

# Briefing Hotel sector

Q3/2015

## Supply

In Q3/2015, there were 9,100 rooms supplied by 66 three to 5-star hotels.

Stock increased by 3% quarter on quarter (QoQ) and 7% year on year (YoY), due to the entrance of two newly ranked 3-star hotels and the return of La Casa Hotel (previously the Prestige Hotel).

5-star stock remained at 4,600 rooms, accounting for 50% of the total, followed by three-star (28%) and four-star (22 percent).

## Performance

The average occupancy was 58%, up 1 ppt QoQ and 4 pts YoY. The average room rate (ARR) increased 1% YoY despite decreasing -1% QoQ.

RevPAR remained stable QoQ but grew 9% YoY, due to increased occupancy and ARR.

## Demand

According to the National Administration of Tourism, there were 5.7 million international visitors to Vietnam in 9M/2015, down 6% YoY.

Ha Noi People's Committee has established the Department of Tourism of Ha Noi City to boost tourism.

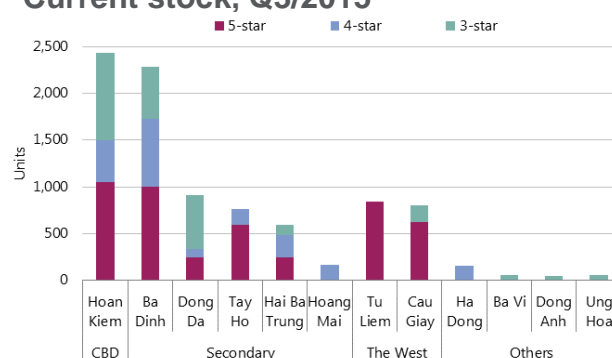
## Outlook

From Q4/2015 onwards, 35 projects will come online. Fourteen projects will supply 5,110 rooms; the remaining 21 projects have not quantified their supply.

Nineteen projects will target the 5-star grade.

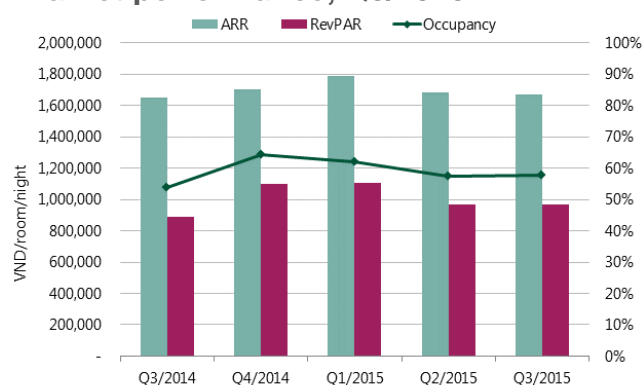
Two projects are being fitted-out and will enter the market in late 2015. From 2016 to 2017, one completed project and four projects currently under construction are expected to enter the market ■

FIGURE 1  
Current stock, Q3/2015



Source: Savills Research & Consultancy

FIGURE 2  
Market performance, Q3/2015



Source: Savills Research & Consultancy

## Savills Research team

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