



LOS CABOS TOURISM OBSERVATORY

KEY PERFORMANCE INDICATORS

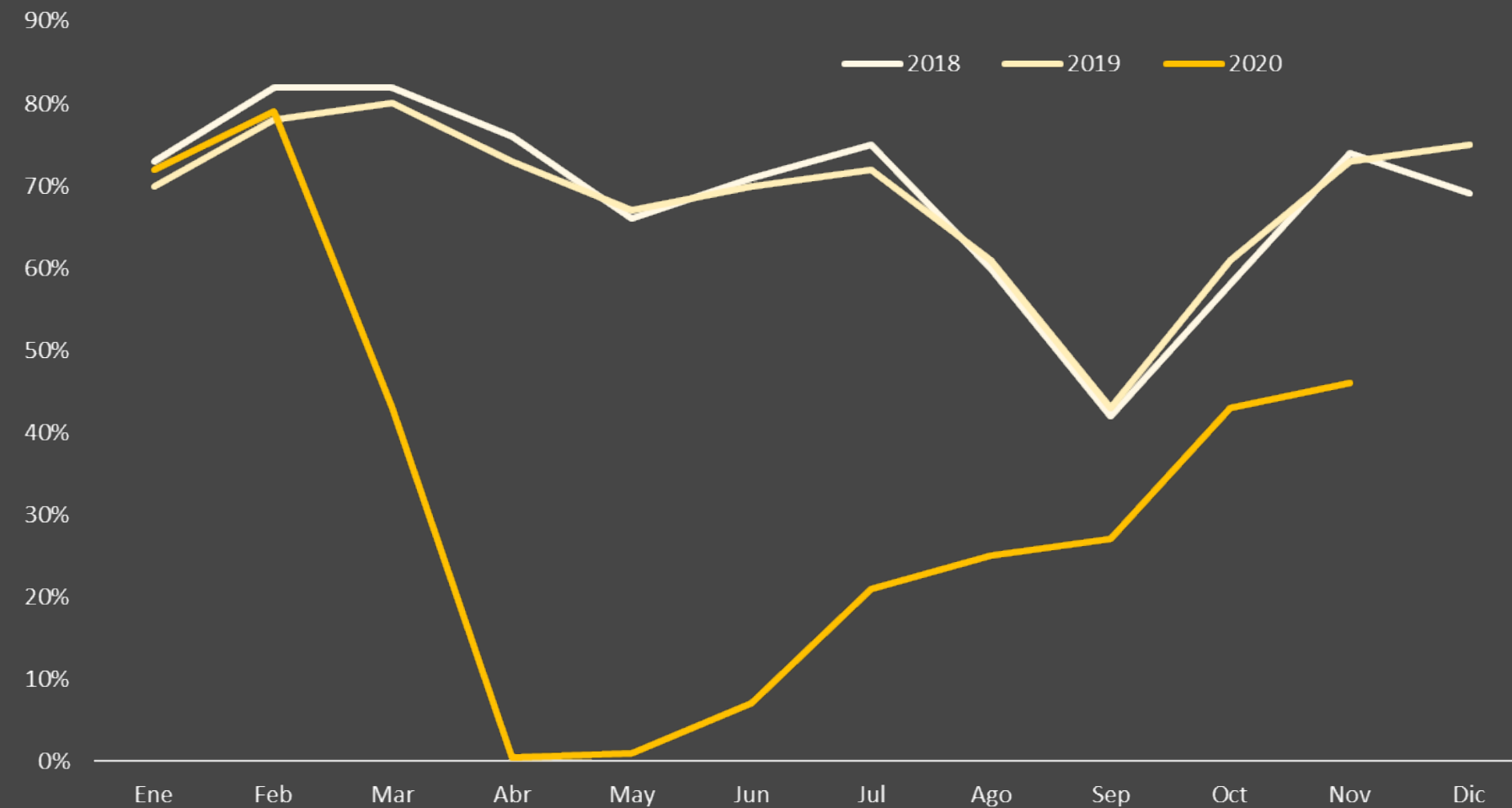
DECEMBER 2020

Main indicators - Summary

Hotel Activity

Air Passenger Arrivals

Hotel Occupancy:



Hotel Occupancy
(Nov-2020):
46%
-27pp
(vs. Nov-2019)

SOURCE: AHLC

Rooms Available
(Oct-2020):
22,089
+0%
(vs. Oct-2019)

SOURCE: DATATUR

Room nights
(Oct-2020):
698,928
-26.1%
(vs. Oct-2019)

SOURCE: DATATUR

Total Passengers
(Nov-2020, expressed
in thousands):
176.4
-25.4%
(vs. Nov-2019)

National Passengers
(Nov-2020, expressed
in thousands):
73.1
-3.9%
(vs. Nov-2019)

International Passengers
(Nov-2020, expressed in
thousands):
103.3
-35.7%
(vs. Nov-2019)

SOURCE: GAP

Other indicators

Cruise ships
(Oct-2020):
0
-7 vessels
(vs. Oct-2019)

SOURCE: DATATUR

Cruise passengers
(Oct-2020):
0
-100%
(vs. Oct-2019)

SOURCE: DATATUR

Group Business Total
RFPs (Nov-2020):
13
-18 RFPs
(vs. Nov-2019)

SOURCE: CVENT

Tourist Satisfaction:
more than expected
(Nov-2020):
37.4%
+3pp
(vs. Nov-2019)

SOURCE: TOURIST SURVEYS

Attendees to
congresses and
conventions
(Nov-2020):
0.5%
+0.5pp
(vs. Nov-2019)

SOURCE: TOURIST SURVEYS

Tourists' Origin
(Nov-2020):
68% foreigners
-5.3pp
(vs. Nov-2019)

SOURCE: TOURIST SURVEYS

Main indicators – Summary

PASSENGERS ARRIVAL

- In Nov-2020, Los Cabos International Airport registered a 25.4% (-60.2 thousand) decrease in the total number of passengers arriving at the destination compared to Nov-2019, adding up to a total of 176.4 thousand (when considering arrivals only).
 - Passengers on domestic flights (73.1 thousand) represent 41.4% of total arrivals. These decreased by 3.9% (-2.95 thousand vs. Nov-2019).
 - Passengers on international flights (103.3 thousand) represent 58.6% of total arrivals. These decreased by 35.7% (-57.25 thousand vs. Nov-2019).

FLIGHT SCHEDULES

- Compared to the same period last year, the domestic market has 5% fewer available seats scheduled for the period from Dec-2020 to May-2021 (compared to the pre-pandemic seating plan registered in Nov-2019). 0.2% fewer seats are expected for Dec-2020.
- MTY and TIJ seats increased by 8.9% and 28.3%, respectively (compared to the pre-pandemic programming, Nov-2019). However, CDMX decreased by 16.1%.
- The United States market expects 21.6% more seats scheduled for the next 6 months (compared to the pre-pandemic programming). In Dec-2020, there were 10.2% more.
- LAX (+66.2%), PHX (+26.82%) and DFW (+24.2%) had the most significant increase. However, San Diego, Houston and San Francisco show a decrease of -28.6%, -15.4% and -12.4%, respectively.

FLIGHT SCHEDULES (Cont'd)

- From Canada, 44.8% fewer seats are expected for the next 6 months. In Dec-2020, there were 68.1% less.
- All destinations have shown decreases: Calgary by 29.3%, Edmonton by 64.1%, Toronto by 65.7%, and Vancouver by 20.3%.

HOTEL ACTIVITY

- Occupancy in Nov-2020 was 46%, compared to 73% in Nov-2019 (-27pp).
 - Cabo San Lucas' occupancy drops 28pp when compared to Nov-2019 and now stands at 49% (it increased 3pp vs. Oct-2020).
 - San Jose del Cabo registers 41% (28pp less than in Nov-2019, but 3pp more than in Oct-2020).
 - Los Cabos Corridor registered 40% (26pp less than in Nov-2019, and the same level as in Oct-2020).
- The number of rooms available in Los Cabos remained virtually unchanged between Oct-2019 and Oct-2020 (22,086 and 22,089, respectively).
- Tourist arrivals to hotels in Los Cabos decreased by 20.6% (-39.7 thousand) between Oct-2019 and Oct-2020.
 - Domestic tourism fell 61.3% (-23 thousand), and international tourism dropped 12.1% (-16.7 thousand).
 - There were 698.9 thousand occupied room nights in Oct-2020, 26.1% less compared to Oct-2019 (-259.2 thousand nights).

TOURIST SURVEYS

- In Nov-2020, 37.4% of tourists rated their experience in Los Cabos as better than they expected (3pp more than in Nov-2019 and 0.9pp more than in Oct-2020).
- The perception of security improved in Nov-2020, compared to the same month a year ago (11% perceived it as being bad or regular, -4pp than in Nov-2019).
- CDMX's market participation increased 7.1pp vs. the previous year, while Baja California's decreased by 1pp.

CRUISE SHIP ARRIVALS

- There were no registered cruise ship arrivals at the Port of Cabo San Lucas in Oct-2020.

ADVANCE RESERVATIONS

- As of November 30th, the volume of flight bookings during Nov-2020 registered a fall of 35%. Further decrease of 38% and 47% is expected for December.
- During Nov-2020, the volume of domestic bookings registered an increase of 31%. This volume grew 38% in December.
- By Nov-2020, bookings from the international market continue to drop (-41% vs. the previous year). This decrease will reach -52% during Dec-2020 (cut-off date as of November 30th).

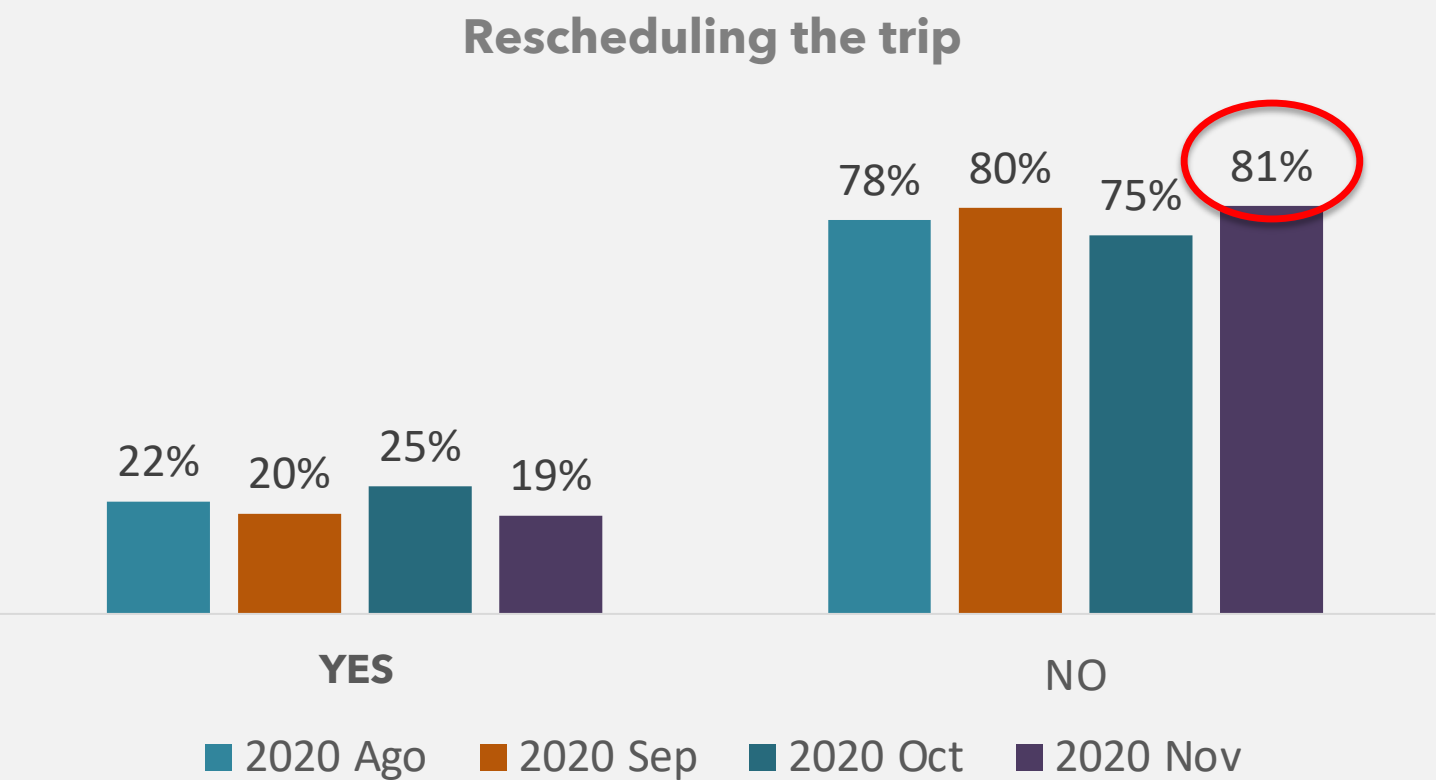
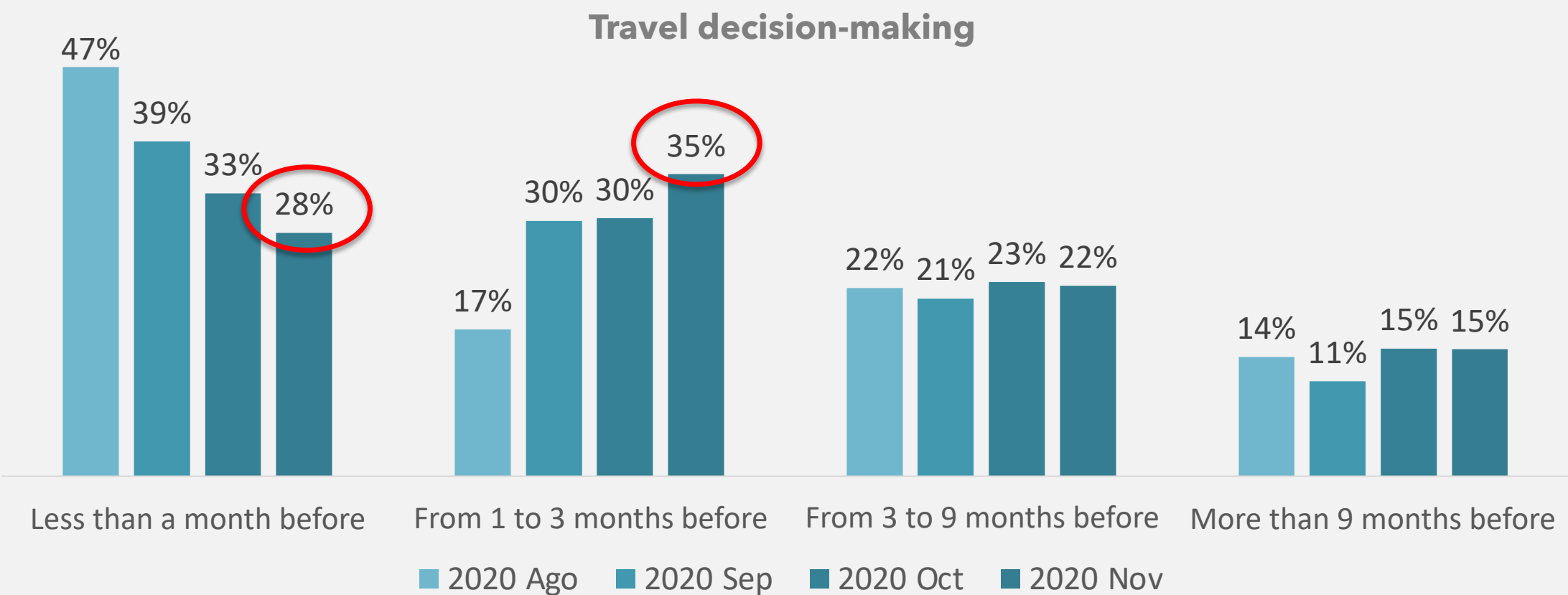
LOS CABOS TOURISM OBSERVATORY

THE IMPACTS OF COVID-19 - TRAVEL TRENDS

Travel trends in the world and
assessment of COVID-19 in Los Cabos
tourism.

Tourists who are traveling to Los Cabos under current conditions

- The percentage of tourists who decided to travel to Los Cabos less than one month in advance has decreased. Now, most plan their trip one to three months in advance (35%).
- 38.3% of tourists already had their vacation planned. Prices are the second most important factor when making the decision to travel.



Reasons to make the decision to travel	Aug	Sep	Oct	Nov
Already had their vacation planned	37.2%	30.7%	35.4%	38.3%
Flight and hotel prices	31.1%	64.1%	27.4%	20.9%
Vacation offers	11.0	7.8%	15.0%	12.6%
Cancellation/rescheduling flexibility	9.5	6.2%	12.4%	10.9%
They are timeshare owners	10.3	5.3%	8.3%	10.9%

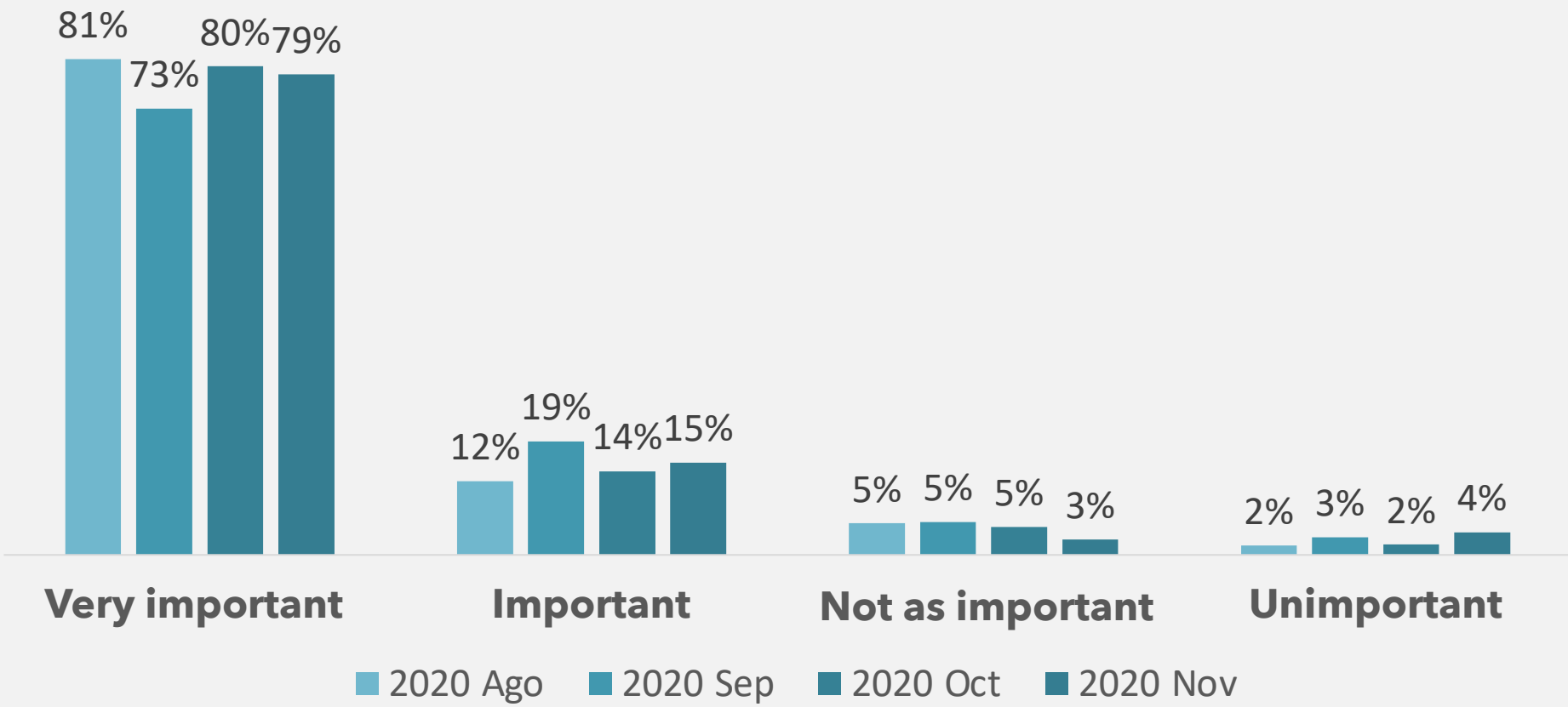
SOURCE: TOURIST SURVEYS

Accommodation preferences of tourists visiting Los Cabos

(Spontaneous) reasons for choosing accommodation	Aug	Sep	Oct	Nov
Price	13.2 %	14.5 %	10.0 %	8.4%
Safety	10.3 %	7.3%	8.0%	7.9%
Cleanliness	7.8%	6.5%	11.4 %	7.2%
Timeshare	4.9%	5.1%	4.4%	6.2%
Location	4.2%	4.7%	4.6%	4.9%
Comfort	0.5%	2.9%	3.6%	2.7%

- The main reason for choosing accommodation is the price. Security is the second most important.
- As for the evaluation of the hygiene and safety measures observed by tourists: the body temperature control on employees and guests decreased.

Importance of getting the Cleanliness and Safety Certification



Hygiene and safety measures observed	Aug	Sep	Oct	Nov
Hotel employees are wearing masks.	85.6%	82.6%	78.3%	81.2%
Disinfectant gel available in the rooms and at the front desk.	82.4%	81.1%	76.8%	78.5%
Body temperature control on employees and guests.	81.4%	75.1%	76.0%	66.4%
Cleaning and disinfection system upon entering the hotel.	74.8%	69.0%	63.0%	63.5%
Guide of the measures that have been taken by the hotel (on both the website and on the premises).	56.7%	56.8%	56.0%	54.3%

SOURCE: TOURIST SURVEYS



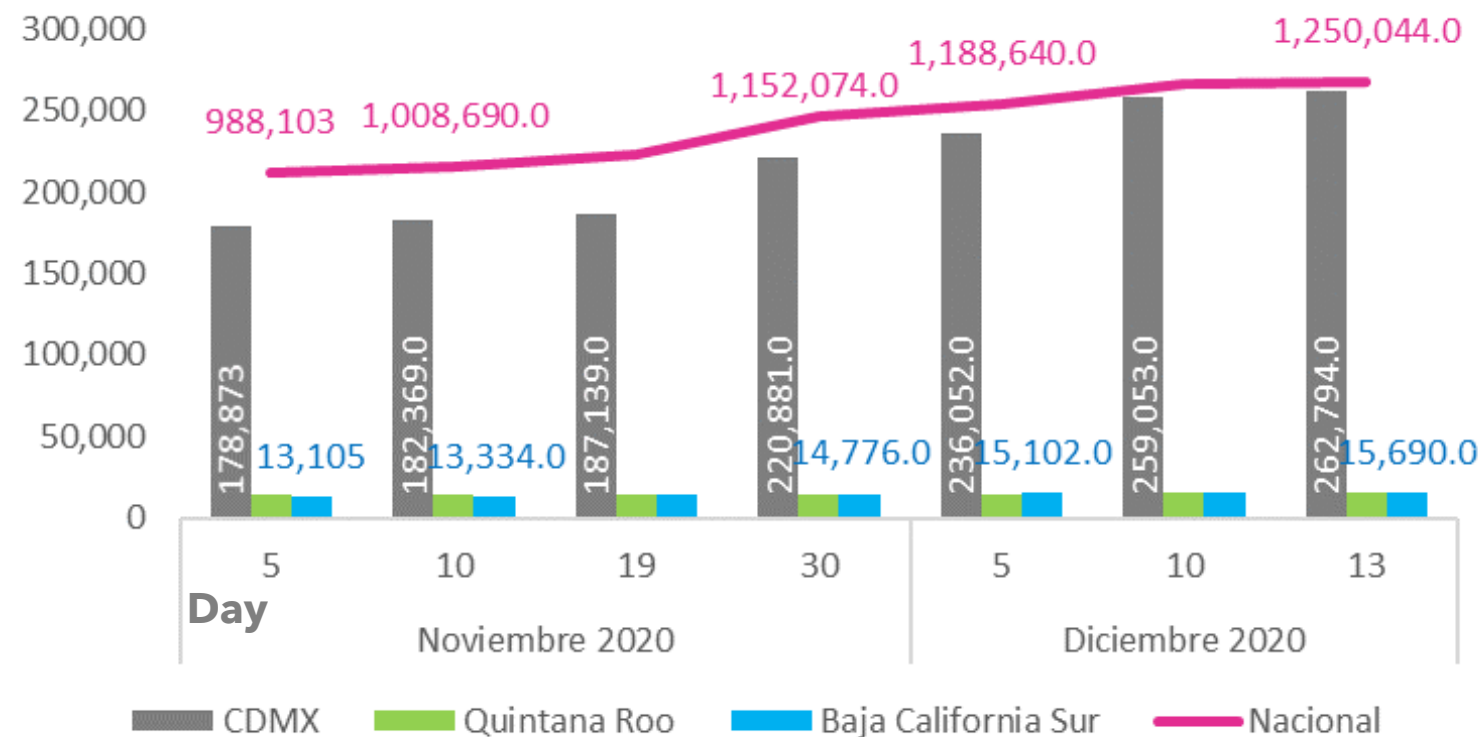
LOS CABOS TOURISM OBSERVATORY

THE IMPACTS OF COVID-19

**Report on the effects of COVID-19
on Mexico's tourism sector.**

Confirmed COVID-19 cases overview

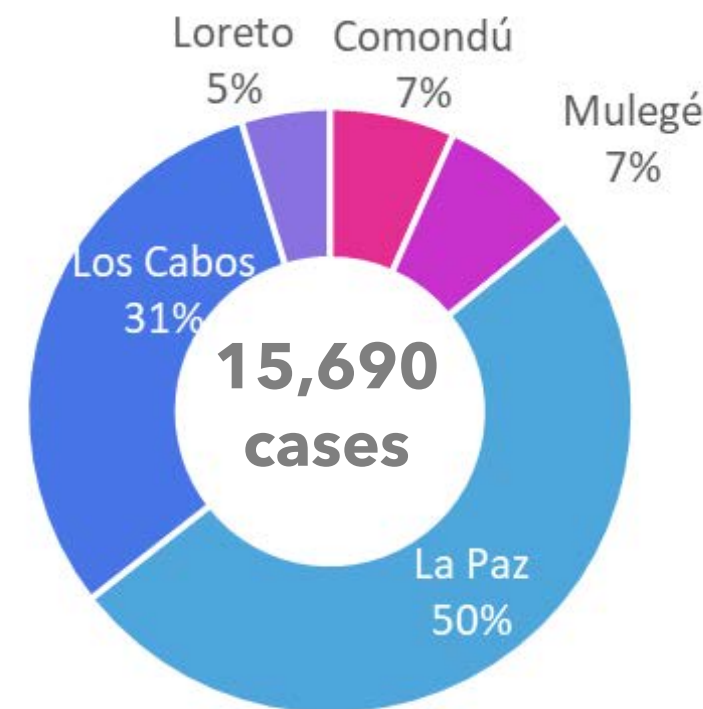
Confirmed cases (cumulative)



As of December 13th, 2020, there are 1,250,044 confirmed cases in Mexico, 241 thousand more than those registered as of November 10th.

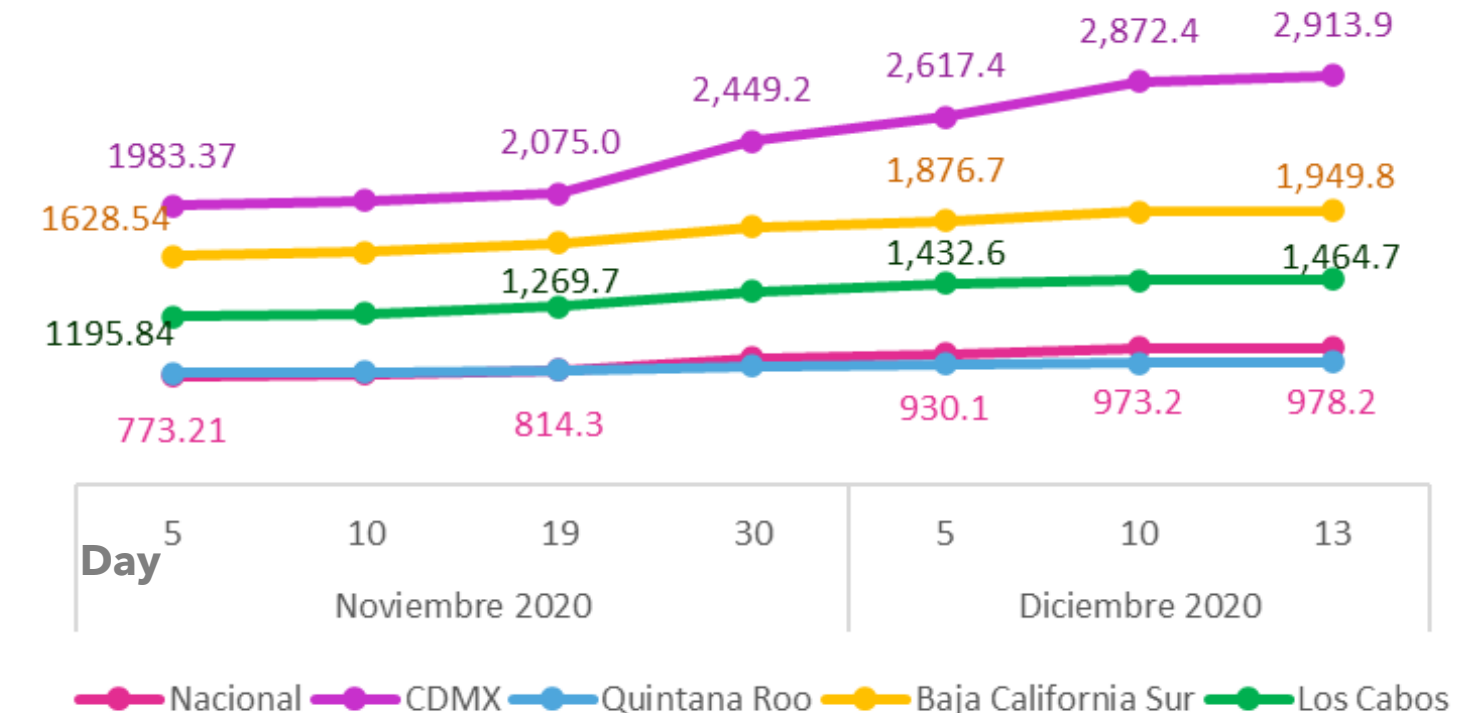
- Baja California Sur has 2,356 more cases than those registered as of November 10th, which results in a total cumulative of 15,690 confirmed cases in the state. Quintana Roo accumulates 15,028 cases, 1,156 more than those registered as of November 10th.

Confirmed cases by municipalities in B.C.S.



- 81% of the state's cumulative confirmed cases are concentrated between La Paz and Los Cabos.
- La Paz has 1033 more cases than those registered as of November 10th, accumulating a total of 7,888 confirmed cases.
- Los Cabos has 758 more cases, adding up to a total of 4,838.
- Loreto accumulates 742 cases (100 more).

Incidence of infection

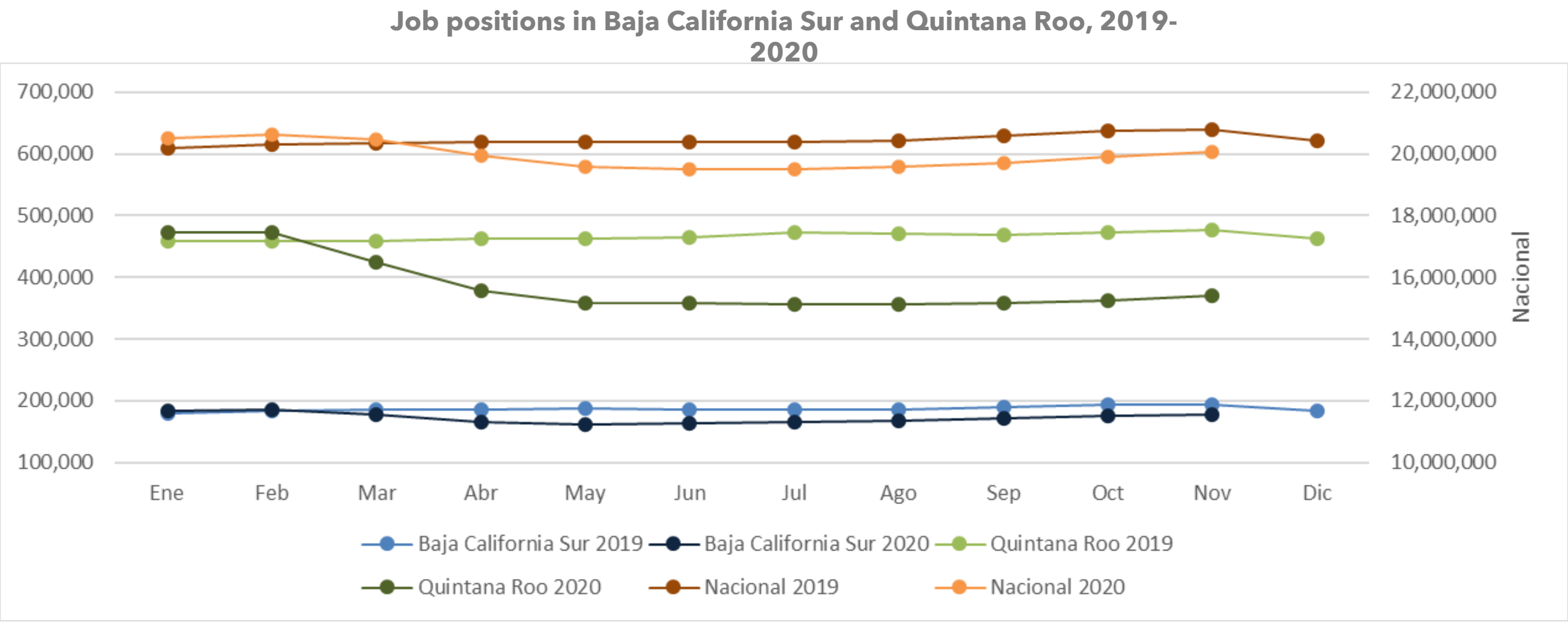


- The national average rate of infection is 978.2 cases per 100 thousand inhabitants.
- Mexico City still has the highest rate of new COVID-19 cases, which is above the national average of 2,913.9.
- Quintana Roo: 872.1.
- Baja California Sur is the second state with the highest rate: 1,949.8.
 - Los Cabos has 1,464.7 cases per 100 thousand inhabitants.

SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx). FIGURES UPDATED AS OF DECEMBER 14th, 2020.

Effects on employment in Mexico

Jobs generated/lost vs. the previous month of 2020		% variation vs. Dec-2019
Ene	68,955	0.3%
Feb	123,139	0.9%
Mar	-130,593	0.3%
Abr	-555,247	-2.4%
May	-344,526	-4.1%
Jun	-83,311	-4.5%
Jul	-3,907	-4.5%
Ago	92,390	-4.1%
Sep	113,850	-3.5%
Oct	200,641	-2.5%
Nov	148,719	-1.8%
Cumulative: -369,890		



- As of November 30th, 2020, the country had 20,051,552 jobs registered in IMSS, **148,719** more than those registered the previous month.
- When comparing the closing of Nov-2020 with that of December 31st, 2019, 369,890 job positions have been lost (**-1.8%**).

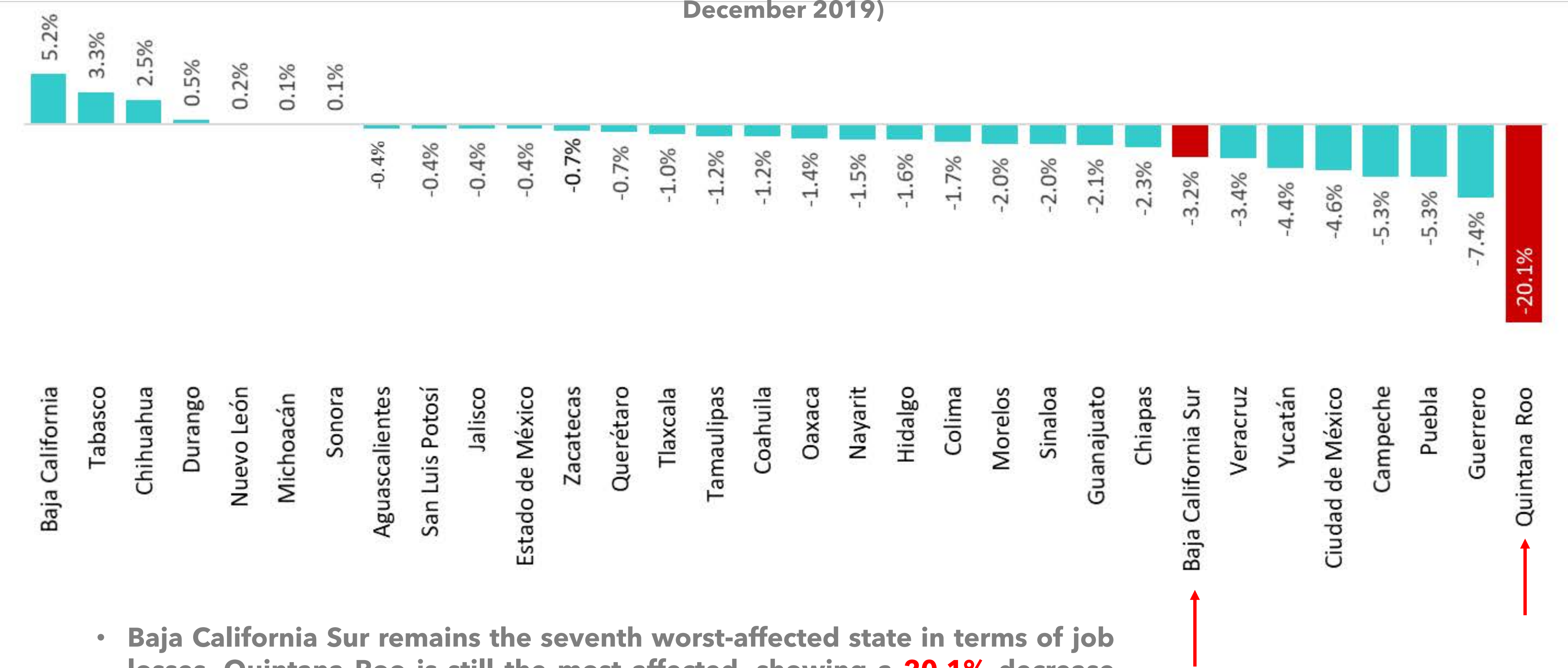
- In Baja California Sur, 177,524 jobs were registered in Nov-2020, which is **-8.1%** compared to Nov-2019. However, there are 2,499 more vs. Oct-2020.
- Compared to Dec-2019, there were 5,963 jobs lost during Nov-2020.

- In Quintana Roo's case, as for Nov-2020, there are 370,055 jobs; this is **-22.5%** vs. Nov-2019, and 8,268 more vs. Oct-2020.
- Compared to Dec-2019, there were 93,109 jobs lost during Nov-2020.

SOURCE: IMSS

Effects on employment in Mexico

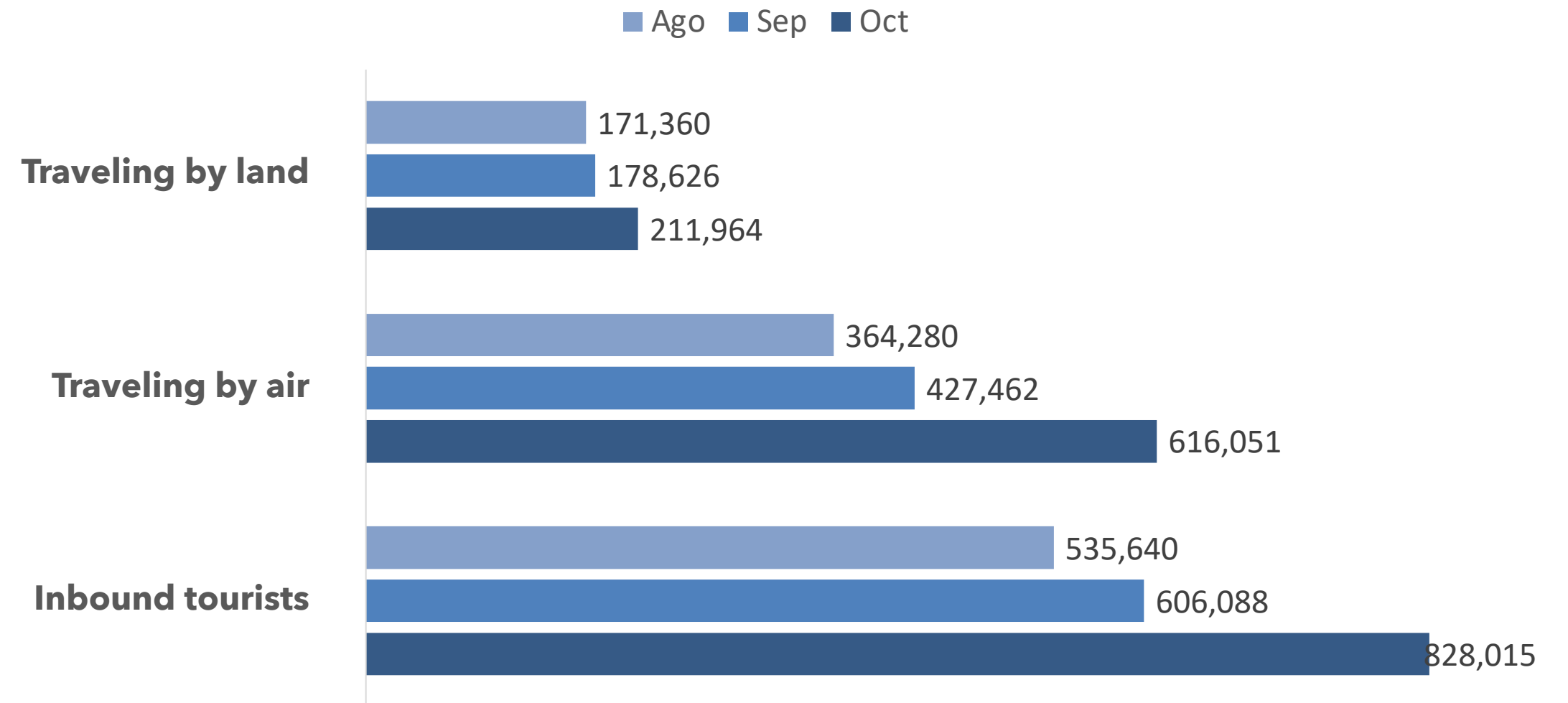
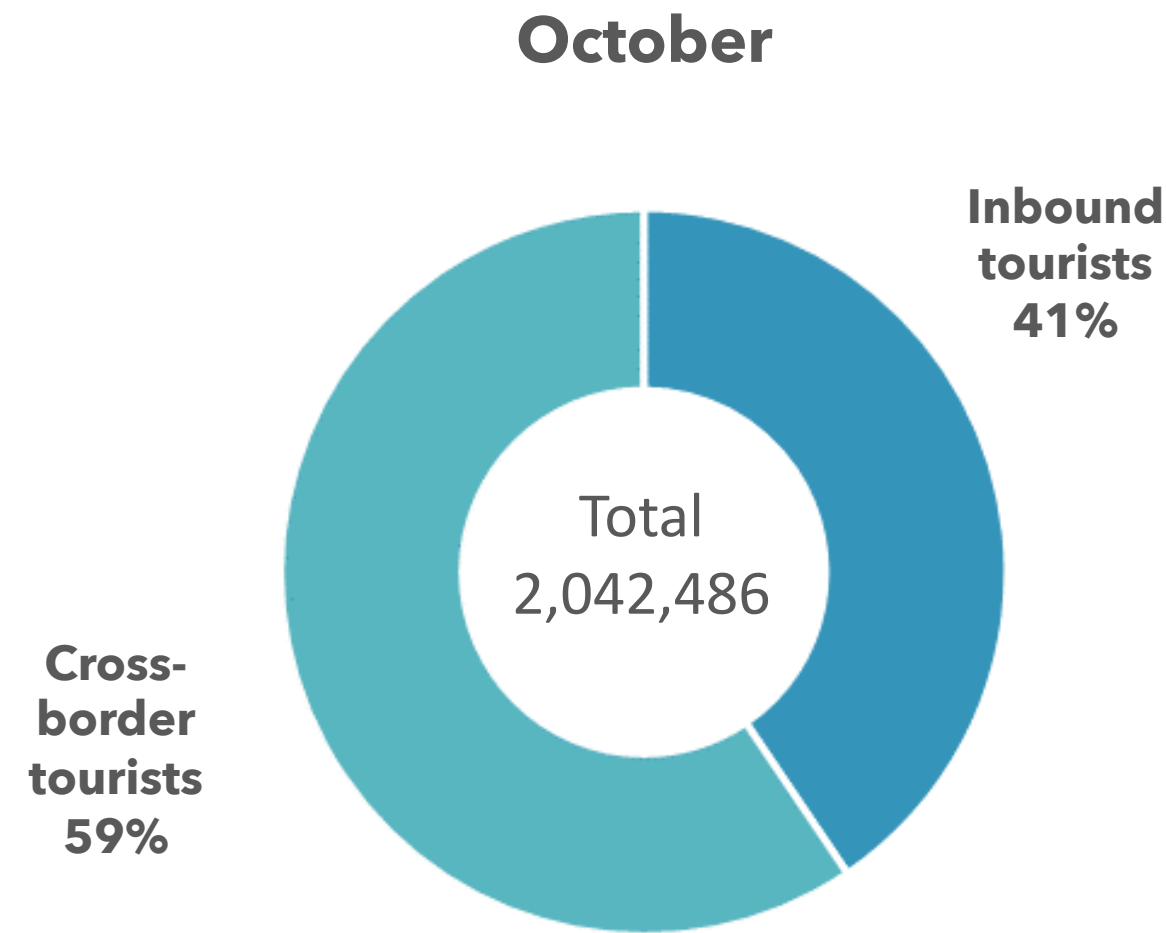
% Employment variation by state (November 2020 vs. closing of December 2019)



- Baja California Sur remains the seventh worst-affected state in terms of job losses. Quintana Roo is still the most affected, showing a **20.1%** decrease compared to the jobs registered at the end of December 2019.

SOURCE: IMSS

International tourist arrivals to Mexico

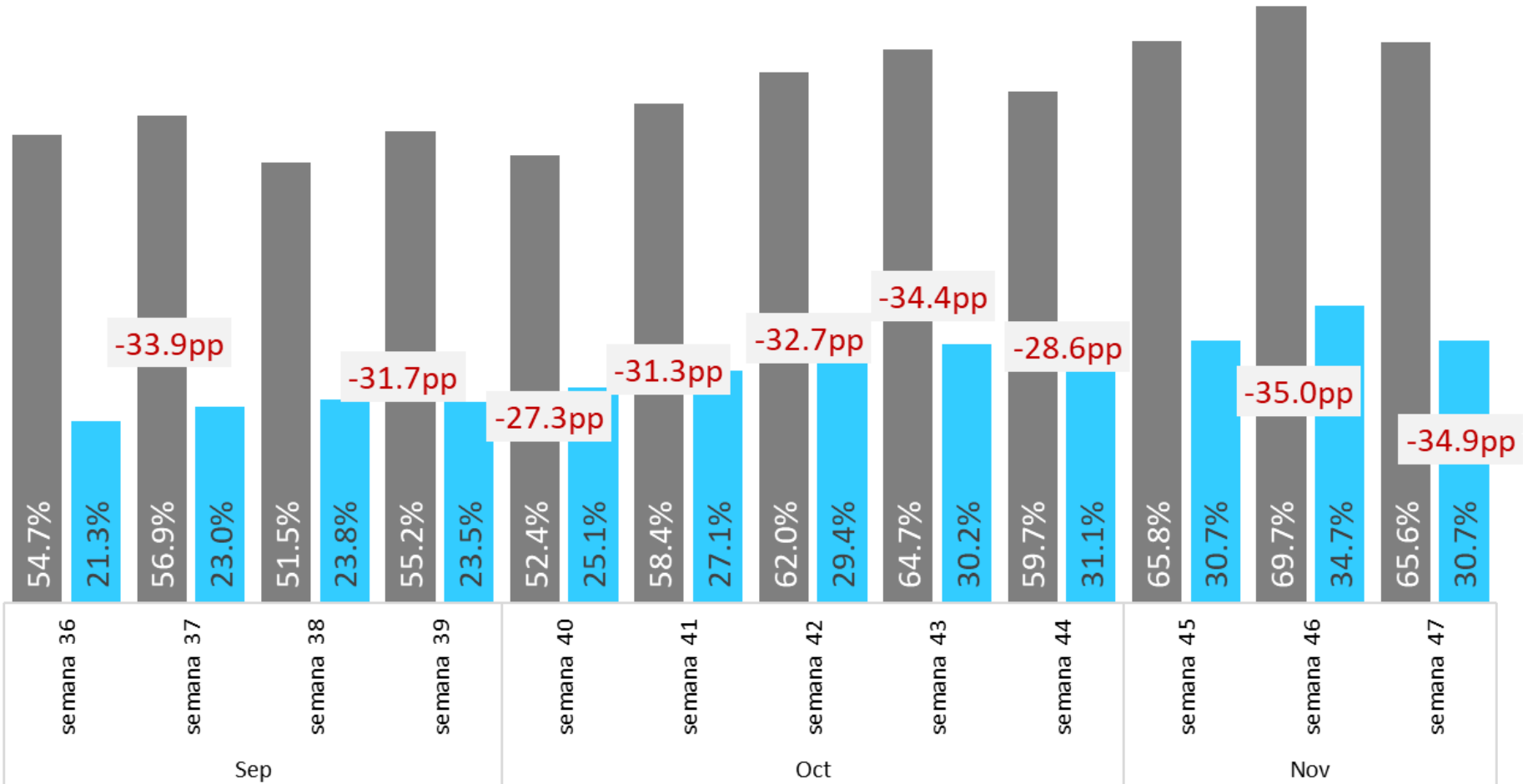


- For the month of October, 2,042,486 international tourist arrivals were registered in the country (-44% vs. the same month of the previous year).
- The average spending of international tourists traveling by air was \$894.23 USD (\$29.38 less vs. Oct-2020).

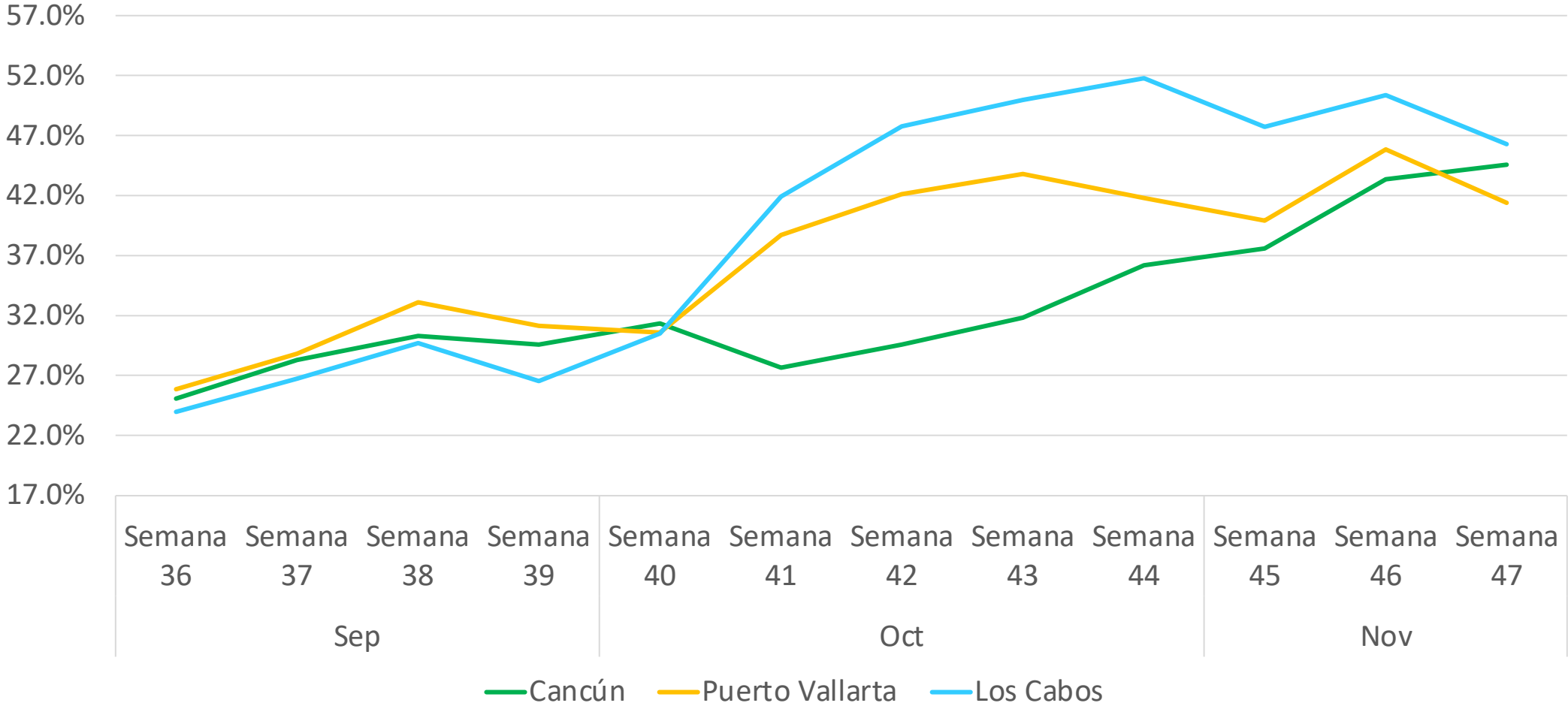
- There is a 37% increase in the total number of inbound tourists, compared to those registered in September, of which 74% traveled by air, and 26% did so by land.
- Compared to September, there is a 44% increase in those who arrived by air and a 19% increase in those who did so by land.

Hotel indicators in Mexico

Hotel occupancy percentage (average of 12 destinations in Mexico)



Hotel occupancy percentage in Cancun, Puerto Vallarta and Los Cabos, 2020



- The hotel occupancy rate in Mexico remained above 30%. A 30.7% occupancy rate was reported by the end of week 47 (November 22nd), 34.9pp less than that observed in the same week of 2019.

- The three selected destinations report a higher occupancy rate than the national average.
- Los Cabos closed week 47 with 46.3% occupancy, which is 1.7pp and 4.9pp higher than Cancun's and Puerto Vallarta's, respectively, during the same week.

SOURCE: DATATUR. MONITORED DESTINATIONS: VILLA HERMOSA, AGUASCALIENTES, TUXTLA GUTIERREZ, QUERETARO, PUEBLA, PUERTO VALLARTA, SAN CRISTOBAL DE LAS CASAS, LOS CABOS, CANCUN, MEXICO CITY, ACAPULCO AND SAN MIGUEL DE ALLENDE.

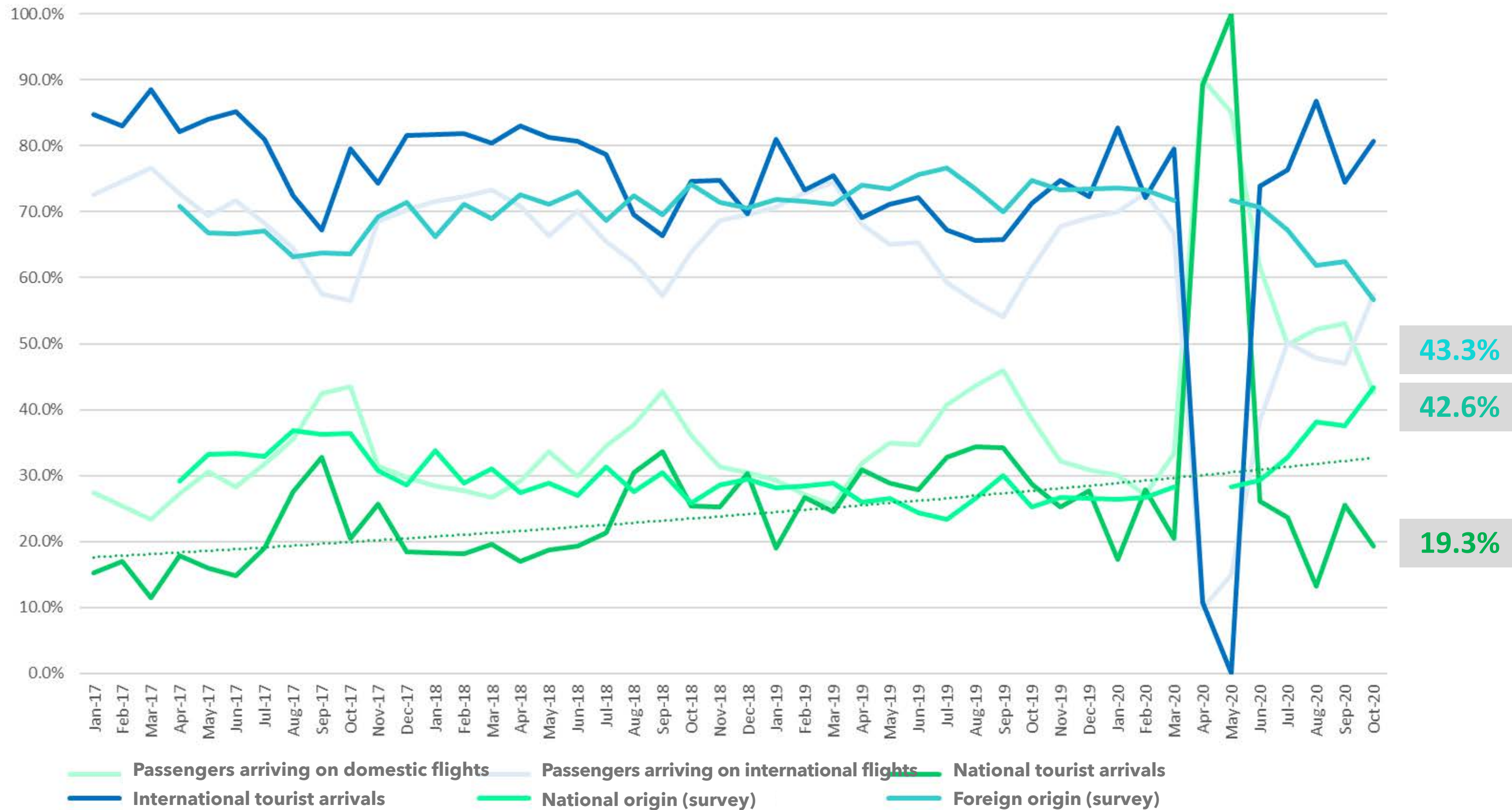


LOS CABOS TOURISM OBSERVATORY

**DEMAND INDICATORS
PASSENGERS AND TOURISTS**

Evolution of national and international tourism participation

Participation percentage of both resident and non-resident tourist arrivals at hotels in Los Cabos, including passenger arrivals on domestic and international flights at Los Cabos International Airport (2017-2019)



- According to DataTur, the number of national residents arriving at hotels in Los Cabos reached **19.3%** in Oct-2020 (9.4pp less than the previous year).
- Moreover, the participation of national passengers in the total registered by Los Cabos International Airport was **42.6%** in Oct-2020. This represents an increase of 4pp vs. Oct-2019.
- In Oct-2020, Tourist Surveys indicated **43.3%** domestic tourism participation in the total received by Los Cabos (18.1pp more than the previous year).

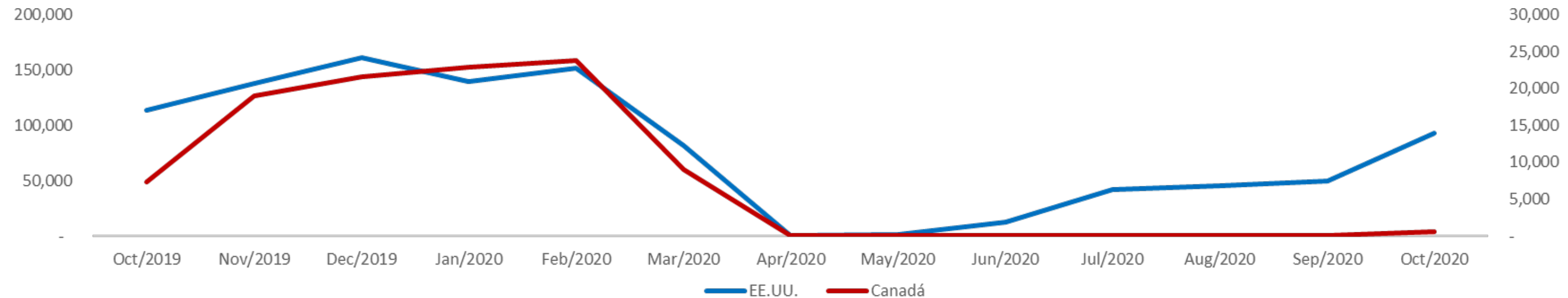
SOURCE: DATATUR, GAP, TOURIST SURVEYS

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

SOURCE: INM-SIOM

Regiones	Oct/2019	Nov/2019	Dec/2019	Jan/2020	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Δ Oct-20 / Oct-19	Δ Ene-Oct-20 / Ene-Oct-19
EE.UU.	113,947	137,433	161,174	139,238	151,410	82,042	508	1,084	12,433	41,696	45,112	50,077	93,069	-18.3%	-52.3%
Canadá	7,350	19,046	21,542	22,830	23,837	9,003	13	15	52	74	106	128	563	-92.3%	-51.8%
Europa	447	1,230	1,210	1,434	1,235	557	10	12	20	43	52	40	48	-89.3%	-58.2%
Caribe, Centro y Sudamérica	102	152	148	210	175	83	3	-	12	34	19	33	37	-63.7%	-69.2%
Resto del Mundo	784	796	898	940	622	242	-	7	34	52	64	71	106	-86.5%	-75.4%
Gran total	122,630	158,657	184,972	164,652	177,279	91,927	534	1,118	12,551	41,899	45,353	50,349	93,823	-23.5%	-52.4%

Mercados clave	Oct/2019	Nov/2019	Dec/2019	Jan/2020	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Δ Oct-20 / Oct-19	Δ Ene-Oct-20 / Ene-Oct-19
Reino Unido	155	827	773	942	692	357	2	5	9	8	19	10	9	-94.2%	4.8%
Australia	346	268	305	415	181	114	-	5	10	13	9	18	18	-94.8%	-75.3%
Corea del Sur	179	134	126	98	93	23	-	-	1	2	3	6	5	-97.2%	-79.5%
Total mercados clave	680	1,229	1,204	1,455	966	494	2	10	20	23	31	34	32	-95.3%	-50.9%



International tourist arrivals by air, by origin (residence)

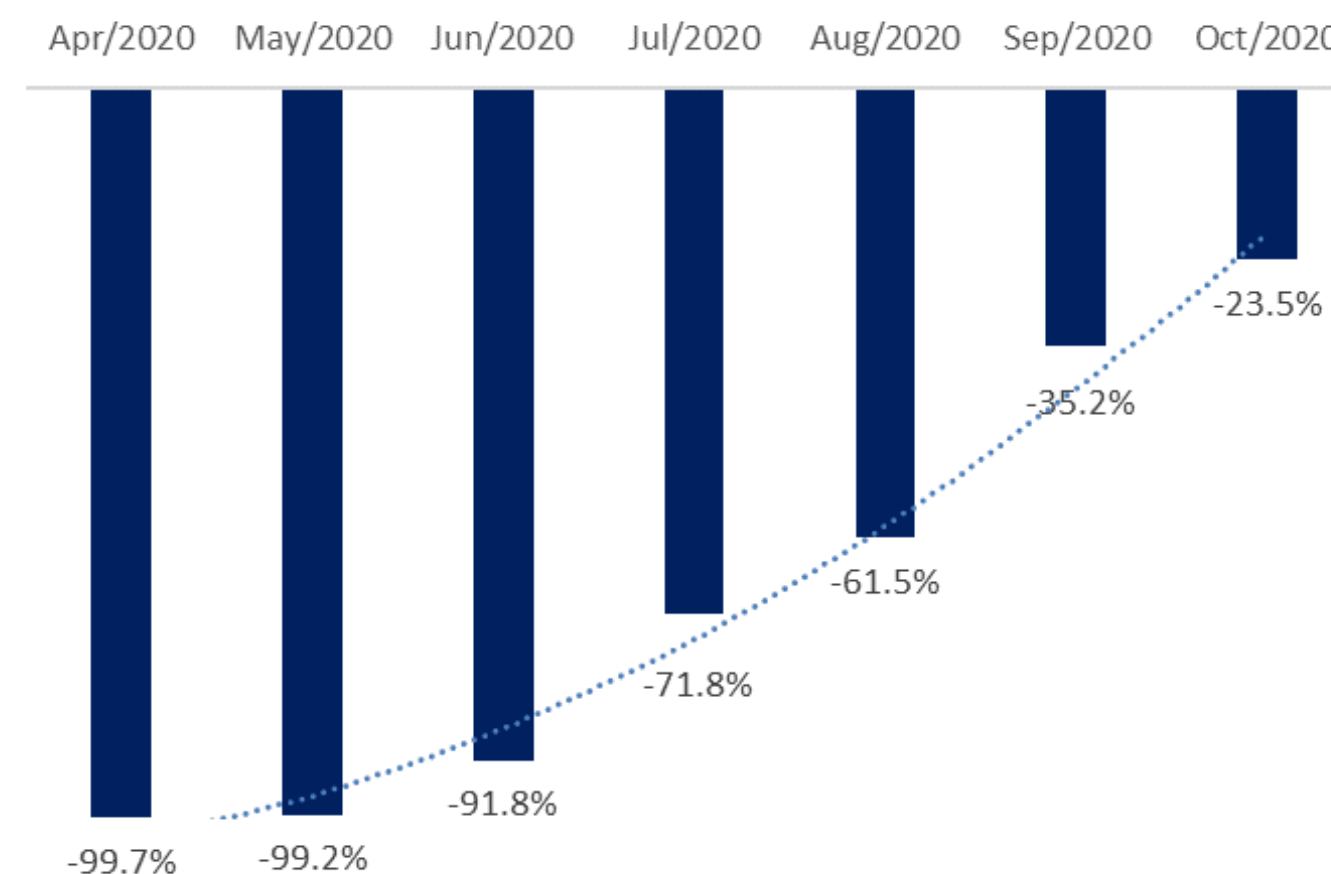
-23.5%

Oct-2020 vs. Oct-2019

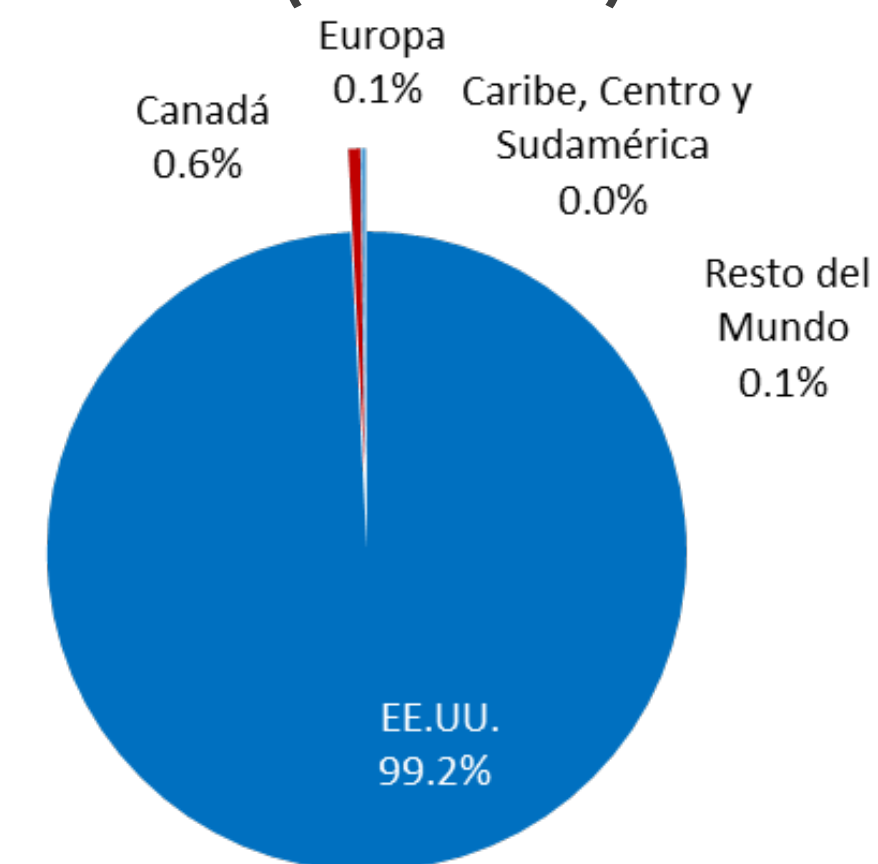
The entry of 93,823 international tourists that arrived by air at the Los Cabos International Airport was registered in Oct-2020. This signified a decrease of 23.5% compared to Oct-2019.

Americans represent 99.2% of the total.

Annual variation of international tourist arrivals by air to Los Cabos International Airport (Apr-Oct-2020)



Participation of international tourist arrivals by air to Los Cabos International Airport (Oct-2020)



SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence), accumulated Jan-Oct, 2019-2020

Regiones	Nacional			Los Cabos		
	Ene-Oct-2019	Ene-Oct-2020	Δ 2020/2019	Ene-Oct-2019	Ene-Oct-2020	Δ 2020/2019
Estados Unidos	8,807,048	3,946,159	-55.2%	1,291,925	616,669	-52.3%
Canadá	1,760,218	893,134	-49.3%	117,550	56,621	-51.8%
Europa	1,631,839	460,570	-71.8%	8,185	3,451	-58.2%
Caribe, Centro y Sudamérica	2,222,440	605,676	-72.7%	1,978	606	-69.2%
Resto del mundo	610,488	185,761	-69.6%	8,726	2,138	-75.4%
Gran Total	15,032,033	6,091,300	-59.5%	1,428,364	679,485	-52.4%

Mercados Clave	Nacional			Los Cabos		
	Ene-Oct-2019	Ene-Oct-2020	Δ 2020/2019	Ene-Oct-2019	Ene-Oct-2020	Δ 2020/2019
Reino Unido	488,308	84,745	-82.6%	1,958	2,053	4.8%
Australia	52,963	14,070	-73.4%	3,174	783	-75.3%
Corea del Sur	70,348	23,040	-67.2%	1,125	231	-79.5%
Total mercados clave	611,619	121,855	-80.1%	6,257	3,067	-50.9%

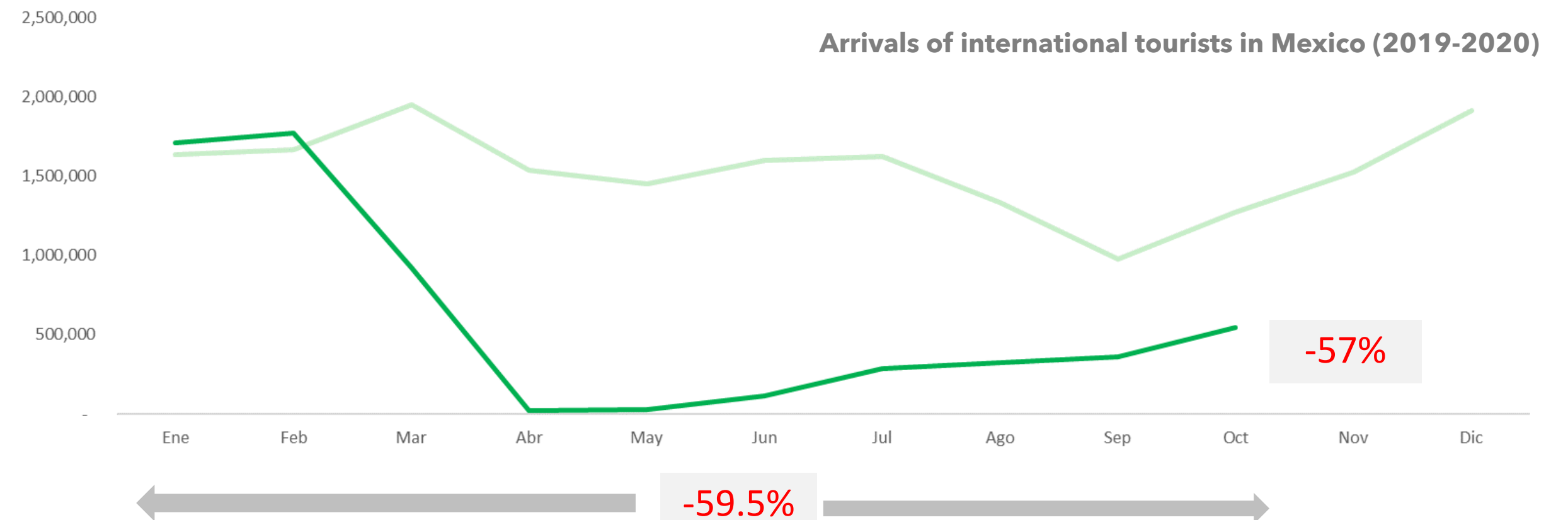
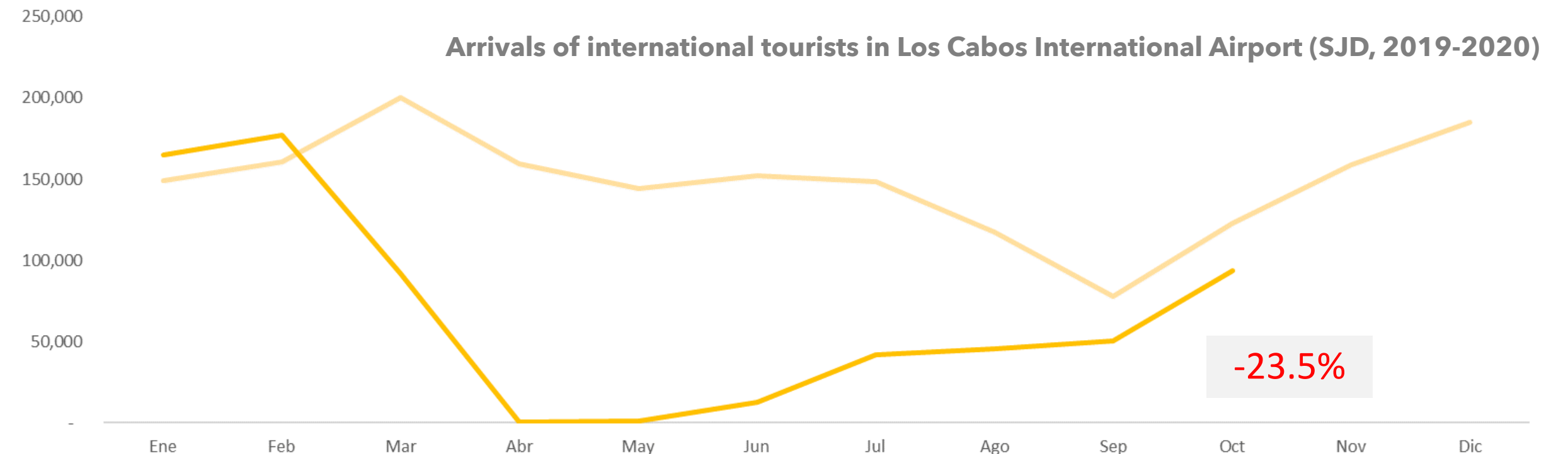


SOURCE: INM-SIOM

Monthly evolution of the international tourist arrivals by air at the Los Cabos International Airport (SJD) and on a national level, 2019-2020

- When comparing Oct-2020 vs. Oct-2019, tourist arrivals decreased by 57% nationwide, and by 23.5% in Los Cabos.
 - The American market decreased by 32.8% on a national level, whereas the Canadian market did so by 90.1%.
 - At the Los Cabos International Airport, the U.S. market decreased by 18.3%, and the Canadian market did so by 92.3% when comparing Oct-2020 to the previous year.
- The Jan-Oct cumulative registers a decrease of 59.5% nationwide, and of 52.4% in Los Cabos.
 - So far in 2020, the U.S. market's cumulative registered a decline of 55.2% nationwide, and of 52.3% in Los Cabos.
 - In the year's cumulative, the Canadian market declines 49.3% nationwide and 51.8% in Los Cabos.

SOURCE: INM-SIOM

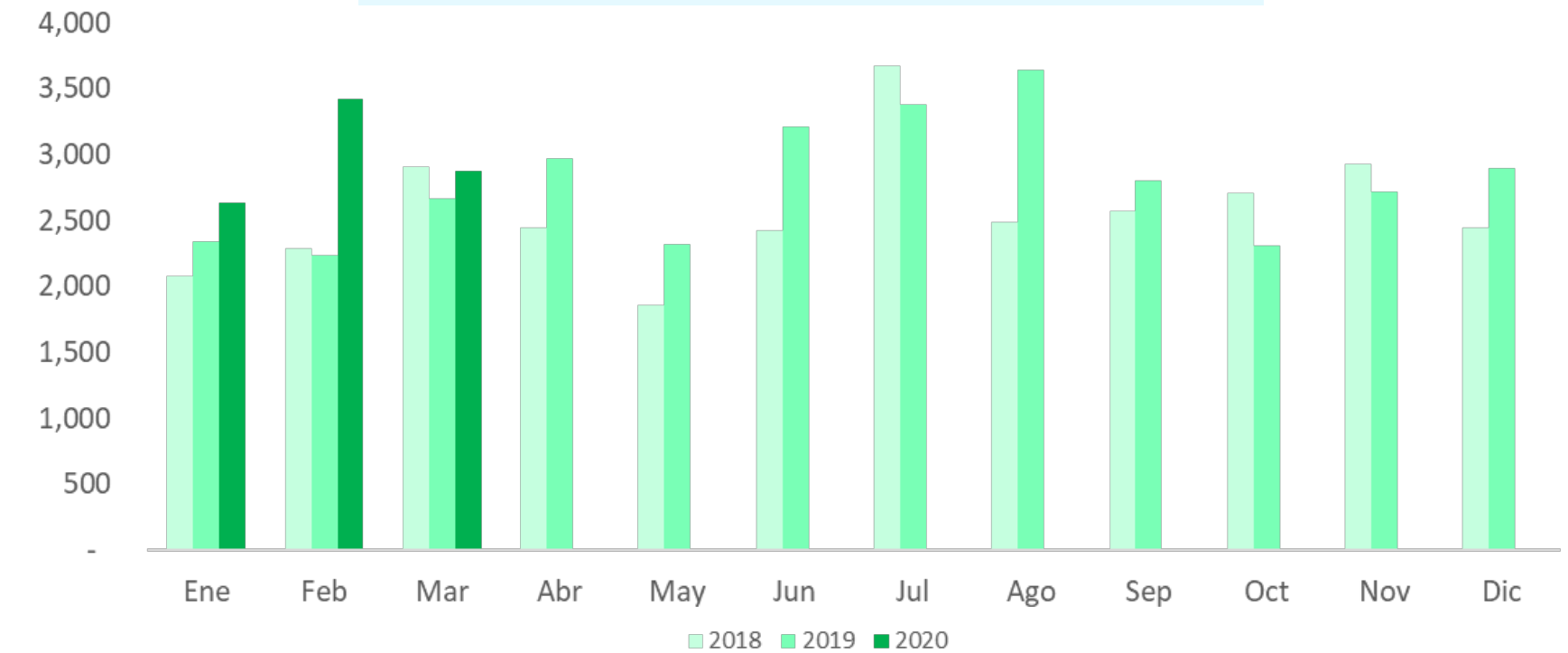


Cruise activity

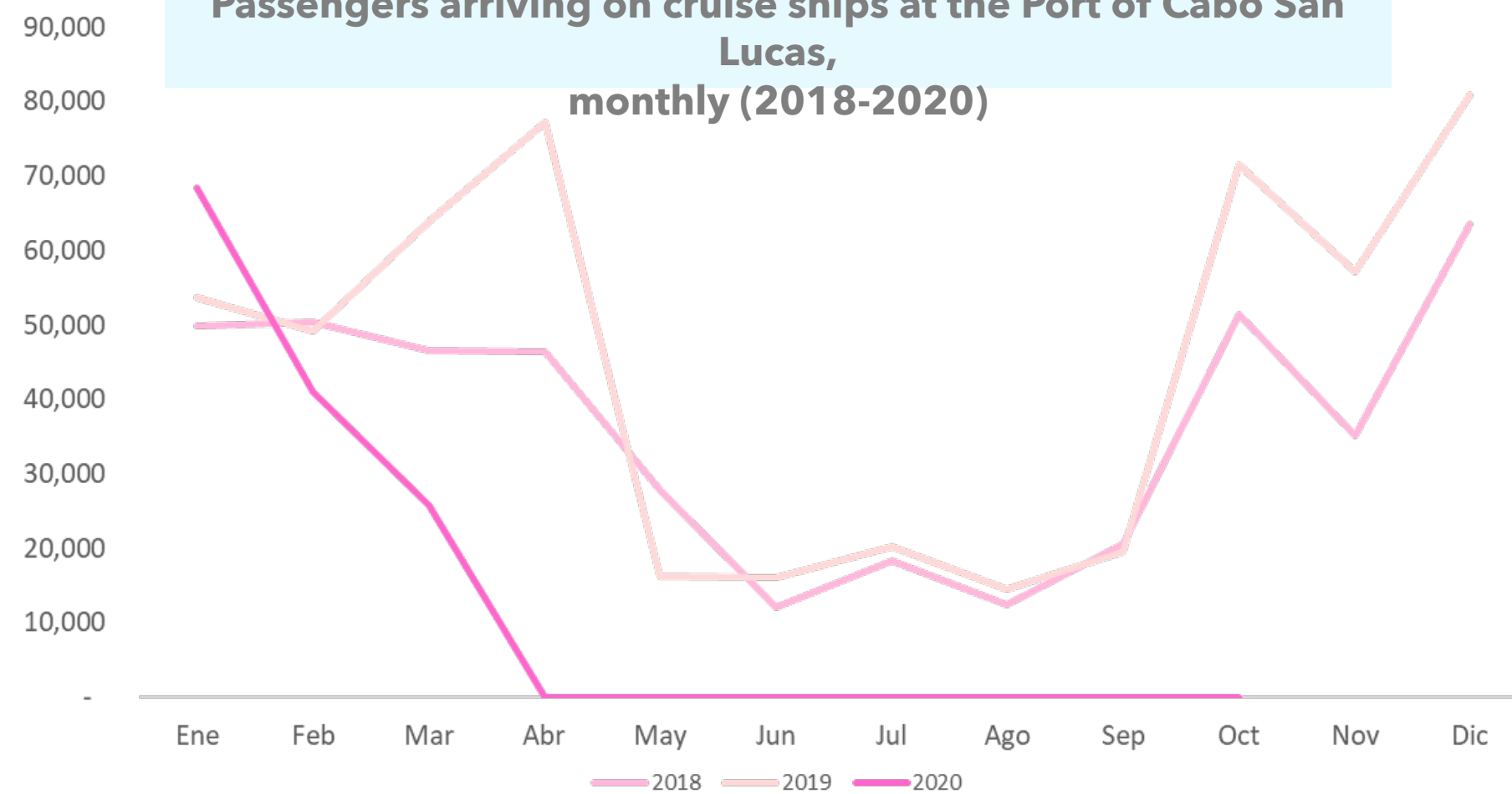
There were no registered vessel or cruise ship arrivals at the Port of Cabo San Lucas in Oct-2020.

SOURCE: DATATUR - SCT

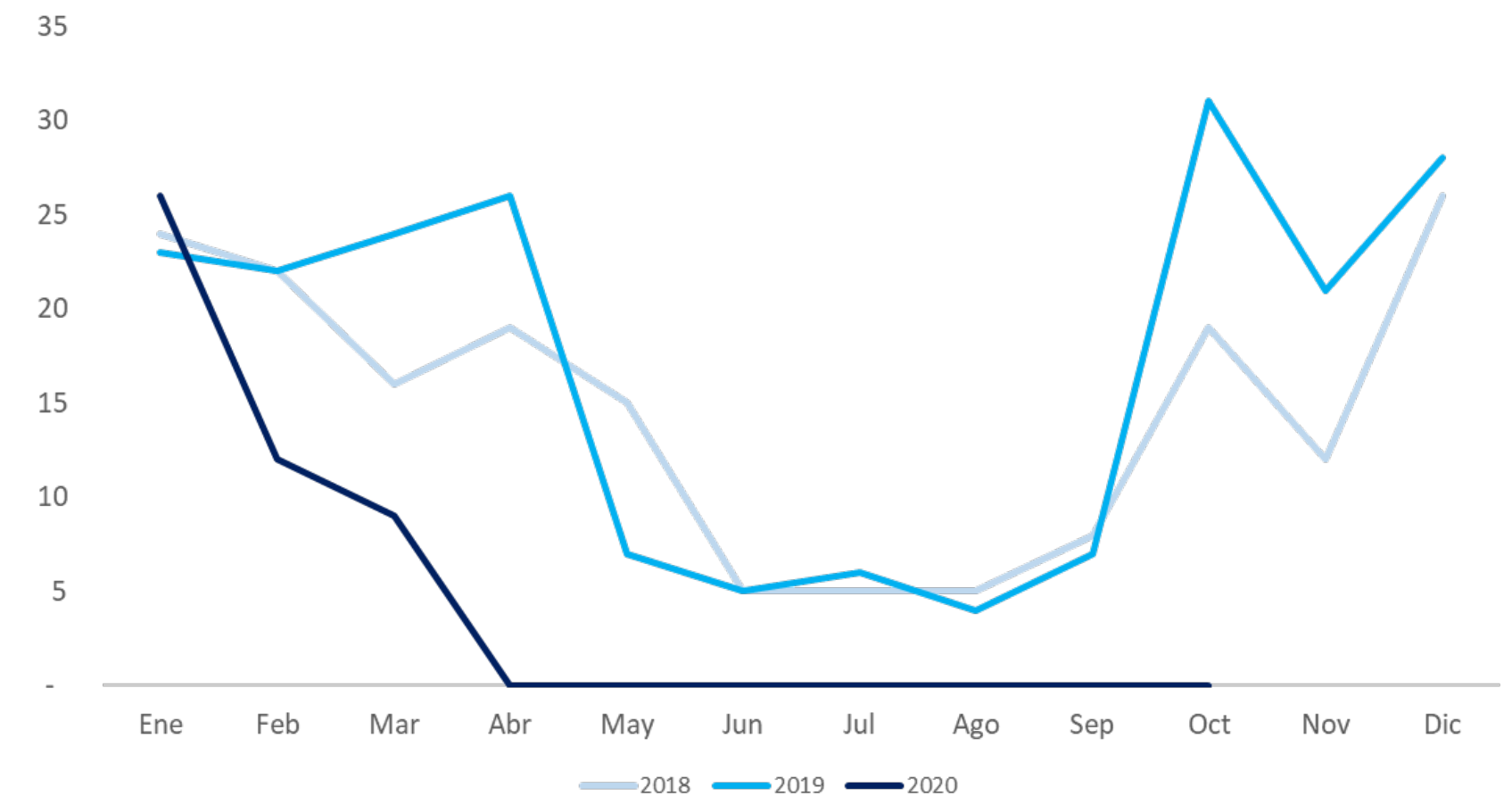
Passengers per vessel, monthly (2018-2020)



Passengers arriving on cruise ships at the Port of Cabo San Lucas, monthly (2018-2020)



Vessels arriving in the Port of Cabo San Lucas, monthly (2018-2020)



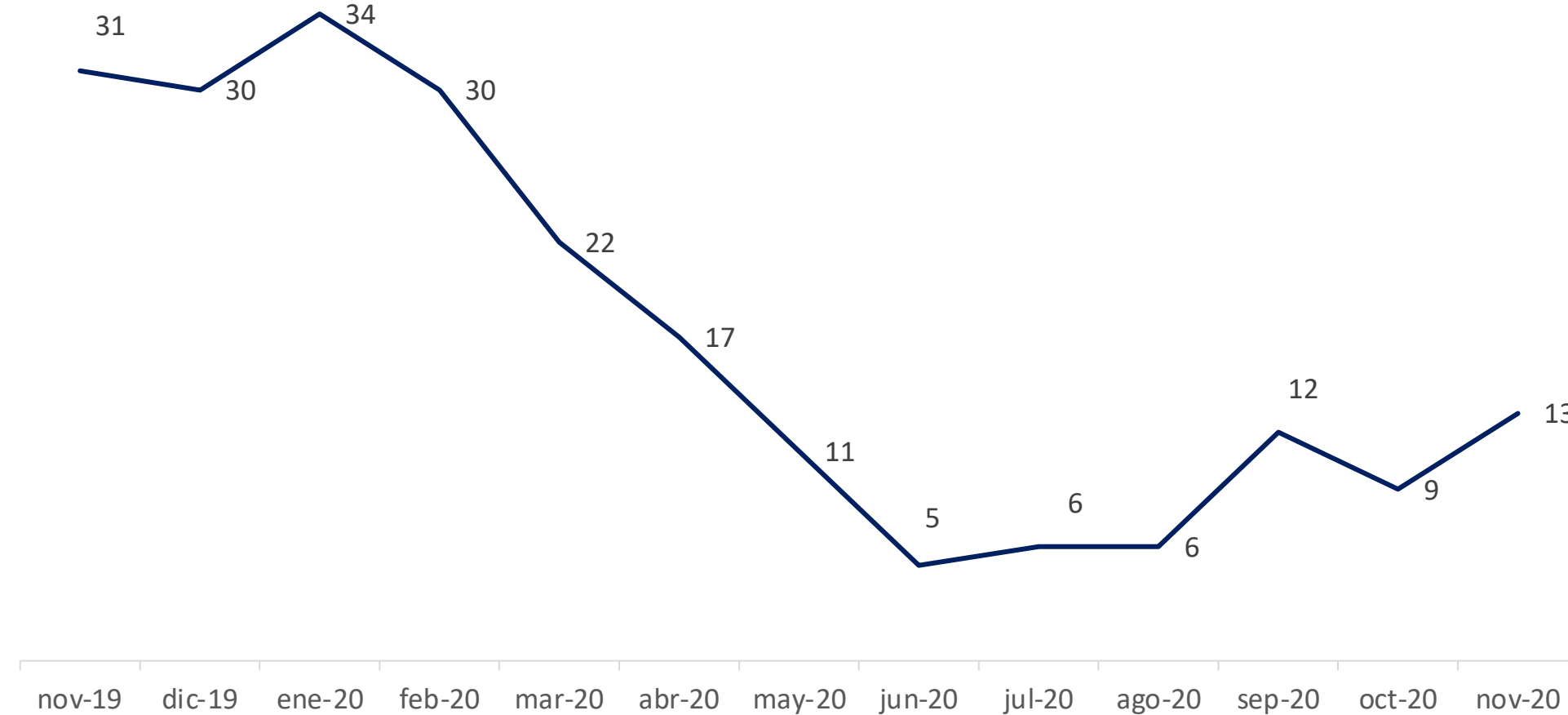


LOS CABOS TOURISM OBSERVATORY

**TOURIST SURVEYS & GROUP
BUSINESS**

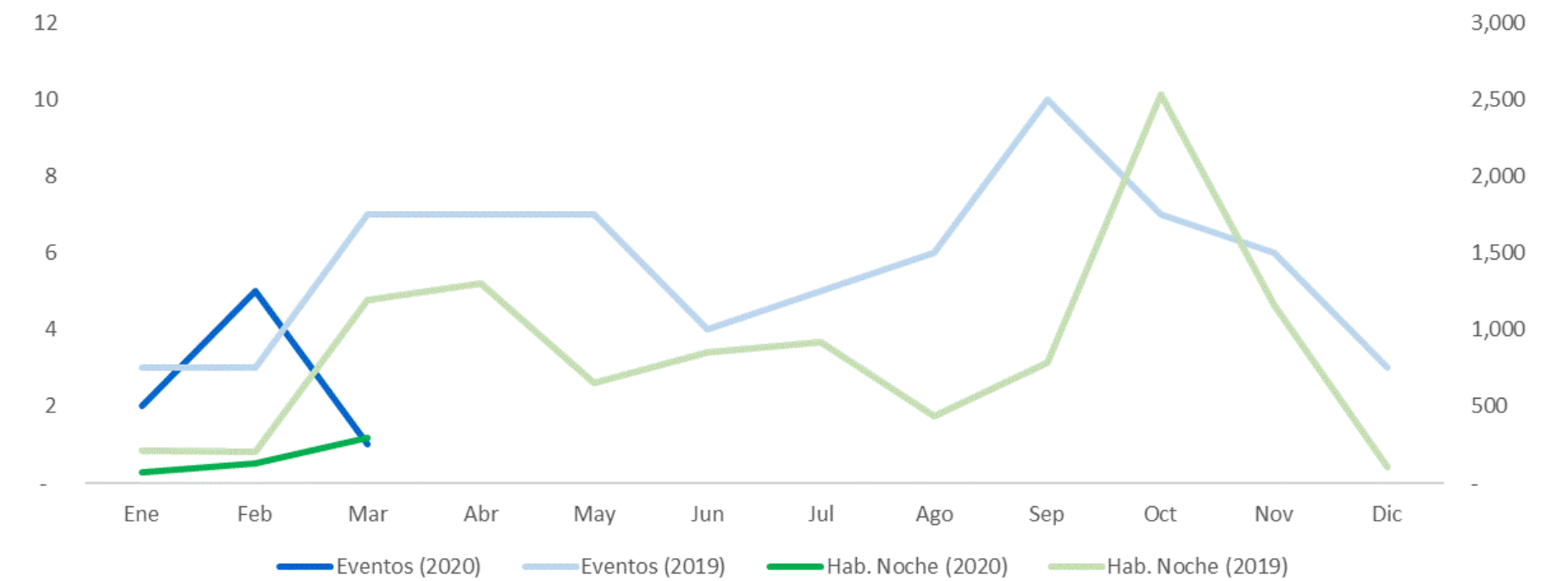
Demand indicators: Group Business

RFPs received from meeting and group events, last 12 months (CVENT)



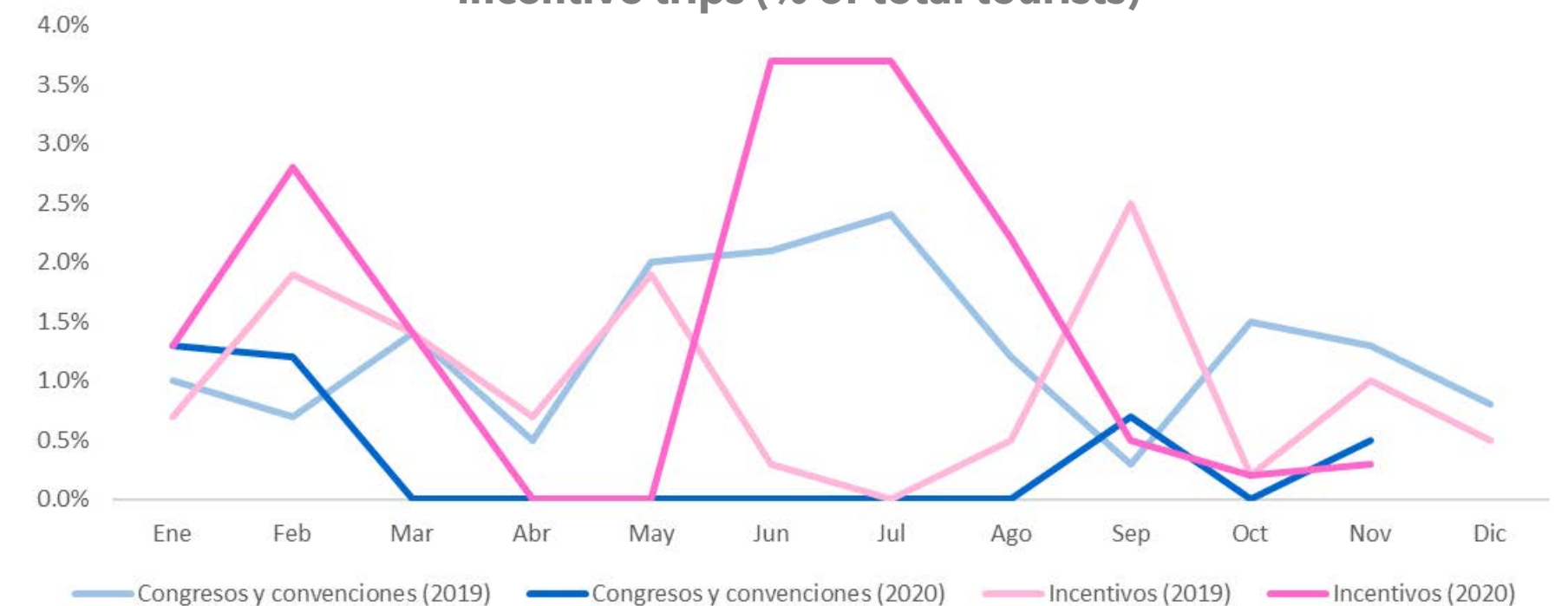
SOURCE: CVENT

Confirmed room nights and events, for meetings and groups



SOURCE: HELMS BRISCOE

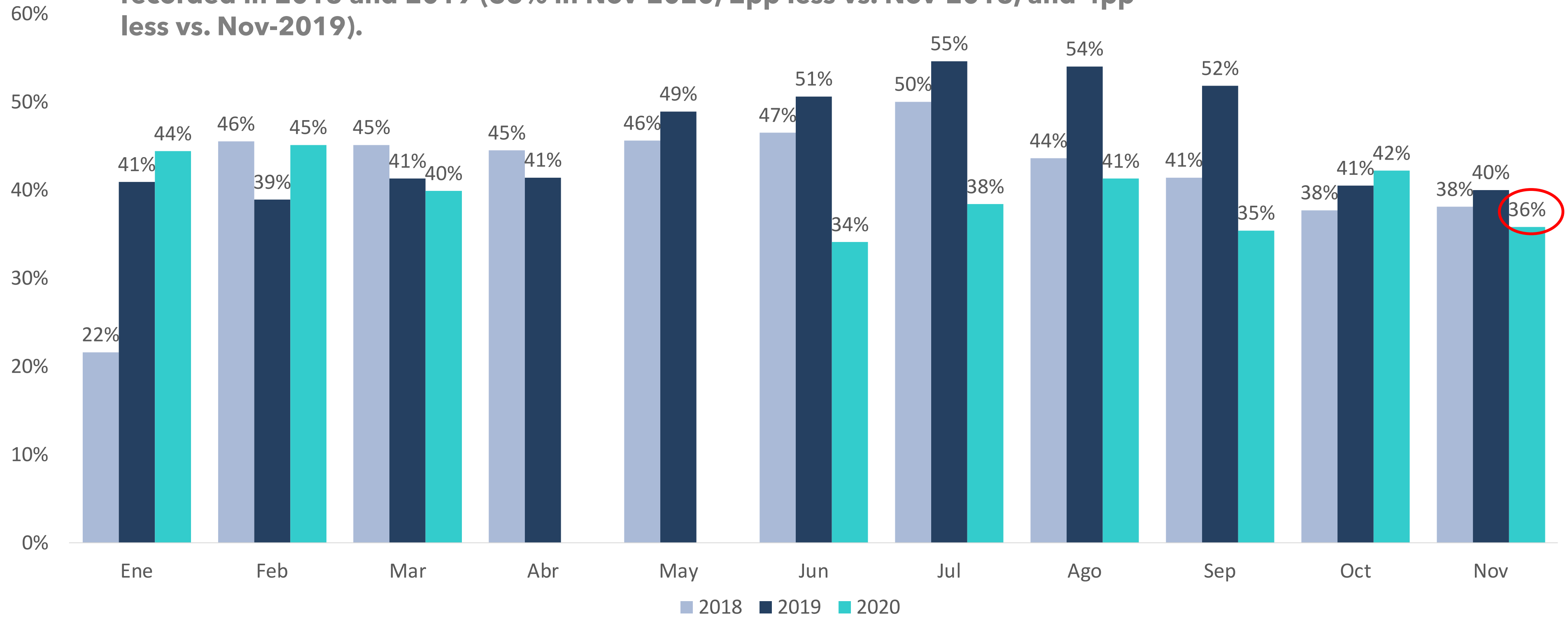
Attendees to congresses, conventions and incentive trips (% of total tourists)



SOURCE: TOURIST SURVEYS

Package tour purchases

The number of tourists who bought a package tour remained below those recorded in 2018 and 2019 (36% in Nov-2020, 2pp less vs. Nov-2018, and 4pp less vs. Nov-2019).

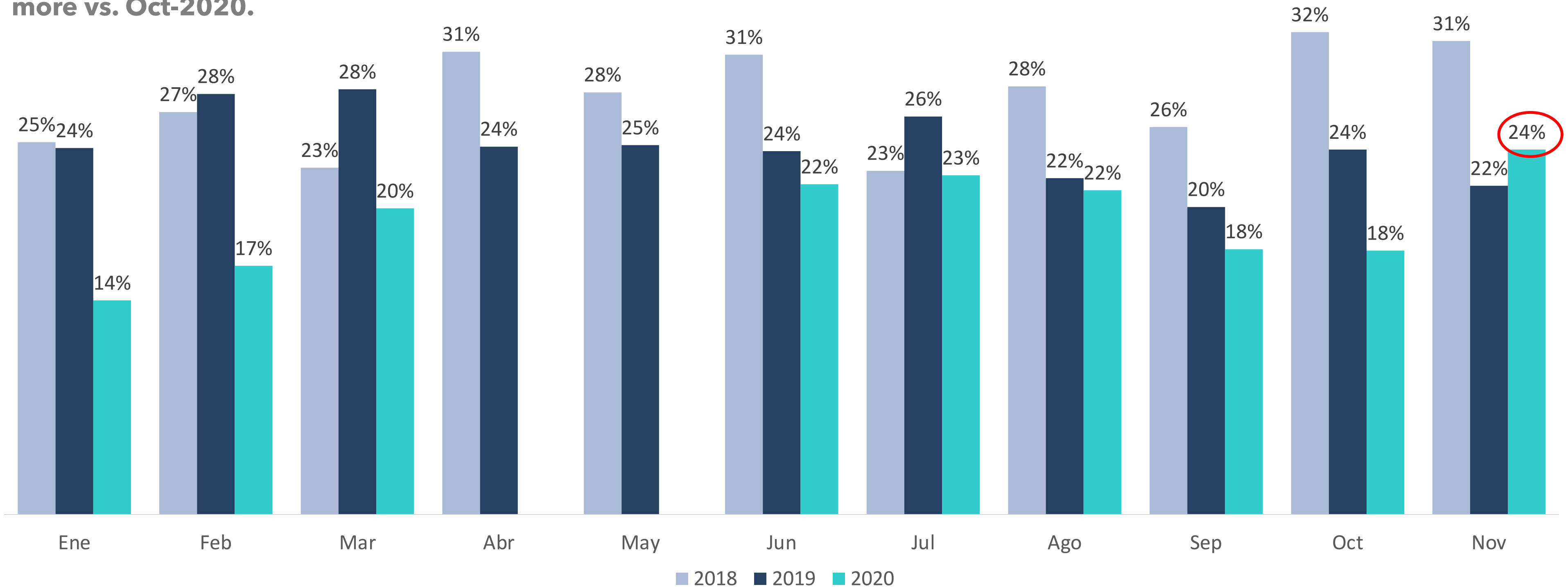


SOURCE: TOURIST SURVEYS


NO INFORMATION WAS COLLECTED DURING APR-MAY-2020 DUE TO THE CONTINGENCY GENERATED BY COVID-19.

Timeshares

The percentage of tourists who stayed at timeshares increased: 2pp more than the same month last year, and 6pp more vs. Oct-2020.



SOURCE: TOURIST SURVEYS
NO INFORMATION WAS COLLECTED DURING APR-MAY-2020 DUE TO THE CONTINGENCY GENERATED BY COVID-19.

An aerial photograph of a clear, turquoise ocean. In the center, there is a large, light-colored rock. Below the rock, two small kayakers are visible, paddling in the water. The image is partially obscured by a large, curved white shape on the right side.

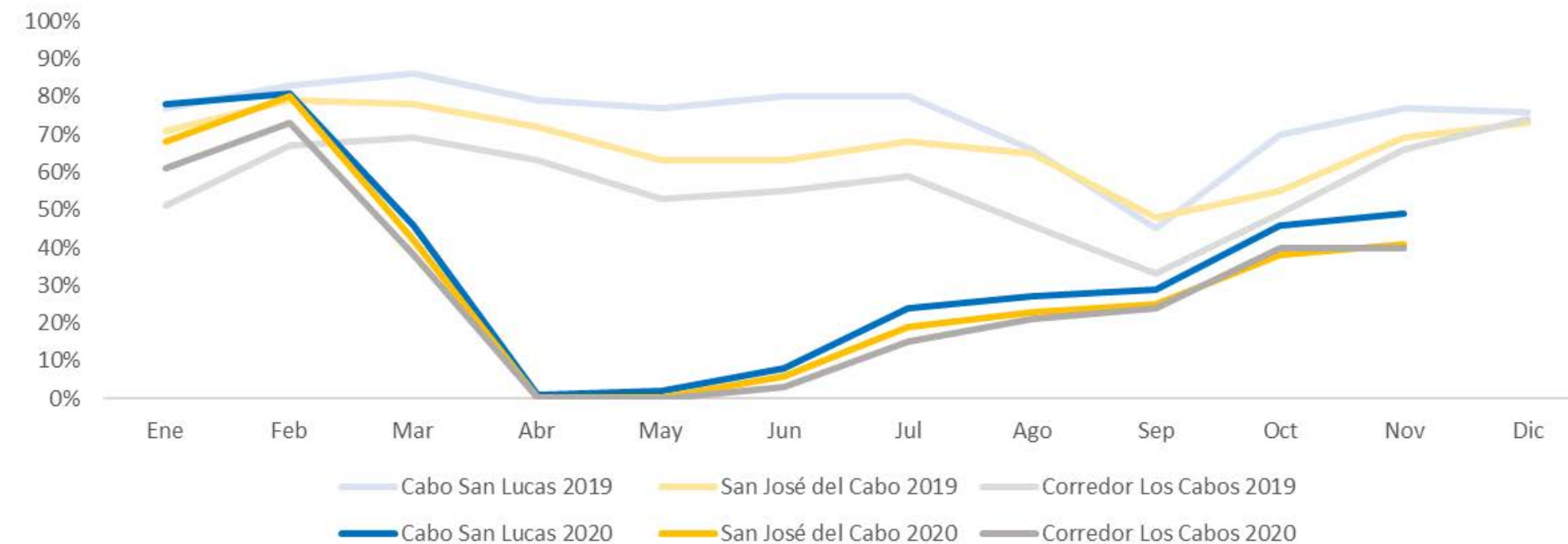
LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS

HOTEL OFFER

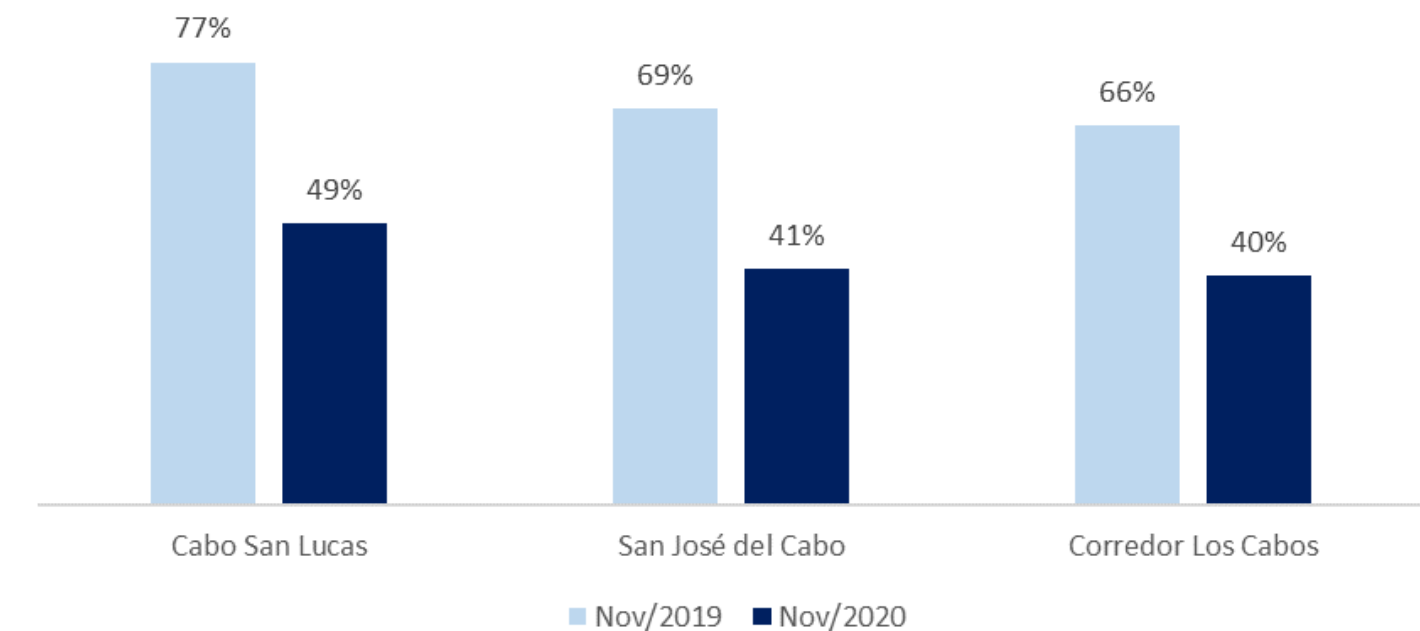
Evolution of the hotel offer in Los Cabos and sub-destinations

Monthly hotel occupancy (2019-2020)



SOURCE: AHLC

Hotel occupancy (Nov 2019-2020)



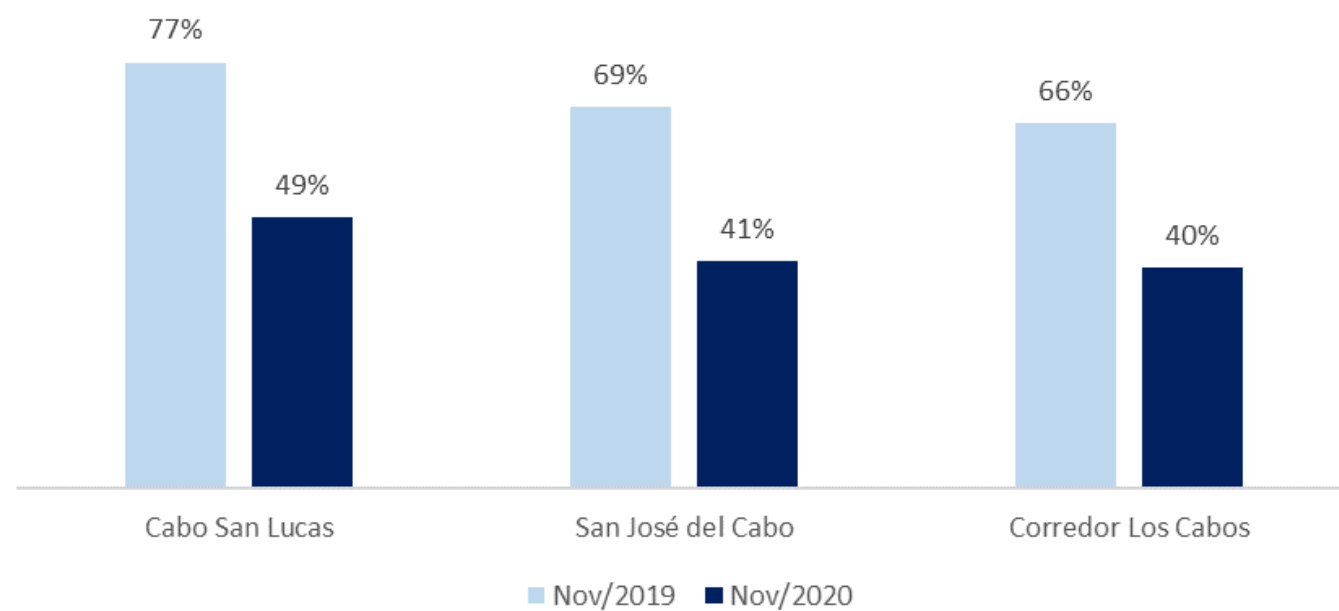
SOURCE: AHLC

- According to the Los Cabos Hotel Association, hotel occupancy in Los Cabos reached 46%, decreasing 27pp compared to last year; however, occupancy gained 3pp compared to Oct-2020. On a sub-destination level, Cabo San Lucas had an occupancy of 49%, decreasing 28pp compared to the previous year. Meanwhile, San Jose del Cabo also dropped 28pp, reaching 41%, and Los Cabos Corridor decreased 26pp, registering 40%.
- Los Cabos registered 99.9 thousand tourists arriving at hotels in Sep-2020, 36.4% less compared with Sep-2019. The average stay decreased by 0.13 nights (from 4.24 in Sep-2019 to 4.11 in Sep-2020, according to DataTur).
 - International tourist arrivals at hotels fell 28.4% in this period, while national tourism did so by 52.1%.
 - In Sep-2020, national tourism represented 25.6% of the total. The previous year, a participation of 33.9% was registered.

HOTEL OFFER

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

Hotel occupancy (Nov 2019-2020)

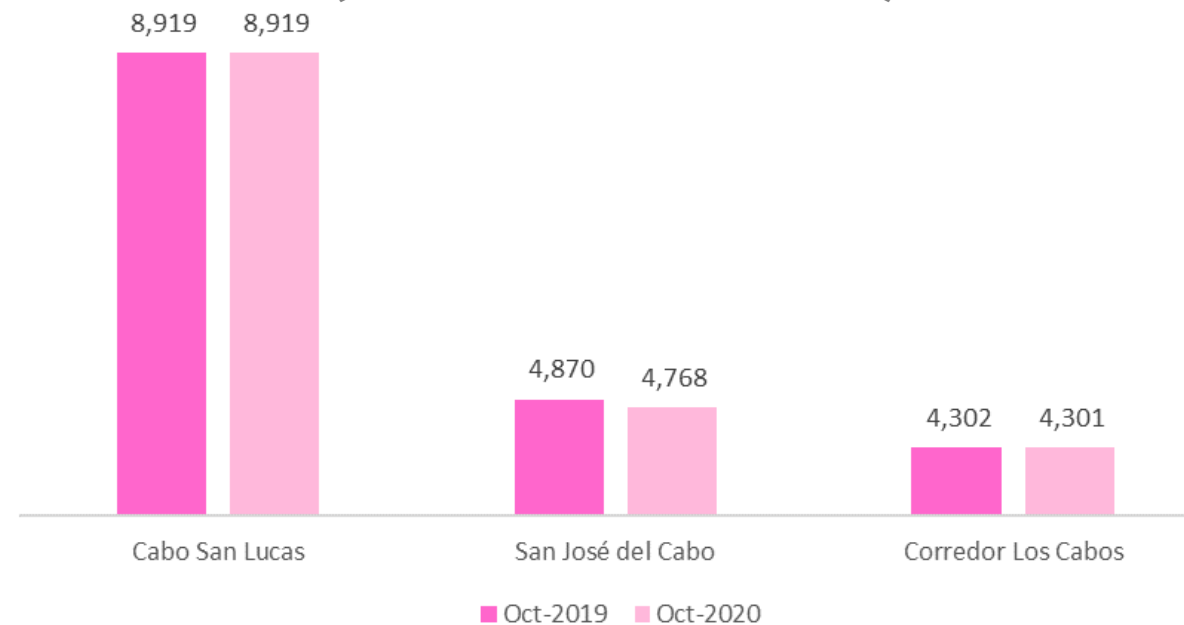


SOURCE: AHLC

CABO SAN LUCAS

- The hotel occupancy registers 49%, which implies a decrease of 28pp (Nov-2019 vs. Nov-2020, AHLC).
- Its hotel offer remained the same between Oct-2019 and Oct-2020, registering 8.9 thousand (DataTur).
- Occupied room nights dropped 27.1% between Oct-2019 and Oct-2020 (DataTur).

Rooms available (Oct-2020 vs. Oct-2019)

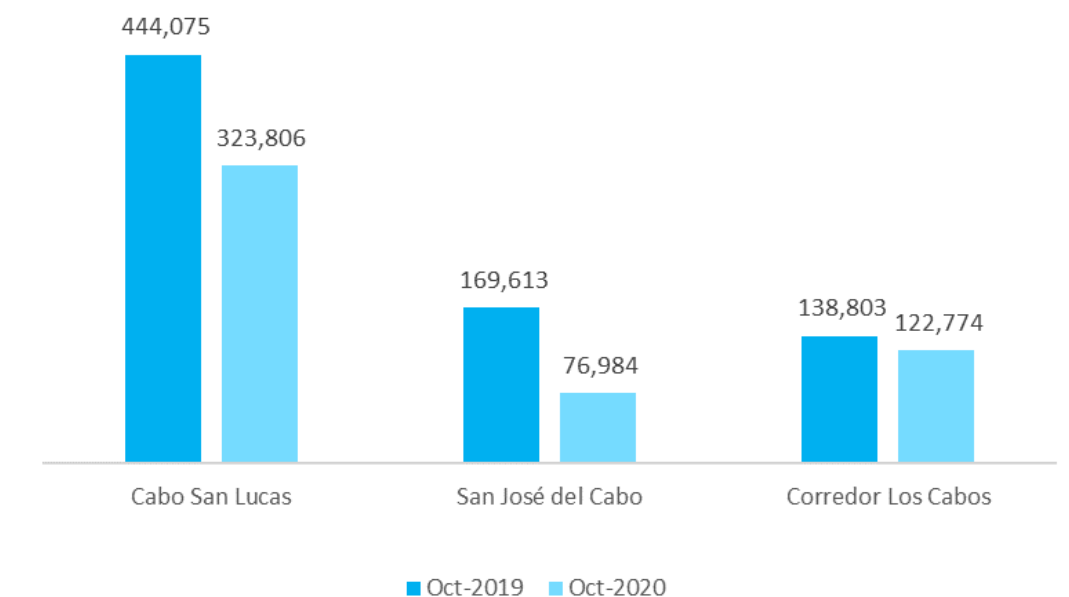


SOURCE: DATATUR

SAN JOSE DEL CABO

- Occupancy dropped 28pp when comparing Nov-2019 to Nov-2020 (AHLC): 41%.
- Its hotel offer decreased 2.1% between Oct-2019 and Oct-2020, registering 4.8 thousand rooms (DataTur).
- Occupied room nights dropped 54.6% between Oct-2019 and Oct-2020 (DataTur).

Room nights (Oct-2020 vs. Oct-2019)



SOURCE: DATATUR

LOS CABOS CORRIDOR

- Occupancy registers 40% in Nov-2020, which implies a decrease of 26pp (AHLC).
- Its hotel offer remained the same between Oct-2019 and Oct-2020: 4.3 thousand rooms (DataTur).
- Occupied room nights decreased 11.5% between Oct-2019 and Oct-2020 (DataTur), which is the smallest decrease of all the sub-destinations.

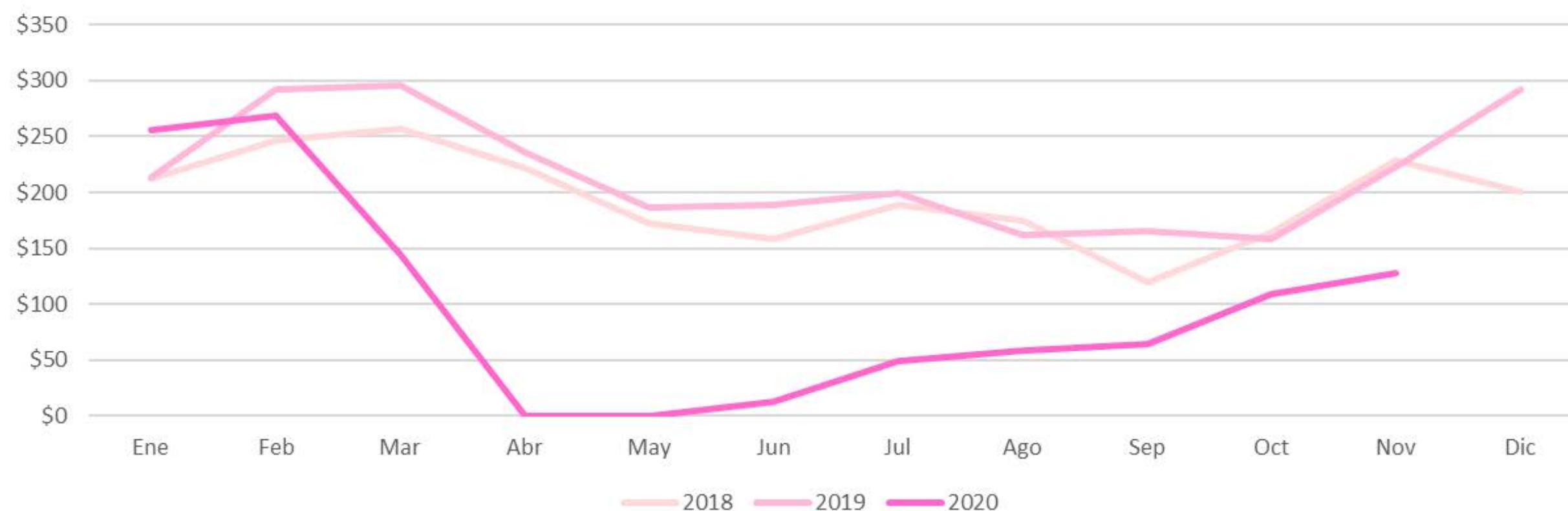
HOTEL OFFER

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

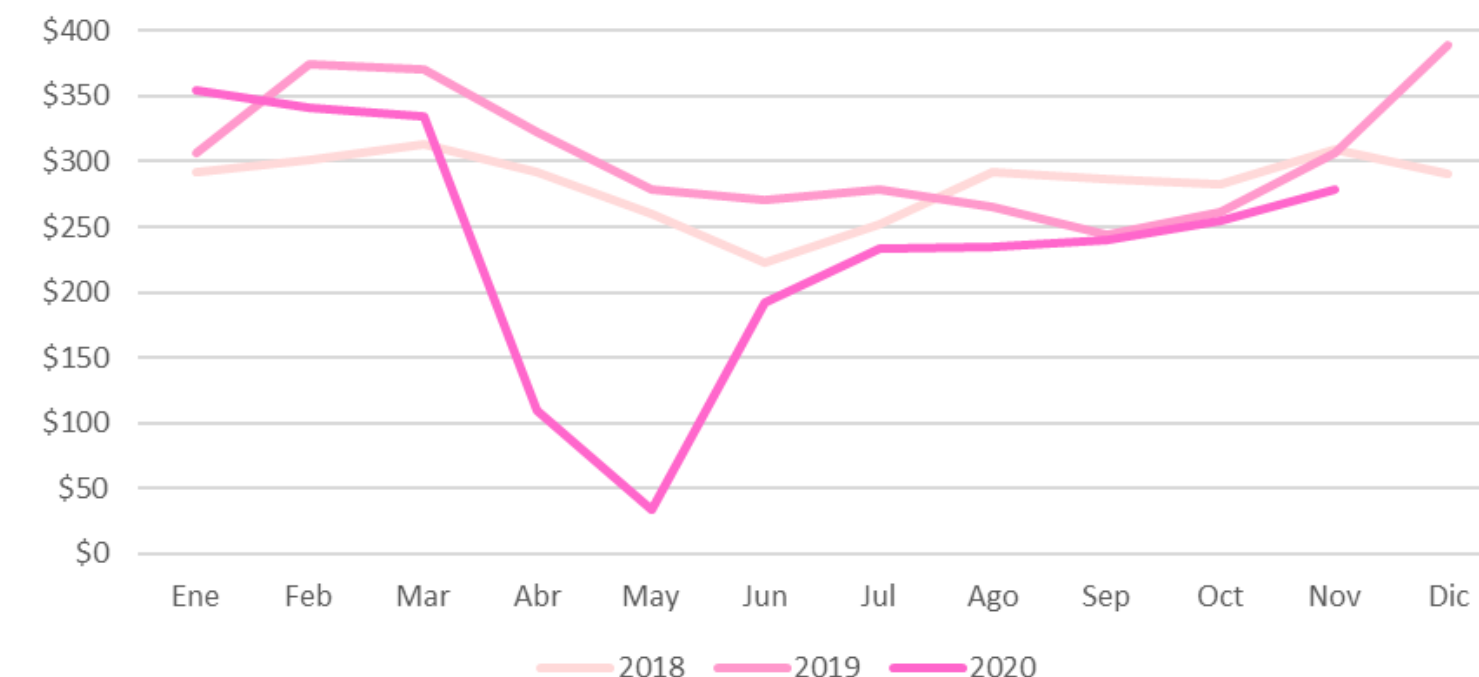
- The average hotel rate in Los Cabos for Nov-2020 was \$278 USD; \$29 above the average of the past 12 months, and \$28 less than that in Nov-2019.
 - Los Cabos Corridor reduced its average rate compared to the previous year: -54 USD (-15.9%), registering \$309.
 - While Cabo San Lucas has increased its rate for the first time since Feb-2020: +57 USD (+26.9%), registering \$269.
 - San Jose del Cabo has increased its rate by 84 USD (+48.8%) to be situated at \$256.
- The RevPAR for Nov-2020 was \$128 USD.
 - \$95 USD below the one registered in Nov-2019.

RevPAR Los Cabos (USD, 2018-2020)

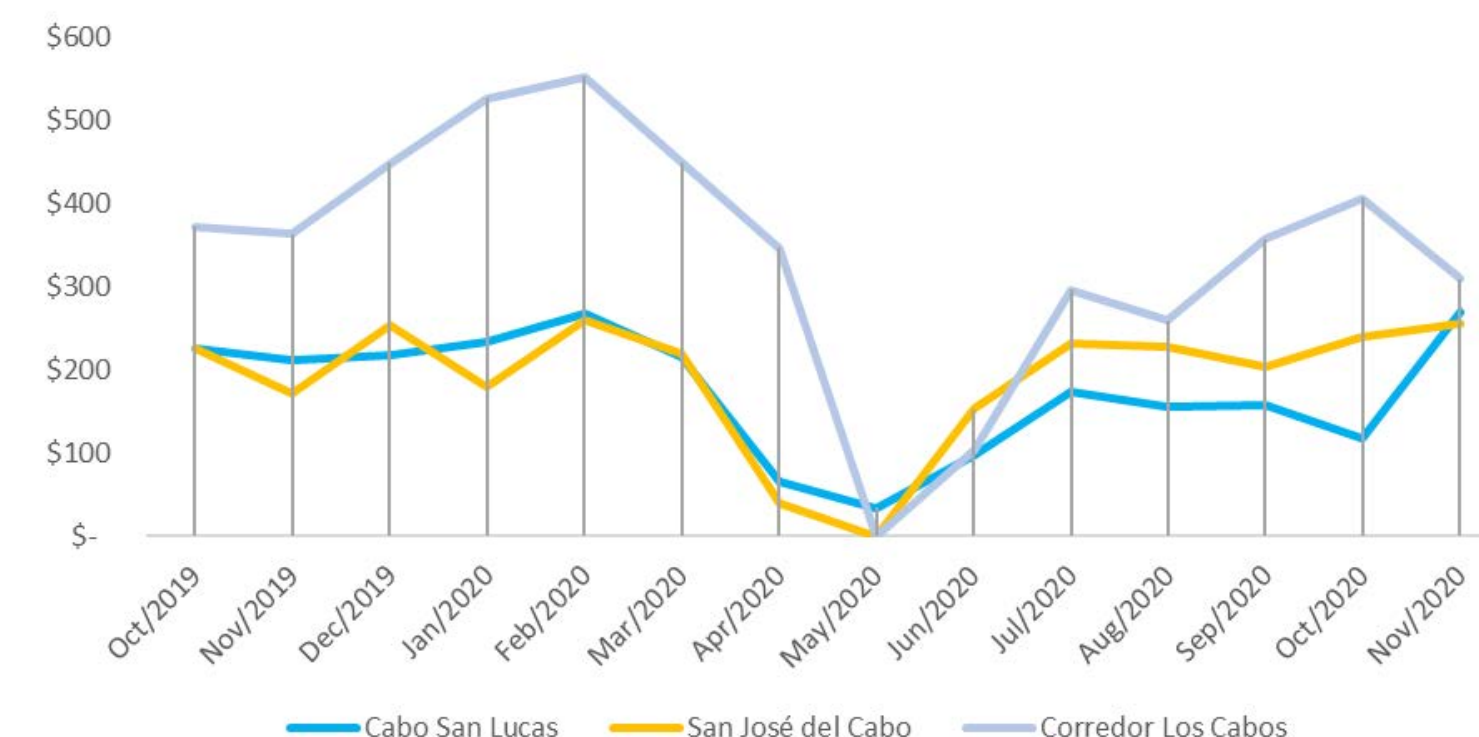
SOURCE: AHLIC



Average Hotel Rate, Los Cabos (USD, 2018-2020)



Average Hotel Rate, Sub-destinations (USD, monthly, last 12 months)

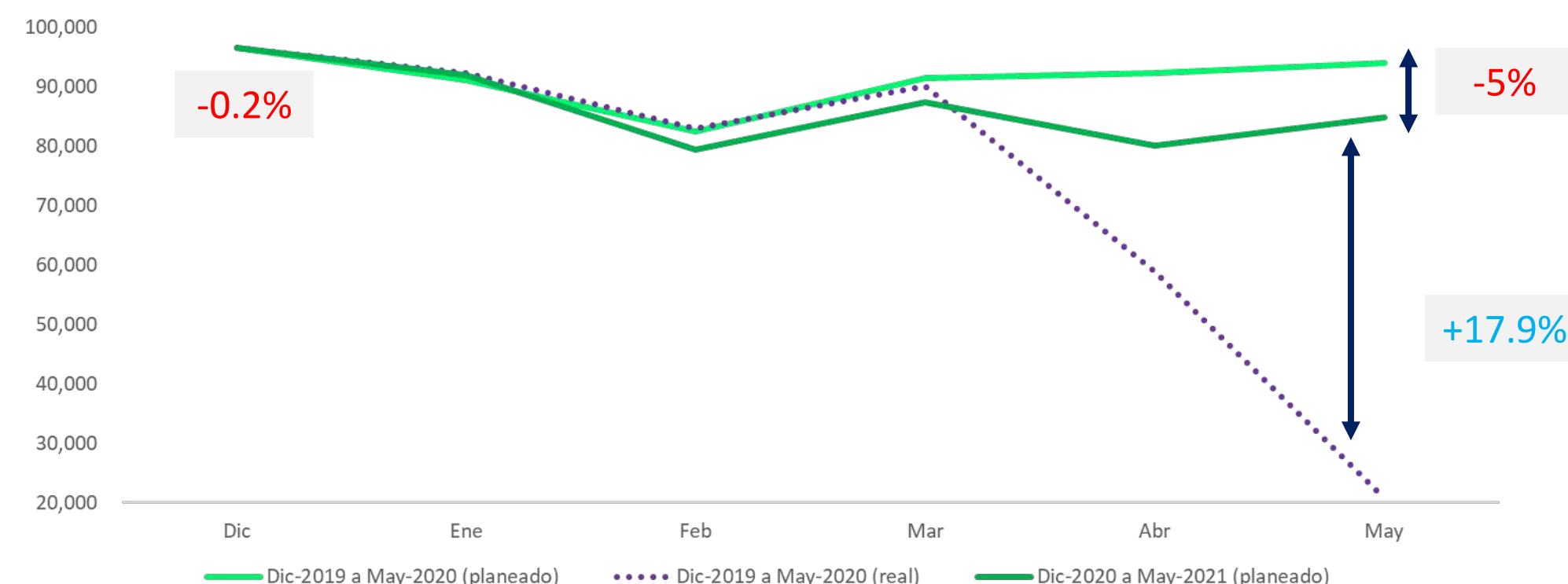


SEATS SCHEDULED FROM DEC-2020 TO MAY-2021

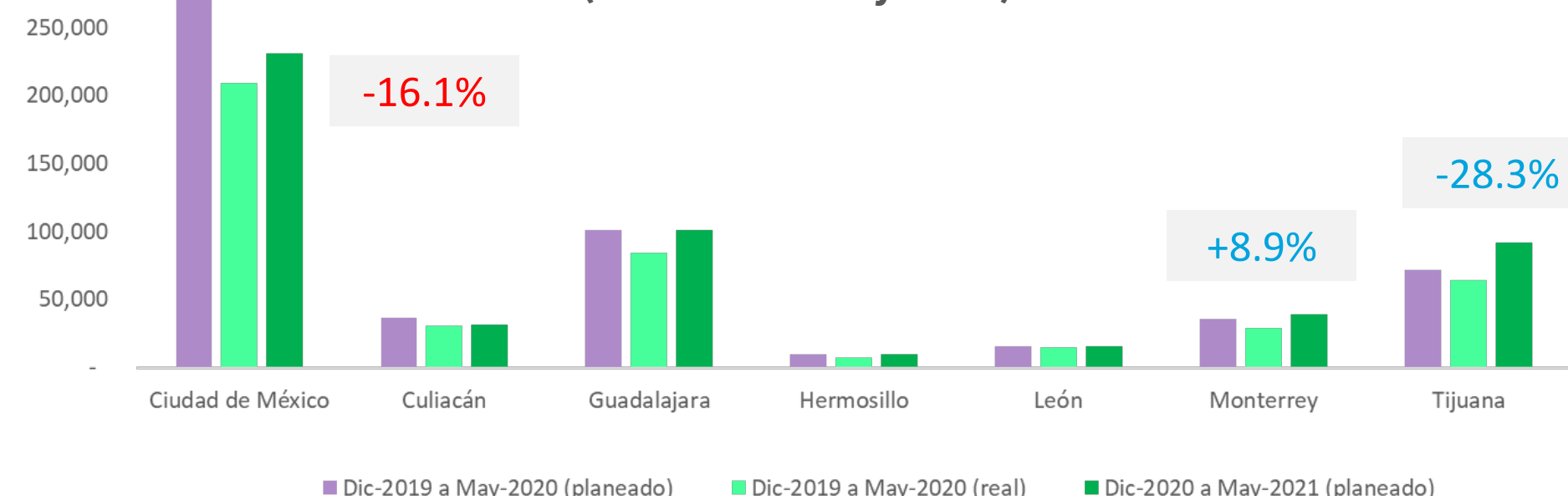
Seat offer report for the month in question and the 6 following months, as the case may be

- For the next 6 months (from Dec-2020 to May-2021), there are 520 thousand seats scheduled, **5% less** than the same period last year (scheduling prior to the pandemic, Nov-2019).
 - However, when comparing the seats scheduled for the next 6 months against this year's actual schedule, the volume of programmed seats is **17.9% higher**. This is due to the 57% decrease that occurred during the Apr-May-2020 period as a result of the pandemic. 0.2% fewer available seats are expected in Dec-2020 compared to those scheduled for Dec-2019 (Nov-2019 scheduling).
- Mexico City and Guadalajara are the most relevant issuing markets, having 44% and 19% of the total available seats (from Dec-2020 to May-2021), both followed by Tijuana (18%), Monterrey (8%), Culiacan (6%), Leon (3%), and Hermosillo (2%).
 - Seats from MTY and TIJ increased by 8.9% and 28.3%, respectively (compared to the scheduling prior to the pandemic, Nov-2019). However, CDMX decreased by 16.1%. As a result, TIJ's market participation increased 5pp and CDMX decreased 6pp during these 6 months.
- Between Dec-2020 and May-2021, 47% of the available seats will be provided by Volaris, followed by Viva Aerobus with 33%. Interjet and Aeromexico account for 1% and 19%, respectively.
- Aeromexico, Viva Aerobus, and Volaris show an increase of 31.5%, 11.5%, and 14.6%, respectively. However, Interjet experienced a decrease of 95.2%. It's worth noting that this corresponds to the information provided on the OAG portal, and, given the flight suspensions announced by the airline and the sales restrictions implemented by IATA, this number would likely change.
- The national airlines' occupancy factors for Sep-2020 were: Aeromexico (63%), Viva Aerobus (67%), Interjet (92%), and Volaris (76%).

Seat scheduling for flying to San Jose del Cabo (Dec-2020 to May-2021)



Seats scheduled by origin (Dec-2020 to May-2021)





LOS CABOS TOURISM OBSERVATORY

PUBLIC RELATIONS

Public relations: notes and scope

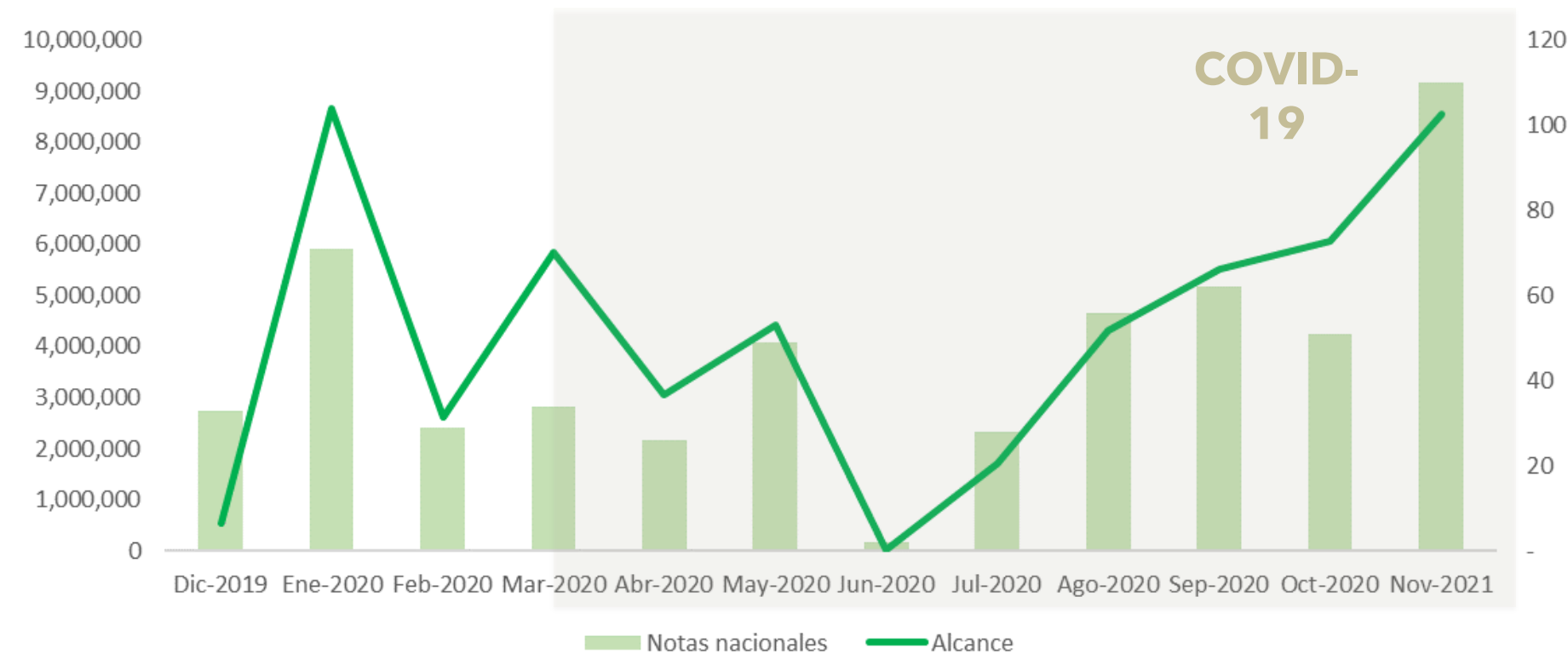
- In the domestic market:

- During Nov-2020, 110 press insertions were introduced, thus achieving 8.5 million impacts. An average of 48 inserts has been published monthly since the pandemic started in April 2020, with a reach of 4.2 million.

- In the international market:

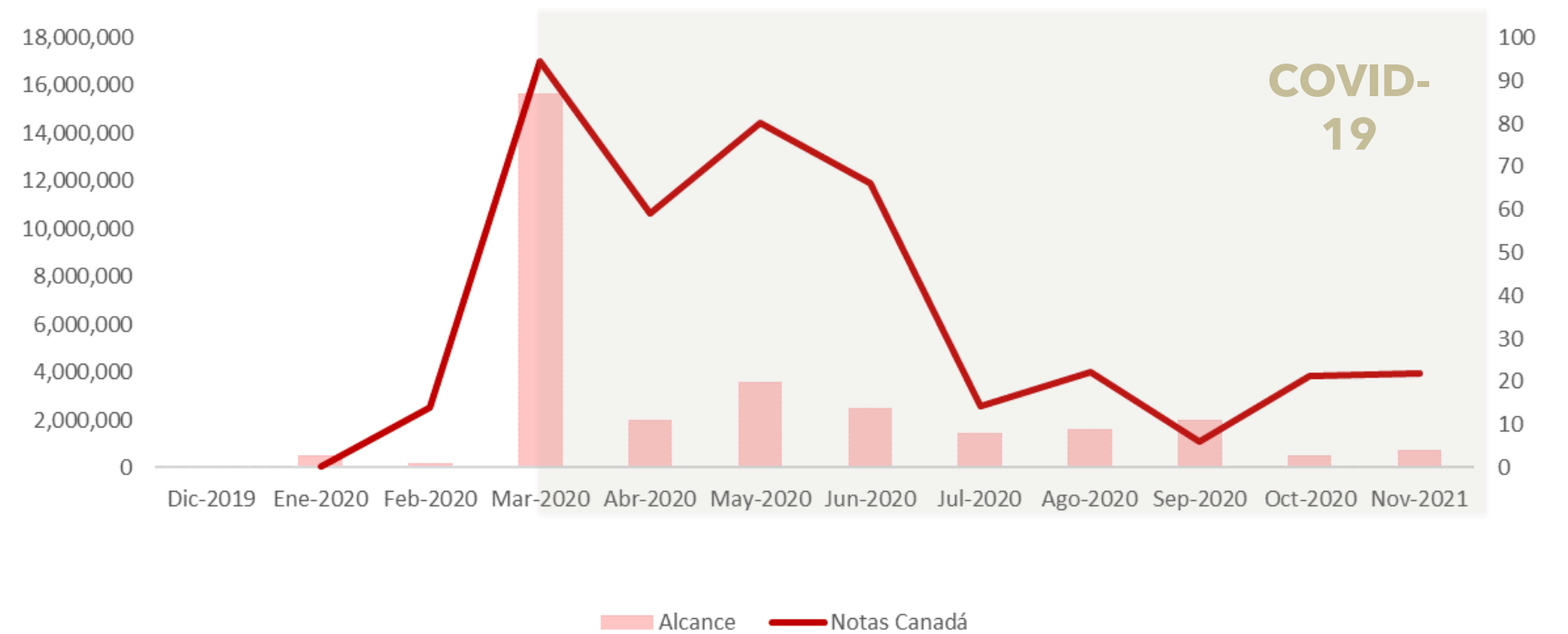
- In Nov-2020, 9 placements and 92.1 million impacts were achieved in the United States. An average of 31 inserts has been published monthly since the pandemic started, with a reach of 334.8 million.
- For Canada, 4 press insertions were delivered throughout Nov-2020, representing a reach of 3.9 million. An average of 10 inserts has been published monthly since April, with a reach of 6.5 million.

NATIONAL NOTES: TOTAL & SCOPE



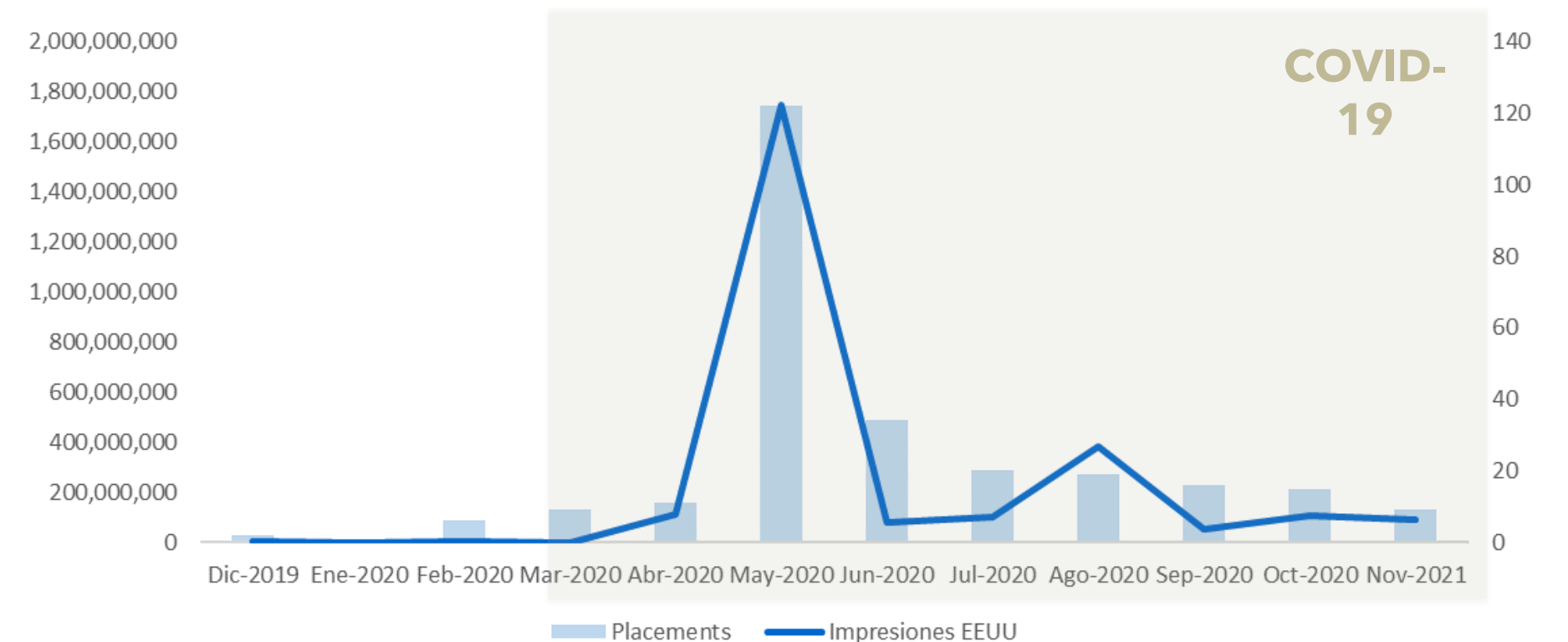
SOURCE: GAUDELLI (Feb-2018 to Jan-2019), LLORENTE & CUENCA (Feb-2019 to Nov-2020)

CANADIAN MARKET NOTES: TOTAL & SCOPE



SOURCE: JESSON+CO

U.S. MARKET NOTES: TOTAL & SCOPE



SOURCE: NJF (Feb-2018 to Jan-2019), OGILVY (Feb-2019 to Nov-2020)

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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