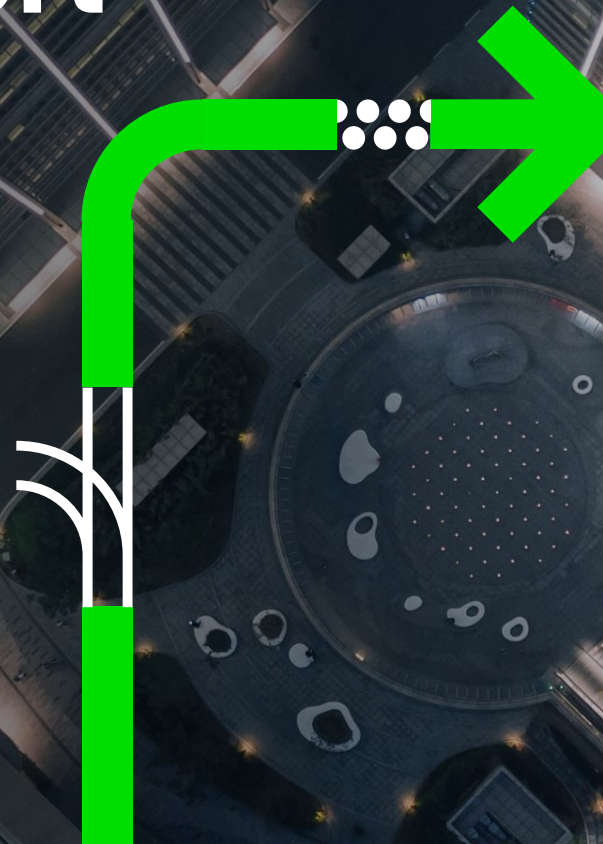


AMER Trends Report

Hotel & Air

Q2 2021

Prepared by FCM Consulting



About the Report

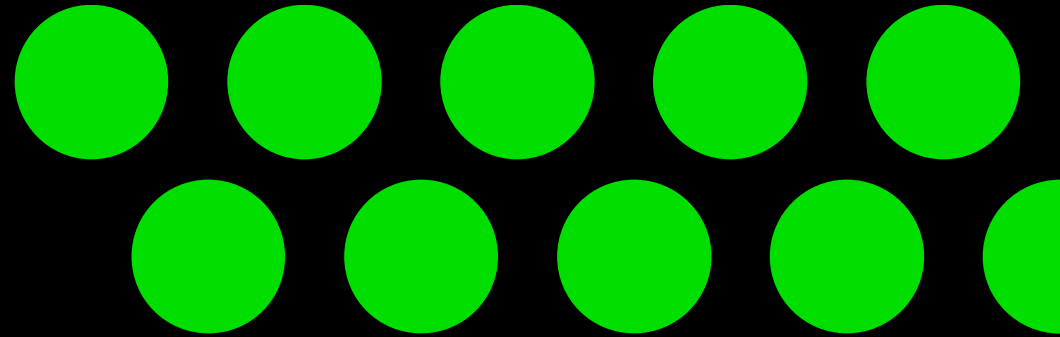
This FCM Consulting quarterly report uses global data sourced from FCM corporate bookings for travel during April to June 2021 (Q2-2021), and Cirium Air data as at 12 July 2021.

The average room rates (ARR) quoted for Hotel is the average booked rates. Variations in rates booked are a reflection of border restrictions, supply and demand, corporate booking lead times and subtle variations in exchange rates.

Unless otherwise stated USD is used.

Q2

Americas Hotel & Air





Hotel Q2 2021



LOCATION

United States

- Delta variant of Covid is driving infection levels to increase
- At least 58% of the population has had one dose of a vaccine.

Canada

- Lifting travel restrictions to vaccinated Americans in August.
- At least 71% of the population has had one dose of a vaccine.

Latin America

- Uruguay and Chile leading the vaccination efforts with over 70% of the population partially vaccinated and over 60% of the population fully vaccinated.



DEMAND

United States

- Hotel rates and occupancy levels are constantly increasing and expected to match 2019 levels in Q4 2021
- Hotel Occupancy grew to 71.4% overall
- Top destination city continues to be Tampa as the occupancy level increases to nearly 80%. While in Miami rates increased by 52% to \$237
- Lowest occupancy city is San Francisco/San Mateo with levels in the 32-58%.

Latin America

- Beach destinations are the drivers in rate and occupancy increases.
- Cartagena passed 60% occupancy, with Costa Rica a close second at 58% followed by Rio de Janeiro at 50%.

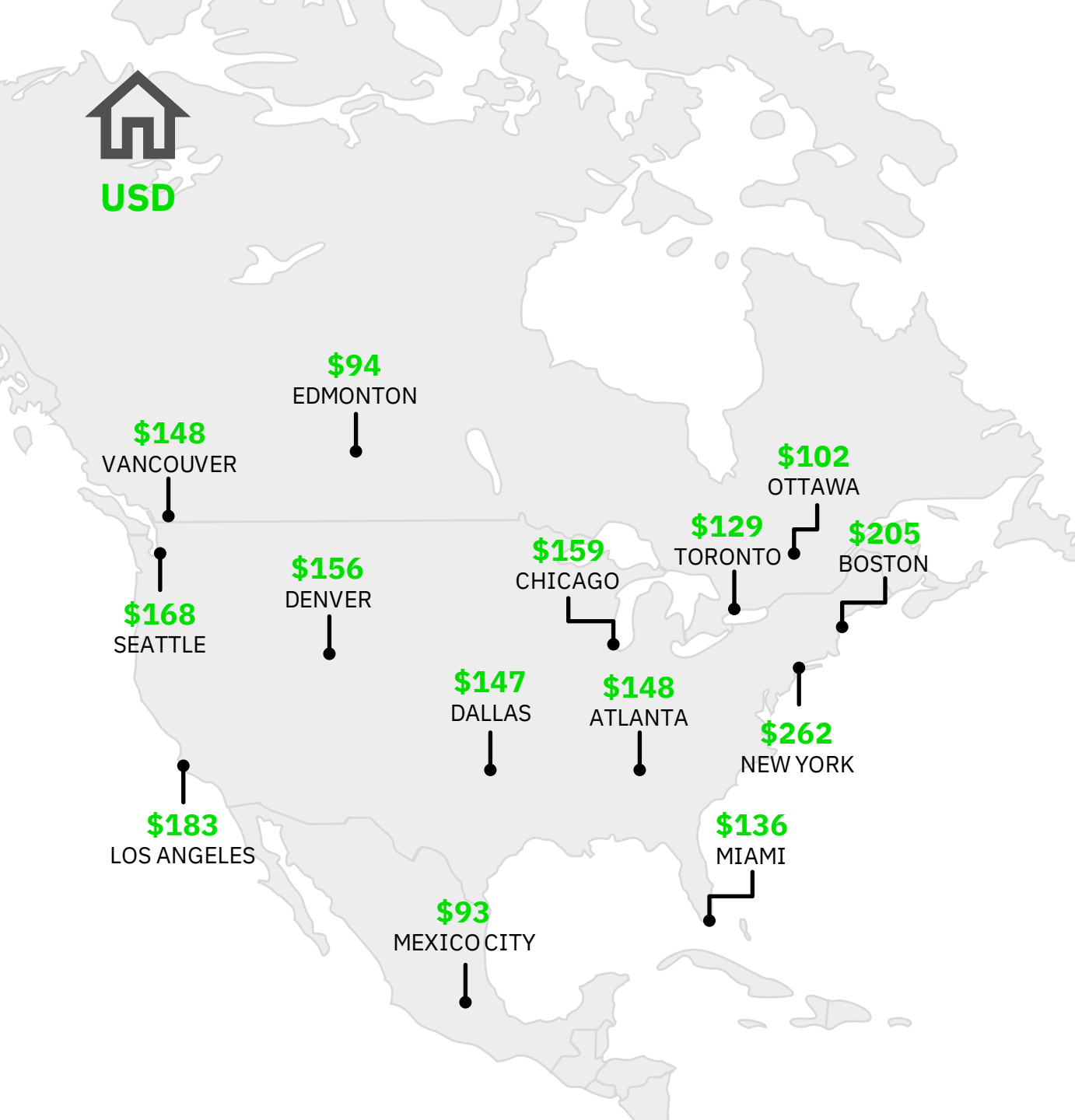


CORPORATE TRAVEL

- Corporate Travel predicted to show improvement in Q3 2021 as leisure travel will continue to grow.
- Spending stemmed from business travel will fall from \$334 billion in 2019 to \$141 billion in 2020 and it will take until 2024 to climb back above \$300 billion.
- Sustainability is the new topic in the hotel world, with a big focus on green hotels and ecofriendly options.



USD



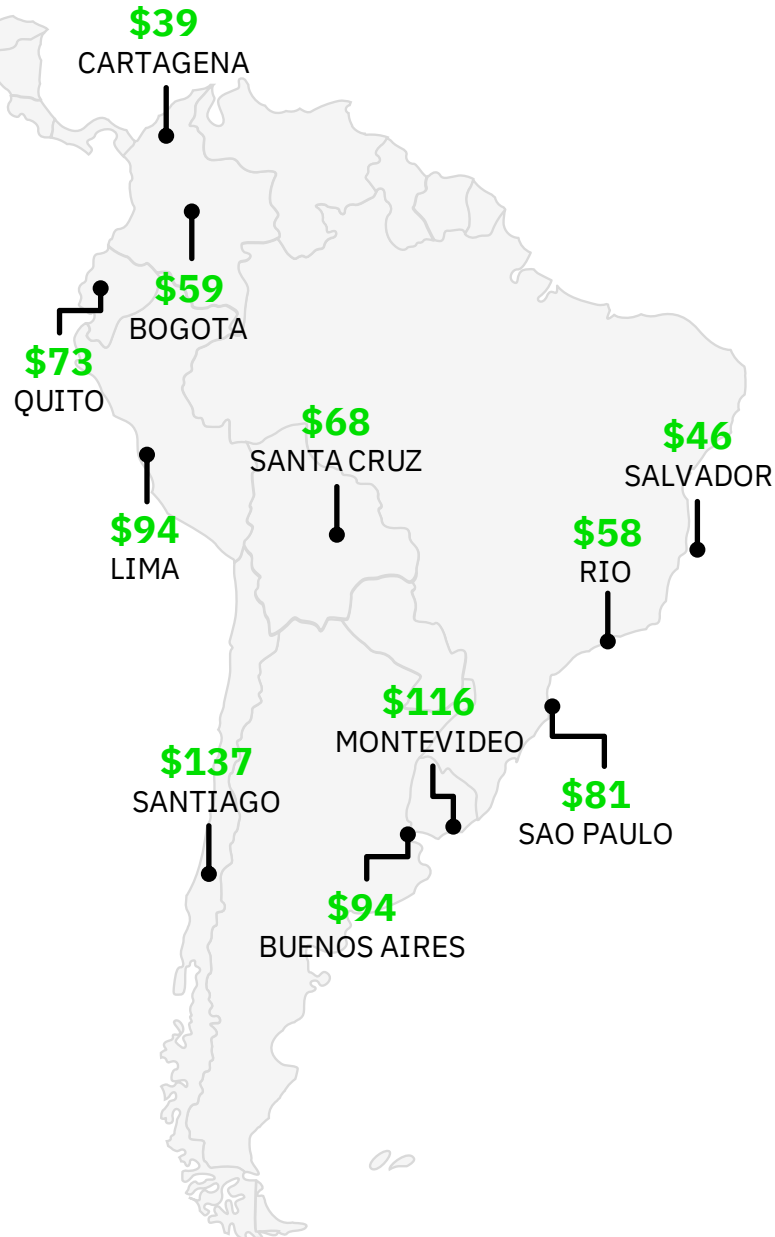
North America Hotel Corporate Rates Q2 2021

Average Rate Paid % Var.

Q2 2021 vs Q1 2021 ↑ 16.0%
Q2 2021 vs Q2 2019 ↓ 35.7%

Q2 2021
vs Q2 2019

BOSTON	↓ 34.7%
NEW YORK	↓ 20.2%
LOS ANGELES	↓ 35.4%
TORONTO	↓ 61.6%
VANCOUVER	↓ 55.9%



LATAM Hotel Corporate Rates Q2 2021

Average Rate Paid % Var.

Q2 2021 vs Q1 2021 ↑ 16.2%
Q2 2019 ↓ 35.9%

Q2-2021
vs Q2-2019

SANTIAGO	↓ 42.7%
RIO DE JANEIRO	↓ 45.5%
LIMA	↓ 73.6%
SAO PAULO	↓ 41.8%
BUENOS AIRES	↓ 60.8%



Air Q2 2021



CORPORATE TRAVEL

Since the pandemic, risk management (69%) and sustainability (39%) have become more important for travel programs, based on GBTA's July survey. And 18% say their company will require COVID vaccinations for business travel.³

Air fares - trend rising:⁴

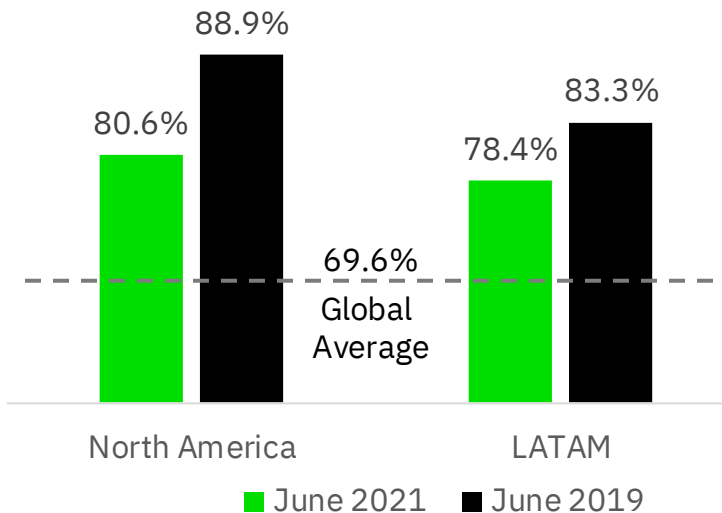
- Domestic: Q2: -6% vs Q2 19
- International: Q2: -12% vs Q2 19

We predict 2019 pricing levels to return by:⁴

- Q3 21 for Domestic
- Q3 22 for International



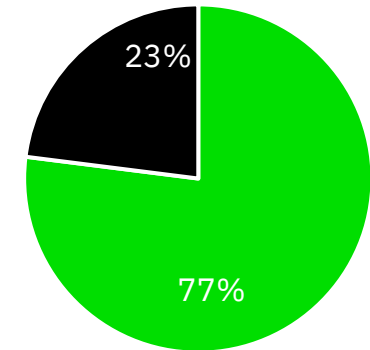
SEAT LOAD FACTOR²



Intl North America is at 62.6% (-25%P vs June '19)
Intl LATAM is at 72.7% (-11.3%P vs June '19)
Domestic Brazil is at 80.9% (-0.9%P vs June '19)
Domestic US is at 85.9% (-3.8%P vs June '19)²



WILLINGNESS FOR BUSINESS TRAVEL³



■ Very Willing or Willing ■ Other

72% of buyers say their company's travel spend increased in June vs May 2021.³



Air Q2 2021

LOCATION

The Americas region shows strong signs of recovery from the COVID pandemic.

- More COVID vaccinations administered than the worldwide average. 15 of the top 25 destination countries have more than 50% of its population vaccinated (either partially or fully).¹
- Offers proportionally more seats than other regions in comparison to pre-pandemic levels and higher revenue per kilometres compared to other regions (in % vs pre-pandemic)³
- Due to increased leisure demand (i.e. US-Mexico) and travel restrictions (i.e. US-Canada) Q2 2021 top country pairs have shifted from 2019 (see chart).²
- North America – Europe travel restrictions are expected to be lifted in Q3 and with that additional capacity will be added. Demand for travel is high in both directions.

Q1 Top Country Pairs – seats offered (North and Latin America)

2019	2021	Country Pair	2021 Seats	% of 2019
1	1	USA-USA	255,108,060	79%
2	2	Brazil-Brazil	28,180,908	49%
3	3	Mexico-Mexico	16,548,935	82%
4	6	Canada-Canada	15,780,045	25%
5	18	Canada-USA	9,786,108	6%
6	4	Mexico-USA	9,472,687	104%
7	5	Colombia-Colombia	8,682,523	80%
8	9	Peru-Peru	4,374,537	49%
9	13	Argentina-Argentina	4,286,781	24%
10	8	Chile-Chile	4,190,134	60%

¹ A4A / ARC / NY Times

² FCM Consulting Analytics – Cirium as of 28 July 2021. Long range Air forecasts subject to change

³ IATA

Americas Air Q2 2021



NORTH AMERICA

Seats offered where North America is the destination

Q3 2021

+20.1% on Q2-2021

292M seats

LATAM

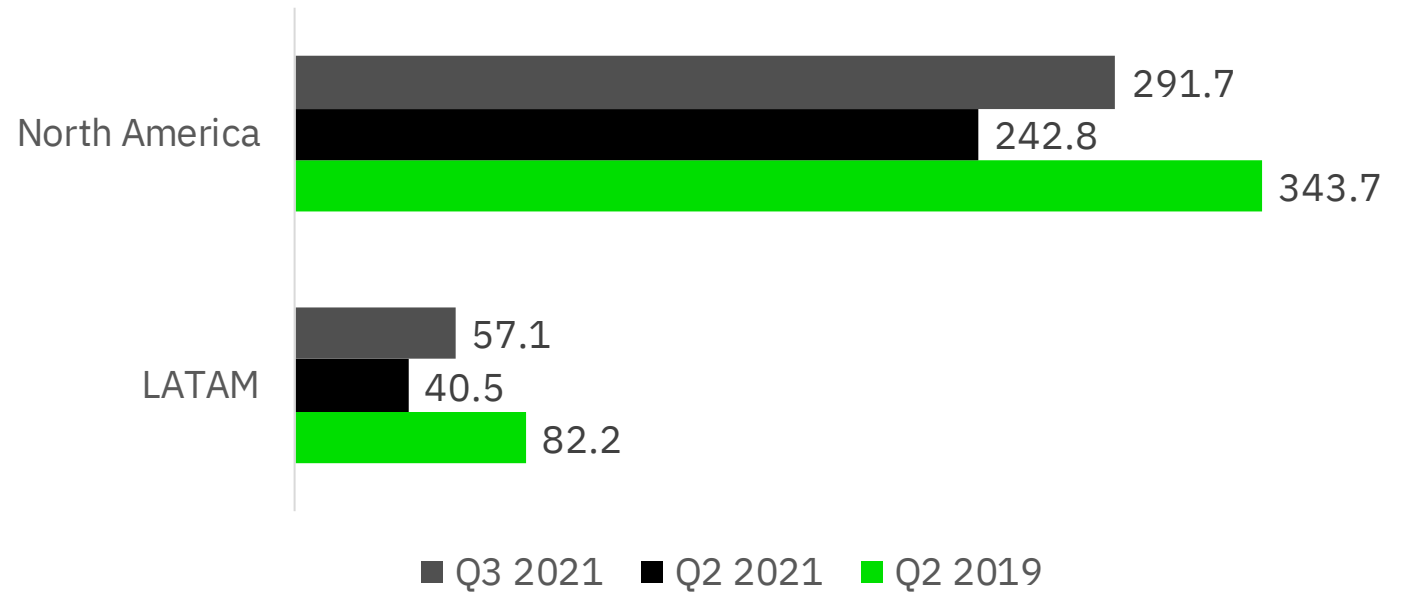
Seats offered where LATAM is the destination

Q3 2021

+41.0% on Q2-2021

57M seats

Seats Offered by Destination (Millions)



Americas Air Q2 2021

CITY PAIRS ALL RANGE VIEW

Seats and flights offered to Americas-Region

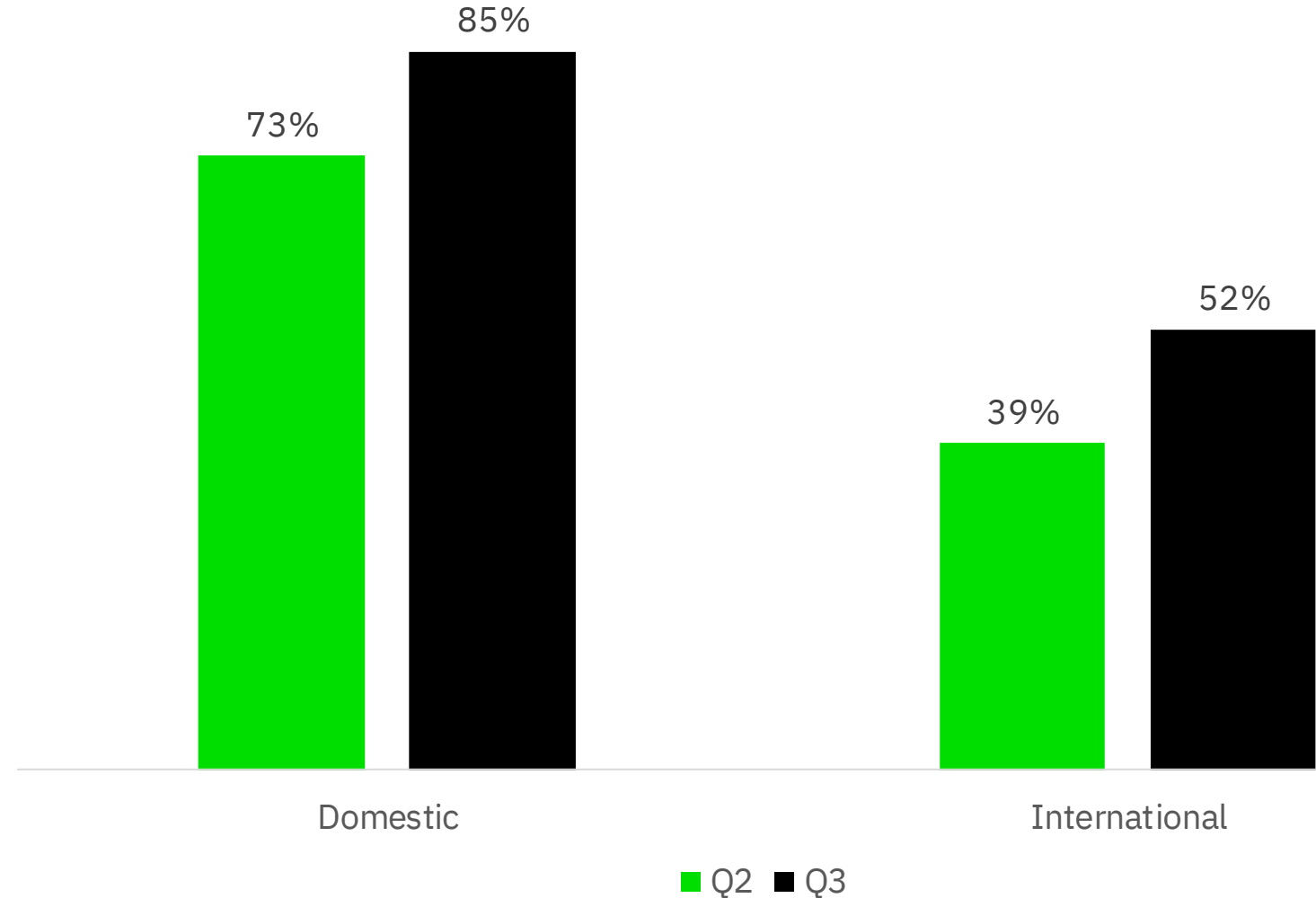
+498K

Additional flights are being offered in Q3-2021 (+22% vs Q2-2021), driven by increased frequencies across North America

In Q3, domestic seats offered within the Americas region are scheduled to be back to 85% (+12%P vs Q2) of pre-pandemic levels, compared to only 52% (+13%P vs Q2) for international seats.



Seats offered



More Information

FCM Consulting

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