

BANGKOK HOTEL

Hotel 2H 2023

CUSHMAN &
WAKEFIELD

3,678

Average Daily Rate (THB)

HoH
Chg12-Mo.
Forecast

75.4%

Occupancy Rate



399

New Supply (Room)



Thailand's Economy Expands at a Slower Pace

Thailand's economy expanded at a slower pace at 1.5% in Q3 2023, down from a rise of 1.8% in Q2 2023. Public spending, inventories and goods exports slowed, despite firm private consumption and tourism. The economy is now forecast to expand by 2.5% for 2023, continuing from 2.6% growth in 2022. The inflation rate in Q3 2023 fell to 0.52%, down from 1.14% in Q2 2023. The inflation rate for the full year 2023 is now forecast at 1.4%. The central bank raised the policy rate by 0.25 percentage points from 2.25% to 2.50% in September 2023, bringing the key policy rate to its highest level since 2015. The bank expects economic growth and inflationary pressures to rise next year. The unemployment rate fell to 0.99% in Q3 2023, down from 1.06% in Q2, with a national workforce employment figure of 40.1 million in Q3 2023, up from 39.7 million in Q2.

Bangkok Hotel Market Performance Continues to Improve

Bangkok's hotel market continued to grow in 2H 2023. The city continued to see strong international tourist numbers following last year's high season. The Grande Centre Point Surawong 5-star property opened in the CBD area in the 2H period, adding 399 prime rooms to the market. Bangkok's total hotel supply was recorded at 142,714 rooms in 2H 2023, up from 142,315 rooms in 1H 2023, growing by 0.3%. The Central Business District (CBD) remains the dominant submarket, with 52.2% of total supply. The city's average hotel occupancy rate in 2H 2023 rose to 75.4%, up from 71.8% in 1H. The average daily rate (ADR) for all hotel sectors increased to THB3,678, up by 8.8% from THB3,381 in 1H. RevPAR was recorded at THB2,772, up from THB2,428 in 1H. International tourist arrivals into Thailand for the January to December 2023 period were at 28 million, growing by 20% from 2022, and led by visitors from Malaysia (4.56 million), China (3.51 million), South Korea (1.65 million). The government of Thailand is targeting 3.5 million foreign tourist arrivals in 2024. To achieve this goal, the government is working to improve the country's tourism infrastructure and promote Thailand as a safe and attractive destination.

THAILAND ECONOMIC INDICATORS
Q3 2023

1.5%

GDP Growth

YoY
Chg12-Mo.
Forecast

0.52%

Inflation Growth



0.99%

Unemployment Rate

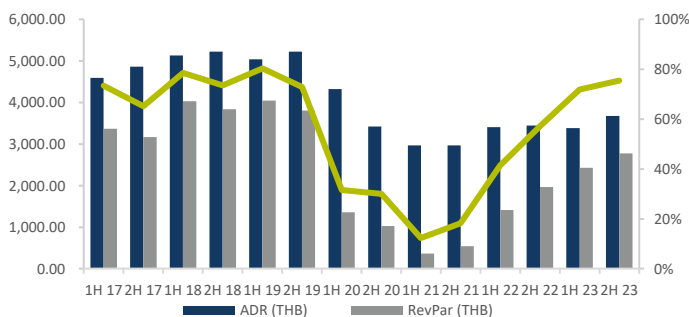


Source: NESDC (National Economic and Social Development Council)

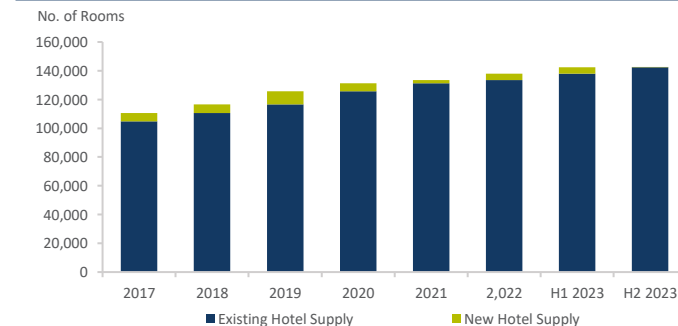
New Hotel Supply Influx Scheduled Ahead

Hotel market investment activity is expected to continue in the city's prime tourism districts, led by major operators. A total of 10,262 new rooms are expected to enter the market by 2027, expanding citywide inventory by 7.2%. Of this figure, 4,935 hotel rooms, or 48% of the total, is expected to complete in 2024. On the demand side, the market is expected to grow steadily. Thailand is among the world's most popular tourist destinations and the country continues to enjoy high levels of interest among travelers. International tourist arrivals are forecast to rise at a quickening pace through 2024 and into 2025, with expectations of 38 to 40 million arrivals in 2025. The development of supporting national infrastructure will help to underpin expansion in the tourism sector.

ADR, REVPAR, AND OCCUPANCY RATE



ANNUAL SUPPLY PIPELINE



BANGKOK HOTEL

Hotel 2H 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	26,056	74,560	52.2%	4,693	\$133.78
Bang Rak	198	2,180	4,248	5,326	11,952	16.0%	4,542	\$129.49
Khlong Toey	898	4,778	9,848	4,229	19,753	26.5%	4,480	\$127.71
Pathum Wan	165	727	4,311	7,739	12,942	17.4%	5,795	\$165.20
Sathorn	210	1,830	1,916	2,368	6,324	8.5%	4,279	\$121.98
Watthana	485	5,774	10,936	6,394	23,589	31.6%	4,297	\$122.51
City Fringe Areas	1,861	12,488	14,132	6,071	34,552	24.2%	3,912	\$111.53
Suburban Areas	1,035	3,942	3,051	370	8,398	5.9%	1,779	\$50.73
Outer City Areas	2,671	10,357	8,655	3,521	25,204	17.7%	2,115	\$60.29
Grand Total	7,523	42,076	57,097	36,018	142,714	100.0%	3,678	\$104.86

Remark: 1 US\$/THB 35.078 as of 20h December 2023

KEY NEW HOTEL PROJECTS IN CBD MARKET IN 2H 2023

HOTEL NAME	MARKET	SUBMARKET	ROOM	STAR
Grande Centre Point Surawong	CBD	Central Bangkok	399	5

HOTEL PROJECTS UNDER CONSTRUCTION IN 2024

HOTEL NAME	MARKET	SUBMARKET	ROOM	STAR
Intercontinental Bangkok Sukhumvit 59	CBD	Central East	241	5
Andaz One Bangkok	CBD	Central Bangkok	244	5
Hyatt House Sukhumvit 23	CBD	Central East	264	5
Jen Bangkok Thong Lo by Shangri-La Hotel	CBD	Central East	350	5
Summit Tower	CBD	Central North	354	5
Tribe Bangkok Sukhumvit 39	CBD	Central East	272	3
Fairfield by Marriott Bangkok Ratchaprasong	CBD	Central Bangkok	434	3
Moxy Hotel Bangkok Ratchaprasong	CBD	Central Bangkok	532	3
ibis Styles Bangkok Twin Towers	CBD	Central Bangkok	666	3
The Asiatique Bangko Autogrape Colccetion	City Fringe Areas	Central South	208	5
Hotel Indigo Phayathai	City Fringe Areas	Central North	210	4
Holiday Inn Express Bangkok Phayathai	City Fringe Areas	Central North	202	4
Holiday Inn Express Don Mueang Airport	Outer City Areas	Outer North	228	4
Cloud 11	Suburban Areas	Inner South	552	4
Mercure Bangkok Sukhumvit 60	Suburban Areas	Inner South	178	3

SARAWUT TIKHACHON

Senior Market Analyst

Thailand

+66 8 5977 8987

sarawut.tik@cushwake.com

NITA ATHAKAIWALVATHI

Senior Manager– Investment & Advisory

Thailand

+66 6 4464 1995

Nita.ath@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.

©2024 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.