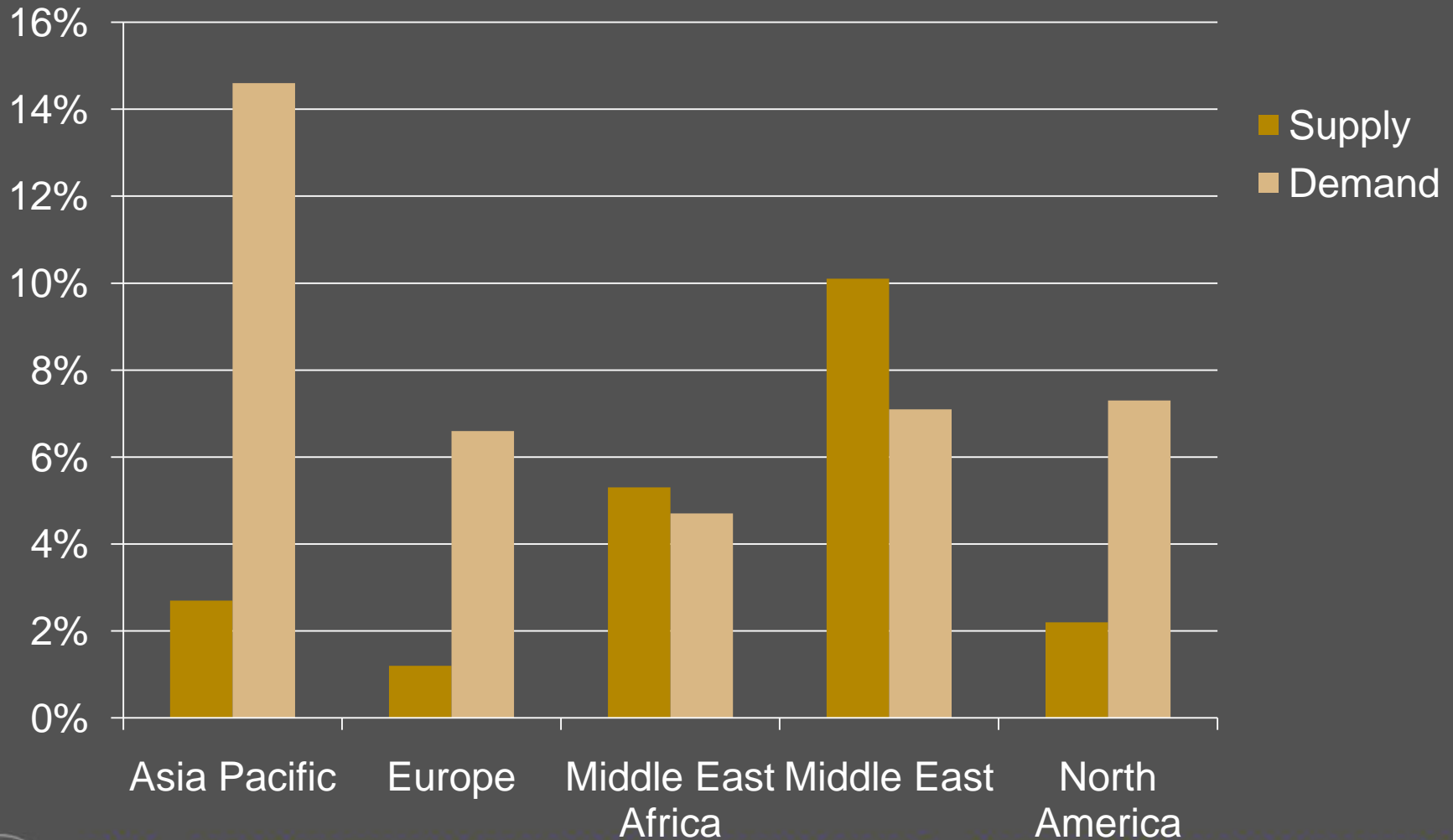
# Agenda

- Overview of World Regions
- Europe
- Key Markets
- Forecast
- Summary



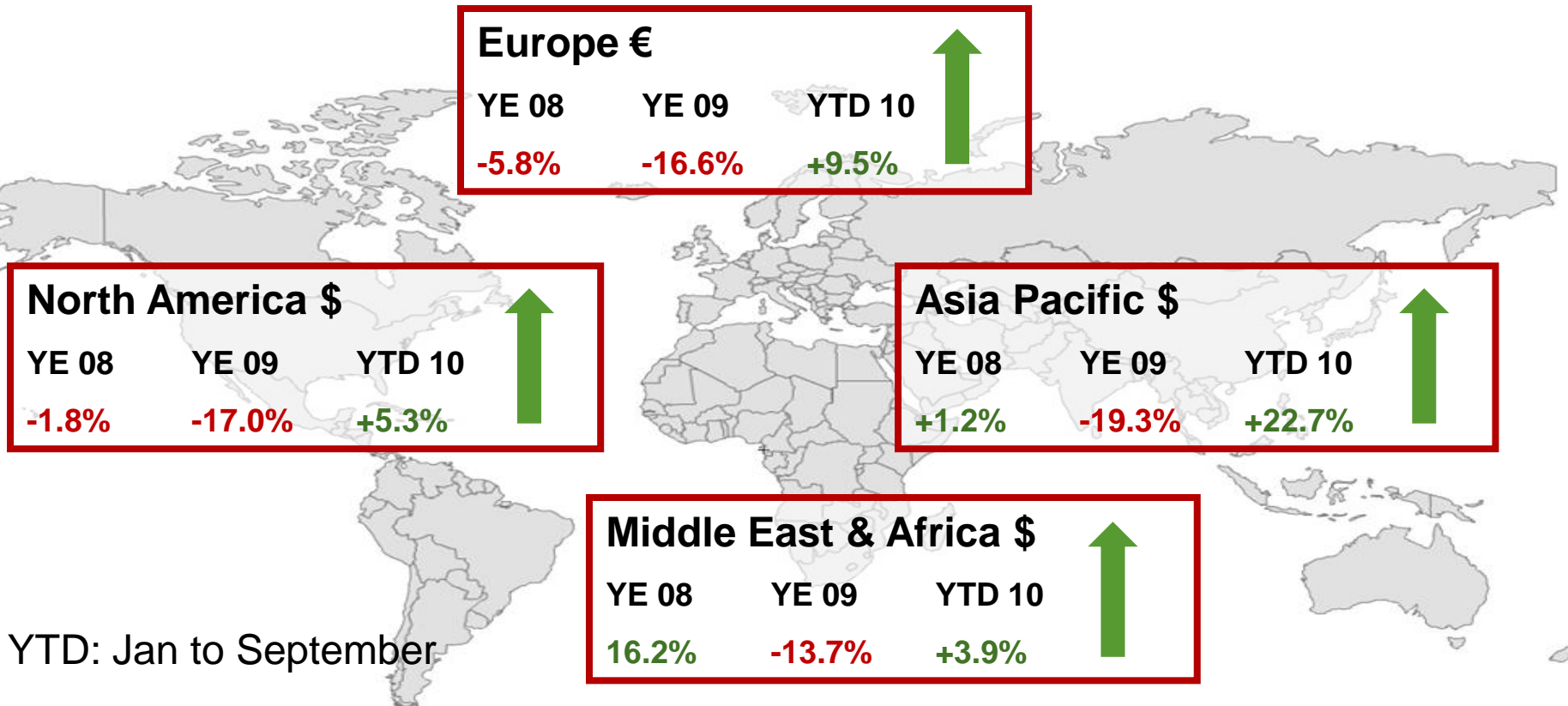
# Demand is back ...

YTD 2010, YOY % change, supply and demand



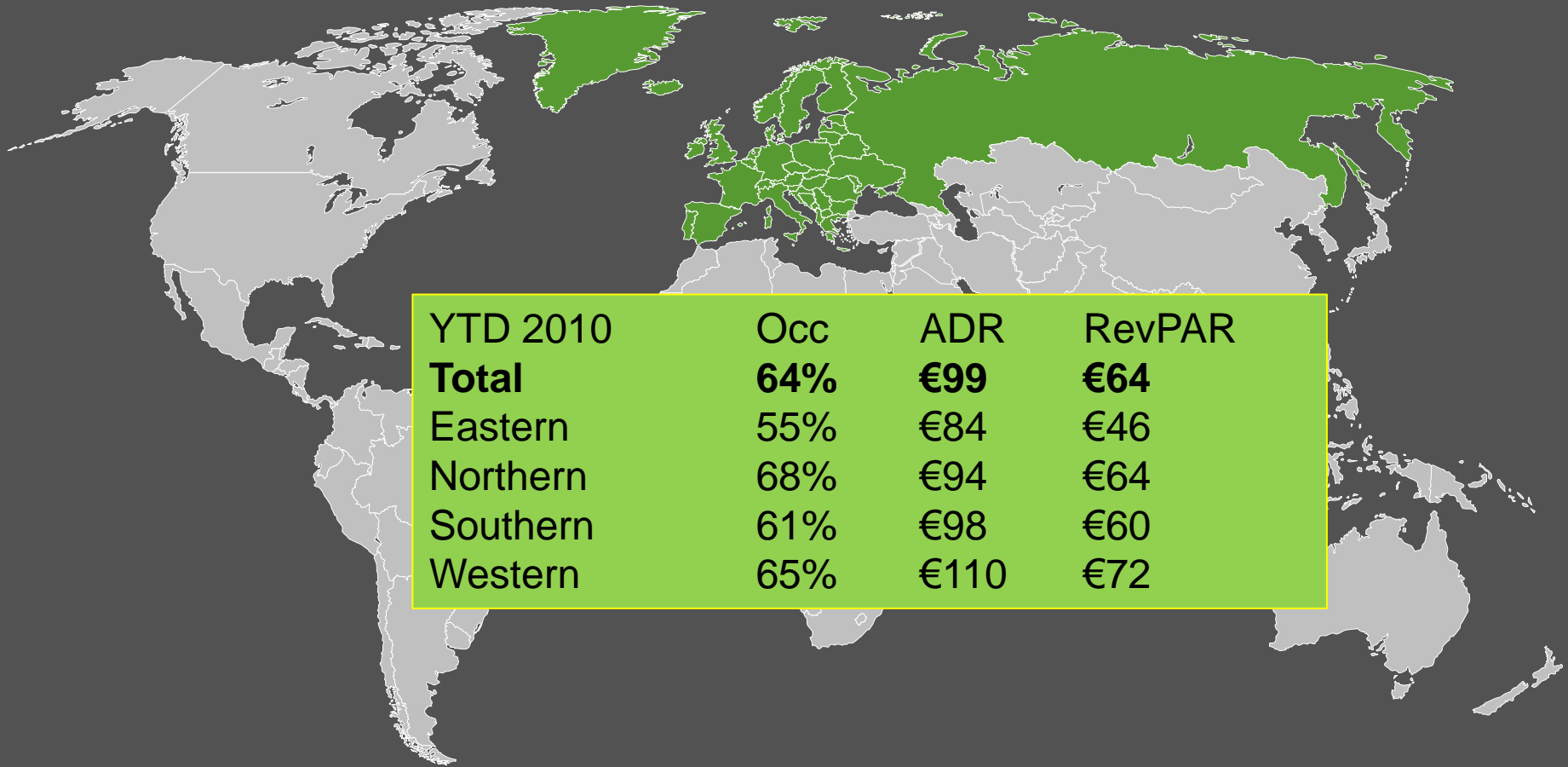
# And RevPAR follows...

YTD RevPAR % change



YTD: Jan to September

# Europe

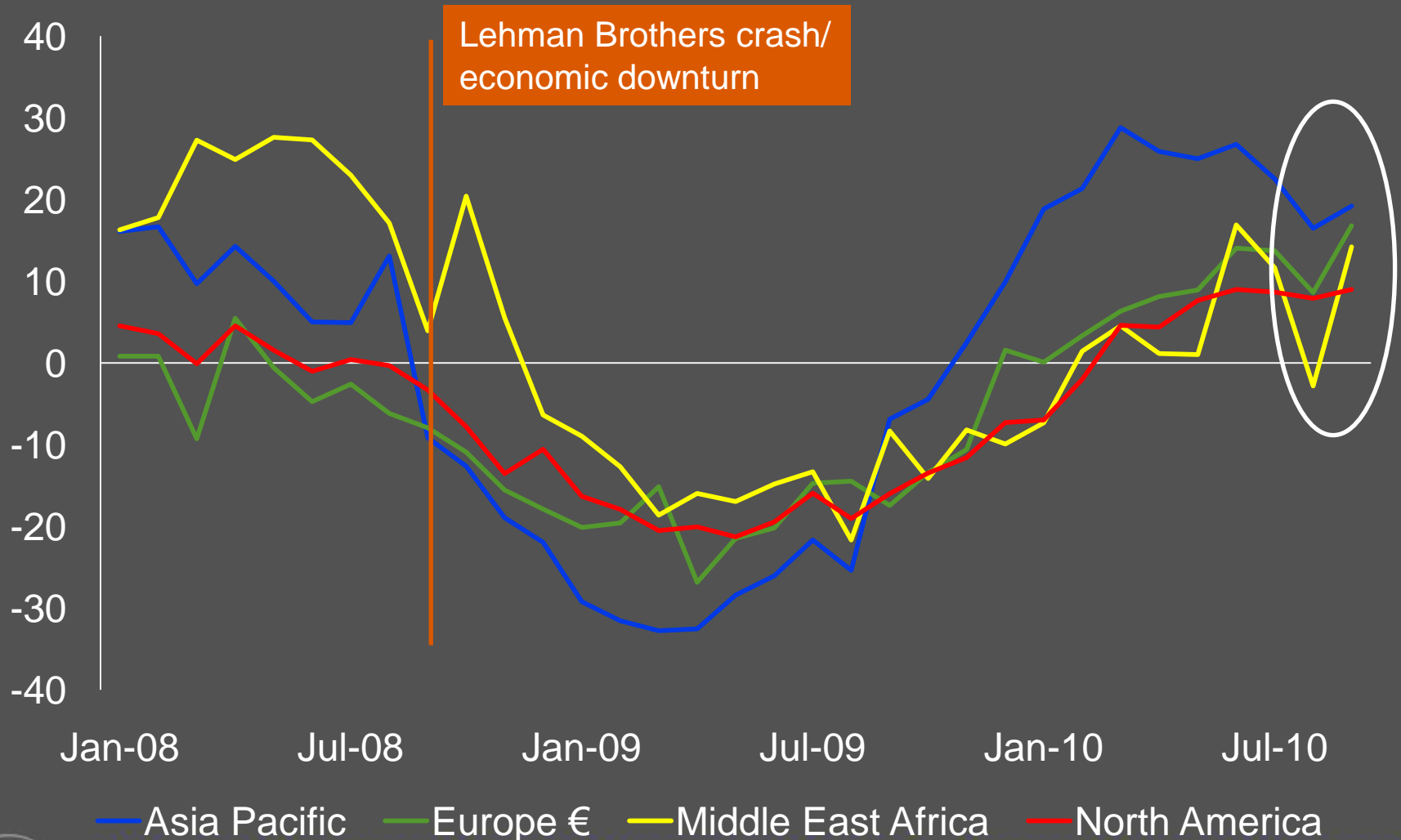


YTD 2010	Occ	ADR	RevPAR
<b>Total</b>	<b>64%</b>	<b>€99</b>	<b>€64</b>
Eastern	55%	€84	€46
Northern	68%	€94	€64
Southern	61%	€98	€60
Western	65%	€110	€72

YTD = January to September

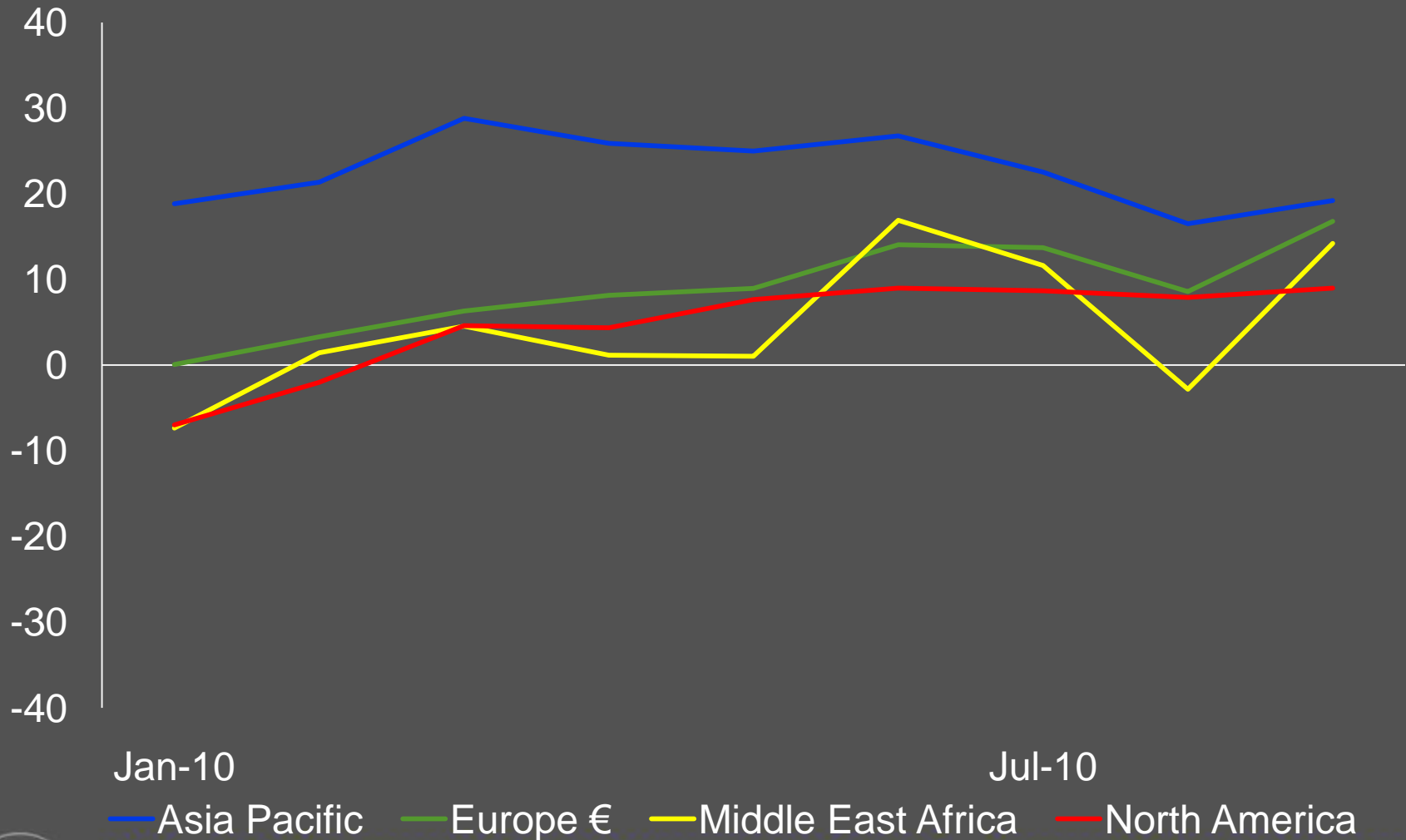
# ...an interesting Q4 coming up

revPAR % change YOY USD, Europe €



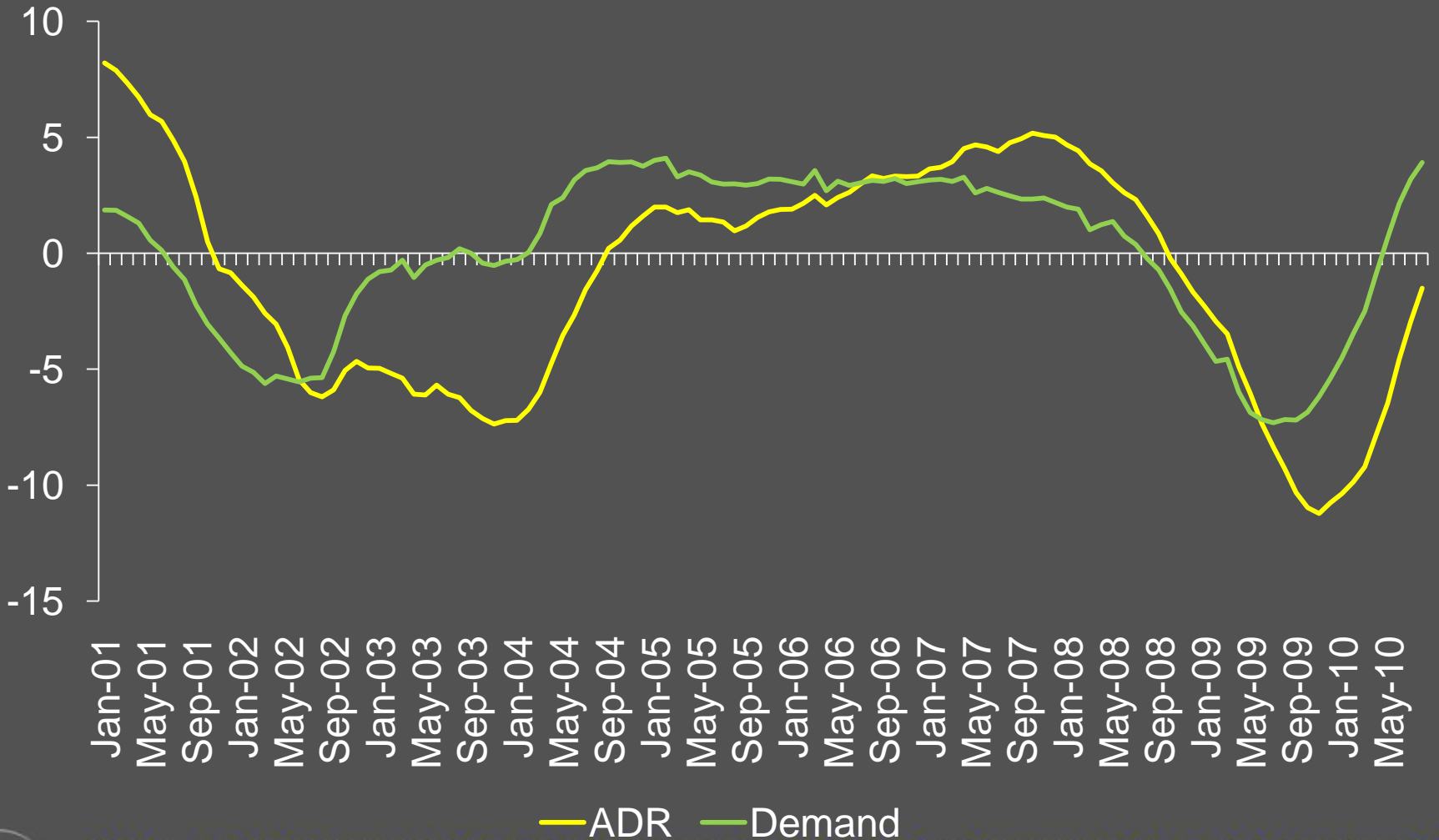
# 2010: Recovery Widespread

revPAR % change YOY USD, Europe €



# Surprising ADR pick up

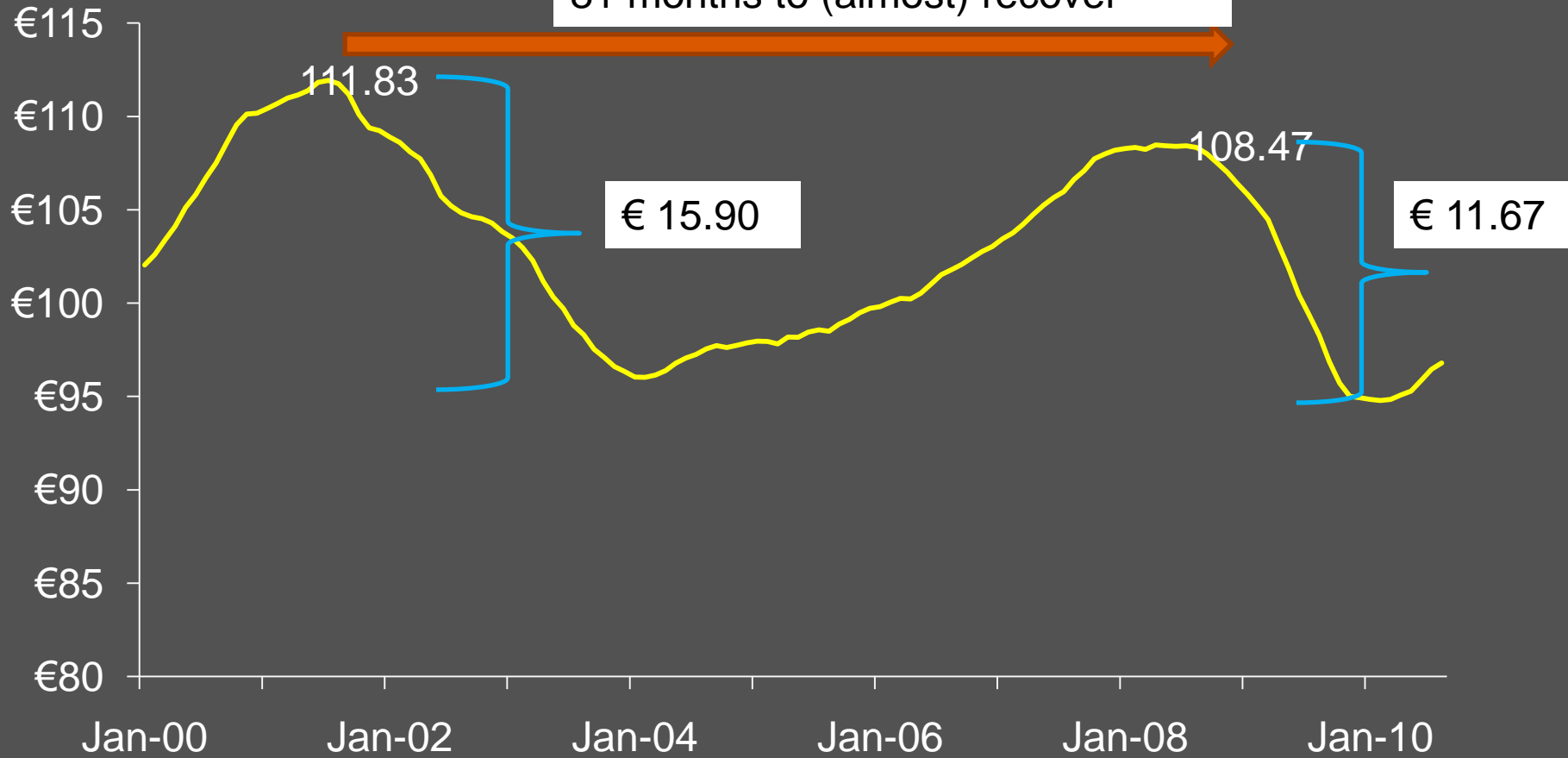
European rolling-12; % change demand and ADR



# European ADR

Rolling-12 ADR, Euros

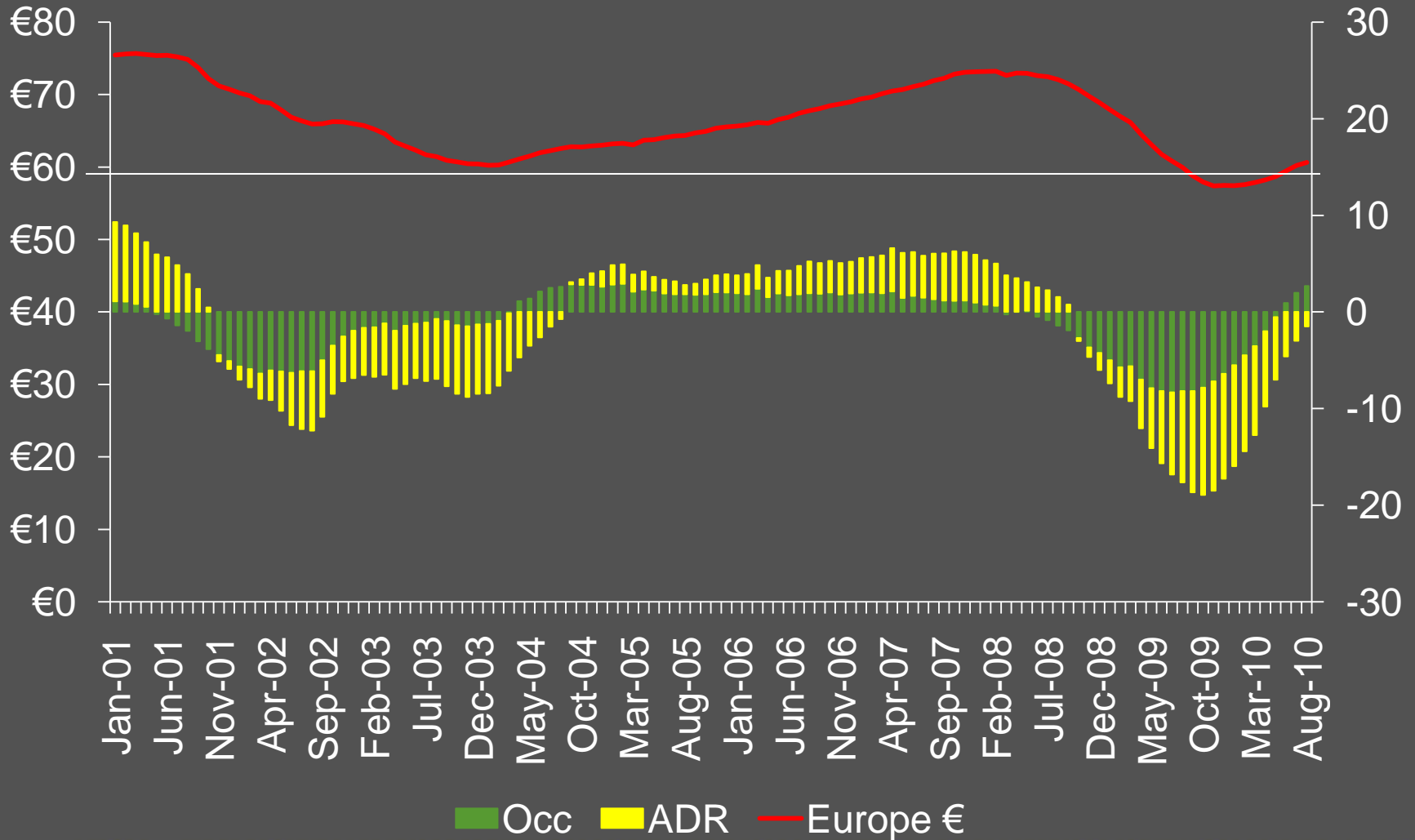
81 months to (almost) recover



— ADR

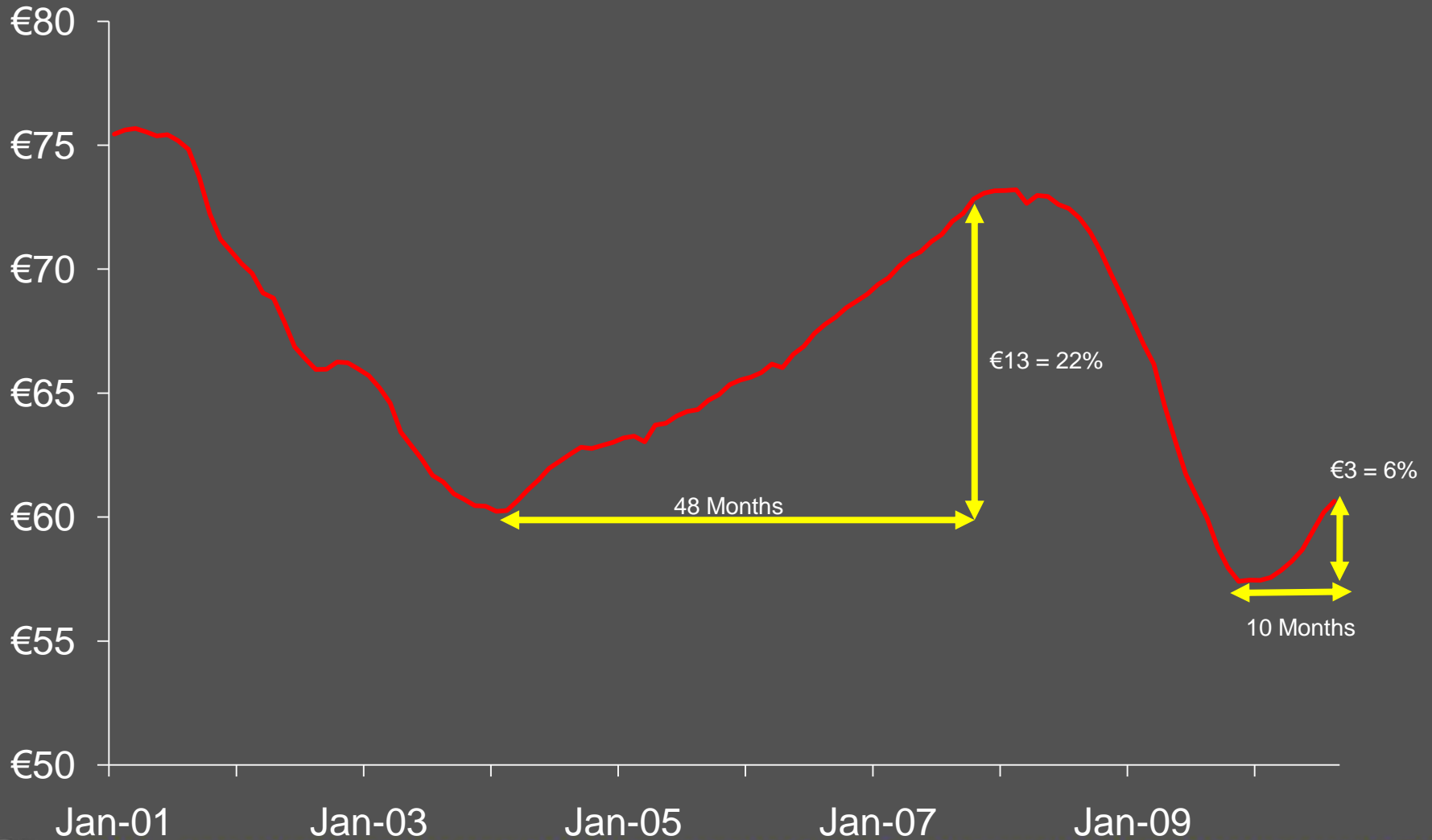
# Europe: 4 years to recover?

Rolling-12 RevPAR and Occ, ADR % change



# Europe: 4 years to recover?

Rolling-12 RevPAR



# How far off the peak are we?

Rolling-12 RevPAR in local currency

Market	Peak month	Aug 2010	% chg to peak
Copenhagen	Sept 2008	502.90	-18%
Dublin	March 2007	51.73	-38%
Milan	April 2008	78.77	-28%
Istanbul	Aug 2010	205.57	<b>0%</b>
Oslo	Aug 2008	572.95	-15%
London	Aug 2010	100.11	<b>0%</b>
Berlin	Oct 2008	57.74	-4%
Warsaw	Jan 2004	183.25	-15%
Budapest	Oct 2006	9864	-31%
Amsterdam	May 2008	83.10	-21%
Rome	Dec 2006	89.13	-23%

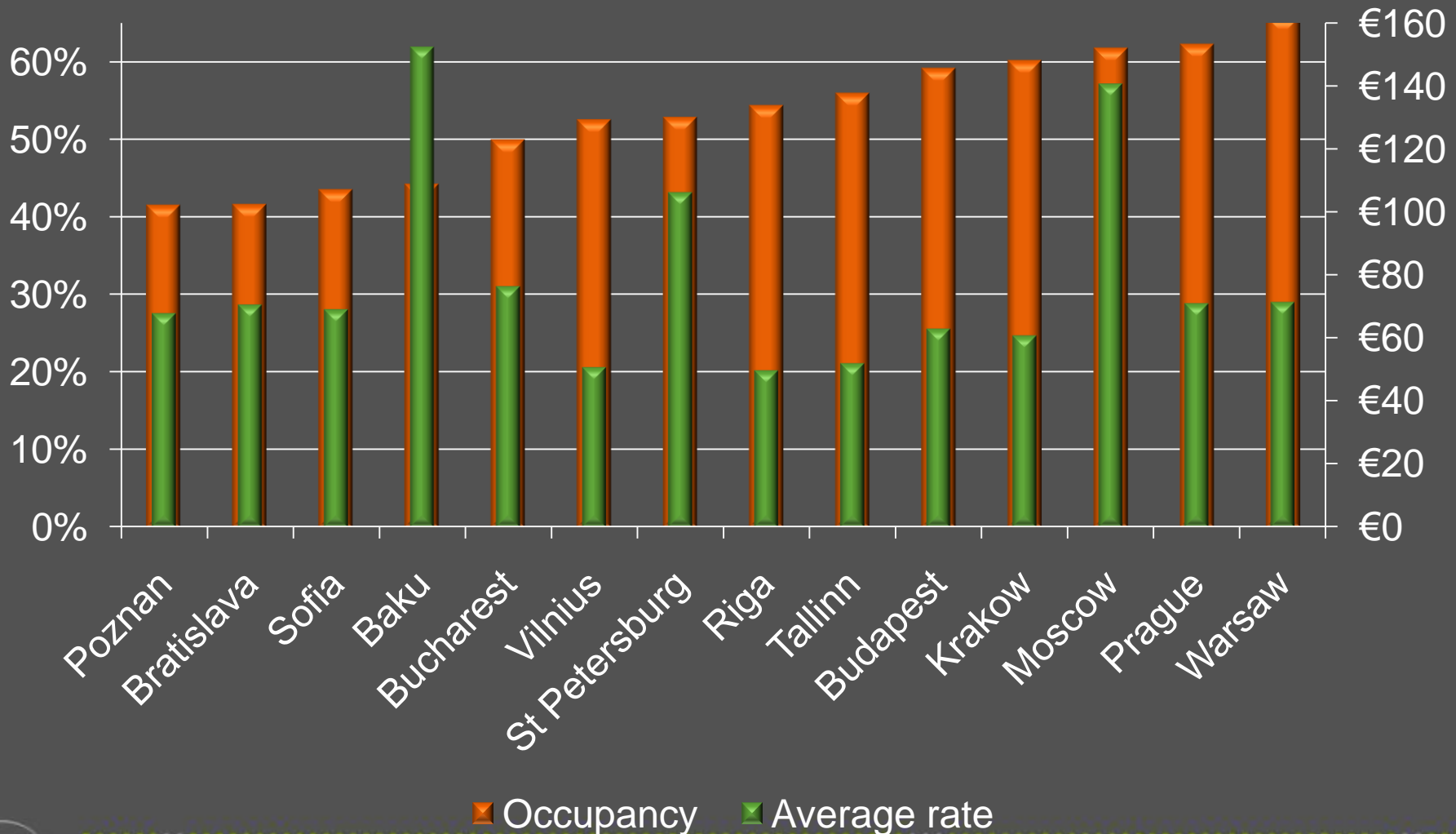
# How far off the peak are we?

Rolling-12 RevPAR in local currency

Market	Peak month	Aug 2010	% chg to peak
Baku	Jun 2005	68.45	-36%
Bratislava	Dec 2005	30.29	-54%
Budapest	Oct 2006	9864	-31%
Moscow	Oct 2008	3481.48	-34%
Prague	Jan 2005	1078.63	-54%
Riga	Nov 2006	17.42	-56%
St Petersburg	Jul 2004	1975.29	-58%
Sofia	Dec 2004	58.45	-53%
Tallinn	Mar 2007	420.80	-39%
Vilnius	Sept 2008	85.90	-40%
Warsaw	Jan 2004	183.25	-15%

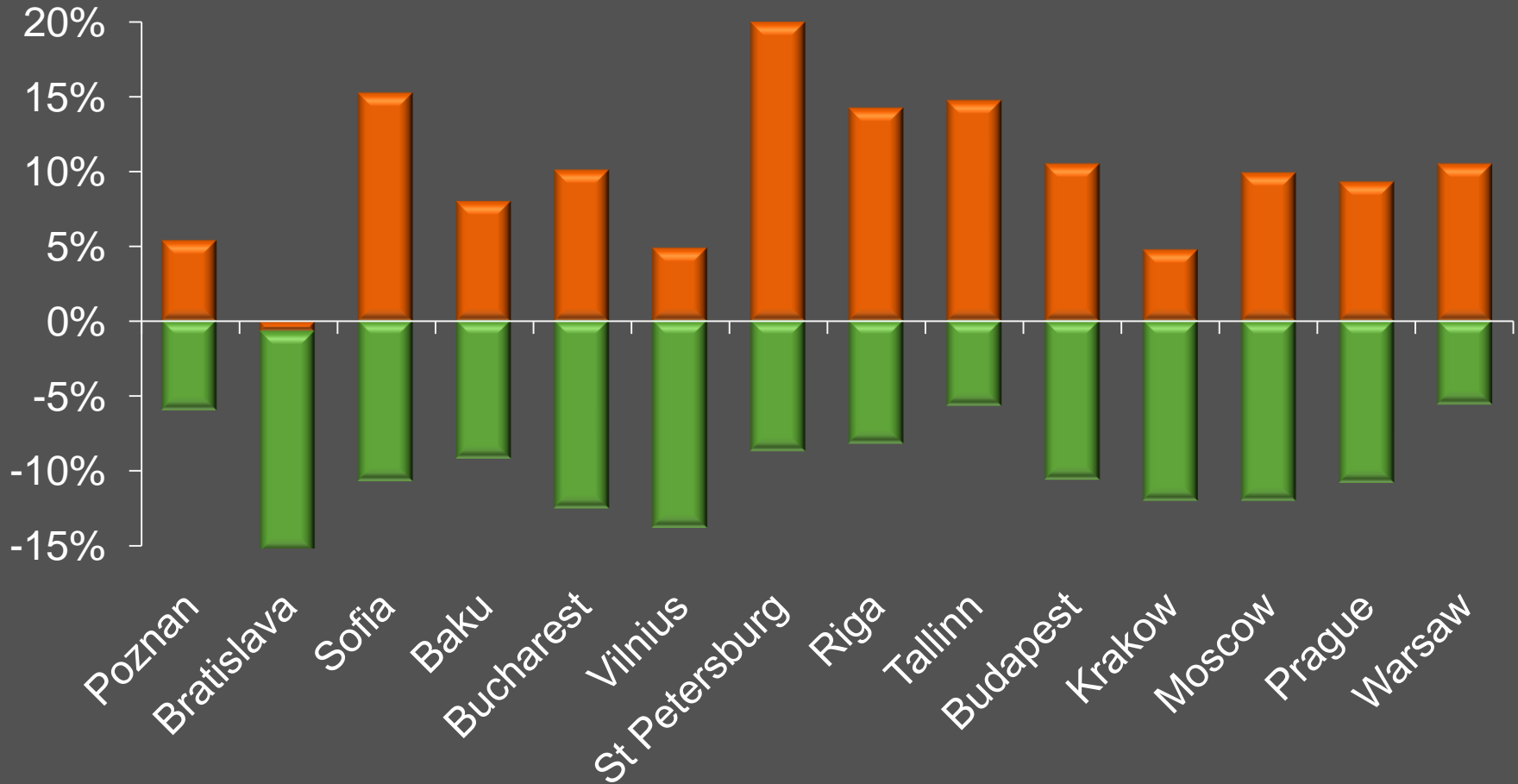
# Central & Eastern Europe

YTD September 2010, Euros



# Occupancy growth returned

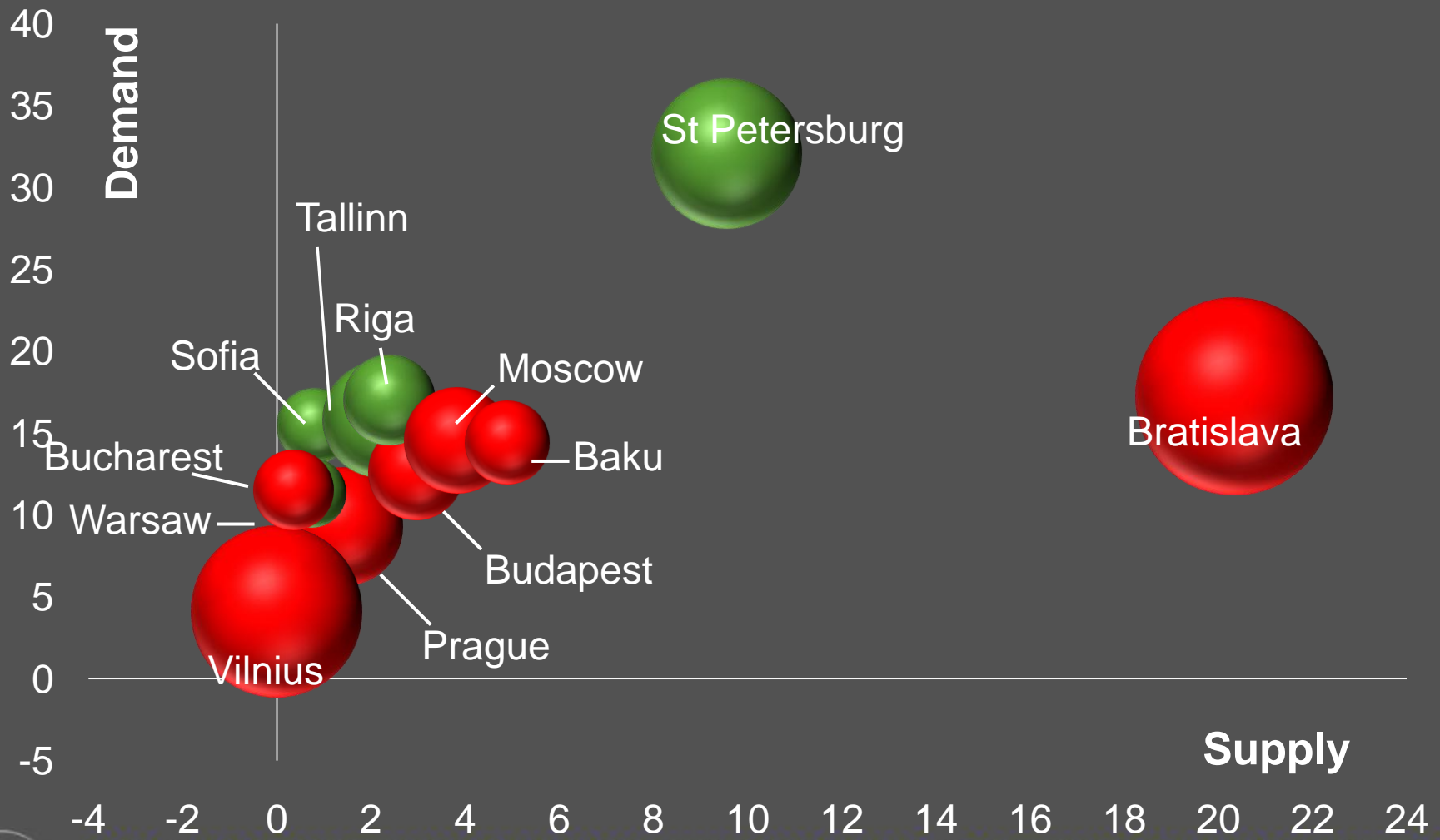
YTD September 2010, % change, local currency



Occupancy Average rate

# Demand and supply

YTD September 2010; RevPAR % change in local currency



# Forecast - Select European Cities

2010 RevPAR forecast % chg ranges, local currency

-10% to -15%	-5% to 0%	0% to 5%	5% to 10%	10% to 15%	15% to 20%
Copenhagen	Oslo	Istanbul	Edinburgh	Zurich	Frankfurt
	Glasgow	Milan	Brussels	London	
	Dublin	Budapest	Rome	Paris	
	<b>Moscow</b>	Prague		Stockholm	
				Berlin	
				Vienna	
				Amsterdam	
				Warsaw	
				Madrid	

(Budapest, Copenhagen, Warsaw – in Euros)



# Forecast - Select European Cities

2011 RevPAR forecast % chg ranges, local currency

-5% to -10%	-5% to 0%	0% to 5%	5% to 10%	10% to 15%	15% to 20%	Over 25%
Frankfurt	Stockholm	London	Zurich	Dublin		
	Berlin	Paris	Warsaw	Madrid		
	Vienna	Istanbul	Copenhagen	Milan		
		Amsterdam	Oslo	Rome		
		Brussels	Edinburgh	Prague		
		Glasgow	Budapest	Moscow		

(Budapest, Copenhagen, Warsaw – in Euros)

# Summary and Outlook

- Demand has returned
- Risks remain
- Overall, expecting the recovery to continue through 2010, rate growth in 2011
- Some great exceptions already this year:
  - London: July 2010 was best July since 1999
  - Istanbul





# Contact

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