



## MARKET REPORT BRIEF- HCMC Q2/2013 BY SAVILLS VIETNAM

### HOTEL:

#### Supply

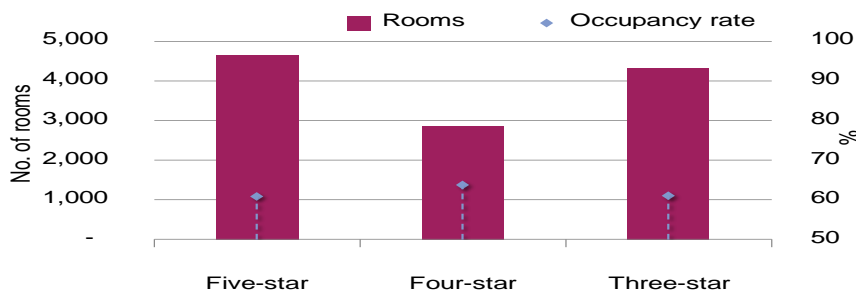
In Q2/2013, the market received 160 rooms from one new 3-star hotel and 100 additional rooms from an existing 5-star. However, one 3-star in district 1 temporarily closed for renovation.

As of Q2/2013, the city's total stock in the 3- to 5-star hotel market was approximately 11,870 rooms from 89 hotels, up 1% quarter on quarter (QoQ) and 7% year-on-year (YoY).

**Nguyen Pham Khanh Van (Ms.)**  
 Corporate Marketing & PR Manager  
 E: [nvan@savills.com.vn](mailto:nvan@savills.com.vn)

18Fl., Fideco Tower  
 81 – 85 Hàm Nghi  
 HCMC, Vietnam  
 T: +84 8 3823 9205 Ext. 153  
 F: + 84 8 3823 4571  
[savills.com.vn](http://savills.com.vn)

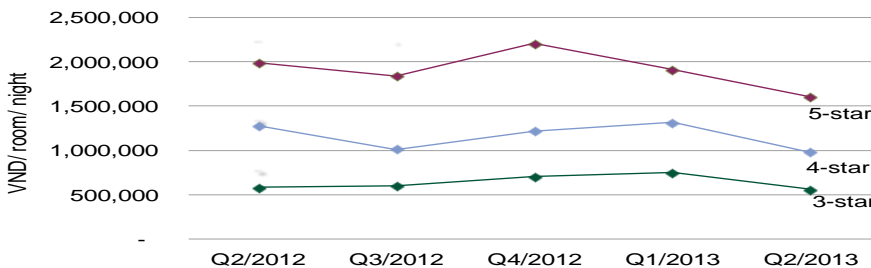
#### Hotel performance, Q2/2013



The average occupancy was 62%, sharply down by -13 ppt QoQ and -5 ppts YoY. The average room rate (ARR) was VND 1,750,000/room/night, decreasing -2% QoQ and -12% YoY.

RevPAR of all three grades decreased due to the low season. The RevPAR of both the 3- and 4-star dropped sharply by -25% followed by 5-star at -16% QoQ.

#### RevPAR, Q2/2012 – Q2/2013



PRESS RELEASE



In YoY comparison all three grades had softer performance. The 4- and 5-star hotels in the CBD performed better than the non-CBD due to the low YoY growth rate of international visitors.

In contrast, 3-star hotels in the non-CBD performed better than the CBD. Domestic visitors and foreign backpackers, the main demand of 3-star, tend to stay in the lower rent hotels in the non-CBD.

## Demand

Although the number of international visitors to HCMC has continuously increased, there was lower growth compared with the second quarters of the previous two years. In Q2/2013, the growth was only 2% YoY, lower than that of Q2/2012 (5%) and Q2/2011 (18%).

**Nguyen Pham Khanh Van (Ms.)**  
 Corporate Marketing & PR Manager  
 E: [nvan@savills.com.vn](mailto:nvan@savills.com.vn)

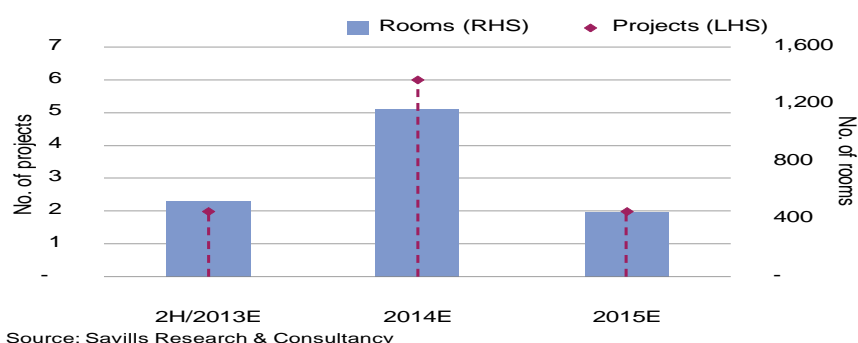
18Fl., Fideco Tower  
 81 – 85 Hàm Nghi  
 HCMC, Vietnam  
 T: +84 8 3823 9205 Ext. 153  
 F: + 84 8 3823 4571  
[savills.com.vn](http://savills.com.vn)

## Future Outlook

In the period 2H/2013 to 2015, the market is expected to add more than 2,100 rooms from 10 future projects.

In the second half of 2013, two 5-star hotels with more than 500 rooms in district 1 are expected to enter the market. One existing 5-star hotel will add more than 120 rooms to the market.

### Estimated outlook, 2H/2013 - 2015



PRESS RELEASE