



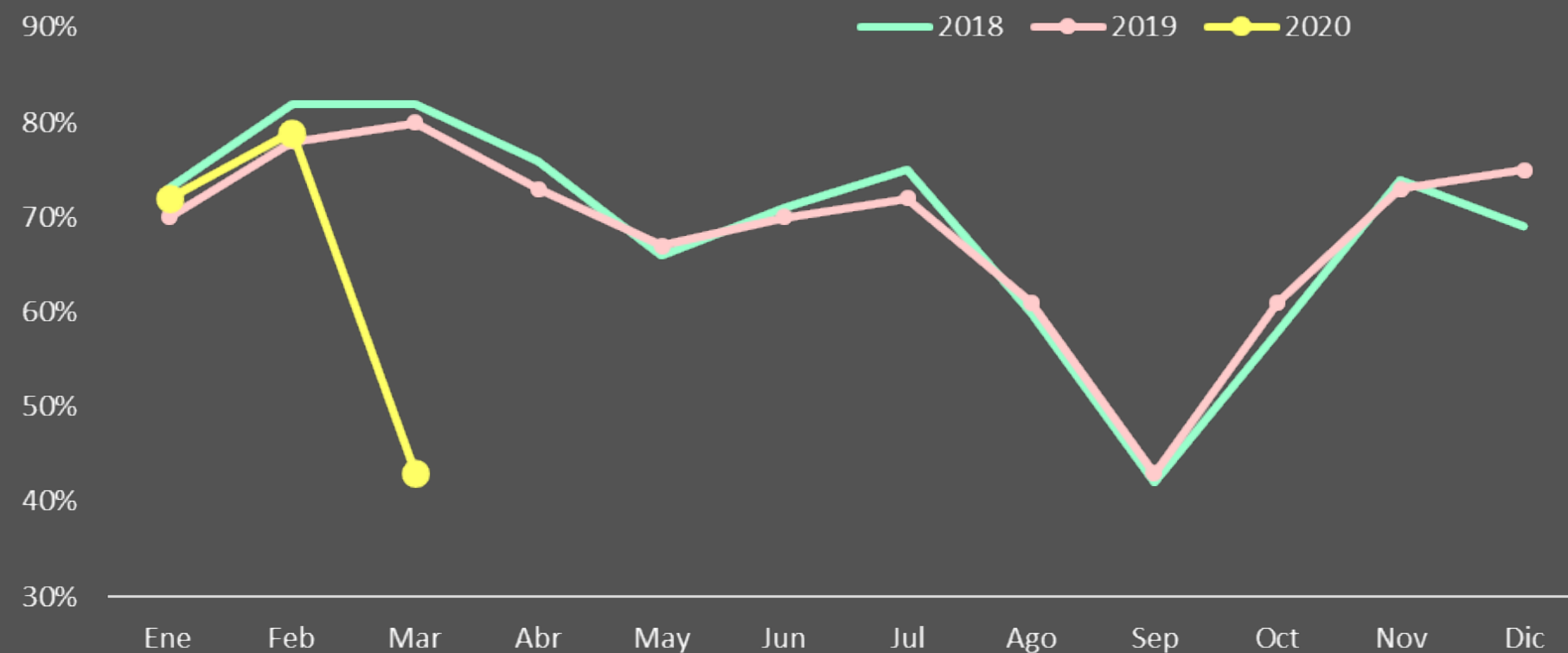
LOS CABOS TOURISM OBSERVATORY

KEY PERFORMANCE INDICATORS

APRIL 2020

Main indicators - Summary

Hotel Activity



SOURCE: LOS CABOS HOTEL ASSOCIATION

Rooms Available
(Feb-2020):
21,748
+9.4%
(vs. Feb-2019)

SOURCE: DATATUR

Hotel Occupancy
(Mar-2020):
43%
-37pp
(vs. Feb-2019)

SOURCE: AHLC

Room nights
(Feb-2020):
1,194,147
+18.4%
(vs. Feb-2019)

SOURCE: DATATUR

Air Passenger Arrivals

Total Passengers
(Mar-2020, expressed in thousands):
174.6
-36.7%
(vs. Mar-2019)

National Passengers
(Mar-2020, expressed in thousands):
58.2
-17.4%
(vs. Mar-2019)

International Passengers
(Mar-2020, expressed in thousands):
116.4
-43.3%
(vs. Mar-2019)

SOURCE: GAP

Group Business Total RFPs
(Mar-2020):
22
+6 RFPs
(vs. Mar-2019)

Tourist Surveys
Tourist Satisfaction (more than expected, Feb-2020):
34.4%
+1.2pp
(vs. Feb-2019)

Cruise passengers
(Feb-2020):
41,105
-16.6%
(vs. Feb-2019)

Attendees to congresses and conventions (Feb-2020):
1.2% of the total
+0.5pp
(vs. Feb-2019)
SOURCE: TOURIST SURVEYS

Tourists' Origin
(Feb-2020):
73.3% foreigners
+1.7pp
(vs. Feb-2019)
SOURCE: TOURIST SURVEYS

Cruise ships
(Feb-2020):
12
-10 cruises
(vs. Feb-2019)
SOURCE: DATATUR



LOS CABOS TOURISM OBSERVATORY

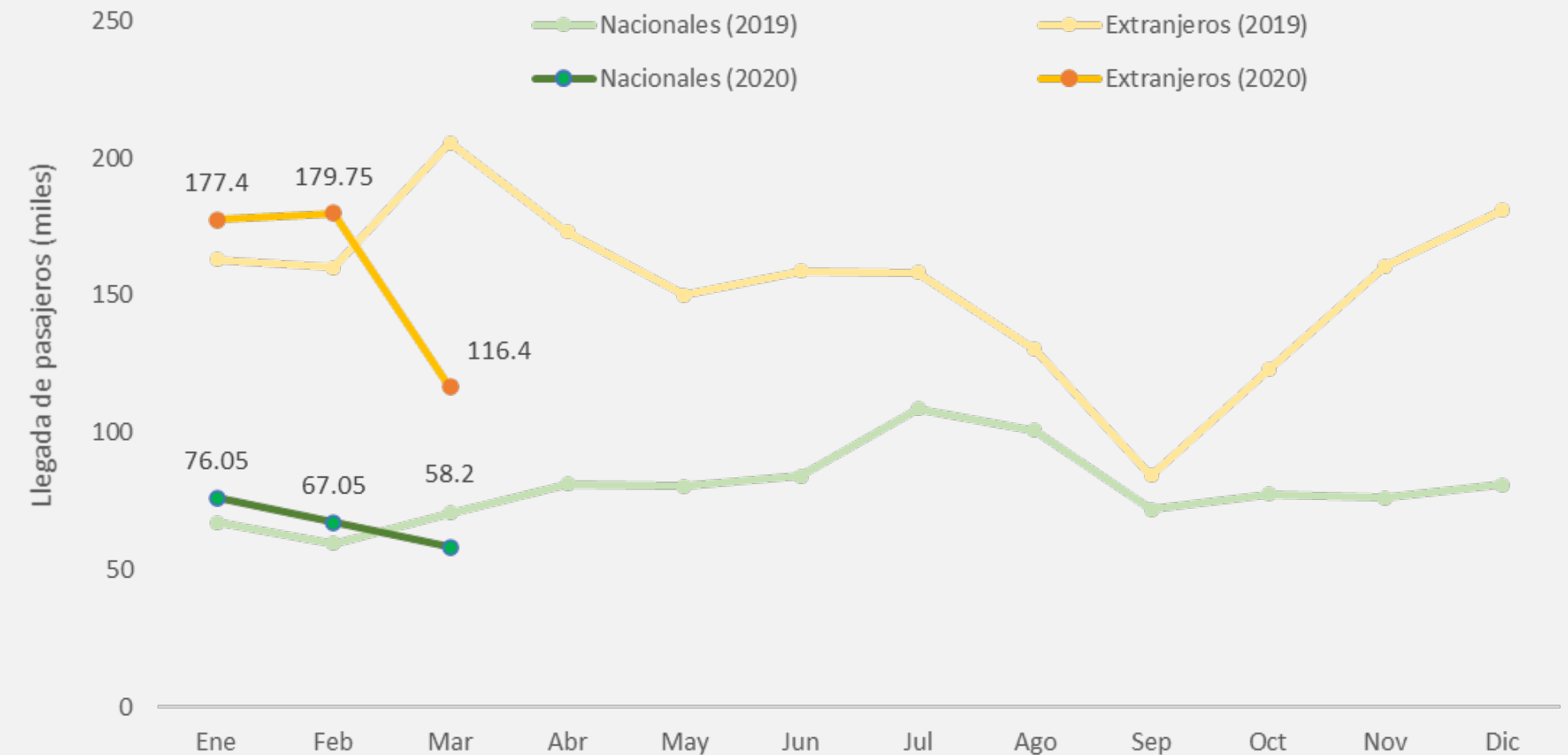
DEMAND INDICATORS
PASSENGERS AND TOURISTS

Passenger arrivals at Los Cabos International Airport, 2019-2020

- Los Cabos International Airport registered the arrival of 174.6 thousand passengers in Mar-2020, which implies a decrease of 36.7% compared to the same period in 2019.
 - Passengers on domestic flights (58.2 thousand) comprise 33.3% of the overall arrivals, and decreased 17.4% compared to Mar-2019.
 - Passengers on international flights (116.4 thousand) represent 66.6%, and had a decrease of 43.3%.

SOURCE: GAP

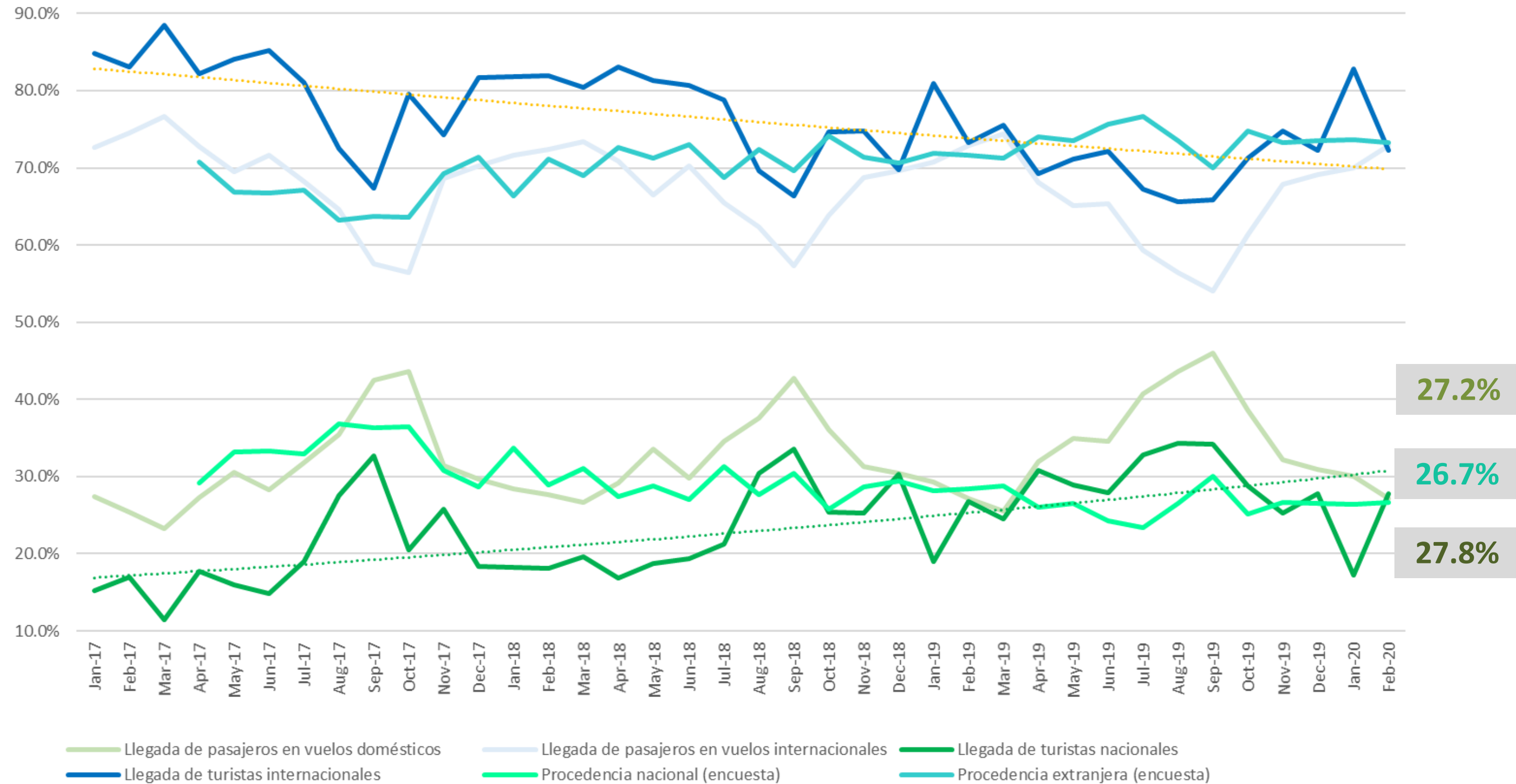
Passenger arrivals at Los Cabos International Airport, monthly (2019-2020)



SOURCE: GAP

Evolution of national and international tourism participation

Participación porcentual de las llegadas de turistas residentes y no residentes a hoteles en Los Cabos y de la llegada de pasajeros en vuelos domésticos e internacionales al aeropuerto internacional de Los Cabos (2017-2019)



- According to DataTur, the number of national residents arriving at hotels in Los Cabos has increased 1.1pp when compared to the previous year (Feb-2019 to Feb-2020). It registers 27.8% in Feb-2020.
- Moreover, the participation of national passengers in the total registered by the Los Cabos International Airport showed a 1.7pp increase in the same period. It reaches 27.2% in Feb-2020.
- In turn, tourist surveys reveal a 2.1pp decrease in the participation of national tourists, reaching 26.7%.

SOURCE: DATATUR, GAP, TOURIST SURVEYS

International tourist arrivals by air, by origin (residence), monthly 2019-2020

Regiones	Feb-2019	Mar-2019	Apr-2019	May-2019	Jun-2019	Jul-2019	Aug-2019	Sep-2019	Oct-2019	Nov-2019	Dec-2019	Jan-2020	Feb-2020	Δ Feb-20 / Feb-19	Δ Ene-Feb-20 / Ene-Feb-19
EE.UU.	132,938	173,759	140,159	135,239	146,487	142,111	111,494	73,431	113,947	137,433	161,174	139,238	151,410	13.9%	13.8%
Canadá	22,196	24,065	16,499	6,852	4,225	4,373	4,425	3,261	7,350	19,046	21,542	22,830	23,837	7.4%	0.4%
Europa	1,094	921	1,198	1,011	782	897	756	303	447	1,230	1,210	1,434	1,235	12.9%	37.9%
Caribe, Centro y Sudamérica	168	185	286	232	134	239	200	124	102	152	148	210	175	4.2%	-16.8%
Resto del Mundo	697	1,161	1,030	955	765	852	774	604	784	796	898	940	622	-10.8%	-10.7%
Gran total	157,093	200,091	159,172	144,289	152,393	148,472	117,649	77,723	122,630	158,657	184,972	164,652	177,279	12.8%	11.8%

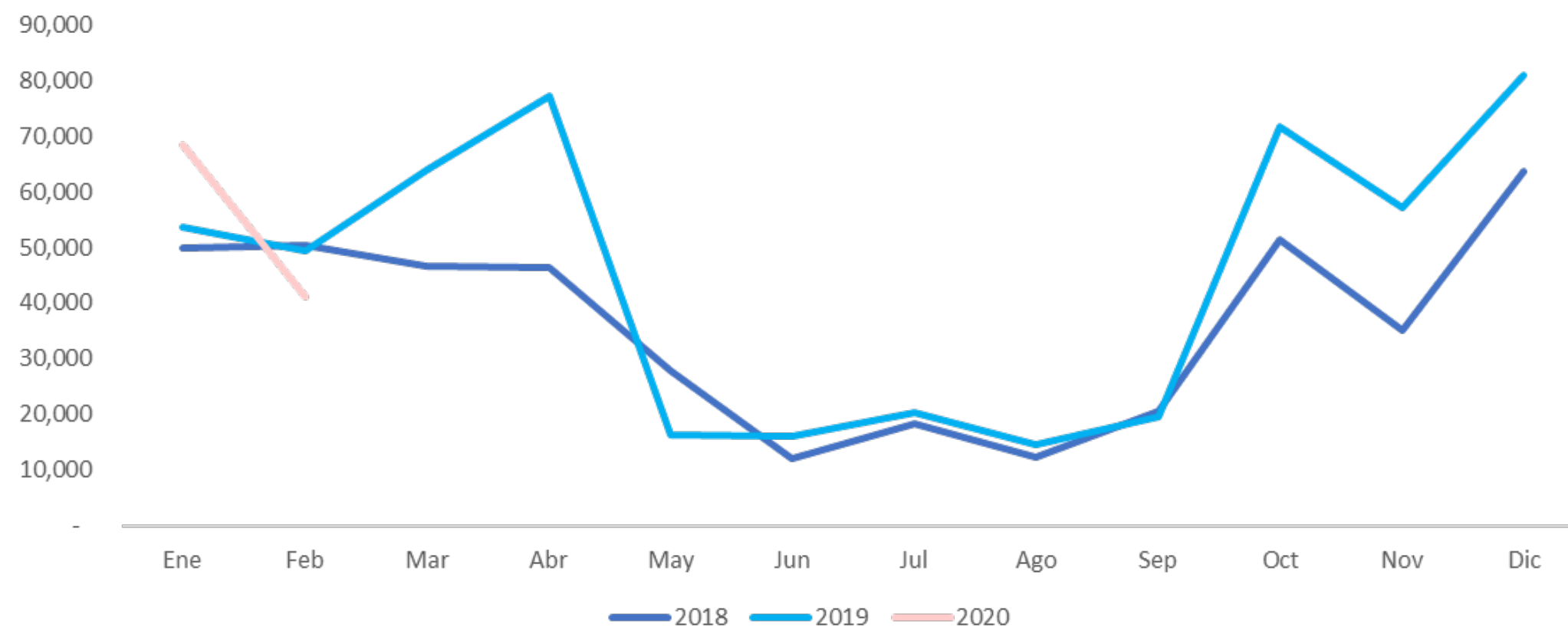
Mercados clave	Feb-2019	Mar-2019	Apr-2019	May-2019	Jun-2019	Jul-2019	Aug-2019	Sep-2019	Oct-2019	Nov-2019	Dec-2019	Jan-2020	Feb-2020	Δ Feb-20 / Feb-19	Δ Ene-Feb-20 / Ene-Feb-19
Reino Unido	259	272	336	131	94	184	219	73	155	827	773	942	692	167.2%	230.1%
Australia	177	274	388	352	347	336	256	201	346	268	305	415	181	2.3%	-10.4%
Corea del Sur	132	140	123	95	72	87	83	111	179	134	126	98	93	-29.5%	-18.7%
Total mercados clave	568	686	847	578	513	607	558	385	680	1,229	1,204	1,455	966	70.1%	73.5%

SOURCE: INM-SIOM

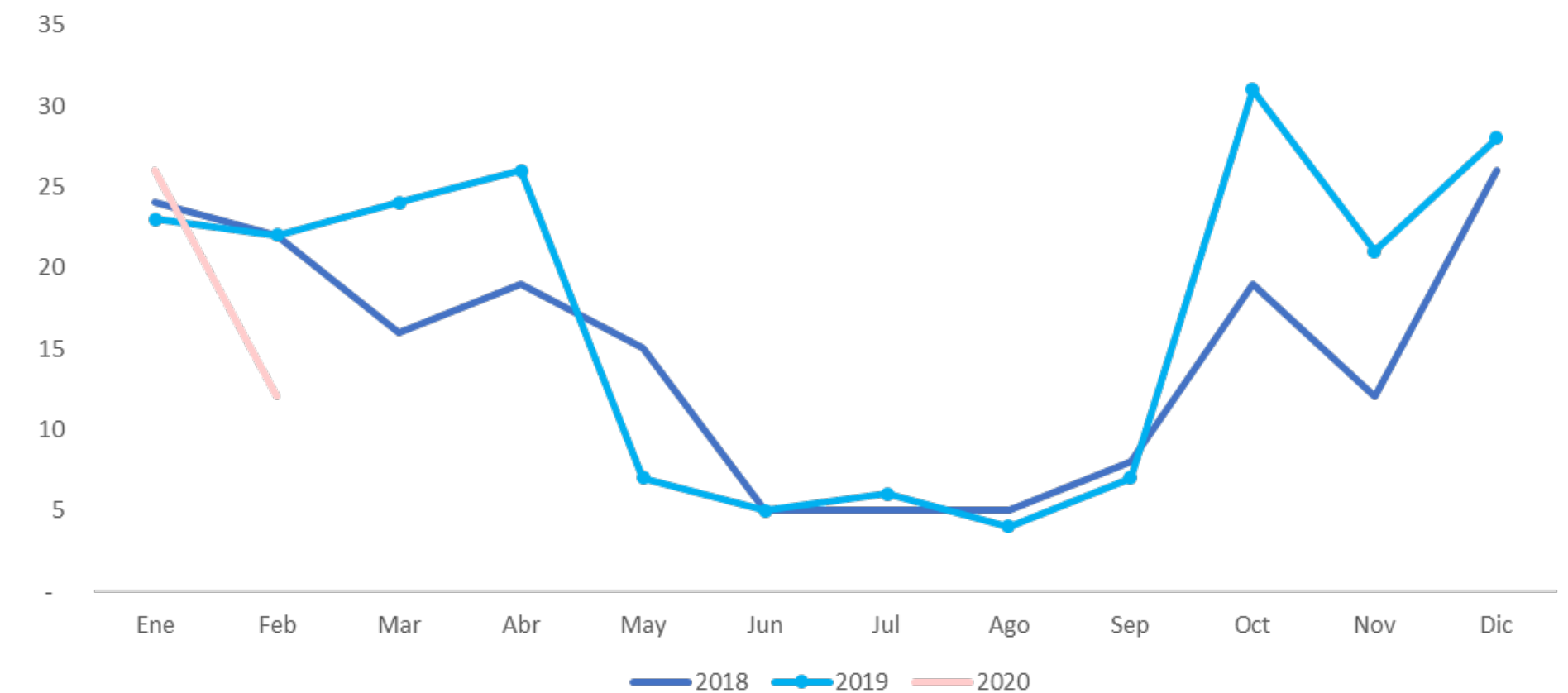
Passenger arrivals on cruise ships and vessels (2019-2020)

- In Feb-2020, the Port of Cabo San Lucas registered the arrival of 41,105 cruise passengers.
 - This means a 16.6% decrease in passenger volume compared to Feb-2019.
 - Moreover, the arrival of 12 cruises was registered: 10 fewer vessels than the previous year.
 - This signifies an average of 3,425 passengers per vessel.

Pasajeros arribando en crucero al puerto de Cabo San Lucas, mensual (2018-2020)



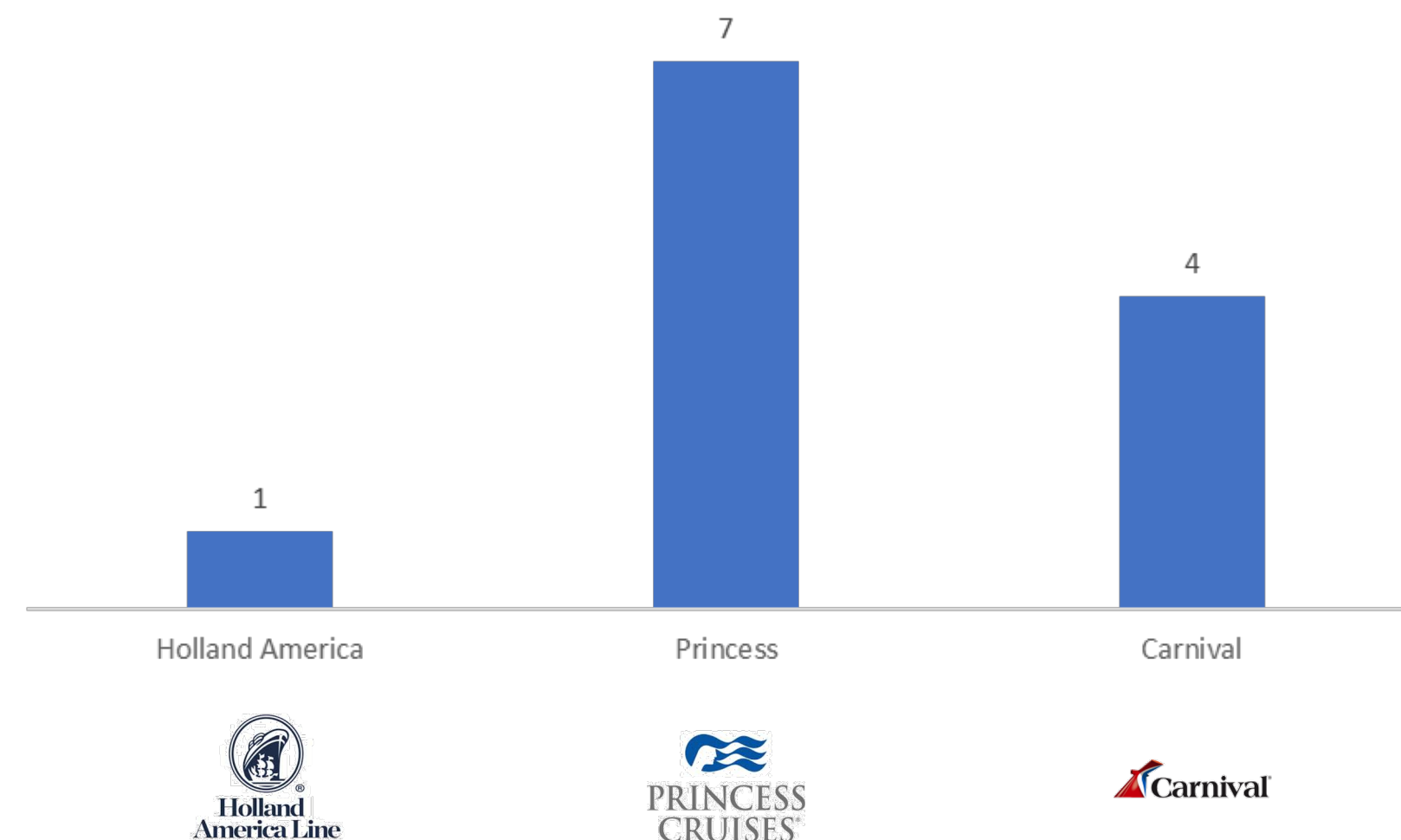
Embarcaciones de cruceros arribando al puerto de Cabo San Lucas, mensual (2018-2020)



SOURCE: DATATUR-SCT

Vessel arrivals at the Port of Cabo San Lucas, Feb-2020

Fecha	Embarcación	Línea Naviera	Capacidad max.
03-Feb-20	Carnival Panorama	Carnival	5,070
03-Feb-20	Royal Princess	Princess Cruises	4,360
04-Feb-20	Royal Princess	Princess Cruises	4,360
05-Feb-20	Astoria	Cruise & Maritime	600
10-Feb-20	Carnival Panorama	Carnival	5,070
12-Feb-20	Royal Princess	Princess Cruises	4,360
13-Feb-20	Royal Princess	Princess Cruises	4,360
17-Feb-20	Carnival Panorama	Carnival	5,070
17-Feb-20	Royal Princess	Princess Cruises	4,360
18-Feb-20	Grand Princess	Princess Cruises	3,100
24-Feb-20	Carnival Panorama	Carnival	5,070
24-Feb-20	Oosterdam	Holland America	2,250
24-Feb-20	Royal Princess	Princess Cruises	4,360



The 12 cruises that arrived at the Port of Cabo San Lucas in Feb-2020 were operated by 3 different cruise lines: Princess (7 vessels), Carnival (4), and Holland America (1). As a whole, these represent a maximum capacity of 52,390 passengers.

SOURCE: CREW-CENTER.COM

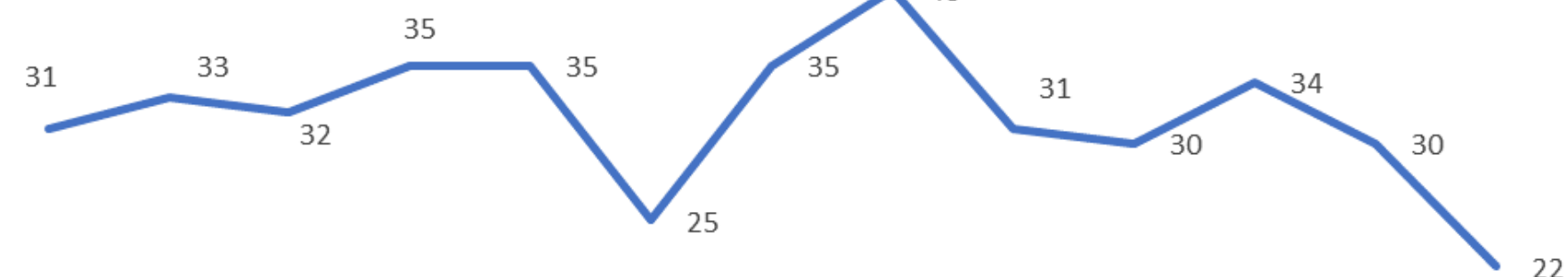


LOS CABOS TOURISM OBSERVATORY

DEMAND INDICATORS
TOURIST SURVEYS & GROUP BUSINESS

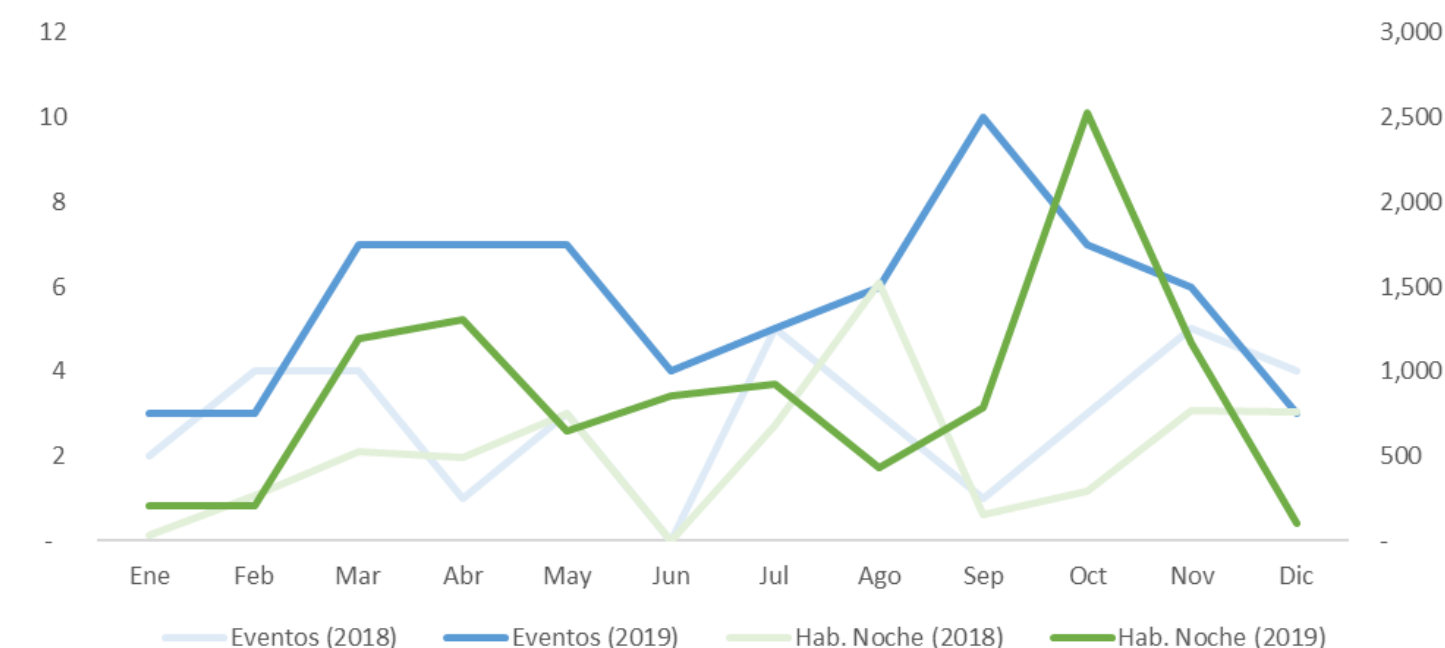
Demand indicators: Group Business

RFPs recibidos de eventos de reuniones y grupos, últimos 12 meses (CVENT)



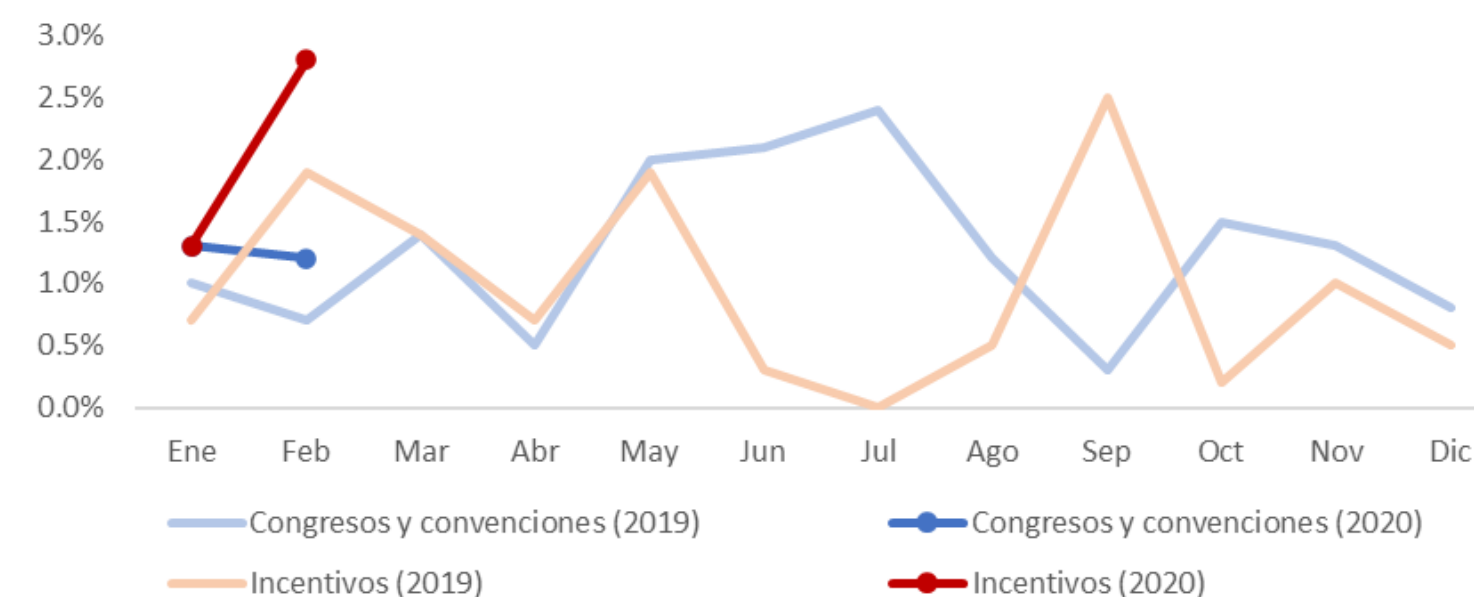
SOURCE: CVENT

Eventos y habitaciones noche confirmadas de reuniones y grupos (Helms Briscoe)




SOURCE: Helms Briscoe

Asistentes a congresos, convenciones y viajes de incentivo (% del total de turistas)



SOURCE: TOURIST SURVEYS

An aerial photograph of a coastal area with a rocky shoreline. The water is a deep blue, and the rocks are light-colored. Two small, white, oval-shaped boats are visible in the water near the shore. The image is partially obscured by a large, curved, light blue shape on the right side of the frame.

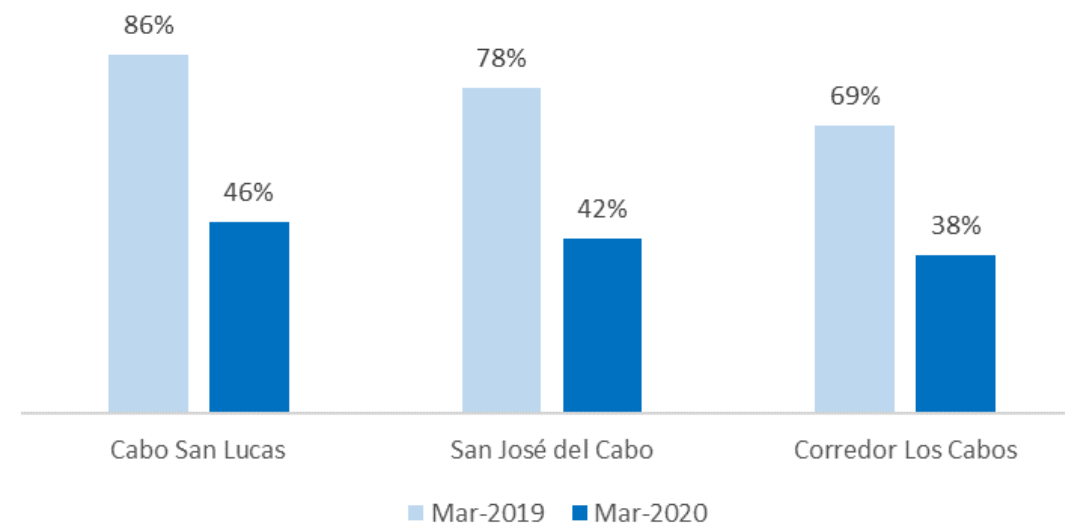
LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS

HOTEL OFFER

Evolution of the hotel offer in Los Cabos and sub-destinations

Ocupación hotelera (Mar-2019-2020)

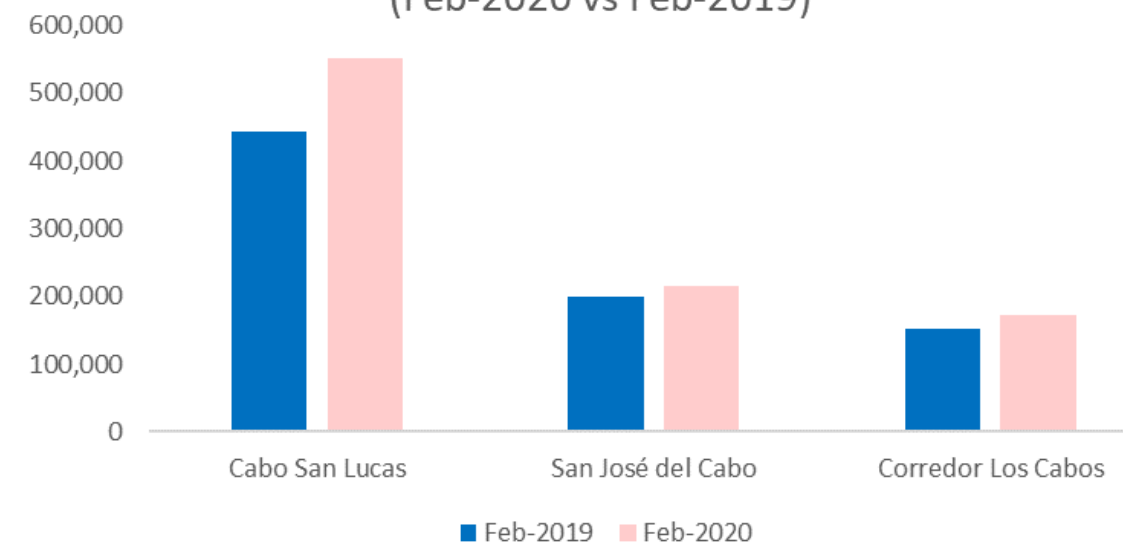


SOURCE: AHLC

CABO SAN LUCAS

- The hotel occupancy registers 46%, which implies a decrease of 40pp (Mar-2019 vs. Mar-2020, AHLC).
- It's hotel offer increased by 20% from Feb-2019 to Feb-2020, going from 7.4 thousand to 8.9 thousand (DataTur).
- Occupied room nights grew 17.8% between Feb-2019 and Feb-2020 (DataTur).

Habitaciones noche
(Feb-2020 vs Feb-2019)

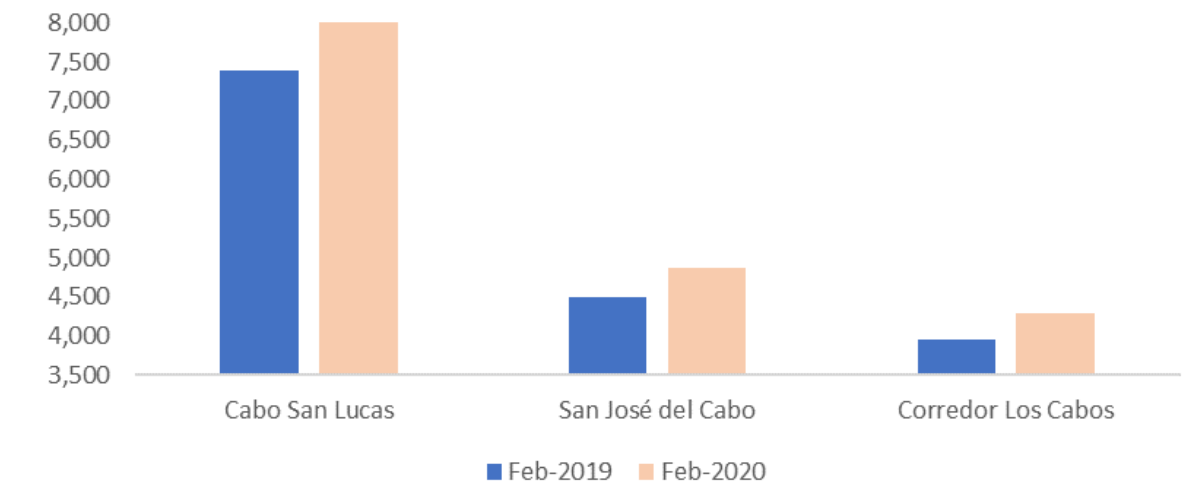


SOURCE: DATATUR

SAN JOSÉ DEL CABO

- Occupancy dropped 36pp when comparing Mar-2019 to Mar-2020 (AHLC): 42%.
- Its hotel offer grew 8.3% between Feb-2019 and Feb-2020, registering 4.9 thousand rooms (DataTur).
- Occupied room nights grew 8.7% between Feb-2019 and Feb-2020 (DataTur).

Cuartos disponibles
(Feb-2020 vs Feb-2019)



SOURCE: DATATUR

CORREDOR LOS CABOS

- Less hotel occupancy in all of the sub-destinations between Mar-2019 and Mar-2020: -31pp, decreasing from 69% to 38% (AHLC).
- Its hotel offer grew 8.6% between Feb-2019 and Feb-2020, registering 4.3 thousand rooms (DataTur).
- Occupied room nights had the highest increase of all the sub-destinations: 12.7% between Feb-2019 and Feb-2020 (DataTur).

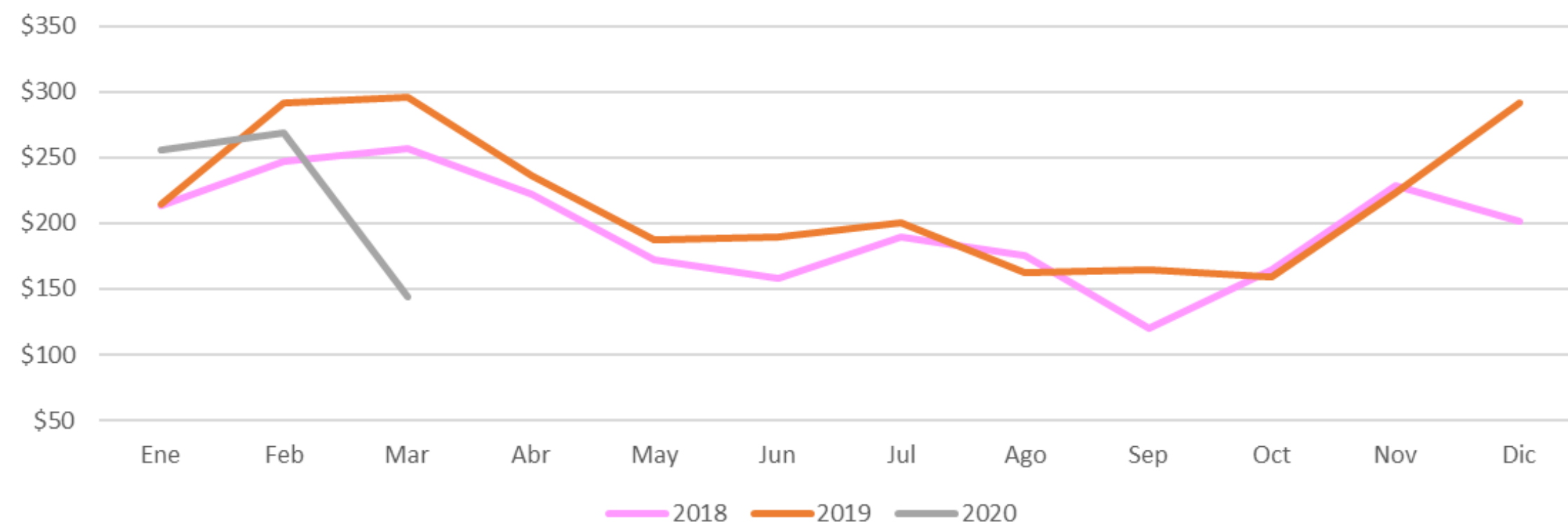
HOTEL OFFER

Evolution of the RevPAR and the average hotel rate in Los Cabos & sub-destinations

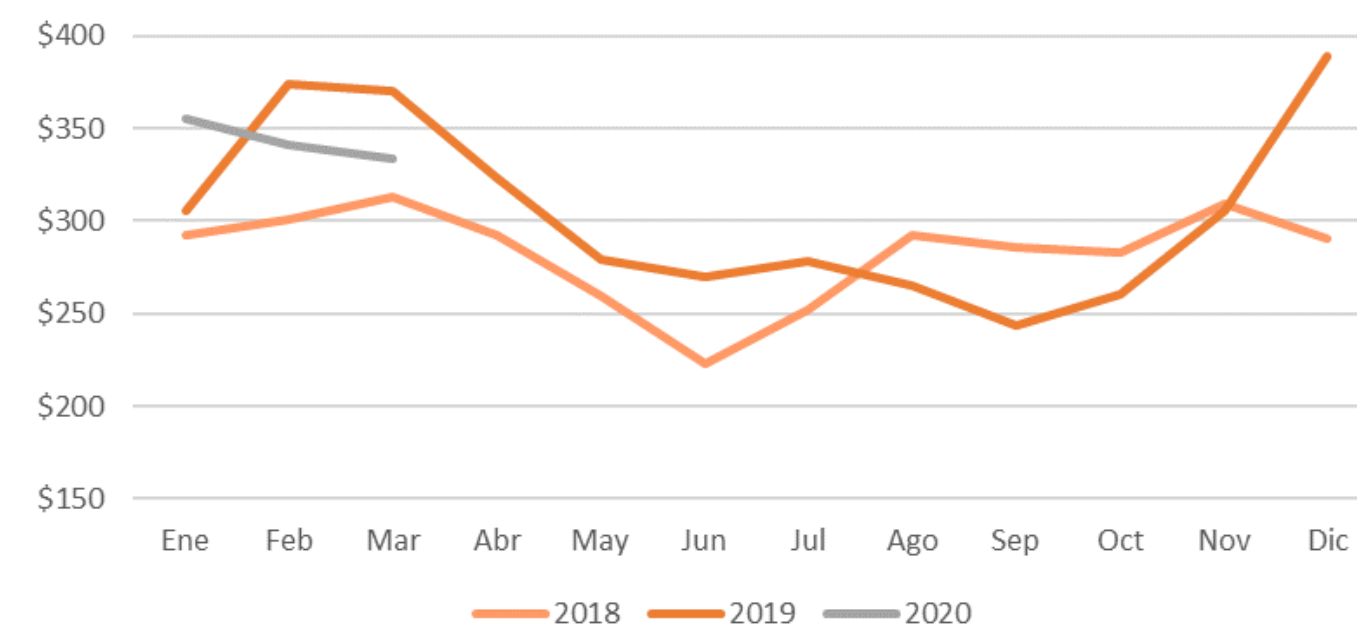
- The average hotel rate in Los Cabos for Mar-2020 was \$334 USD; \$30 USD above the average of the past 12 months; and \$36 USD less than in Mar-2019. The RevPAR was \$144 USD; 61 USD below the average of the past 12 months (\$152 USD less than in Mar-2019).
- The Los Cabos Corridor had the highest rate, set at \$449 USD, although it decreased \$64 USD compared with Mar-2019 (-12.5%).
- San José del Cabo reduced its average rate by \$45 USD (-17%) and settled at \$220 USD.
- Cabo San Lucas reduced its average rate by \$117 USD (-35.3%) and settled at \$215 USD.

RevPAR Los Cabos (USD, 2018 - 2020)

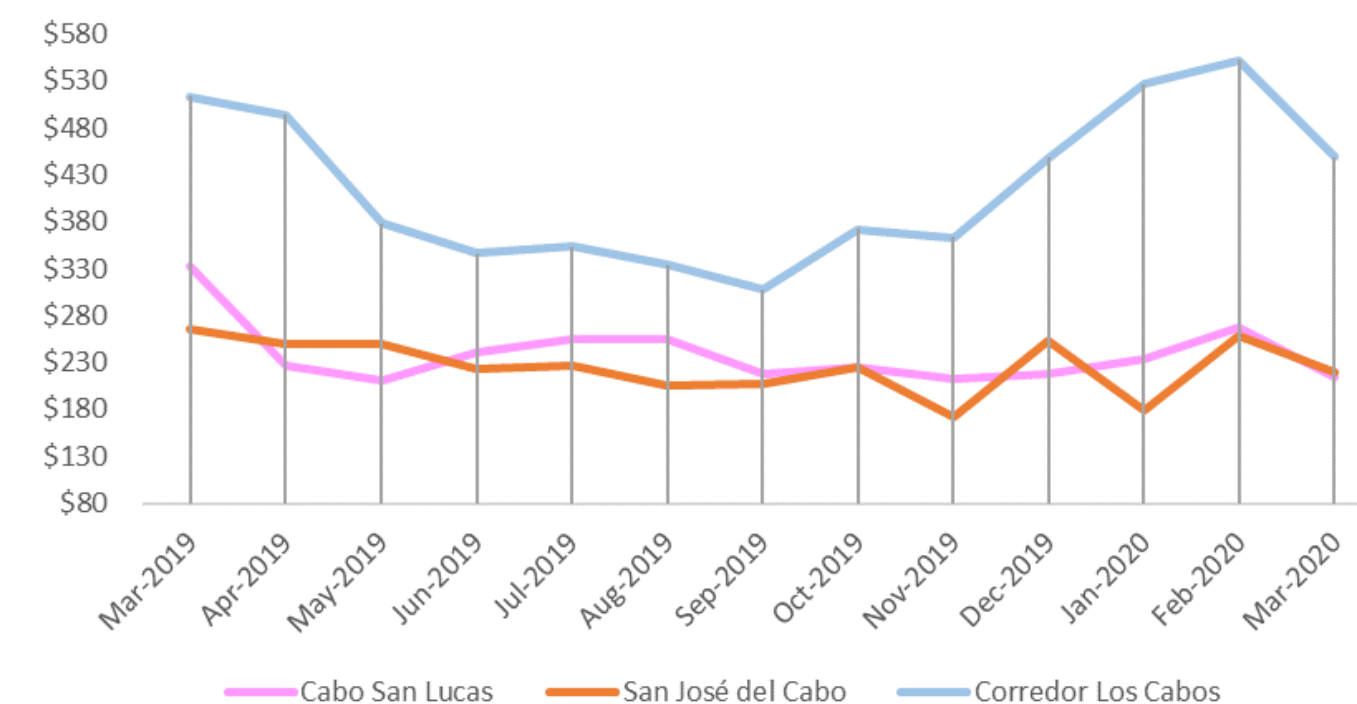
SOURCE: AHLIC



Average hotel rate, Los Cabos (USD, 2018 - 2020)



Average hotel rate, sub-destinations (USD, monthly, last 12 months)



INTERNATIONAL AIR CONNECTIVITY

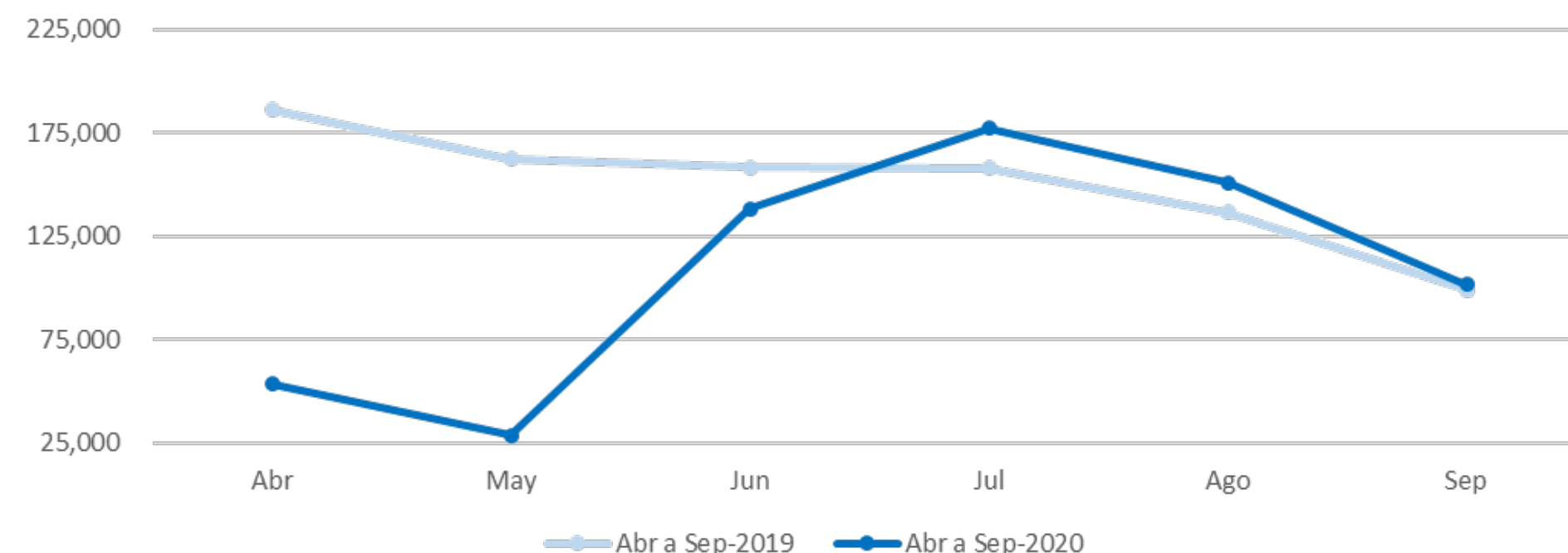
SOURCE: OAG

SEATS SCHEDULED FOR MAR-AUG-2020

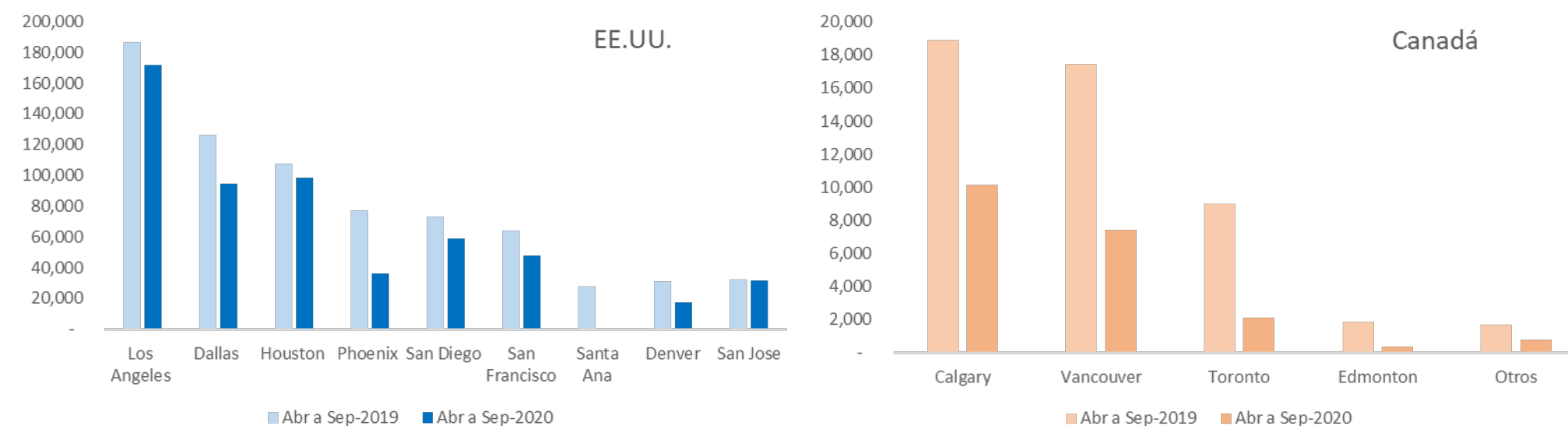
Seat offer report for the month in question and the 6 following months, as the case may be

- For the U.S., there are **60.3%** fewer available scheduled seats for Apr-2020 compared to the same period last year, and for the next 6 months, there are **26.7%** fewer scheduled seats compared to the same period in 2019.
Important: See note on seat scheduling in the executive summary.
 - All origin airports have decrements. PHX has the highest decrease (-52.9%). LAX and HOU have the lowest, with -8.2% each.
- Los Angeles is the main issuing market in the U.S. (27%), followed by DFW and Houston (15% and 16%, respectively).
- LAX participation in the international market increases 5pp. The most important airlines are American, Alaska, and United (accounting for 67% as a whole).
- For Canada, there are **85.5%** fewer available scheduled seats for Apr-2020 compared to the same period last year, and for the next 6 months, there are **57.5%** fewer scheduled seats.
 - Calgary dropped 46.3%, Vancouver 57.4%, Toronto 76.8%, Edmonton 79.8%, and the rest of Canada 55.2%.
 - Toronto will lose 8pp of participation, while Calgary will gain 10pp.
 - Air Canada and Swoop will reduce the frequency of its flights by 100%.
- The international airlines' occupancy factors for Jan-2019 were: American 77%, Alaska 82%, Delta 73%, United 80%, Southwest 80%, Air Canada 88%, and WestJet 80%. Alaska lost 4pp, and Air Canada gained 4pp when comparing to Jan-2019. There is no available data on Sunwing's occupancy this month.

Programación de asientos hacia San José del Cabo (Abr-Sep 2020)



Seats scheduled by origin (Feb-Jul-2020)





LOS CABOS TOURISM OBSERVATORY

PUBLIC RELATIONS

Public relations: notes and scope (last 12 months)

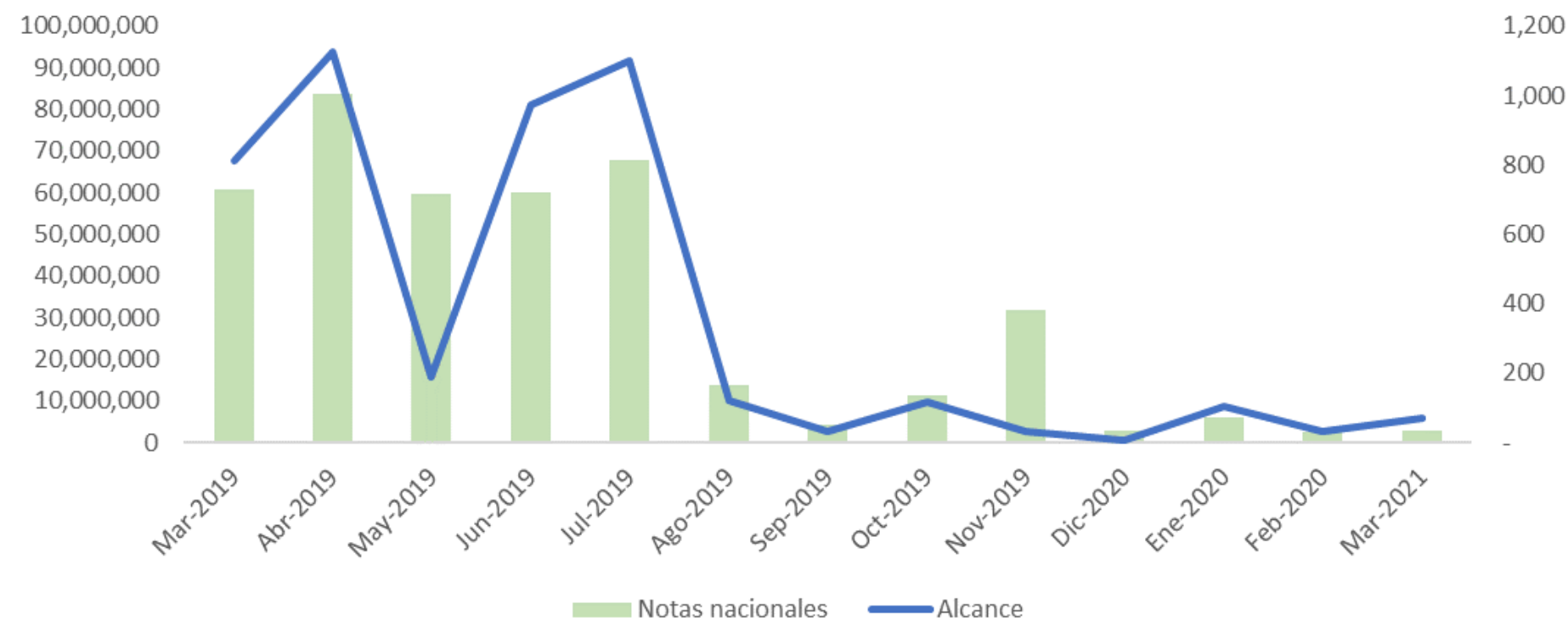
- In the domestic market:

- In the period from Apr-2019 to Mar-2020 (last 12 months), there were 4,155 national press insertions (346 monthly on average), creating a scope of 325 million impacts (27 million monthly on average). 34 inserts were published throughout Mar-2020, achieving 5.8 million impacts.

- In the international market:

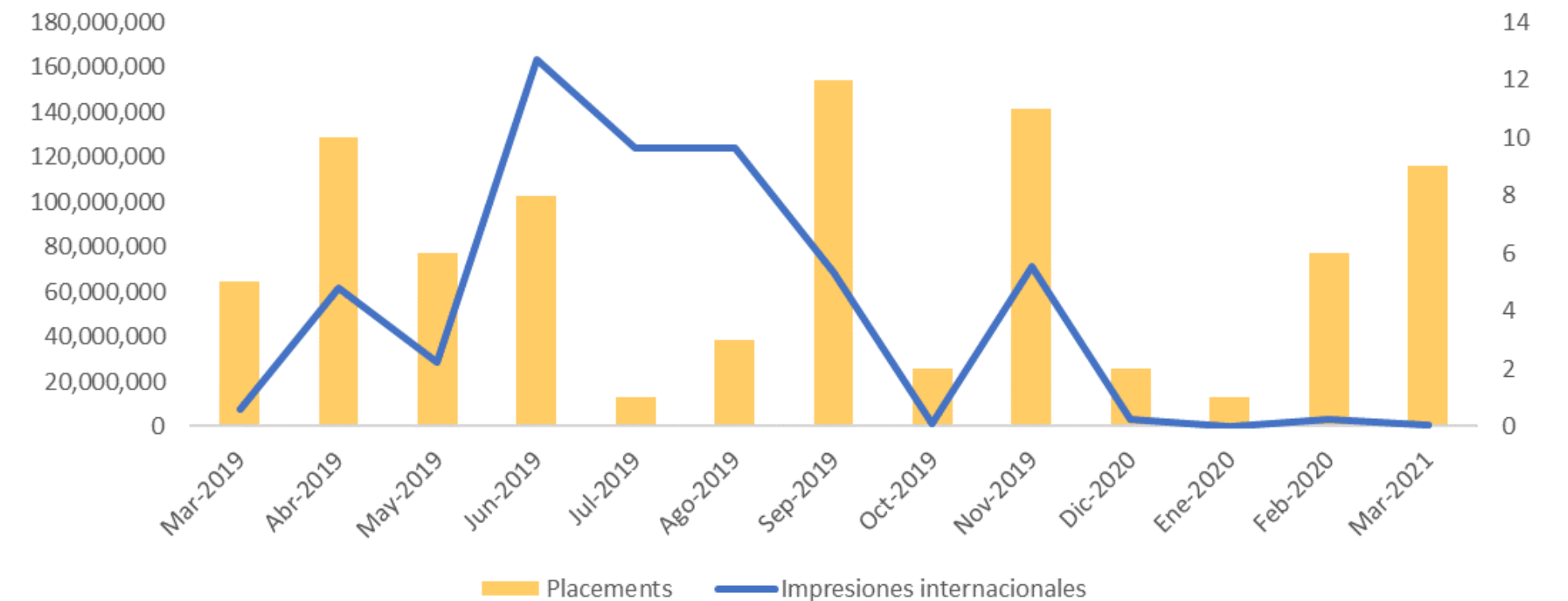
- In the period from Apr-2019 to Mar-2020, there were 71 international press insertions (5.9 monthly on average), creating a scope of 649 million impacts (54 million monthly on average). 9 inserts were published throughout Mar-2020, achieving 723 thousand impacts.

NATIONAL NOTES' TOTAL & SCOPE (MAR-2020)



SOURCE: GAUDELLI (Feb-18 to Jan-19), LLORENTE & CUENCA (Feb-19 to Mar-20)

INTERNATIONAL NOTES' TOTAL & SCOPE (MAR-2020)



SOURCE: NJF (Feb-18 to Jan-19), OGILVY (Feb-19 to Mar-20)

DEFINITIONS

- **Congress.** Non-business-oriented meetings in which people gather in large groups, generally to discuss and exchange points of view on a topic of interest (including professional, cultural, sports, theological, social, governmental, academic, and more). These meetings often last several days and have simultaneous sessions, as well as a predefined multiannual or annual periodicity.
- **Convention.** Trade or business meetings usually sponsored by a corporation, where participants represent the company, corporate group, or customer-supplier relationships. Their participation could be mandatory, so travel expenses are borne by the corporation. This category includes general and formal legislative, social or economic meetings, to provide information, deliberate, establish consensus or deal with participants' policies, as well as address a market's, product's or brand's commercial issues. It may include a secondary presentation element.
- **Available rooms.** The number of rooms in service. It doesn't account for out of service rooms due to repair or some other cause.
- **Tourist destination.** The main target of a tourist's trip. The visiting place is fundamental for the decision-making process to plan a trip. The main reason for the trip.
- **Seasonality.** It means that tourist flows tend to be distinct across different seasons (around certain times of the year), repeating this process annually.
- **Length of stay.** It results from dividing the total number of room nights by the number of bookings per month. The obtained result expresses the number of days a tourist stays.
- **Events or incentive trips.** Incentive travel is a new strategy that recognizes people who have reached or exceeded goals generally related to sales or productivity. It is addressed to participants who have better job performance, gifting them with a remarkable travel experience.
- **Room nights.** Obtained from the daily number of rooms occupied by tourists, times their length of stay (number of nights that they spend in the establishment). Classified according to the place of origin, and residency or non-residency status.
- **Inflation.** General and continuous rise in the prices of goods and services marketed in an economy. It is the average growth rate of the goods and services' prices between one period and the next.
- **Underlying inflation.** The prices' increase in a subset of the INPC (National Consumer Price Index), which includes generics with less volatile prices. It measures the inflation trend in the medium term. The 283 generic concepts that make up the goods and services basket of the INPC are classified into subsets that respond to particular needs of analysis. Among the most well-known classification, there is the object of expenditure, which refers to the origin of goods and services' sector; and the durability of goods and the underlying inflation.
- **Passenger arrivals.** Passengers carried on scheduled services by airlines.
- **Tourist arrivals.** Corresponds to the number of tourists that visited the establishment throughout the month.

DEFINITIONS

- **Visitor's nationality.** Granted by the country that issues the passport or other identity documents, even when residing in another country.
- **Non-resident.** The person whose habitual environment is outside the Mexican territory and visits the latter for less than 12 months for any reason (including business, vacation, and more), excluding those who get paid for working in activities at the visiting place.
- **Hotel occupancy.** The accommodation occupancy rate is a supply-based concept. It is an important indicator that provides information on the use of different accommodation types and, if the data is obtained monthly, it also indicates the seasonal pattern use of tourist accommodations.
- **RevPAR.** RevPAR is the most important metric used in the hotel industry to assess the financial performance of an establishment or a chain (it assesses a property's ability to fill its available rooms at an average rate). RevPAR is short for Revenue Per Available Room (income per available room). It refers to a specific period (weekly, monthly, annual, etc.). One way to calculate RevPAR is through the formula: $\text{RevPAR} = \text{It} / \Sigma \text{Ht}$, where It equals the total room revenue and ΣHt equals the number of rooms available during a period (the multiplication of total establishment's rooms by the room nights in that period, minus the number of rooms that are not available).
- **Resident.** Individual who lives permanently or on a long-term basis in the territory of the United Mexican States.
- **Residence.** The place/country where the traveler has stayed most of the past year (12 months), or has stayed for a shorter period and plans to return within 12 months to live in that country.
- **Average daily rate.** Commonly known as ADR. It is a statistical unit that represents the average rental income per paid occupied room in a given period. Along with the occupation of the property, both are the basis of the property's financial performance. ADR is calculated dividing room revenue by the number of rooms sold. Houseguest rooms (also known as "house use") and free rooms (known as "complementary rooms") should be excluded from the denominator.
- **Tourist.** Any individual who travels outside their usual environment for less than 12 months for any reason, except those who engage in activities that will generate income at the travel destination: refugees or migrant workers, diplomats, seasonal workers, or travel employees.
- **Visitor.** Any individual who travels outside their usual environment for less than 12 months for leisure, business, religious, medical, or other reasons. Exceptions include people who engage in activities that will generate income at the travel destination: refugees or migrant workers, diplomats, seasonal workers, tourism employees, or people looking for a new residence or job.

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

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