

BANGKOK HOTEL

Hotel 2H 2022

	HoH Chg	12-Mo. Forecast
3,442 Average Daily Rate (THB)	▲	▲
48.29% Occupancy Rate	▲	▲
1,586 New Supply (Room)	▲	▲

Thailand's Economy Continued to Expand

Thailand's economy grew at 4.5% y-o-y in Q3 2022, attributed to a recovery in tourism and private consumption. Economic growth for 2022 is now forecast at 3.2%. The headline inflation rate rose to 7.28% y-o-y in Q3, up from 6.46% y-o-y in Q2, reducing to 5.5% in November, easing from 5.9% recorded in October, as supplies of fresh food and foodstuffs stabilized. Full-year 2022 inflation is expected to be at the average of 6.0% and is forecast at 3% for 2023. The Bank of Thailand raised the interest rate by 0.25% from 1.00% to 1.25% in November, as it tries to contain above-target inflation while supporting an economic recovery facing headwinds. The unemployment rate fell to 1.23% in Q3, down from 1.37% in Q2.

Bangkok Hotel Sector Shows Signs of Improvement

Bangkok's hotel market showed improvement in 2H 2022. Tourist arrivals of 3.60 million were up from 2.07 million in 1H, a 73.5% jump. Thailand has now fully reopened to international tourism, with no vaccination proof or test requirements, and extended length of stays. Tourists are expected to be largely undeterred by global challenges ahead, and pent-up demand and strong tourism offerings should support the sector's recovery.

Seven new hotels opened in Bangkok in 2H 2022, adding 1,586 rooms, with 73.8% at 5-Star level. Bangkok hotel supply was recorded at 138,025 rooms in 2H, up 1.2% from 1H. The Central Business District (CBD) is the dominant submarket, with 52% of the total supply. The city's average hotel occupancy rate in 2H was 48.3%, up from 36.91% in 1H, as both domestic and international tourism increased. The average daily rate (ADR) for all Bangkok hotel classes has been trending upward, supported by strong occupancy rates. ADR in 2H rose to THB3,442, up from THB3,403 in 1H. RevPAR was recorded at THB1,662 in 2H, increasing by 32.2% from the THB1,256 figure of 1H.

THAILAND ECONOMIC INDICATORS Q3 2022

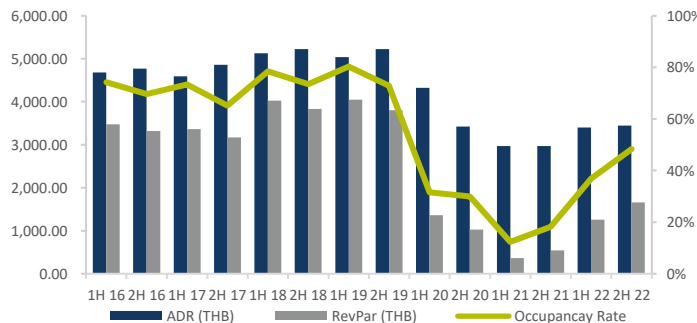
	YoY Chg	12-Mo. Forecast
4.5% GDP Growth	▲	▲
7.38% Inflation Growth	▲	▼
1.23% Unemployment Rate	▼	▲

Source: NESDC (National Economic and Social Development Council)

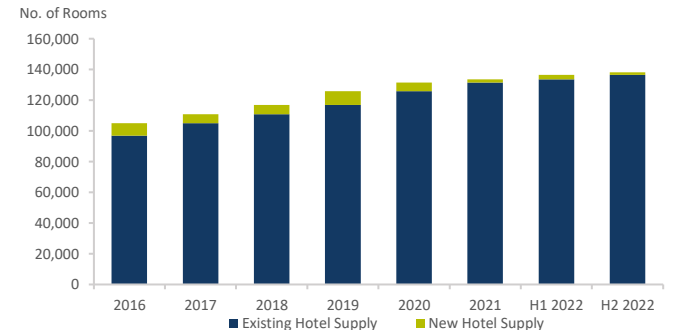
Hotel Business Expected to Continue to Recover

Bangkok's hotel business will continue to recover in the medium term and will remain an important contributor to Thailand's economy. The tourism industry is bouncing back, although international arrivals will take some time to recover to pre-pandemic levels. Authorities are adjusting tourism strategies to reduce over-dependence on a few source markets and to diversify target tourists in the years ahead. Thailand has managed to win a high share of the Indian tourist market, where the pandemic has prompted tourists to be among the top visitors to Thailand. However, as China may start to reopen its borders in early 2023, the number of tourists from China is also expected to rise.

ADR, REVPAR, AND OCCUPANCY RATE



ANNUAL SUPPLY PIPELINE



MARKET STATISTICS

SUBMARKET	INVENTORY BY HOTEL STAR (ROOMS)				TOTAL INVENTORY (ROOMS)	TOTAL INVENTORY (PERCENTAGE)	AVERAGE DAILY RATE (THB /ROOM / NIGHT)	AVERAGE DAILY RATE (US\$ /ROOM / NIGHT)
	2 -STAR	3 -STAR	4 -STAR	5 -STAR				
CBD	1,956	15,172	29,273	25,471	71,872	52.1%	4,254	\$122.44
Bang Rak	198	2,074	4,068	4,927	11,267	15.7%	4,548	\$130.90
Khlong Toey	898	4,778	8,756	4,075	18,507	25.7%	4,191	\$120.62
Pathum Wan	165	727	4,311	7,739	12,942	18.0%	5,286	\$152.15
Sathorn	210	1,830	1,916	2,368	6,324	8.8%	3,532	\$101.65
Wattana	485	5,763	10,222	6,362	22,832	31.8%	3,659	\$105.32
City Fringe Areas	1,861	12,103	14,039	5,577	33,580	24.3%	3,984	\$114.67
Suburban Areas	1,035	3,942	3,051	370	8,398	6.1%	1,635	\$47.07
Outer City Areas	2,551	10,357	7,987	3,280	24,175	17.5%	2,141	\$61.62
Grand Total	7,403	41,574	54,350	34,698	138,025	100.0%	3,442	\$99.07

Remark: 1 US\$/THB 34.744 as of 15th December 2022

KEY NEW HOTEL PROJECTS IN 2H 2022

HOTEL NAME	MARKET	SUBMARKET	ROOM	STAR
Ascott Embassy Sathorn	CBD	Central Bangkok	393	5
Chatrium Grand Bangkok	CBD	Central Bangkok	290	5
The Salil Hotel Riverside Bangkok	City Fringe Areas	Central South	235	5
Livable Hotel Bangkok	City Fringe Areas	Central North	76	5
Oakwood Studios Sukhumvit Bangkok	CBD	Central East	177	5
Best Western Nada Don Mueang Airport Hotel	Outer City Areas	Outer North	235	4
Centra by Centara Hotel Bangkok Phra Nakhon	City Fringe Areas	Rattanakosin	180	3

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