

## Lodging

China & Europe hotels: RevPAR +54% y/y (vs. '19: -37%) & +163% y/y (vs. '19: -34%) for wk ending 2/12

Vs. 2019: China improved week-over-week whereas Europe did not

### What's Incremental To Our View

**Quick take: Per STR, for the week ending February 12th, hotel RevPAR in China in local currency was +54.0% y/y vs. +82.7% y/y in the prior week. Last week's RevPAR was up against a +179.6% comparable result in 2021 vs. +149.0% in the prior week. Versus 2019, which we believe is an equally, if not more important KPI, RevPAR was -37.0% vs. -48.1% in the prior week's result.**

- **Ongoing lockdowns continue to suppress travel. (Exhibit 1)**

**Europe: RevPAR in Europe in Euros was +162.7% y/y vs. +151.4% in the prior week. Last week's RevPAR was up against a -75.4% comparable result in 2021 and -76.7% in the prior week. Versus 2019, RevPAR was -34.2% vs. the -34.9% in the prior week's result.**

**U.S. RevPAR was +62.6%, slightly weaker than the prior week's result of +68.2%. Last week's RevPAR was up against a -47.2% comparable result in 2021 vs. -50.6% in the prior week. On a 3-year run-rate (vs. 2019), RevPAR was -12.9% vs. -16.8% in the prior week's 3-year run-rate.**

- The calendar shift last week perhaps gave a modest bump due to the Valentine's Day comparison. In 2019, Valentine's Day was Thursday in the comparable results vs. falling in the following week's results this year. The Group segment went from -50% two weeks ago to -31% last week. Large week over week changes like this suggest there was a holiday shift impact. **The Super Bowl also aided results during the week as the event was held in a large market, Los Angeles, vs. a small market, Tampa, last year.** The Omicron variant fading could have also impacted numbers this past week.

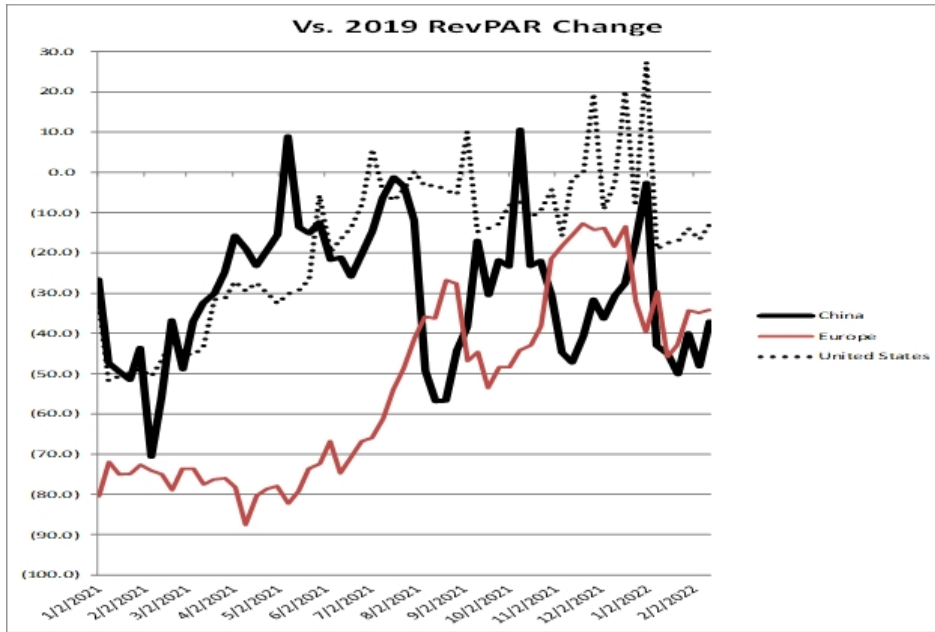
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### What's Inside

China and Europe data and analysis following last week's results

**Exhibit 1: 2-Year RevPAR for China, Europe, US**

Source: STR, Truist Securities research

**RevPAR detail for week ending February 12th vs. trailing 28 days (see charts at end of note for graphical representations):**

China (local currency):

- RevPAR was +54.0% y/y for the week ending February 12th, **an improvement from** the +34.2% for the trailing 28 days.
- ADR was -5.6% y/y for the week ending February 12th, **below** the +24.4% for the trailing 28 days.
- Occupancy was +63.2% y/y for the week ending February 12th, **higher than** the -7.9% for the trailing 28 days.

Europe (in Euros):

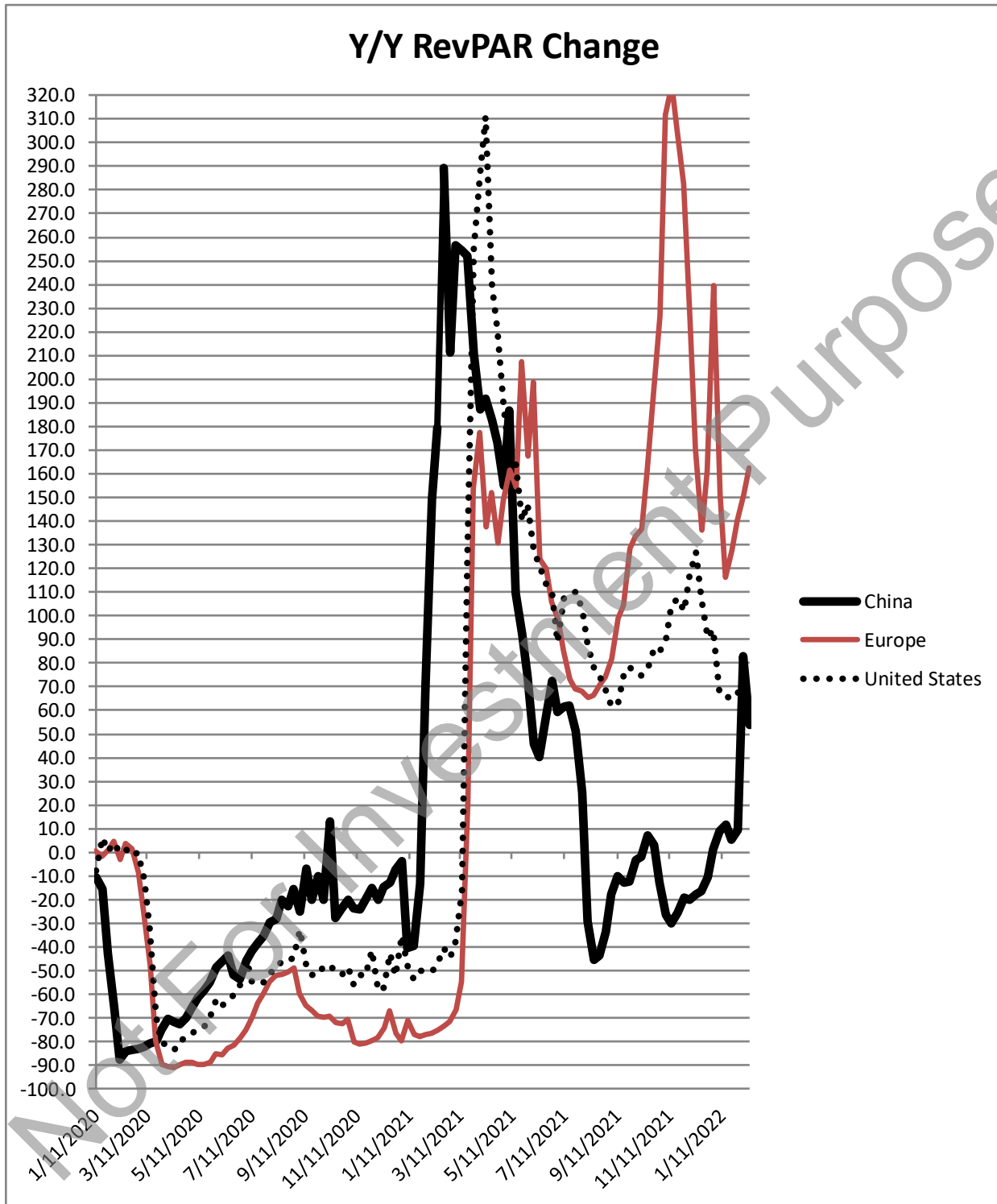
- RevPAR was +162.7% y/y for the week ending February 12th, **an improvement from** the +146.1% for the trailing 28 days.
- ADR was +38.2% y/y for the week ending February 12th, **roughly unchanged from** the +38.4% for the trailing 28 days.
- Occupancy was +90.1% y/y for the week ending February 12th, **an improvement from** the +77.8% for the trailing 28 days.

**Additional thoughts and observations:**

**Hotel occupancy observations from the latest weekly STR results from China, Europe, and US:**

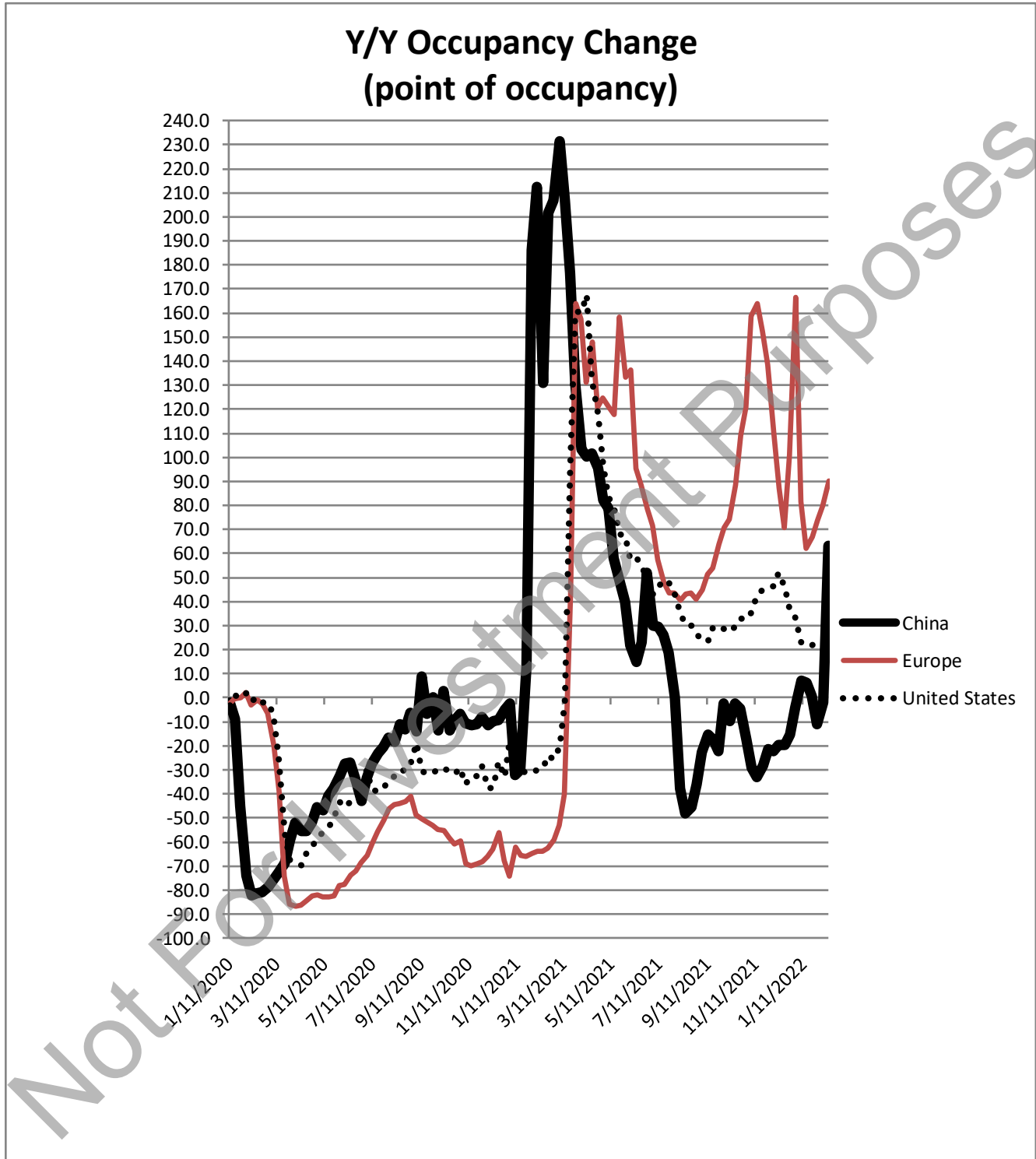
- **China: Absolute occupancy was 39.7%. By comparison, occupancy was 24.3% during the comparable week last year.**
- **Europe: Absolute occupancy was 44.8%. By comparison, occupancy was 23.6% during the comparable week last year.**
- **US: Absolute occupancy was 54.6%. By comparison, occupancy was 45.0% during the comparable week last year.**

Exhibit 2: Y/Y RevPAR change for China, Europe, US



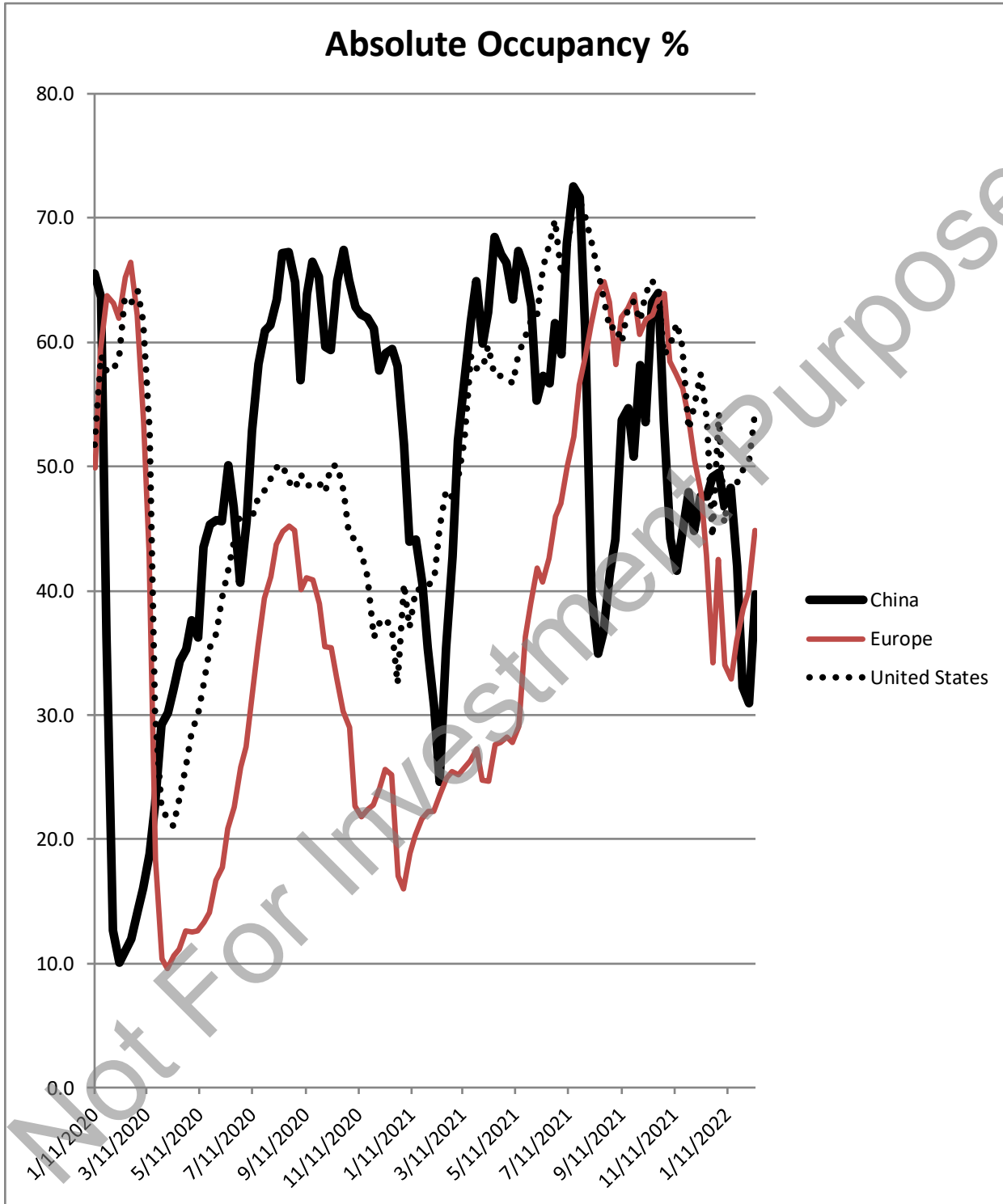
Source: STR, Truist Securities research

Exhibit 3: Y/Y Occupancy change for China, Europe, US



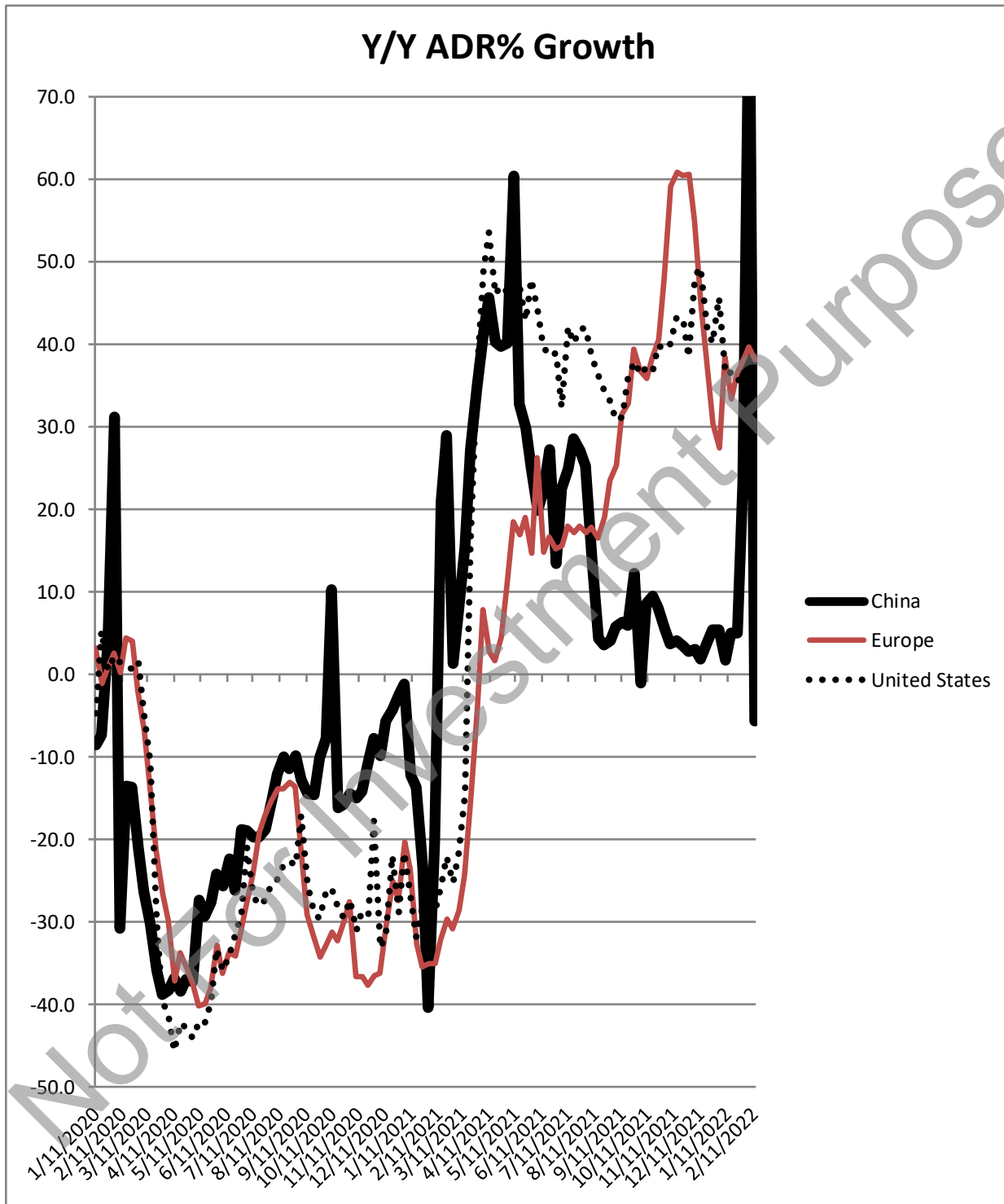
Source: STR, Truist Securities research

Exhibit 4: Absolute Occupancy % for China, Europe, US



Source: STR, Truist Securities research

Exhibit 5: Y/Y ADR % change for China, Europe, US



Source: STR, Truist Securities research

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