

CHTA Annual Industry Overview and Performance and Outlook Study

January 2020



CARIBBEAN
HOTEL & TOURISM
ASSOCIATION

2019 Key Performance Snapshot



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Hotel Performance According to STR

- Record Year for Average Daily Rate (ADR) – Up 5.6% and RePar
- Room Inventory Up 2.8% to 259,538
- Occupancy Down 2.7%

Air Arrivals to Caribbean

- Up 4.4% in 2019 According to Forward Keys

Overall Arrivals

- Up 4% First 9 Months 2019 According to Caribbean Tourism Organization

Resilience From Hurricanes

- Tourism Performance and Hotel Inventory Nears Pre-2017 Hurricane Levels for Most of the Six Major Destinations Impacted by 2017 Storms
- Bahamas Experiencing Healthy Bounceback Overall from Hurricane Dorian

Hotel Inventory in the Pipeline According to STR

- 4,451 New Rooms Brought on Stream in 2019



CHTA Industry Performance and Outlook Study

In January 2020 the Caribbean Hotel and Tourism Association conducted its fifth annual Industry Performance and Outlook survey. This was undertaken to assist the organization with gaining a better understanding of the state of the tourism economy, its outlook, and the degree to which a number of factors impact or may affect the tourism industry.



SUMMARY OF RESULTS

Assessing Hotel Performance in 2019 vs. 2018, outlook for 2020:

- Tourism Continues to Stimulate Job Creation - nearly 49% reported employment up, 35% reported maintaining existing levels
- Sales/Revenue - 60% reported sales/rev up, down 76% last year
- Capital Spending Up for 9th Consecutive Year - two-thirds reported an increase in CapEx (increase over last year, where 61% reported an increase)
- Most hotels reporting some increase in ADR and occupancy
- Profit expectations about the same as last year 79% expect net profit, 21% expect loss
- Outlook for 2020...Remains strong



Business Performance in 2019 vs. 2018

| | DOWN MORE THAN 10% | DOWN SOME | SAME | UP SOME | UP MORE THAN 10% |
|------------------|-----------------------------------|----------------------|-------------|--------------------|-------------------------------------|
| Employment | 9.76% | 7.32% | 34.15% | 31.71% | 17.07% |
| Sales/Revenue | 10.00% | 17.50% | 12.50% | 30.00% | 30.00% |
| Pricing | 5.00% | 25.00% | 37.50% | 25.00% | 7.50% |
| Profits | 15.38% | 23.08% | 15.38% | 35.90% | 10.26% |
| Capital Spending | 15.38% | 0.00% | 17.95% | 35.90% | 30.77% |





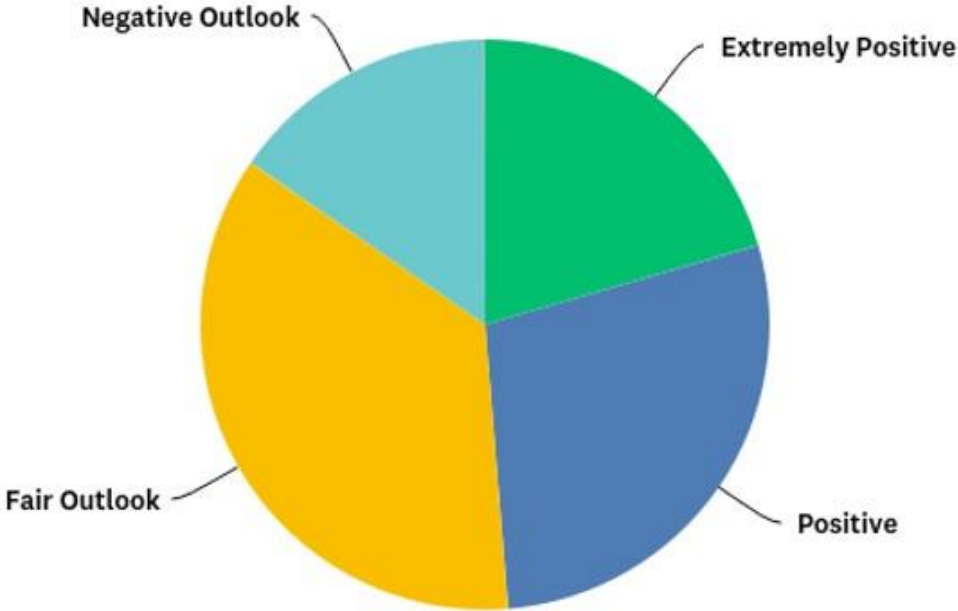
LOOKING AHEAD TO 2020

Despite Areas of Concern, Overall Outlook Remains Positive



Tourism Outlook for 2020

20% Extremely Positive
28% Positive
35% Fair
15% Negative
0% Extremely Negative





Expected Business Performance in 2020 vs. 2019

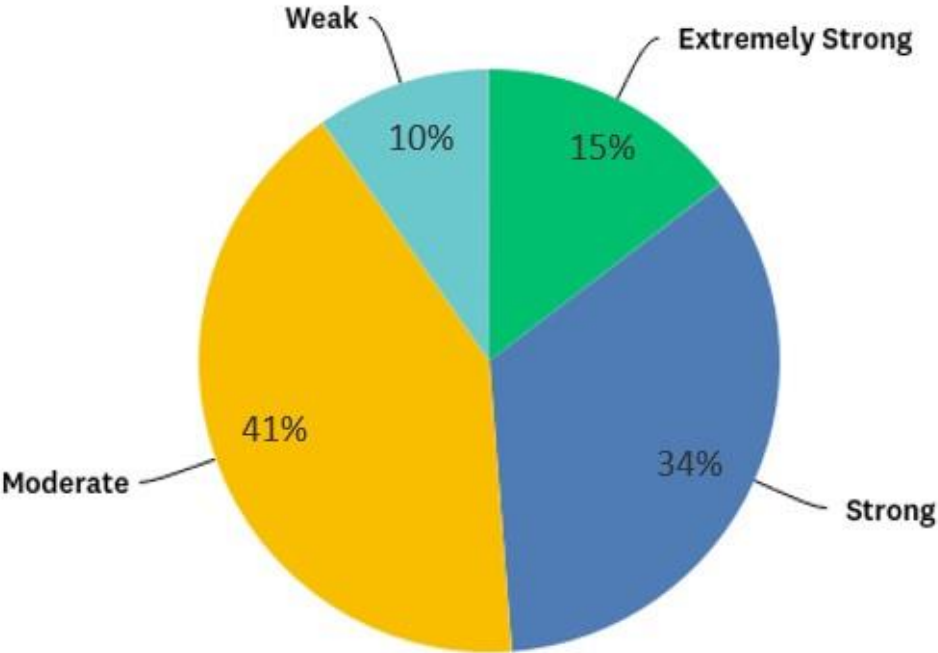
| | DOWN SIGNIFICANTLY | DOWN SOME | SAME | UP SOME | UP SIGNIFICANTLY |
|------------------|---------------------------|------------------|-------------|----------------|-------------------------|
| Employment | 0.00% | 7.50% | 62.50% | 25.00% | 5.00% |
| Sales/Revenue | 0.00% | 12.50% | 10.00% | 60.00% | 17.50% |
| Profits | 7.50% | 10.00% | 35.00% | 40.00% | 7.50% |
| Capital Spending | 10.00% | 15.00% | 35.00% | 32.50% | 7.50% |
| Pricing | 2.44% | 12.20% | 36.59% | 43.90% | 4.88% |





Strength of the Tourism Economy in the Caribbean Today

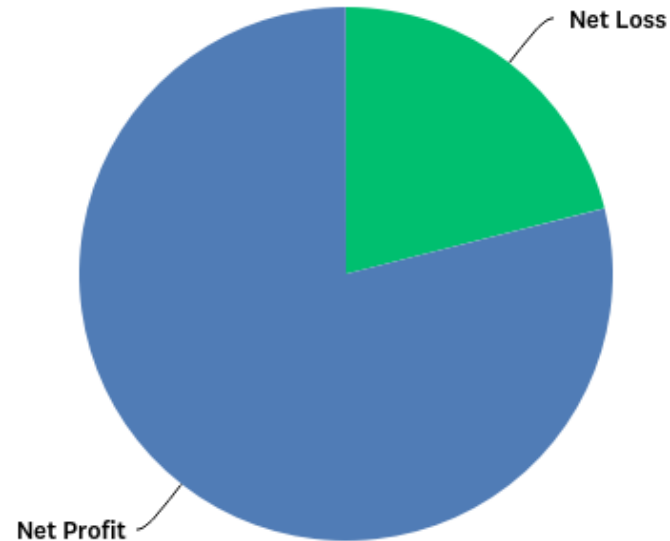
15% Extremely Strong
34% Strong
41% Moderate
10% Weak
0% Extremely Weak





Net Profits are Anticipated in 2019

21% Net Loss
79% Net Profit



CHTA Industry Performance and Outlook Study

THANK YOU



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