

BANGKOK HOTEL

Hotel 1H 2023

CUSHMAN &
WAKEFIELD

3,381

Average Daily Rate (THB)

HoH
Chg12-Mo.
Forecast

71.83%

Occupancy Rate



4,290

New Supply (Room)



Thailand's Economy Continues to Expand

Thailand's economy expanded by 2.7% in Q1 2023, up from a rise of 1.4% in Q4 2022. This was mainly attributable to continued expansion of the services sector stemming from the tourism industry recovery, growing private consumption, and a decelerated rate of inflation. Thailand's economic growth projections for 2023 now range from 2.7% to 3.7%, owing to the recovery of the tourism sector, rise of private consumption, and expansion in both private and public investments. Exports are expected to recover gradually. The inflation rate in Q1 2023 fell to 3.88%, down from 5.81% in Q4 2022. The unemployment rates dropped to 1.05% in Q1 2023, down from 1.15% in Q4 2022. The central bank raised the policy rate by 0.25 percentage points from 1.75% to 2%, bringing the key policy rate to its highest level since 2015.

Bangkok Hotel Market Sustains Improvement

Bangkok's hotel market continued to improve in 1H 2023. Thirty-six new hotels opened in the city during the 1H period, adding 4,290 rooms. Of the new supply, 2,289 rooms or 53% of the total are in the CBD areas. Bangkok's total hotel supply was recorded at 142,315 rooms in 1H 2023, up 3.1% from 2H 2022. The Central Business District (CBD) is the dominant submarket, with 52% of the total supply. The city's average hotel occupancy rate in 1H 2023 rose to 71.8%, jumping from 48.3% in 2H 2022, boosted by growth in both domestic and international tourists. The average daily rate (ADR) for all hotel class dropped to THB3,381, down from THB3,442 in 2H 2022. RevPAR was recorded at THB2,428, up by 23.5% from the THB1,966 figure of 2H 2022. The number of international tourist arrivals into Thailand for the January to April 2023 period was recorded at 8.65 million, rebounding from 790,617 for the same period in 2022. The main geographic source markets for foreign tourists were Malaysia (1.32 million), China (845,684), and Russia (682,373).

New Hotel Development Maintains Momentum

Cushman and Wakefield has noted a significant expansion in the supply of new hotel rooms in the Bangkok market. Competition within the sector will intensify as operators continue to invest in the city's prime tourism districts. A total of 8,132 hotel rooms are expected to enter the market by 2025, expanding citywide inventory by 5.7%. On the demand side, the market is expected to grow steadily through 2023 and into 2024. The overall occupancy rate will likely remain at a standard level of 70-80%. The Tourism Council of Thailand forecasts that a minimum of 30 million tourists will visit Thailand for the full year of 2023, with a spend of THB1.5 trillion (US\$43.74 billion). The number of international tourist arrivals is expected to return to the pre-COVID level of 38-40 million arrivals annually by 2025.

THAILAND ECONOMIC INDICATORS
Q1 2023

2.7%

GDP Growth

YoY
Chg12-Mo.
Forecast

3.88%

Inflation Growth



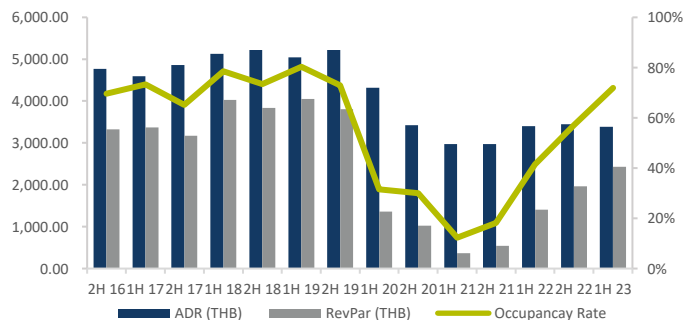
1.05%

Unemployment Rate

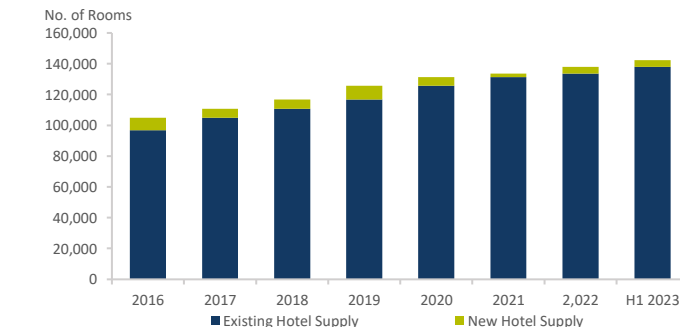


Source: NESDC (National Economic and Social Development Council)

ADR, REVPAR, AND OCCUPANCY RATE



ANNUAL SUPPLY PIPELINE



BANGKOK HOTEL

Hotel 1H 2023

CUSHMAN &
WAKEFIELD

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	15,289	31,259	25,657	74,161	52.1%	4,182	\$120.08
Bang Rak	198	2,180	4,248	4,927	11,553	15.6%	4,275	\$122.76
Khlong Toey	898	4,778	9,848	4,229	19,753	26.6%	3,898	\$111.93
Pathum Wan	165	727	4,311	7,739	12,942	17.5%	5,122	\$147.07
Sathorn	210	1,830	1,916	2,368	6,324	8.5%	3,669	\$105.36
Wattana	485	5,774	10,936	6,394	23,589	31.8%	3,893	\$111.78
City Fringe Areas	1,861	12,488	14,132	6,071	34,552	24.3%	3,846	\$110.44
Suburban Areas	1,035	3,942	3,051	370	8,398	5.9%	1,715	\$49.24
Outer City Areas	2,671	10,357	8,655	3,521	25,204	17.7%	2,065	\$59.29
Grand Total	7,523	42,076	57,097	35,619	142,315	100.0%	3,381	\$97.08

Remark: 1 US\$/THB 34.826 as of 15th June 2023

KEY NEW HOTEL PROJECTS IN CBD MARKET IN 1H 2023

HOTEL NAME	MARKET	SUBMARKET	ROOM	STAR
Asai Sathorn 12	CBD	Central Bangkok	106	3
INNSiDE by Meliá Bangkok Sukhumvit	CBD	Central Bangkok	208	4
dusitD2 Samyan Bangkok	CBD	Central Bangkok	180	4
Goose Living	CBD	Central East	11	3
HOMM Sukhumvit34 Bangkok	CBD	Central East	148	4
The Coach Hotel Sukhumvit 14 Bangkok	CBD	Central East	91	4
Karaarom Hotel	CBD	Central East	50	4
Ramada Plaza by Wyndham Bangkok Sukhumvit 48	CBD	Central East	70	4
Staybridge Suites Bangkok Sukhumvit 2023	CBD	Central East	303	4
Valia Hotel Bangkok	CBD	Central East	279	4
Grace At Five by Grace Hotel Bangkok	CBD	Central East	122	4
The Rich Residence Sukhumvit	CBD	Central East	51	4
Public House Hotel - Sukhumvit 31	CBD	Central East	79	4
VOQUE Hotel & Serviced Residence Sukhumvit 51	CBD	Central East	39	4
Staybridge Suites Bangkok Sukhumvit	CBD	Central East	141	4
Aira Hotel Bangkok Sukhumvit 11	CBD	Central East	225	4
The Alberti	CBD	Central East	19	5
SilQ Hotel & Residence	CBD	Central East	154	5
Schloss at Thonglor	CBD	Central East	13	5

SARAWUT TIKHACHON

Senior Market Analyst

Thailand

+66 8 5977 8987

sarawut.tik@cushwake.com

RORY NEWMAN

Senior Manager– Investment & Advisory

Thailand

+66 9 3285 3572

Rory.newman@cushwake.com

GARETH MICHAEL POWELL

Senior Director & County Head

Thailand

+66 2168 3101 (Ext. 110)

gareth.powell@cushwake.comcushmanwakefield.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in approximately 400 offices and 60 countries. In 2022, the firm reported revenue of \$10.1 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), Environmental, Social and Governance (ESG) and more. For additional information, visit www.cushmanwakefield.com.

©2023 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.