SunTrust Robinson Humphrey

Lodging: US RevPAR -76.8% Y/Y Last Week; slight improvement in headline RevPAR y/y change

C. Patrick Scholes
212-319-3915
patrick.scholes@suntrust.com

Gregory J. Miller
212-303-4198
gregory.j.miller@suntrust.com

Kevin Robinson
617-345-6544
kevin.robinson@suntrust.com

What's Inside

Weekly STR results and analysis

What's Incremental To Our View

Overall U.S. RevPAR was -76.8% Y/Y for the week ending 5/2/2020, per STR, stronger than the prior week's result of -78.4%. (2-year stacked RevPAR was -73.3% vs -81.3% in the prior week). Independent hotels (about 1/3rd of the data set) were -73.6% y/y. Economy (-38.0%) was the relatively strongest chain scale for branded hotels; Luxury was the weakest at -92.0%. Upscale (-80.3%) underperformed the industry average; Upper Midscale (-74.2%) outperformed. Within Upper Upscale & Luxury class hotels, Group (-93.6% vs. -91.3% prior week) was softer than Transient (-90.8% vs. -93.2% prior week).

RevPAR trends once again moved in a slightly "less worse" direction, even despite what we argue was a difficult y/y comp (2019 recovery demand post-Easter). However, as we noted last week we assume some of the strength may be driven by closed hotels and the remaining open properties receiving higher absolute demand. Regardless, we would not describe absolute occupancy of 28.6% to be a significant improvement vs. the running 28 day occupancy of 25.2%.

- RevPAR for the weeks ending April 4th/11th/18th/25th, 2020 were -81.6/-83.6/-79.4/-78.4%, respectively.

While we have not seen a material number of hotels reopening, we will be attentive to demand implications as state governments enact "reopen policies". We see leisure demand as the first segment to rebound and this trend may already be starting albeit slowly. Economy occupancy on Saturday was 48.0%, down 34.3% y/y. Results remain far worse for full-service hotels, broadly speaking.

For the month of April, we estimate that full-service branded domestic hotels (the typical Hilton [HLT, Hold], Hyatt [H, Hold], or Marriott [MAR, Hold] hotel) will finish approximately -90%. We estimate that the overall industry will finish -80%. Please note that reported monthly results include hotels that are not in the weekly data set. **Additionally, we caveat that these figures may include hotels that closed during April and RevPAR for hotels open for the full month may be moderately higher.**

Please see our First look at virus impact on US hotel RevPAR and China & Italy notes for our additional analysis on last week's U.S. and international trends.

- As a reminder for last week's results: please note there are many hotels that suspended operations/closed and they are not included in the comparisons. Implications are that the headline statistics overstate the actual performance of the overall industry. **Given we do not see a material number of hotels reopening, we strongly believe we have yet to reach the bottom of the COVID-19 lodging demand shock.**

SEE PAGE 6 FOR REQUIRED DISCLOSURE INFORMATION

Last week's RevPAR details:

- **Economy was the relatively strongest chain scale but all chain scales were materially negative:** Upscale and Upper Midscale underperformed by 4,230 bps and 3,620 bps, respectively: Luxury RevPAR (-92.0%), Upper Upscale (-91.5%), Upscale (-80.3%), Upper Midscale (-74.2%), Midscale (-58.8%), and Economy (-38.0%). Independent hotels (-73.6%) outperformed the headline U.S. RevPAR.
- **Within Upper Upscale & Luxury class hotels, Group underperformed Transient but both segments were similarly materially negative:** Transient segment (individual business and leisure travelers) RevPAR was -90.8% (vs. -93.2% last week) and Group segment RevPAR was -93.6% (vs. -91.3% last week).
- **NYC was the relatively strongest of the top five markets:** Boston (-89.6%), Chicago (-84.8%), Los Angeles (-78.1%), NYC (-77.9%), and Washington, D.C. (-86.8%).
- **Other relevant markets:**
    - **San Francisco:** RevPAR was -87.3% vs. -87.5% last week.
    - **Florida market RevPAR:**
        - **Miami:** (-84.6% vs. -88.2% last week);
        - **Orlando:** (-89.9% vs. -90.8% last week). We expect Orlando results to remain especially challenged given the major theme parks are closed and group demand is essentially zero.

From observations of what is happening with RevPAR and re-openings in China, we suspect we may see a slower and longer recovery in the US than what the more optimistic/bullish management teams and investors expect. While hotel stocks have been crushed, we are holding back on any potential stock upgrades at this time as we suspect we may see more attractive entry points at a future date.

(Our ratings and price targets generally represent our recommendations and forecasts based on a 12 to 18 month outlook. We acknowledge that near term uncertainty and volatility could affect financial inputs to our targets, and the likely multiples the market may pay for those metrics.)

Weekly RevPAR Summary

YoY % change in RevPAR

	U.S.	Luxury	Upper Upscale	Upscale	Upper Midscale	Midscale	Economy	Inde-pendent	New York	Boston	LA	Chicago	DC
2/22/2020	**-1.4%**	1.8%	-1.2%	-2.3%	-2.5%	-4.4%	-3.0%	-0.3%	-3.8%	-7.5%	-4.1%	0.2%	2.2%
2/29/2020	**-0.2%**	3.7%	1.3%	-0.3%	-2.6%	-5.0%	-4.9%	1.3%	-4.5%	8.4%	2.8%	-12.0%	-3.0%
3/7/2020	**-11.6%**	-14.1%	-15.9%	-12.1%	-9.3%	-8.3%	-6.9%	-10.4%	-20.3%	-8.8%	-8.9%	-18.5%	-7.2%
3/14/2020	**-32.5%**	-45.9%	-45.4%	-34.4%	-26.9%	-22.7%	-16.8%	-26.7%	-54.6%	-48.9%	-39.9%	-43.1%	-39.1%
3/21/2020	**-69.5%**	-85.1%	-84.7%	-74.3%	-62.8%	-48.2%	-32.1%	-67.1%	-86.5%	-82.4%	-75.1%	-79.3%	-81.3%
3/28/2020	**-80.3%**	-94.8%	-92.3%	-82.9%	-76.9%	-63.0%	-43.5%	-79.0%	-87.8%	-88.1%	-82.4%	-84.3%	-87.6%
4/4/2020	**-81.6%**	-94.2%	-93.5%	-84.4%	-79.2%	-65.7%	-46.9%	-79.8%	-88.6%	-89.0%	-82.5%	-87.0%	-88.5%
4/11/2020	**-83.6%**	-95.2%	-94.6%	-86.1%	-81.6%	-68.5%	-49.7%	-81.9%	-85.7%	-92.4%	-85.1%	-90.0%	-89.5%
4/18/2020	**-79.4%**	-94.5%	-92.6%	-82.2%	-76.0%	-60.3%	-41.0%	-78.3%	-83.9%	-89.3%	-82.4%	-82.8%	-85.0%
4/25/2020	**-78.4%**	-92.8%	-91.6%	-81.4%	-76.5%	-62.1%	-42.4%	-76.9%	-77.6%	-88.3%	-79.4%	-81.0%	-84.6%
5/2/2020	**-76.8%**	-92.0%	-91.5%	-80.3%	-74.2%	-58.8%	-38.0%	-73.6%	-77.9%	-89.6%	-78.1%	-84.8%	-86.8%
1Q16	2.7%	1.6%	1.9%	2.2%	2.0%	0.0%	1.8%	4.0%	-1.2%	-3.0%	16.6%	-4.8%	3.1%
2Q16	3.5%	0.8%	2.9%	3.1%	3.2%	3.2%	3.0%	4.2%	-4.5%	1.5%	11.1%	-1.0%	3.5%
3Q16	3.3%	1.5%	2.5%	2.0%	1.8%	2.5%	3.0%	5.1%	-2.5%	-0.5%	9.3%	1.2%	5.5%
4Q16	3.2%	1.9%	0.6%	1.2%	2.2%	3.9%	4.4%	5.1%	0.9%	-1.6%	6.9%	3.3%	8.0%
1Q17	3.4%	2.1%	3.0%	1.0%	2.4%	3.5%	2.6%	5.2%	-1.3%	-1.1%	-2.5%	1.5%	16.1%
2Q17	2.7%	2.3%	0.6%	0.6%	1.2%	2.4%	3.7%	5.1%	0.2%	4.4%	3.6%	0.8%	0.8%
3Q17	1.9%	0.5%	-0.7%	0.7%	1.8%	3.5%	2.9%	3.1%	-0.9%	-0.2%	-1.2%	-5.0%	-0.6%
4Q17	4.2%	4.5%	3.2%	3.8%	3.9%	3.7%	3.7%	4.1%	0.8%	3.7%	4.2%	-2.5%	2.2%
1Q18	3.5%	6.6%	0.9%	2.2%	3.0%	3.8%	5.3%	3.8%	7.1%	2.6%	2.7%	5.8%	-11.0%
2Q18	4.0%	4.9%	3.4%	2.8%	3.0%	4.1%	3.1%	4.6%	4.2%	-1.2%	0.6%	4.0%	3.1%
3Q18	1.7%	3.3%	1.9%	0.8%	-0.5%	0.1%	1.8%	2.2%	0.7%	2.8%	1.3%	7.5%	-3.4%
4Q18	2.4%	3.0%	1.1%	0.0%	0.5%	1.3%	2.9%	4.9%	3.5%	12.2%	3.0%	2.8%	-3.4%
1Q19	1.5%	-0.7%	1.2%	-0.5%	0.4%	-0.1%	1.9%	3.1%	-7.1%	-2.1%	-1.7%	-4.5%	-2.4%
2Q19	1.1%	1.1%	0.5%	-0.4%	0.0%	-0.7%	1.7%	2.4%	-1.8%	4.5%	1.6%	-0.1%	-1.5%
3Q19	0.7%	1.3%	1.1%	-0.5%	-0.1%	-1.0%	-0.9%	1.6%	-2.2%	-0.4%	-0.2%	-2.2%	4.5%
4Q19	0.7%	3.6%	1.0%	-0.6%	-1.0%	-2.7%	-1.5%	2.3%	-4.1%	-11.6%	1.1%	-0.7%	5.2%

Slight RevPAR improvement despite a tough y/y calendar shift comp

Economy and Midscale led the industry (on a relative basis)

New York and LA led the Top 5 markets (on a relative basis; all markets extremely negative)

YoY % change in ADR

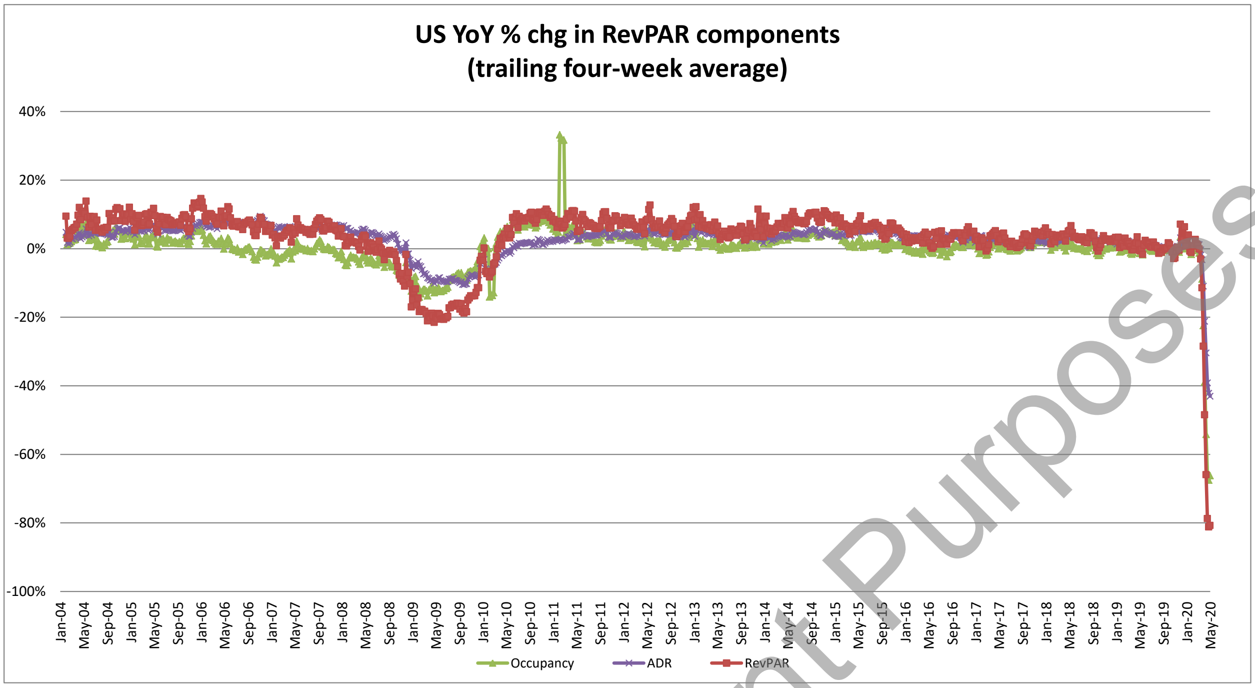
	U.S.	Luxury	Upper Upscale	Upscale	Upper Midscale	Midscale	Economy	Inde-pendent	New York	Boston	LA	Chicago	DC
2/22/2020	**0.7%**	3.9%	1.4%	-0.9%	-0.4%	-0.8%	-0.4%	1.8%	-1.9%	-3.9%	-1.7%	3.0%	1.1%
2/29/2020	**1.6%**	4.5%	2.3%	0.1%	-0.5%	-1.6%	-1.4%	3.1%	-3.7%	4.6%	0.6%	-6.0%	-2.1%
3/7/2020	**-4.6%**	-0.1%	-4.3%	-4.6%	-3.5%	-2.7%	-2.9%	-3.5%	-8.3%	-3.3%	-0.7%	-5.8%	-2.1%
3/14/2020	**-10.7%**	2.5%	-7.5%	-7.4%	-6.5%	-6.6%	-6.7%	-6.7%	-19.1%	-14.2%	-12.2%	-12.4%	-8.6%
3/21/2020	**-30.2%**	10.3%	-16.5%	-17.3%	-15.0%	-12.7%	-11.1%	-31.1%	-30.9%	-29.7%	-29.0%	-31.9%	-38.0%
3/28/2020	**-39.4%**	-19.6%	-32.7%	-22.7%	-20.6%	-17.4%	-13.7%	-42.5%	-33.1%	-39.0%	-32.0%	-37.6%	-46.3%
4/4/2020	**-41.5%**	-17.7%	-37.4%	-26.1%	-23.2%	-18.9%	-15.1%	-43.6%	-45.3%	-44.2%	-34.6%	-46.7%	-48.1%
4/11/2020	**-45.6%**	-26.7%	-44.3%	-31.5%	-27.2%	-21.5%	-17.6%	-47.5%	-49.3%	-56.0%	-41.7%	-55.1%	-51.9%
4/18/2020	**-42.2%**	-24.0%	-39.6%	-28.6%	-23.3%	-17.0%	-14.0%	-45.1%	-55.4%	-52.3%	-40.1%	-41.1%	-41.6%
4/25/2020	**-42.9%**	-20.8%	-40.3%	-30.2%	-26.5%	-19.8%	-16.6%	-45.0%	-52.1%	-53.0%	-43.2%	-44.0%	-45.9%
5/2/2020	**-44.0%**	-26.5%	-45.0%	-33.4%	-28.0%	-20.9%	-16.2%	-44.2%	-55.8%	-60.5%	-46.1%	-53.3%	-53.5%
1Q16	3.2%	1.9%	2.7%	3.2%	2.6%	1.7%	3.3%	3.7%	-3.1%	1.4%	11.3%	-1.9%	1.1%
2Q16	2.9%	1.5%	2.2%	2.9%	2.8%	2.7%	3.4%	3.0%	-3.1%	3.3%	9.4%	0.3%	2.1%
3Q16	3.4%	1.5%	2.5%	2.7%	2.4%	3.1%	3.6%	4.4%	-2.7%	2.3%	7.5%	1.9%	3.5%
4Q16	2.6%	2.1%	1.4%	2.2%	2.0%	2.2%	3.2%	3.8%	-1.2%	1.3%	5.8%	3.9%	4.1%
1Q17	2.5%	2.3%	2.4%	1.3%	1.6%	1.8%	2.4%	3.5%	-2.2%	0.0%	-0.2%	1.7%	13.6%
2Q17	2.2%	2.2%	1.2%	1.7%	1.5%	2.1%	2.3%	3.5%	-1.5%	4.1%	2.8%	1.5%	2.0%
3Q17	1.4%	1.4%	0.2%	0.8%	1.2%	1.9%	2.4%	2.2%	-2.0%	0.8%	1.8%	-2.4%	0.0%
4Q17	2.4%	2.2%	1.9%	1.8%	1.8%	2.5%	3.4%	2.1%	-0.2%	0.8%	4.6%	-2.0%	2.4%
1Q18	2.5%	4.5%	1.0%	1.7%	2.0%	3.0%	4.0%	3.1%	3.5%	-1.0%	4.0%	1.4%	-9.4%
2Q18	2.9%	3.5%	2.9%	2.4%	2.1%	2.6%	2.7%	3.1%	3.7%	-0.1%	2.1%	3.3%	2.4%
3Q18	2.1%	3.3%	2.4%	1.8%	1.2%	1.3%	1.2%	1.9%	1.2%	1.9%	1.1%	6.7%	-0.8%
4Q18	2.0%	3.7%	2.2%	1.6%	1.1%	0.9%	0.6%	2.9%	3.4%	5.6%	1.4%	2.2%	-2.1%
1Q19	1.1%	2.2%	2.5%	1.0%	0.8%	-0.2%	-0.3%	1.0%	-3.8%	0.7%	-1.0%	-2.4%	1.5%
2Q19	1.2%	2.5%	1.4%	0.6%	0.7%	-0.2%	0.6%	1.7%	-1.0%	3.2%	0.8%	-1.7%	0.2%
3Q19	0.8%	1.5%	1.3%	0.2%	-0.1%	-0.5%	-0.5%	1.6%	-1.9%	0.9%	-0.2%	-2.8%	4.0%
4Q19	0.7%	2.4%	0.6%	-0.4%	-0.3%	-1.0%	-1.0%	1.9%	-3.7%	-5.5%	0.3%	-2.2%	3.9%

YoY % change in Occupancy

	U.S.	Luxury	Upper Upscale	Upscale	Upper Midscale	Midscale	Economy	Inde-pendent	New York	Boston	LA	Chicago	DC
2/22/2020	**-2.1%**	-2.0%	-2.6%	-1.4%	-2.1%	-3.6%	-2.6%	-2.0%	-2.0%	-3.7%	-2.4%	-2.8%	1.1%
2/29/2020	**-1.7%**	-0.7%	-1.0%	-0.4%	-2.1%	-3.4%	-3.5%	-1.8%	-0.8%	3.6%	2.2%	-6.4%	-0.9%
3/7/2020	**-7.3%**	-14.0%	-12.0%	-7.8%	-6.1%	-5.8%	-4.1%	-7.1%	-13.1%	-5.7%	-8.2%	-13.5%	-5.2%
3/14/2020	**-24.4%**	-47.2%	-41.0%	-29.2%	-21.8%	-17.2%	-10.8%	-21.4%	-43.9%	-40.4%	-31.6%	-35.0%	-33.4%
3/21/2020	**-56.4%**	-86.5%	-81.7%	-68.9%	-56.3%	-40.6%	-23.6%	-52.3%	-80.5%	-74.9%	-64.9%	-69.6%	-69.8%
3/28/2020	**-67.5%**	-93.5%	-88.6%	-77.9%	-70.9%	-55.2%	-34.5%	-63.5%	-81.8%	-80.6%	-74.1%	-74.8%	-77.0%
4/4/2020	**-68.5%**	-92.9%	-89.7%	-78.9%	-73.0%	-57.8%	-37.5%	-64.1%	-79.1%	-80.2%	-73.3%	-75.6%	-77.9%
4/11/2020	**-69.8%**	-93.4%	-90.3%	-79.7%	-74.7%	-59.9%	-38.9%	-65.6%	-71.7%	-82.7%	-74.4%	-77.8%	-78.2%
4/18/2020	**-64.4%**	-92.8%	-87.7%	-75.1%	-68.6%	-52.2%	-31.4%	-60.6%	-63.8%	-77.6%	-70.7%	-70.7%	-74.3%
4/25/2020	**-62.2%**	-90.9%	-86.0%	-73.3%	-68.1%	-52.7%	-31.0%	-58.0%	-53.2%	-75.0%	-63.6%	-66.1%	-71.4%
5/2/2020	**-58.5%**	-89.1%	-84.5%	-70.4%	-64.2%	-47.8%	-26.0%	-52.7%	-50.1%	-73.7%	-59.4%	-67.4%	-71.6%
1Q16	-0.5%	-0.3%	-0.8%	-0.9%	-0.6%	-1.7%	-1.5%	0.3%	2.0%	-4.3%	4.7%	-3.0%	2.0%
2Q16	0.6%	-0.7%	0.7%	0.2%	0.4%	0.5%	-0.4%	1.2%	-1.4%	-1.7%	1.5%	-1.4%	1.3%
3Q16	0.0%	0.0%	-0.1%	-0.6%	-0.6%	-0.6%	-0.6%	0.7%	0.3%	-2.8%	1.7%	-0.7%	1.9%
4Q16	0.6%	-0.2%	-0.8%	-1.0%	0.2%	1.7%	1.2%	1.2%	2.2%	-2.8%	1.0%	-0.5%	3.7%
1Q17	0.9%	-0.2%	0.6%	-0.3%	0.7%	1.6%	0.2%	1.6%	1.0%	-1.1%	-2.4%	-0.2%	2.2%
2Q17	0.5%	0.1%	-0.6%	-1.1%	-0.3%	0.4%	1.4%	1.6%	1.7%	0.3%	0.8%	-0.7%	-1.2%
3Q17	0.5%	-0.9%	-0.9%	-0.1%	0.6%	1.6%	0.5%	0.9%	1.1%	-1.0%	-2.9%	-2.7%	-0.5%
4Q17	1.8%	2.2%	1.3%	2.0%	2.1%	1.2%	0.3%	2.0%	1.0%	2.8%	-0.3%	-0.5%	-0.2%
1Q18	0.9%	2.1%	0.0%	0.5%	1.1%	0.9%	1.3%	0.7%	3.5%	3.7%	-1.3%	4.4%	-1.8%
2Q18	1.1%	1.3%	0.5%	0.4%	0.9%	1.5%	0.4%	1.5%	0.5%	-1.1%	-1.4%	0.7%	0.7%
3Q18	-0.4%	0.0%	-0.5%	-1.0%	-1.7%	-1.1%	0.5%	0.3%	-0.5%	0.9%	0.2%	0.7%	-2.6%
4Q18	0.4%	-0.7%	-1.1%	-1.6%	-0.6%	0.4%	2.3%	1.9%	0.1%	6.3%	1.6%	0.6%	-1.3%
1Q19	0.4%	-2.8%	-1.3%	-1.4%	-0.5%	0.0%	2.3%	2.1%	-3.5%	-2.8%	-0.7%	-2.2%	-3.8%
2Q19	-0.1%	-1.4%	-0.9%	-1.0%	-0.7%	-0.6%	1.1%	0.7%	-0.7%	1.3%	0.8%	1.7%	-1.7%
3Q19	-0.1%	-0.2%	-0.2%	-0.7%	0.0%	-0.5%	-0.4%	0.0%	-0.3%	-1.4%	0.1%	0.6%	0.4%
4Q19	-0.1%	1.2%	0.4%	-0.2%	-0.8%	-1.7%	-0.4%	0.4%	-0.4%	-6.5%	0.8%	1.5%	1.3%

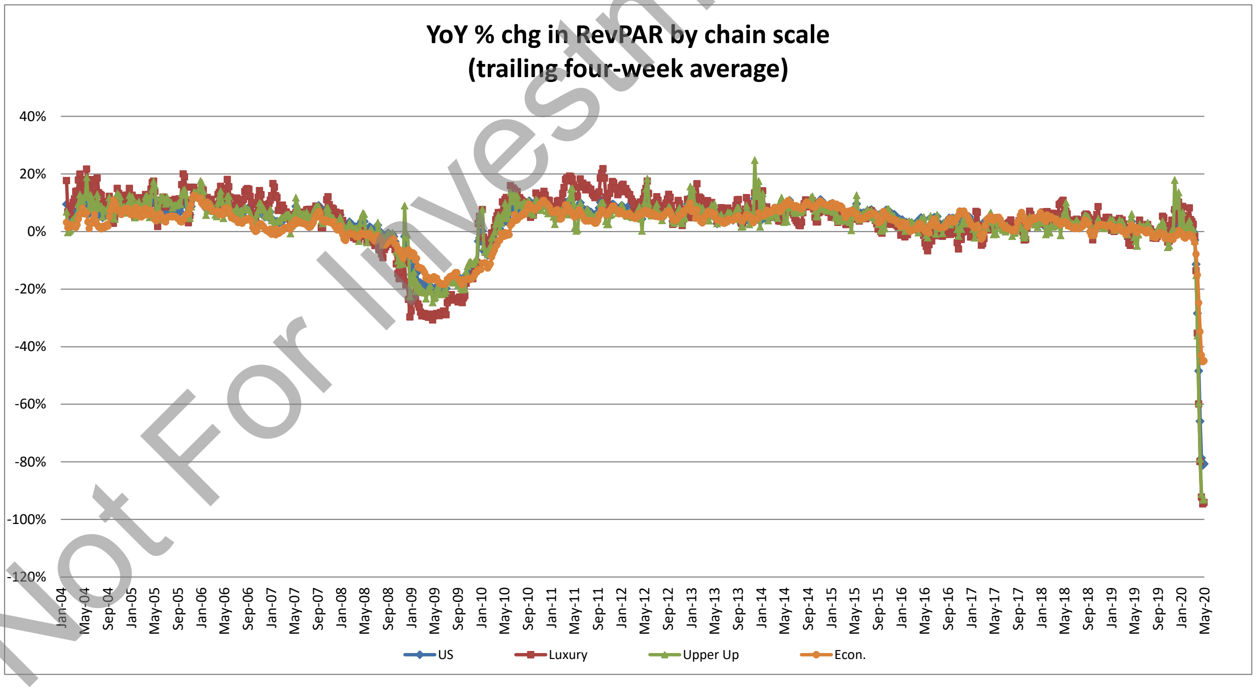
Source: STR data, STRH research

RevPAR Component Trends



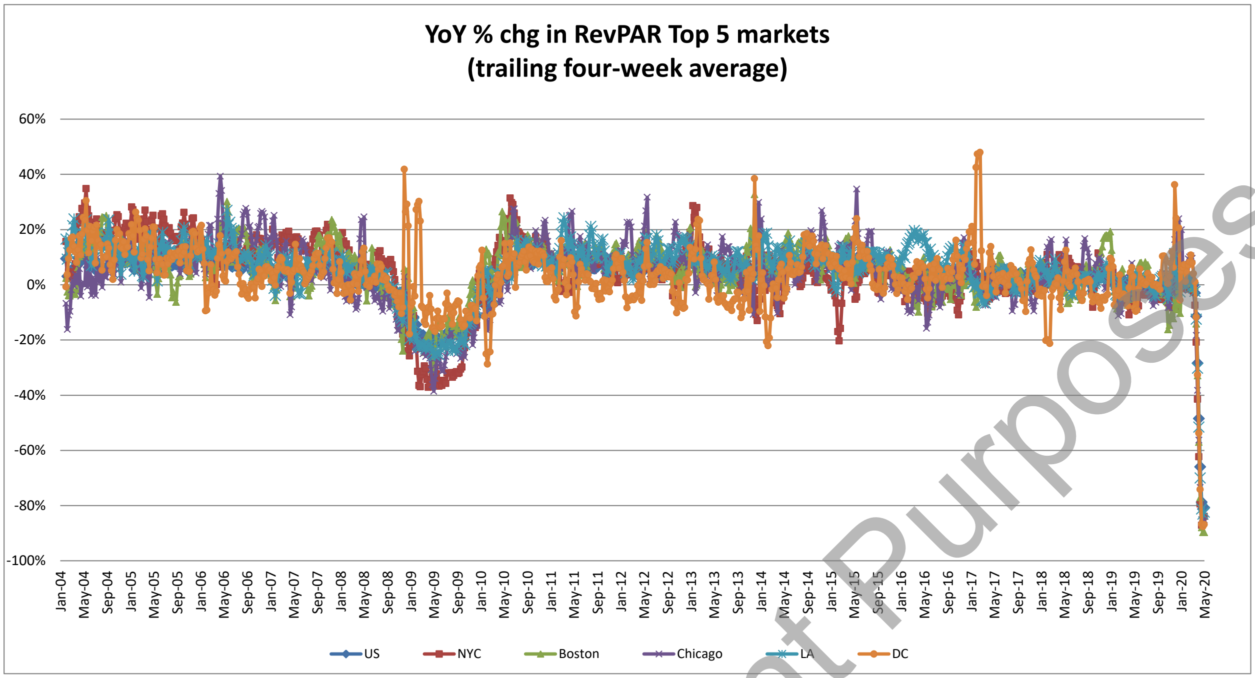
Source: STR data, STRH research

RevPAR Trends by Chain Scale



Source: STR data, STRH research

RevPAR Trends by Market



Source: STR data, STRH research

H: Valuation and Risks

Our price target of $49 for H is derived by applying a 12.7x target EV/EBITDA multiple (a blended average of the industry multiples for each business segment) to our estimate for 2021 EBITDA. Our valuation model for Hyatt assumes an owned-hotel 2021 EBITDA multiple of 12.0x and a franchise/management fee EBITDA multiple of 13.0x.

Upside risk: transient and group trends outperform expectations.
Downside risk: ongoing misexecution and volatility. The coronavirus lodging demand shock presents a downward risk to the lodging industry due to the uncertainties regarding the timing and scope of the demand recovery, consumer behavior, impact to lodging supply fundamentals, macro room rate integrity, and short/long-term impact to the U.S. and international macroeconomy.

MAR: Valuation and Risks

Our $83 price target is based on a 13.9x blended multiple on our 2021E EBITDA. In the parts, we assign a 13.0x multiple of EBITDA to the Owned segment and 14.0x fees EBITDA (the fees EBITDA also includes credit card branding fees, a 10x multiple business) to the managed/franchised business. The multiple is towards the middle of the historical range of 9-18x.

Risks to our rating and price target:

Upside Risks: Significant U.S macroeconomic improvement results in large recovery in transient corporate demand (and consequential >400 bps RevPAR improvement). Owned assets sell for premium prices relative to MAR expectations.

Downside Risks: Severe macroeconomic downturn. Geopolitical and policy risks negatively impact lodging demand. The coronavirus lodging demand shock presents a downward risk to the lodging industry due to the uncertainties regarding the timing and scope of the demand recovery, consumer behavior, impact to lodging supply fundamentals, macro room rate integrity, and short/long-term impact to the U.S. and international macroeconomy.

HLT: Valuation and Risks

We apply a blended multiple of 13.9x (11.0x for Owned/leased and 14.0x for Managed/franchised) to our 2021 adjusted EBITDA estimate to derive a 12-month price target of $61. This multiple is towards the middle-higher end of the historical range of 10x-16x.
Risks to our rating and price target:
Upside risks include: Higher than expected pipeline growth, material RevPAR growth (macroeconomic improvement beyond expectations), material market share gains. Downside risks include: Growth trajectory could disappoint. Pipeline growth could either slow down or projects scheduled for construction could be cancelled, which would diminish system growth for the firm and disappoint investors. The coronavirus lodging demand shock presents a downward risk to the lodging industry due to the uncertainties regarding the timing and scope of the demand recovery, consumer behavior, impact to lodging supply fundamentals, macro room rate integrity, and short/long-term impact to the U.S. and international macroeconomy.

Companies Mentioned in This Note

Hyatt Hotels Corporation (H, $50.20, Hold, C. Patrick Scholes)
Hilton Worldwide Holdings Inc. (HLT, $70.79, Hold, C. Patrick Scholes)
Marriott International, Inc. (MAR, $81.11, Hold, C. Patrick Scholes)

Analyst Certification

I, C. Patrick Scholes , hereby certify that the views expressed in this research report accurately reflect my personal views about the subject company(ies) and its (their) securities. I also certify that I have not been, am not, and will not be receiving direct or indirect compensation in exchange for expressing the specific recommendation(s) in this report.

I, Gregory J. Miller , hereby certify that the views expressed in this research report accurately reflect my personal views about the subject company(ies) and its (their) securities. I also certify that I have not been, am not, and will not be receiving direct or indirect compensation in exchange for expressing the specific recommendation(s) in this report.

Required Disclosures

SunTrust Robinson Humphrey, Inc. or an affiliate managed or co-managed a securities offering for the following companies within the last 12 months: H-US, HLT-US and MAR-US

The following company is a client of SunTrust Robinson Humphrey, Inc. for non-investment banking securities-related services within the last 12 months: H-US

SunTrust Robinson Humphrey, Inc. or an affiliate has received compensation for non-investment banking services within the last 12 months: H-US

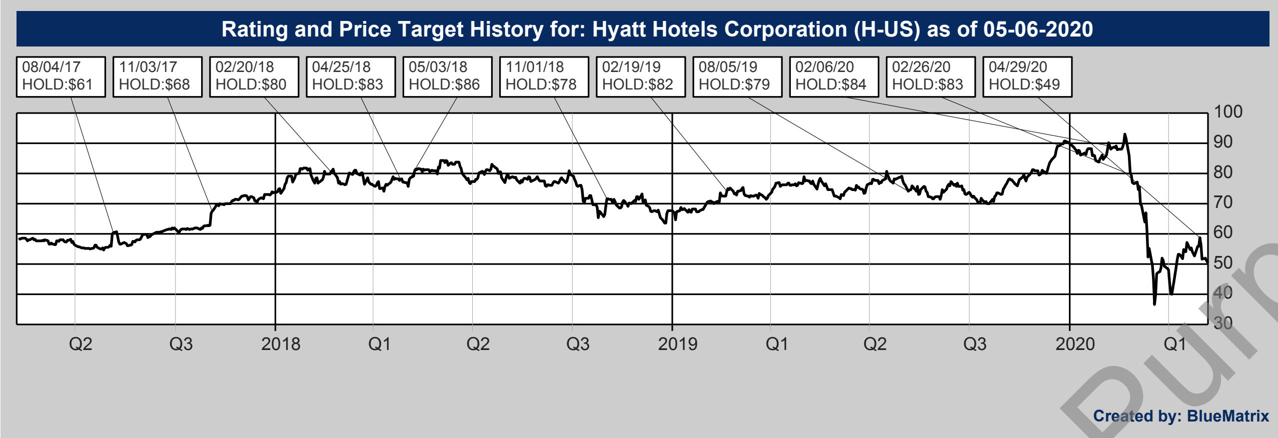
The following companies are clients of SunTrust Robinson Humphrey, Inc. for investment banking services within the last 12 months: HLT-US and MAR-US

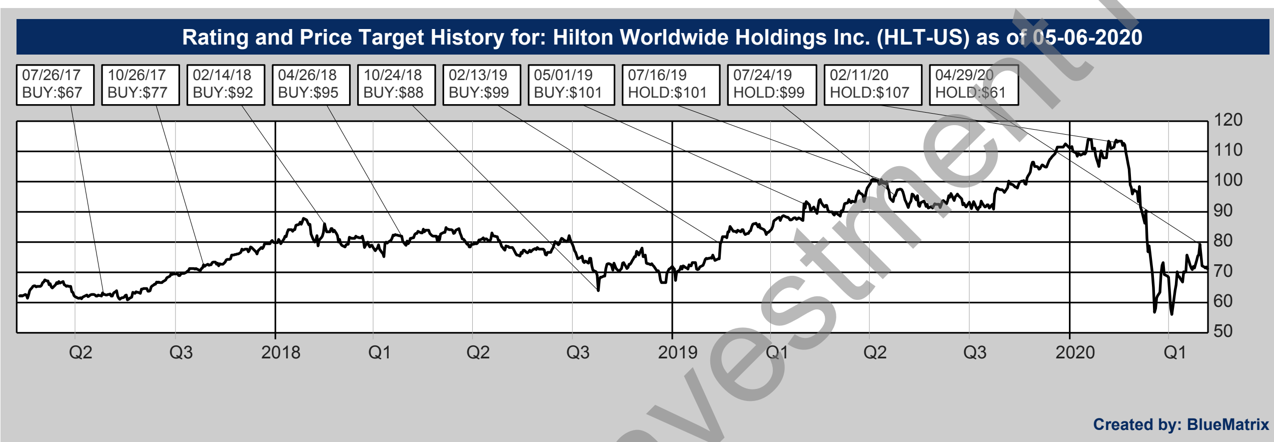
SunTrust Robinson Humphrey, Inc. or an affiliate has received compensation for investment banking services within the last 12 months: HLT-US and MAR-US

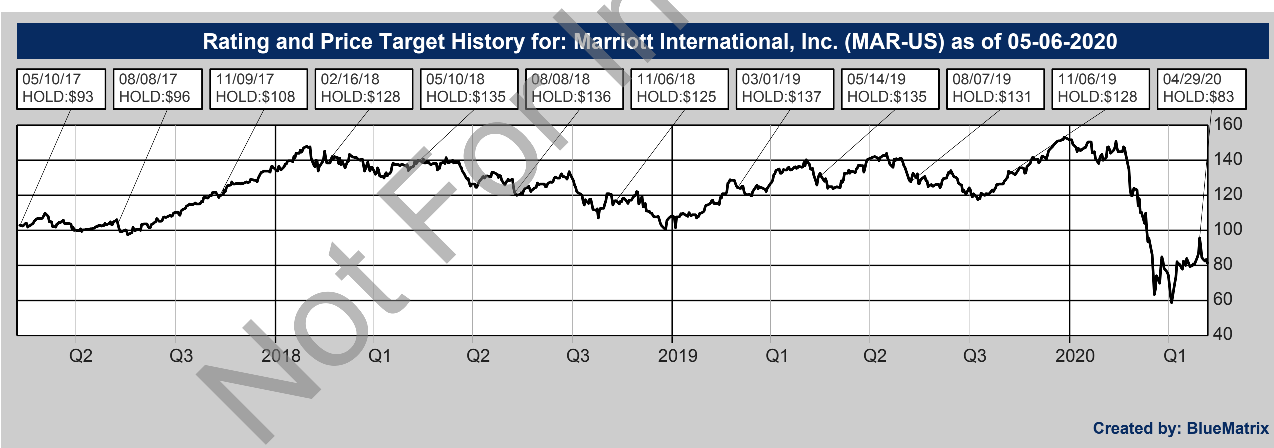
SunTrust Robinson Humphrey, Inc. makes a market in the following company: MAR-US

Analyst compensation is based upon stock price performance, quality of analysis, communication skills, and the overall revenue and profitability of the firm, including investment banking revenue.

As a matter of policy and practice, the firm prohibits the offering of favorable research, a specific research rating or a specific target price as consideration or inducement for the receipt of business or compensation. In addition, associated persons preparing research reports are prohibited from owning securities in the subject companies.


Rating and Price Target History for: Hyatt Hotels Corporation (H-US) as of 05-06-2020
08/04/17 HOLD:$61
11/03/17 HOLD:$68
02/20/18 HOLD:$80
04/25/18 HOLD:$83
05/03/18 HOLD:$86
11/01/18 HOLD:$78
02/19/19 HOLD:$82
08/05/19 HOLD:$79
02/06/20 HOLD:$84
02/26/20 HOLD:$83
04/29/20 HOLD:$49
100 90 80 70 60 50 40 30
Q2 Q3 2018 Q1 Q2 Q3 2019 Q1 Q2 Q3 2020 Q1
Created by: BlueMatrix


Rating and Price Target History for: Hilton Worldwide Holdings Inc. (HLT-US) as of 05-06-2020
07/26/17 BUY:$67
10/26/17 BUY:$77
02/14/18 BUY:$92
04/26/18 BUY:$95
10/24/18 BUY:$88
02/13/19 BUY:$99
05/01/19 BUY:$101
07/16/19 HOLD:$101
07/24/19 HOLD:$99
02/11/20 HOLD:$107
04/29/20 HOLD:$61
120 110 100 90 80 70 60 50
Q2 Q3 2018 Q1 Q2 Q3 2019 Q1 Q2 Q3 2020 Q1
Created by: BlueMatrix


Rating and Price Target History for: Marriott International, Inc. (MAR-US) as of 05-06-2020
05/10/17 HOLD:$93
08/08/17 HOLD:$96
11/09/17 HOLD:$108
02/16/18 HOLD:$128
05/10/18 HOLD:$135
08/08/18 HOLD:$136
11/06/18 HOLD:$125
03/01/19 HOLD:$137
05/14/19 HOLD:$135
08/07/19 HOLD:$131
11/06/19 HOLD:$128
04/29/20 HOLD:$83
160 140 120 100 80 60 40
Q2 Q3 2018 Q1 Q2 Q3 2019 Q1 Q2 Q3 2020 Q1
Created by: BlueMatrix

STRH Ratings System for Equity Securities

Dissemination of Research

SunTrust Robinson Humphrey (STRH) seeks to make all reasonable efforts to provide research reports simultaneously to all eligible clients. Reports are available as published in the restricted access area of our website to all eligible clients who have requested a password. Institutional investors, corporates, and members of the Press may also receive our research via third party vendors including: Thomson Reuters, Bloomberg, FactSet, and S&P Capital IQ. Additional distribution may be done by sales personnel via email, fax, or other electronic means, or regular mail.

For access to third party vendors or our Research website: https://suntrustlibrary.bluematrix.com/client/library.jsp.

Please email the Research Department at mailto:STRHEquityResearchDepartment@suntrust.com or contact your STRH sales representative.

STRH Rating System for Equity Securities

SunTrust Robinson Humphrey (STRH) rates individual equities using a three-tiered system. Each stock is rated relative to the broader market (generally the S&P 500) over the next 12-18 months (unless otherwise indicated).

Buy (B) – the stock's total return is expected to outperform the S&P 500 or relevant benchmark over the next 12-18 months (unless otherwise indicated)

Hold (H) – the stock's total return is expected to perform in line with the S&P 500 or relevant benchmark over the next 12-18 months (unless otherwise indicated)

Sell (S) – the stock's total return is expected to underperform the S&P 500 or relevant benchmark over the next 12-18 months (unless otherwise indicated)

Not Rated (NR) – STRH does not have an investment rating or opinion on the stock

Coverage Suspended (CS) – indicates that STRH's rating and/or target price have been temporarily suspended due to applicable regulations and/or STRH Management discretion. The previously published rating and target price should not be relied upon.

STRH analysts have a price target on the stocks that they cover, unless otherwise indicated. The price target represents that analyst's expectation of where the stock will trade in the next 12-18 months (unless otherwise indicated). If an analyst believes that there are insufficient valuation drivers and/or investment catalysts to derive a positive or negative investment view, they may elect with the approval of STRH Research Management not to assign a target price; likewise certain stocks that trade under $5 may exhibit volatility whereby assigning a price target would be unhelpful to making an investment decision. As such, with Research Management's approval, an analyst may refrain from assigning a target to a sub-$5 stock.

Legend for Rating and Price Target History Charts:

B = Buy

H = Hold

S = Sell

D = Drop Coverage

CS = Coverage Suspended

NR = Not Rated

I = Initiate Coverage

T = Transfer Coverage

SunTrust Robinson Humphrey ratings distribution (as of 05/06/2020):

Coverage Universe			Investment Banking Clients Past 12 Months		
Rating	**Count**	**Percent**	**Rating**	**Count**	**Percent**
Buy	416	60.82%	Buy	122	29.33%
Hold	259	37.87%	Hold	55	21.24%
Sell	9	1.32%	Sell	0	0.00%

Other Disclosures

Information contained herein has been derived from sources believed to be reliable but is not guaranteed as to accuracy and does not purport to be a complete analysis of the security, company or industry involved. This report is not to be construed as an offer to sell or a solicitation of an offer to buy any security. SunTrust Robinson Humphrey, Inc. and/or its officers or employees may have positions in any securities, options, rights or warrants. The firm and/or associated persons may sell to or buy from customers on a principal basis. Investors may be prohibited in certain states from purchasing some overthe-counter securities mentioned herein. Opinions expressed are subject to change without notice.

SunTrust Robinson Humphrey, Inc.’s research is provided to and intended for use by Institutional Accounts as defined in FINRA Rule 4512(c). The term “Institutional Account" shall mean the account of: (1) a bank, savings and loan association, insurance company or registered investment company; (2) an investment adviser registered either with the SEC under Section 203 of the Investment Advisers Act or with a state securities commission (or any agency or office performing like functions); or (3) any other person (whether a natural person, corporation, partnership, trust or otherwise) with total assets of at least $50 million.

SunTrust Robinson Humphrey, Inc. is a registered broker-dealer and a member of FINRA and SIPC. It is a service mark of Truist Financial Corporation. SunTrust Robinson Humphrey, Inc. is owned by Truist Financial Corporation and affiliated with SunTrust Investment Services, Inc. and BB&T Securities, LLC. Despite this affiliation, securities recommended, offered, sold by, or held at SunTrust Robinson Humphrey, Inc., SunTrust Investment Services, Inc. or BB&T Securities, LLC (i) are not insured by the Federal Deposit Insurance Corporation; (ii) are not deposits or other obligations of any insured depository institution (including Truist Bank); and (iii) are subject to investment risks, including the possible loss of the principal amount invested. Truist Bank may have a lending relationship with companies mentioned herein.

Please see our Disclosure Database to search by ticker or company name for the current required disclosures, including valuation and risks, Link: https://suntrust.bluematrix.com/sellside/Disclosures.action

Please visit the STRH equity research library for current reports and the analyst roster with contact information, Link (password protected): STRH RESEARCH LIBRARY

SunTrust Robinson Humphrey, Inc., member FINRA and SIPC. Truist and SunTrust Robinson Humphrey are service marks of Truist Financial Corporation.

If you no longer wish to receive this type of communication, please request removal by sending an email to STRHEquityResearchDepartment@SunTrust.com

ADDITIONAL INFORMATION IS AVAILABLE at our website, www.suntrustrh.com, or by writing to:SunTrust Robinson Humphrey, Research Department, 3333 Peachtree Road N.E., Atlanta, GA 30326-1070