

Tourism Update

*BRIEF ANALYSYS ON THE TOURISM
INDICATORS OF MALDIVES*

END JUNE 2017



STATISTICS & RESEARCH SECTION
MINISTRY OF TOURISM
5TH FLOOR, VELAANAAGE, AMEER AHMED MAGU
MALE', MALDIVES

Quarterly Tourism Update- Third Quarter 2017

Major indicators

In the first half of 2017 Maldives received a total of 657,540 arrivals, leading to a growth of 6.3% compared with that of 2016. Although the first quarter of 2017 was gradual with 4.6% growth, the second quarter of the year reflected an impressive growth of 7.9%.

In terms of new developments, during the first half of 2017, four new resorts came into operation, namely Kudafushi Resort & Spa and Dhigali Maldives, both in Raa Atoll, Kandima Maldives in Dhaalu Atoll, and Grand Park Kodhipparu in Male' Atoll with a combined bed capacity of 1,078.

At the end of the two quarters of 2017, the registered number of establishments in the Maldives reached 723 with 39,570 beds. Within these registered properties, on average 691 facilities with 37,643 beds were operational. These include 122 resorts with 27,104 beds, 13 hotels with 1506 beds, 412 Guest houses with 6345 beds and 144 Safari vessels with 2,688 beds.

The occupancy rate of 2017 stood at 70.4% in the first quarter and dropped to 52.4% in the second quarter. The average occupancy of 61.4% and showed a decline of -4% compared to 2016.

The Average duration of the stay increased to 6.3% during the first half of 2017.

Figure: 1: Major indicators at end of June 2017

Major Indicators 2017	Jan - Mar	Apr-Jun	Total
Arrivals	359,053	298,487	657,540
% Change over 2017	4.6	7.9	6.3
Bed Nights	2,340,251	1,821,090	4,161,340
% Change over 2017	9.2	8.7	8.9
Occupancy Rate	70.4	52.4	61.4
% Change over 2017	-2.4	-16.8	-4
Operational Bed Capacity (Avg.)	37,044	38,243	37,643
% Change over 2017	13	15	14
Average Duration of Stay (Days)	6.5	6.1	6.3
% Change over 2017	4.2	0.9	2.6

Source: Ministry of Tourism

TOURIST ARRIVALS TO THE MALDIVES

During the first half of 2017, January to July, Maldives recorded an increase in tourist arrivals with a total of 657,540 tourists arriving in the country at the end of the period, leading to a growth of 6.1%, compared with the same period of 2016.

Five out of the past 6 months of 2017, recorded positive growths compared with that of 2017. While January (15.6%), April (15.7%) and June (7.8%) observed healthy growths in 2017, growth rate for the months of February and May were marginal at 0.5%. The month of March recorded a decline of -2.1% in 2017. The positive growth rates for each month was immensely contributed by the increase in European market as well as the Asia and the Pacific Market.

Figure 2: Tourist Arrivals and growth percentage to the Maldives 2017

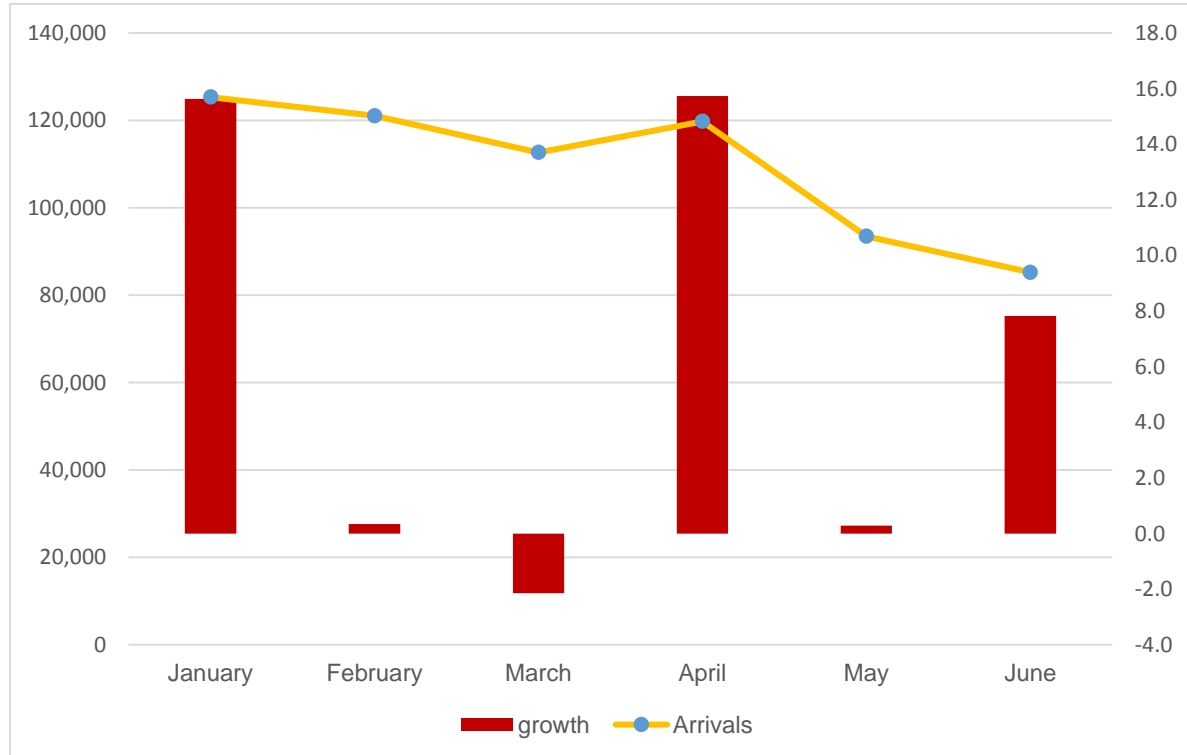
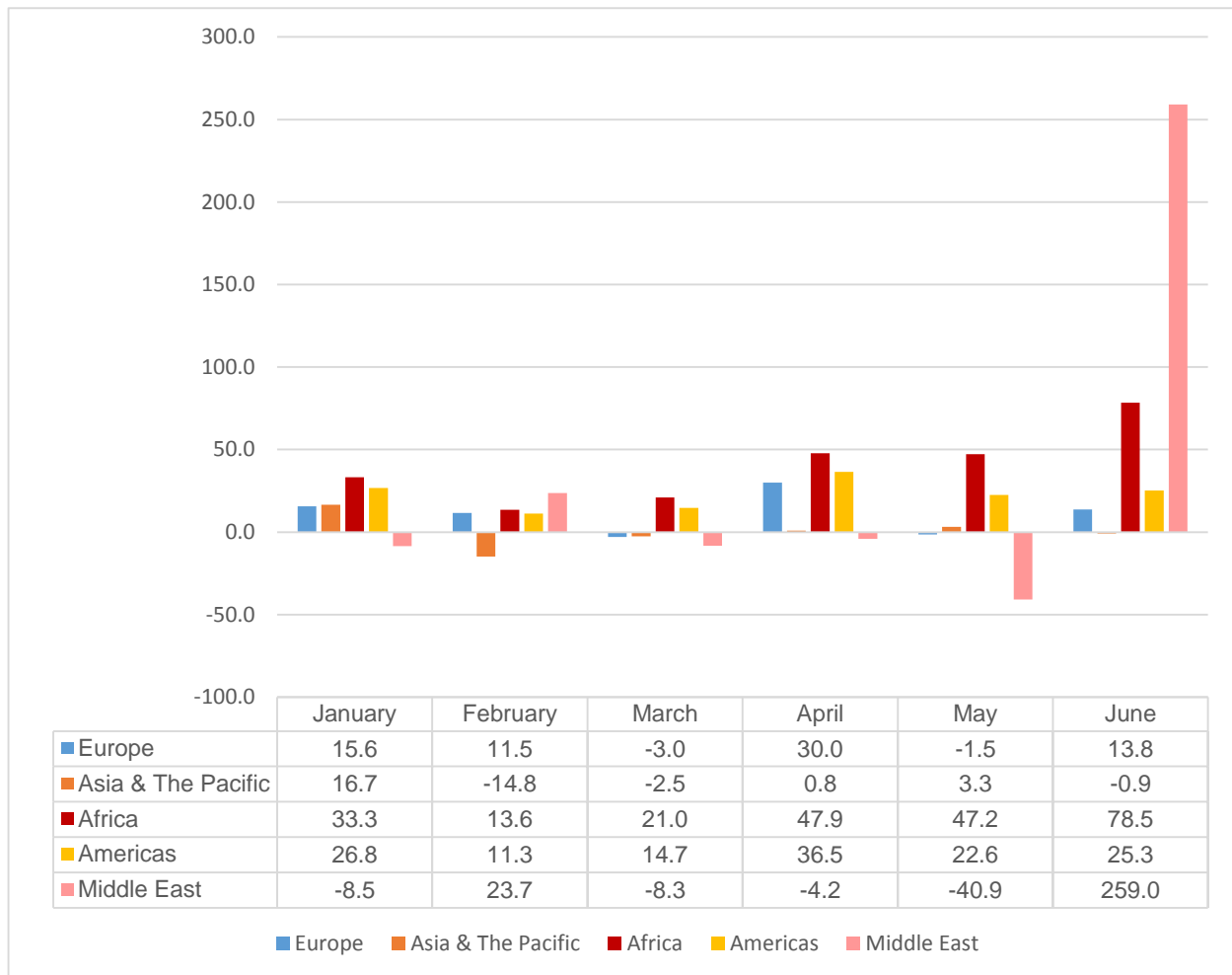


Figure 3: Arrival growth by regions, January – June 2017



MAJOR MARKETS

In terms of Market share, Europe has remained on top with 48.7% of shares of the total arrivals to Maldives with 320,162 visitors at the end of June 2017. The region observed a growth of 10.7% in the first half of 2017 compared to that of 2016.

The next best market generator, Asia and the Pacific contributed to 42.8% shares and had a constant market share as 2016 with no increase or decrease.

Third leading market region during first half of 2017 was Americas with 3.2% shares. The region observed the highest growth rate of 22.5% from last year. Middle East contributed 3.2% to the market share with a decline of -1.3% compared to 2016. African market share stood at 0.9% at the end of June 2017.

Figure 4: Market Share by Regions, 2017

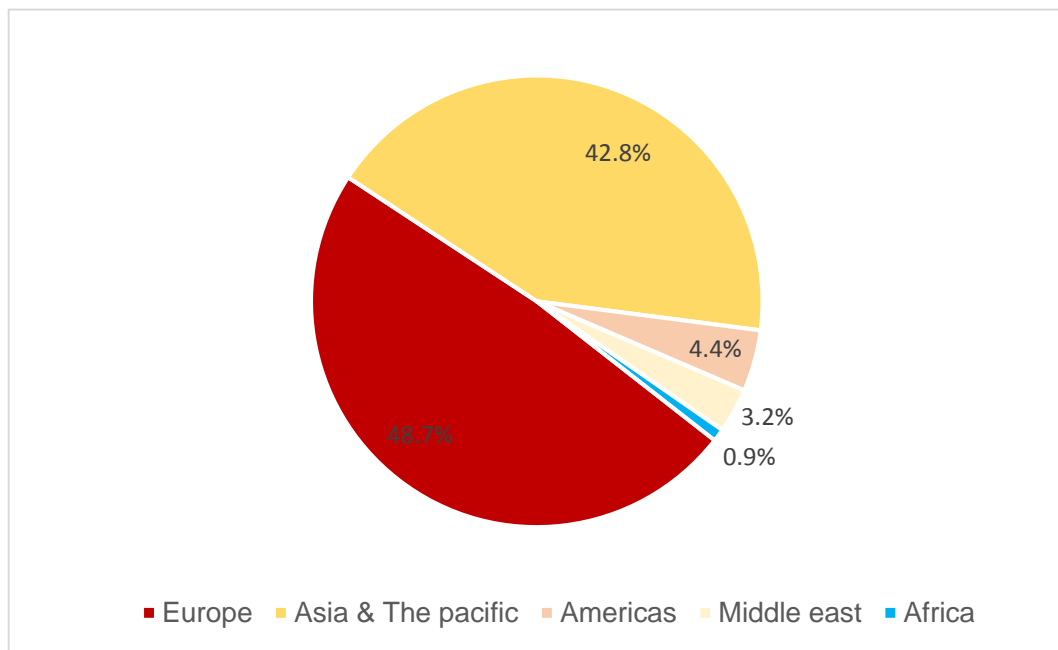
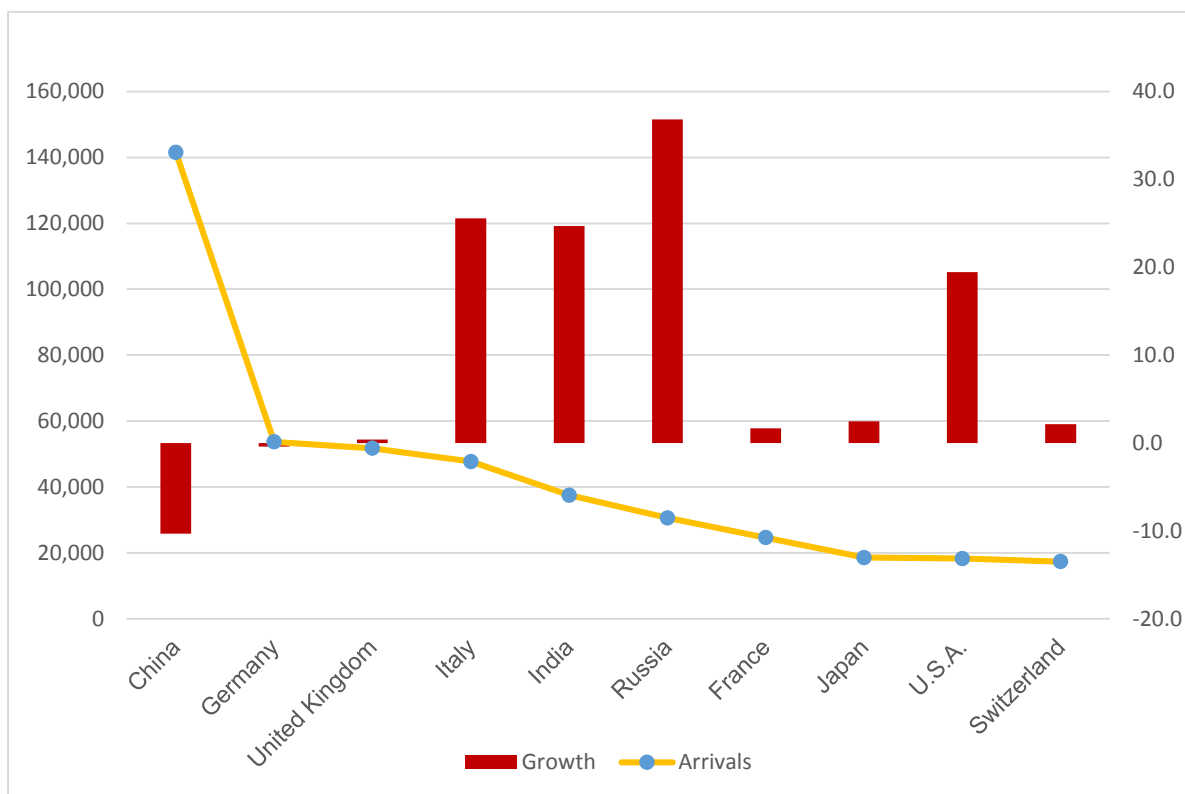


Figure 5: Top 10 markets to Maldives, Arrivals vs growth rate from Jan – June 2016



In terms of arrival numbers China still tops from all main markets to Maldives. However since last quarter of 2015 Chinese arrivals have been declining. By the end of June 2017, Chinese arrivals recorded a decline of 10.3% over the same period of 2016.

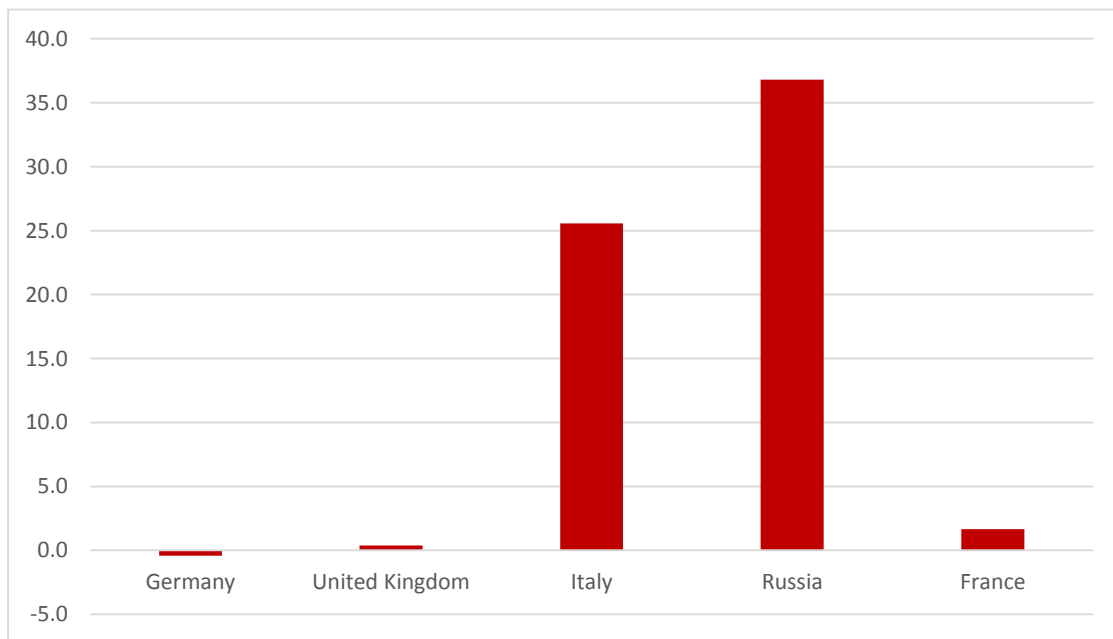
Germany has performed well with respect to tourist arrival numbers but was observed to have a sluggish growth of 0.4% compared to 2016.

United Kingdom, Italy, India, Russia, France, Japan, USA and Switzerland market has performed well from January to February, all recorded positive growth rates during the first half of 2017. Significant growths were observed from Italy, India, Russia and U.S.A, but Russia surpassed the rest of the markets with the highest growth in arrivals of 36.8%.

MAJOR EUROPEAN MARKETS

Germany, U.K., Italy, Russia and France were the top 5 markets in the region. While all markets recorded positive growth, Italy and Russia showed impressive growths of 26% and 37% respectively.

Figure 6: Growth percentage of Top 5 European Markets, 2017



The leading market from the region was Germany with a market share of 8.2% of the total arrivals to the Maldives during the period. However tourist arrivals from the German market between January and June 2017 dropped significantly to a borderline growth of 0.4% compared with the same period of 2016. Arrivals from German market bounced back during the month of June 2017 and reached a growth of 49.1% compared with June 2016.

Second best in the region was United Kingdom with 7.9% shares and observed only a growth of 0.4% compared to the same period last year. Italians are the next best contributor in the European region with 7.3% shares and indicated a growth of 25.6% in arrival numbers.

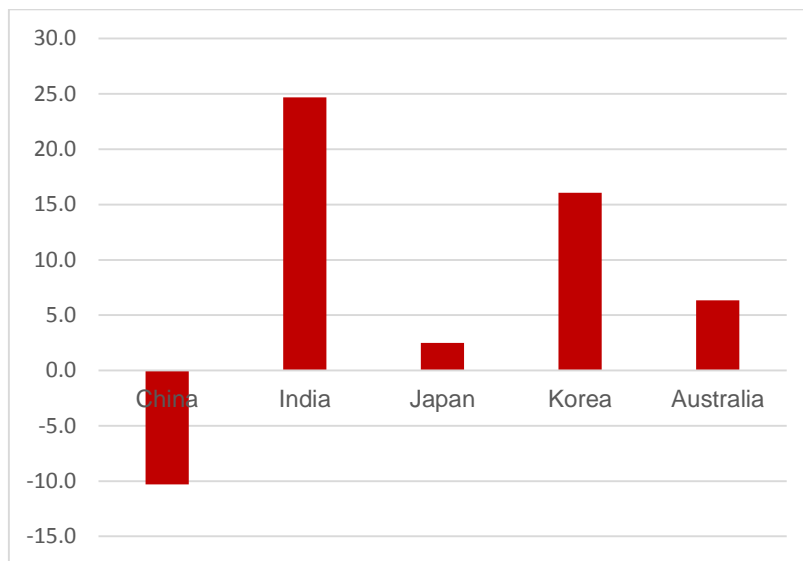
The next best market performer is the Russian market with 4.7% shares, showing a positive growth of 36.8%, from last year. The Russian market has been showing positive growth rates and had the highest percentage of growth in the European region.

French market has fallen from the 4th place in the region, to the 5th best. However, it showed a progress of 1.7% in arrivals compared with that of 2016 same period.

MAJOR MARKETS FROM ASIA AND THE PACIFIC

By the end of June 2017, Asia and the Pacific was the second best market generating region for the Maldives with a share of 42.8% of the total arrivals. Asian Market has been on a downward slope mainly due to the decline in the biggest market generator, China.

Figure 7: Market Growth percentage of main markets of Asia & the Pacific, 2017



China remained as the top market generator in the region as well as the main market for the Maldives with 21.5% of the market shares. However it has continued its declining trend since October 2015. By the first half of 2017, China observed a decline of -15.7% of arrivals compared to the same period in 2016.

The Second in the region was Indian Market with 5.7% shares and has been growing steadily over the year. A significant growth of 24.7% in arrivals was observed from the Indian market and is continuing to grow.

Japanese was the third best market contributor in the region, to the Maldives with 2.8% shares and showed a positive growth of 2.5% from 2016.

Korean market stood as the 4th best in Asia and the Pacific region with 2.3% shares and has shown a significant growth of 16.1% by the first half of 2017. Moreover the Australian market

has been growing with a positive growth of 6.3% in arrivals compared to the same period in 2017.

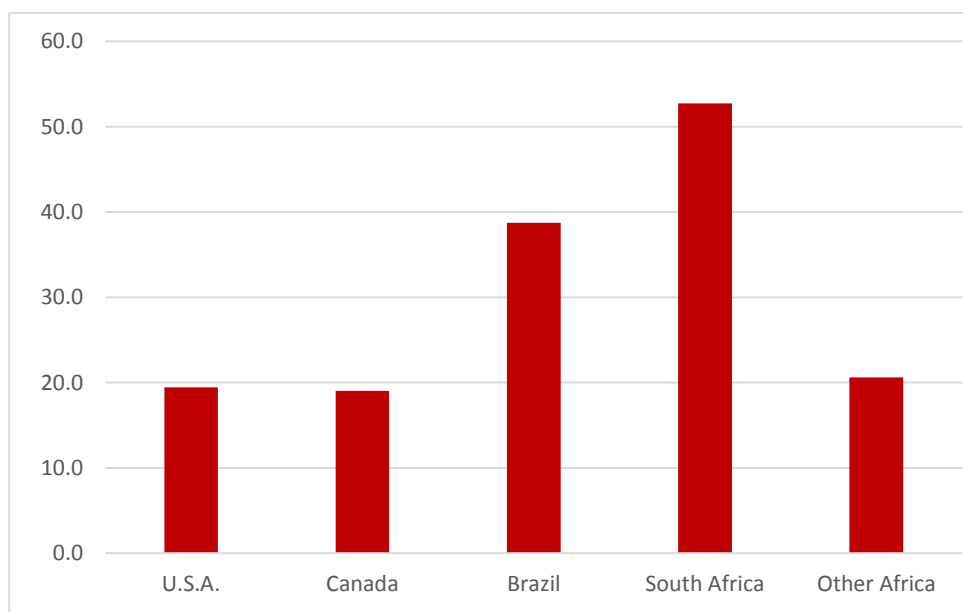
OTHER MAJOR MARKETS

In the American region, USA accounts for the largest market share of 2.8% and, a considerable growth of 19.4% from 2016. Hence it is the best performing market amongst Americas.

The Second best in the region was Canada with 0.7% market share and showed a positive growth of 19% in arrivals.

In the African region, the South African market is the largest contributor with 0.5% market share and an immense growth of 52.7% as compared to 2016.

Figure 9: Market Growth percentage of main markets of Africa and Americas, 2017



Saudi Arabia contributed 1.2% of the market share of the total arrivals, which was the highest among the Middle Eastern markets. However the Saudi Arabian market has declined by – 14.7% compared to 2016.

United Arab Emirates showed the highest growth rate in the region with 39.5%, while Kuwait also showed a notable growth of 12.2% compared to last year. Overall arrivals from Egypt and other Middle Eastern market spiked up in its arrivals compared to the same period in 2016.

Figure 10: Market Growth percentage of top 5 markets of Middle East, 2017

