



LOS CABOS TOURISM OBSERVATORY

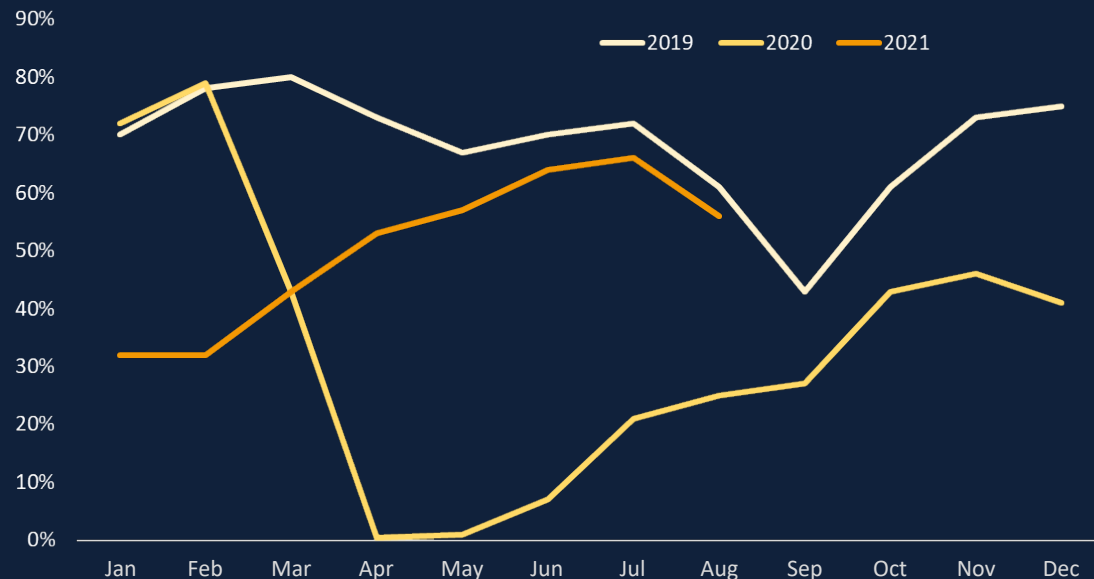
KEY PERFORMANCE INDICATORS

SEPTEMBER 2021



Leading indicators - Summary

Hotel Occupancy:



Hotel Performance

Hotel Occupancy (Aug-2021):
56%
-5pp
 (vs. Aug-2019)

SOURCE: AHLG

Rooms Available (Jul-2021):
22,561
+2.2%
 (vs. Jul-2019)

SOURCE: DATATUR

Room Nights (Jul-2021):
1,216,863
-10.8%
 (vs. Jul-2019)

SOURCE: DATATUR

Air Passenger Arrivals

Total Passengers (Aug-2021, expressed in thousands):
251.5
+8.9%
 (vs. Aug-2019)

Other indicators
Cruise Ships (Jul-2021):
0
-6 vessels
 (vs. Jul-2019)

SOURCE: DATATUR

National Passengers (Aug-2021, expressed in thousands):
95.7
-4.9%
 (vs. Aug-2019)

Cruise Passengers (Jul-2021):
0
-100%
 (vs. Jul-2019)

SOURCE: DATATUR

International Passengers (Aug-2021, expressed in thousands):
155.8
+19.6%
 (vs. Aug-2019)

SOURCE: GAP

Group Business Total RFPs (Aug-2021):
22
-3 RFPs
 (vs. Aug-2019)

SOURCE: CVENT

Tourist Satisfaction: more than expected (Aug-2021):
81%
+47pp
 (vs. Aug-2019)

SOURCE: TOURIST SURVEYS

Attendees to Congresses and Conventions (Aug-2021):
0.4%
-0.8pp
 (vs. Aug-2019)

SOURCE: TOURIST SURVEYS

Tourists' Origin (Aug-2021):
66.5%
foreigners
-7pp
 (vs. Aug-2019)

SOURCE: TOURIST SURVEYS

Leading indicators - Summary

PASSENGER ARRIVALS

- In Aug-2021, Los Cabos International Airport recorded an 8.9% (+20.6 thousand) increase in the total number of passengers arriving at the destination compared to Aug-2019, adding up to a total of 251.5 thousand (when considering arrivals only).
 - Passengers on domestic flights (95.7 thousand) represent 38.1% of total arrivals. These decreased by 4.9% (-5 thousand vs. Aug-2019).
 - Passengers on international flights (155.8 thousand) represent 61.9% of total arrivals. These increased by 19.6% (+25.6 thousand vs. Aug-2019).

FLIGHT SCHEDULES

- The domestic market has 41.7% more available seats scheduled from Sep-2021 to Feb-2022 (compared to the same period in 2019). 30% more seats are expected in Sep-2021.
 - Flight seats departing from CDMX, MTY, and TIJ increased by 36.1%, 18.8%, and 163.7%, respectively (compared to 2019). However, BIX decreased by 31.4%.
- There are 1.27 million seats scheduled for the U.S. in the next 6 months, which is 45.1% more compared to the same period in 2019.
 - LAX (+73.9%), PHX (+49.4%), HOU (+31.1%), DFW (+33.1%), DEN (+102.3%), and SEA (+64.9%) had the most significant increase vs. 2019. However, San Diego showed a decrease of 35.5%.

- For Sep-2021, the United States expects 74.9% more available seats than those scheduled for 2019.
- From Canada, 15.3% fewer seats are expected in the next 6 months. There is a 60.1% drop in Sep-2021.
 - Decreases are expected in all Canadian airports within the next 6 months: Calgary (-8.3%), Vancouver (-24.6%), Toronto (-20.7%), and Edmonton (-21.1%).

HOTEL PERFORMANCE

- Occupancy in Aug-2021 was 56%, down 5pp from 61% in Aug-2019.
 - Occupancy in Cabo San Lucas dropped 9pp compared with Aug-2019 and is now at 57%.
 - San Jose del Cabo recorded an occupancy rate of 54% (11pp lower than in Aug-2019).
 - Los Cabos Corridor recorded an occupancy rate of 52% (a 6pp increase compared to Aug-2019).
- The number of rooms available in Los Cabos increased 2.2% between Jul-2021 and Jul-2019, reaching 22,561 this month.

- Hotels in Los Cabos recorded 248.1 thousand tourist arrivals, equivalent to a decrease of 9% between Jul-2021 and Jul-2019.
- Domestic tourism dropped by 34.7% (-29.5 thousand), while international tourism increased by 2.7% (+5.1 thousand).
- There were 1.2 million occupied room nights in Jul-2021, 10.8% fewer compared to Jul-2019.

TOURIST SURVEYS

- In Aug-2021, 81% of tourists rated their experience in Los Cabos as better than they expected (47pp more than in Aug-2019, and 6pp more than in Jul-2021).
- During Aug-2021, security was perceived as bad or regular by 0.2% of tourists, 11.8pp better than in Aug-2019.
- Satisfaction with the airport also improved 6.2pp compared to 2019 (0.8% of tourists perceived their experience as bad or regular).
- The number of repeat tourists decreased by 9pp compared to 2019, reaching 29% in Aug-2021.
- 51% of tourists traveled with a package tour, up 11.8pp from the previous month, but down 3pp compared to 2019.
- The number of tourists who visited restaurants increased 10pp this month, recording 77%.



LOS CABOS TOURISM OBSERVATORY

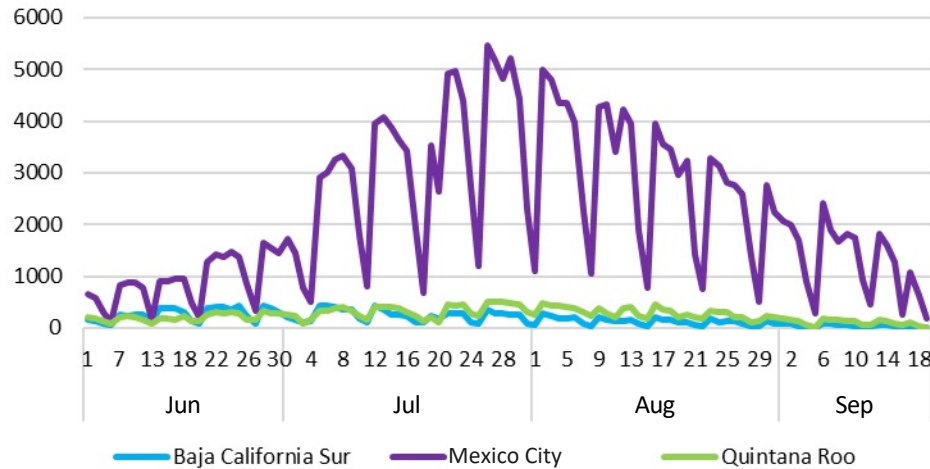
THE IMPACTS OF COVID-19

Effects of COVID-19 on Mexico's
tourism sector.

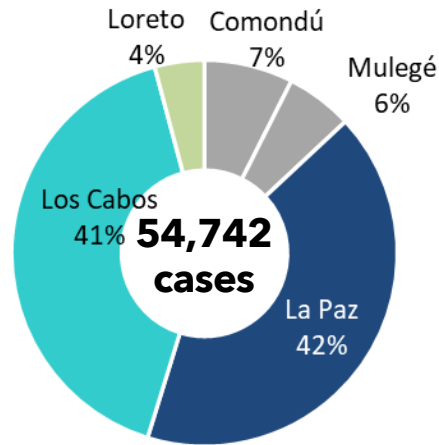


Confirmed COVID-19 cases - overview

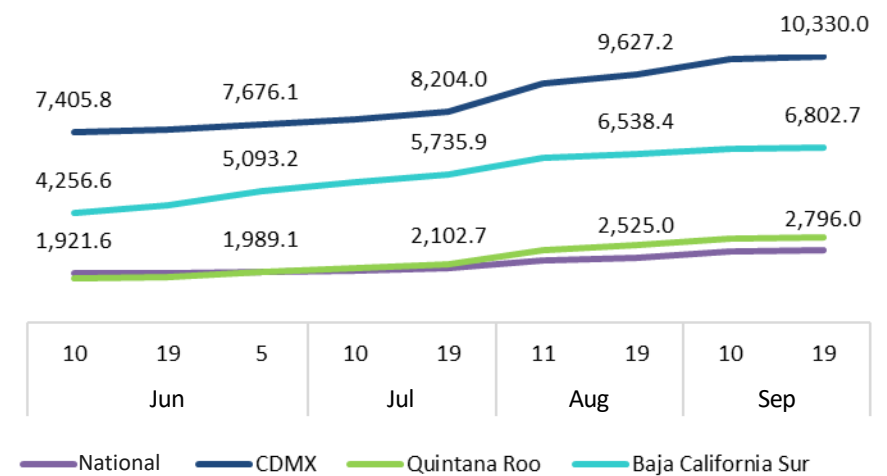
Number of daily new cases



Confirmed cases by municipalities in B.C.S.



Incidence of infection



Total confirmed cases as of September 19th, 2021

National

3.57 million

- 350 thousand more cases since August 19th.

Baja California Sur

54,742

- 2,127 more cases than those recorded by August 19th.

Quintana Roo

57,095

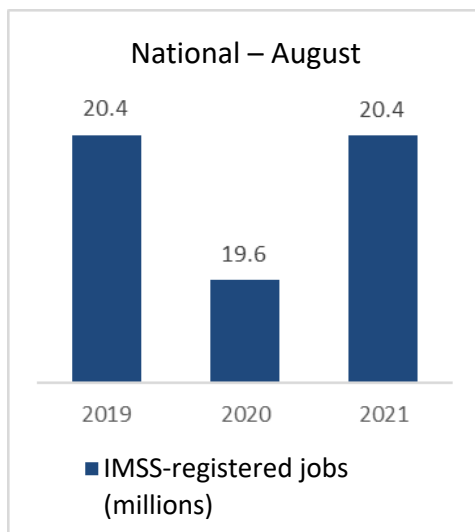
- 4,933 more cases in the same period.

- La Paz and Los Cabos jointly account for 83% of the total confirmed cases statewide.
- Los Cabos has 384 more cases, adding up to a total of 22,474.
- La Paz has 926 more cases than those recorded as of August 19th, accumulating a total of 22,845 confirmed cases.
- Loreto accumulates 2,281 cases (192 more).

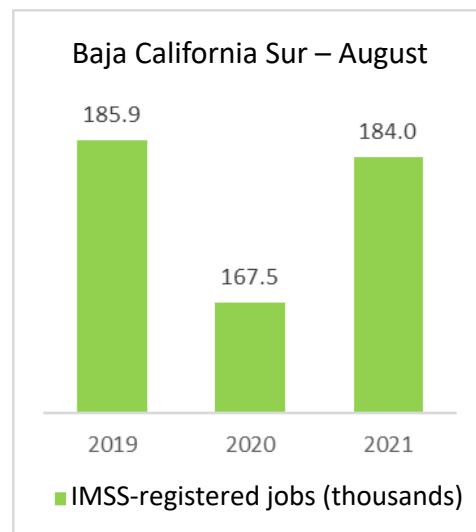
- The national average rate of infection is 2,796 cases per 100 thousand inhabitants.
- Mexico City still has the highest rate of new COVID-19 cases, which is above the national average: 10,330
- Quintana Roo: 3,313
- Baja California Sur is the second state with the highest rate: 6,802

SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx). FIGURES UPDATED AS OF SEPTEMBER 20th, 2021.

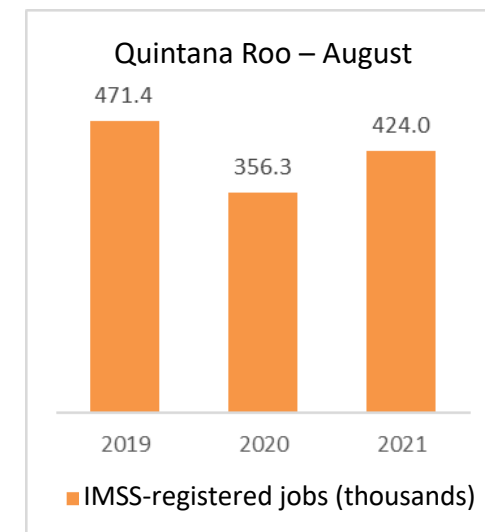
Effects on employment in Mexico



- As of August 31st, 2021, IMSS registered 20,420,823 jobs in the country, which is 0.01% fewer than those reported in Aug-2019.
- 647,091 more jobs were recorded compared with the end of Dec-2020.



- Baja California Sur closes Aug-2021 with 183,981 jobs, 1% fewer than in Aug-2019.
- 14,610 more jobs were recorded compared with the end of Dec-2020.

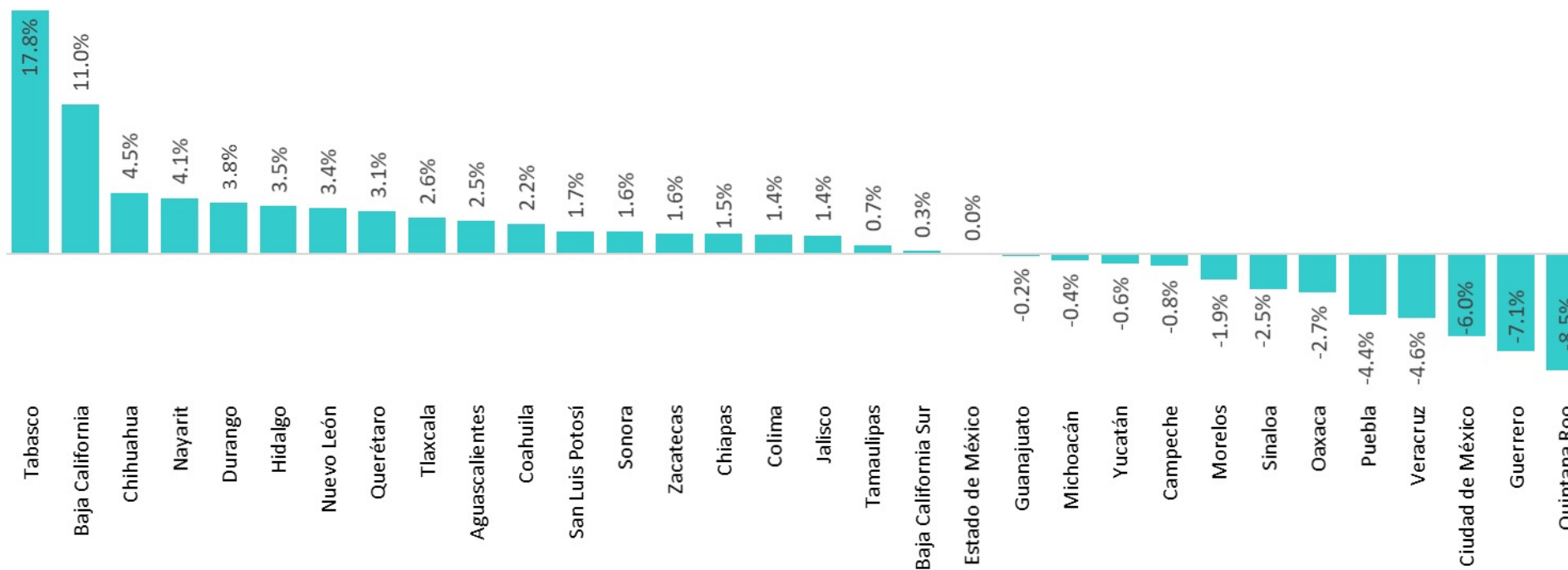


- Quintana Roo closes Aug-2021 with 424,006 jobs, 10% fewer than in Aug-2019.
- 58,223 more jobs were recorded from Dec-2020 to Aug-2021.

SOURCE: IMSS

Effects on employment in Mexico

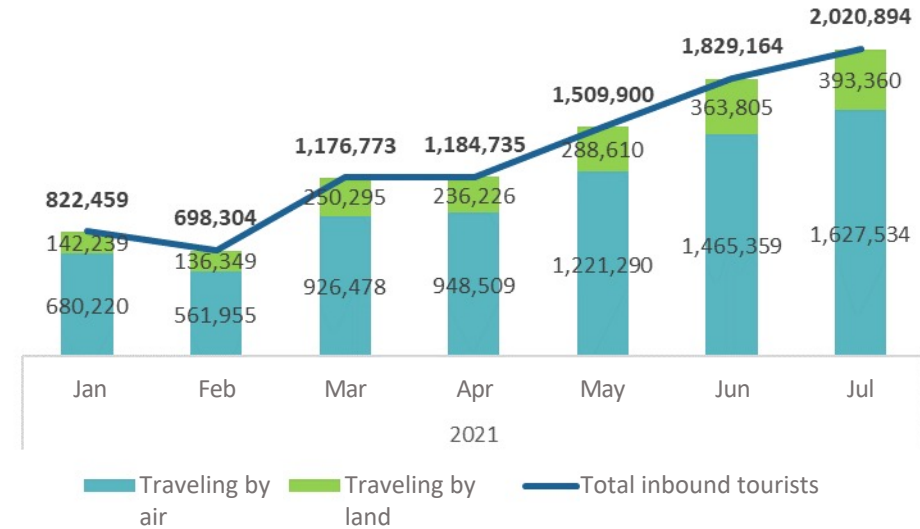
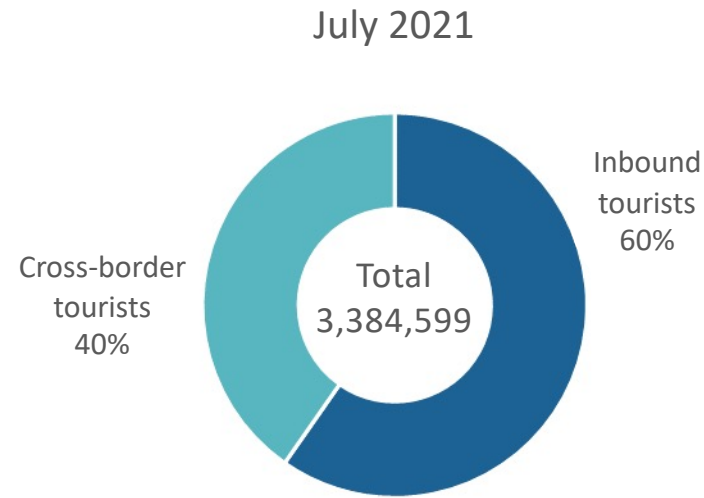
Employment variation by state (August 2021 vs. December 2019)



- For the first time since the pandemic began, the number of jobs recorded in Baja California Sur increased by 0.3% compared to the end of Dec-2019. Quintana Roo is still the most affected state.

SOURCE: IMSS

International tourist arrivals in Mexico

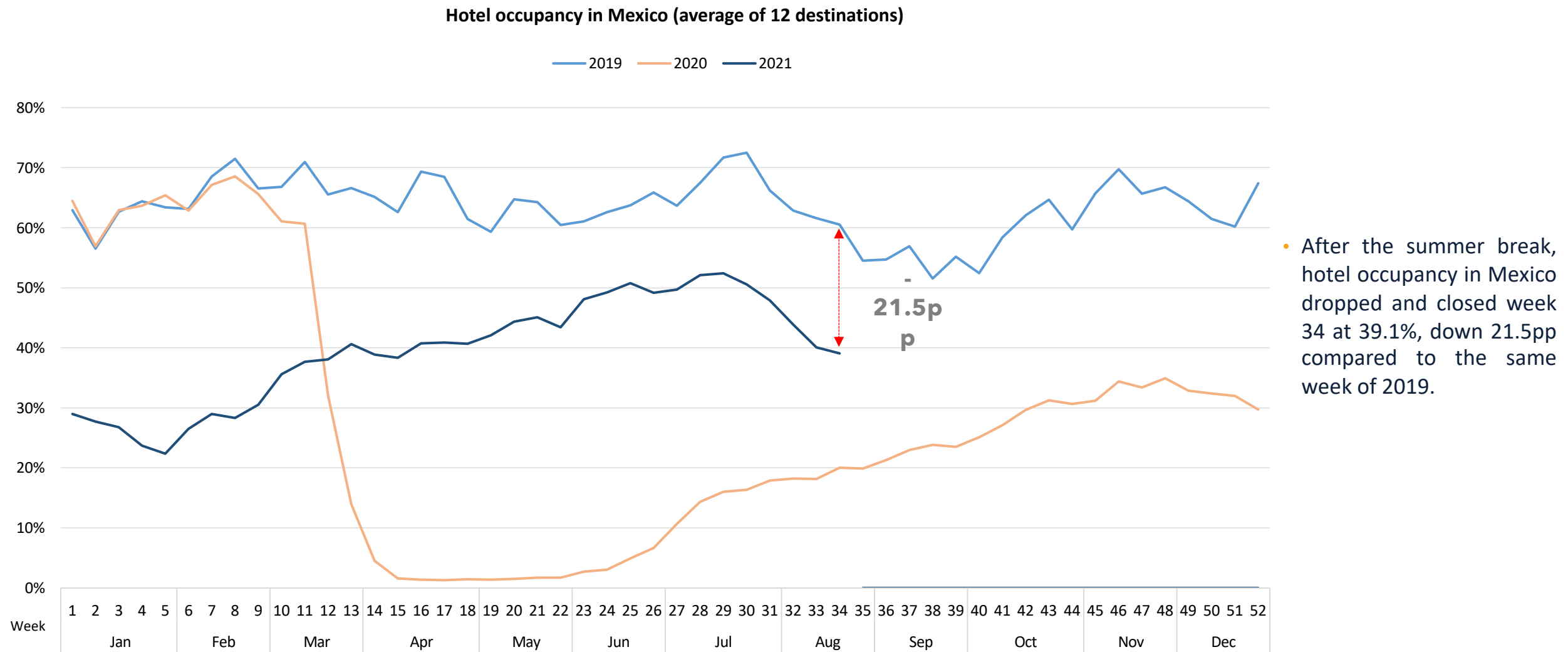


- In Jul-2021, 3.39 million international tourists arrived in the country (19% fewer than in Jul-2019). 60% were inbound tourists.
- The average spending of inbound tourists arriving by air was USD 1,149 (\$148 more than the average spending in Jul-2019).

- In Jul-2021, the total number of inbound tourists increased 10.5% compared to Jun-2021.
- There is a 15.4% decrease in the total number of inbound tourists compared to Jul-2019.
- 81% arrived by air, and 19% did so by land.

SOURCE: INTERNATIONAL TOURIST SURVEYS, INEGI

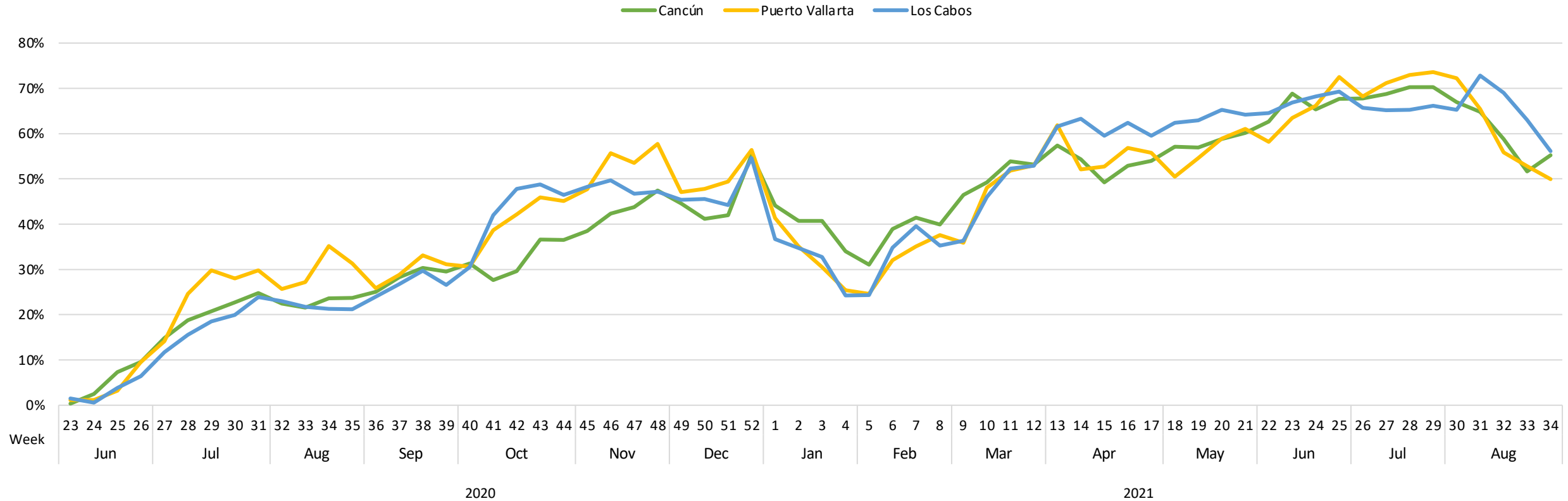
Hotel indicators in Mexico



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

Hotel indicators in Mexico

Hotel occupancy in Cancun, Puerto Vallarta, and Los Cabos



- The three selected destinations also experienced a drop in hotel occupancy after the summer break.
- By the end of week 34, Los Cabos, Cancun, and Puerto Vallarta had an occupancy of 56.1%, 55.2%, and 49.9%, respectively.

SOURCE: DATATUR



LOS CABOS TOURISM OBSERVATORY

DEMAND INDICATORS AND TOURIST
PASSENGERS

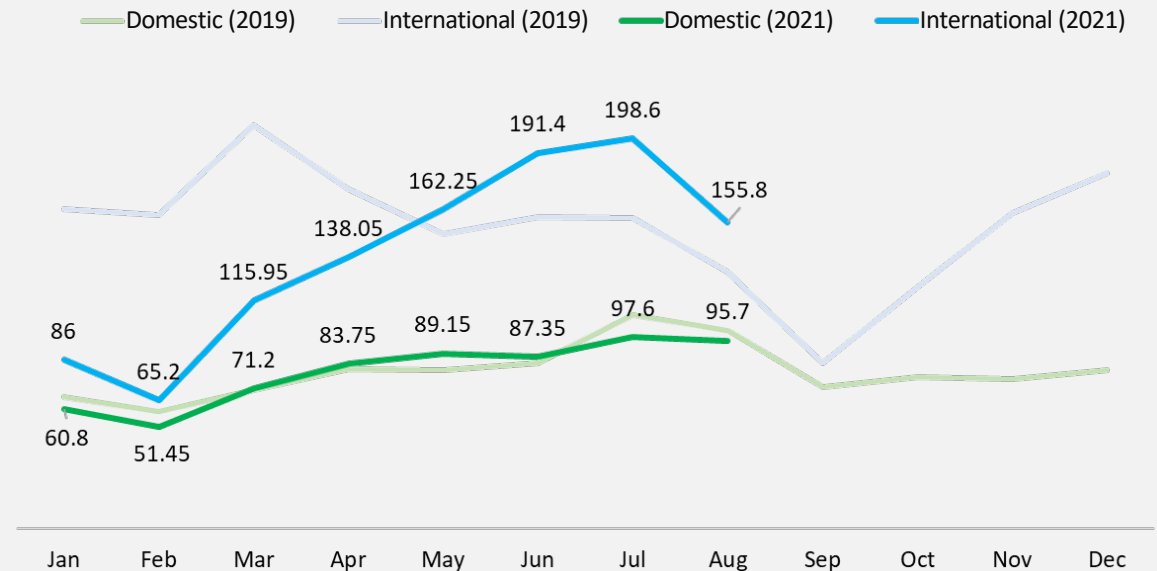


Passenger arrivals at Los Cabos International Airport, 2019-2020

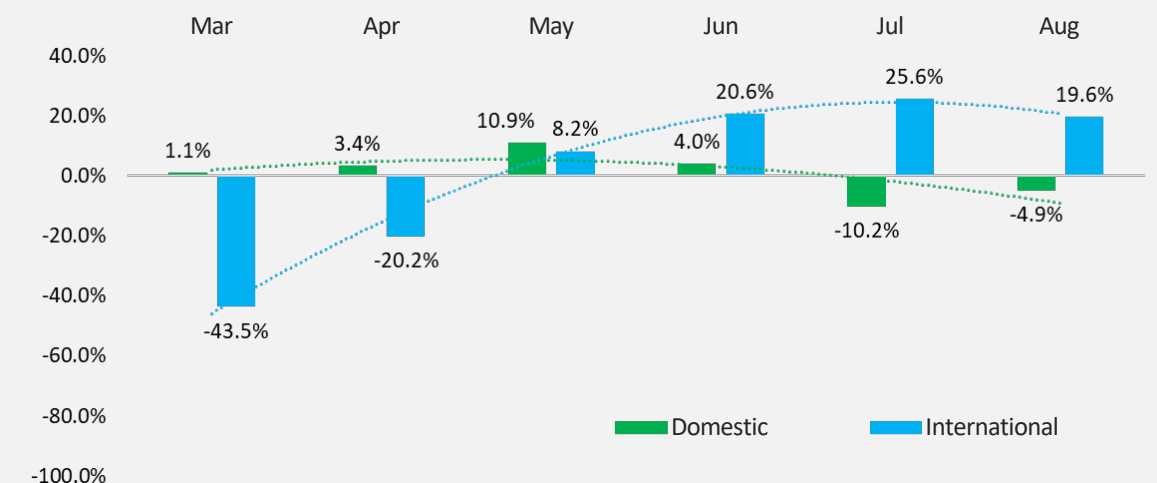
- In Aug-2021, 251.5 thousand passengers arrived at Los Cabos International Airport, which represents an 8.9% **increase** compared to the same period in 2019.
- However, it also represents a 15.1% decrease with respect to Aug-2021 and an average growth rate of 7.8% between Aug-2020 and Aug-2021.
- Passengers on domestic flights (**95.7 thousand**) represent 38.1% of total arrivals and decreased 4.9% compared to Aug-2019.
 - TMAC: 5% (between Aug-2020 and Aug-2021).
- Passengers on international flights (**155.8 thousand**) represent 61.9% of total arrivals and increased by 19.6%.
 - TMAC: 10.1% (between Aug-2020 and Aug-2021).

SOURCE: GAP

Monthly arrivals (expressed in thousands)

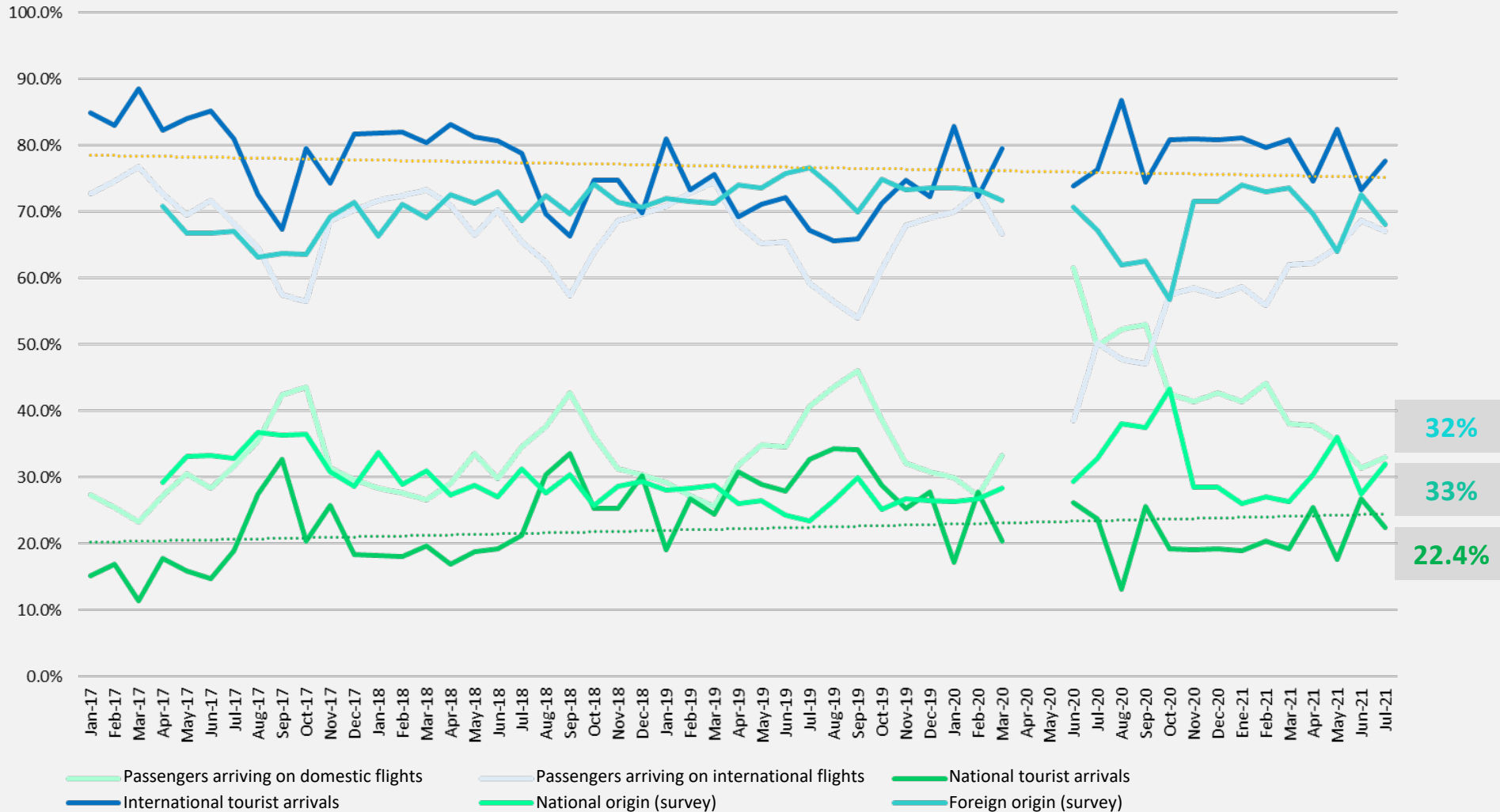


Variation with respect to 2019



Evolution of the domestic and international tourism share

Percentage share 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 (2017-2020)



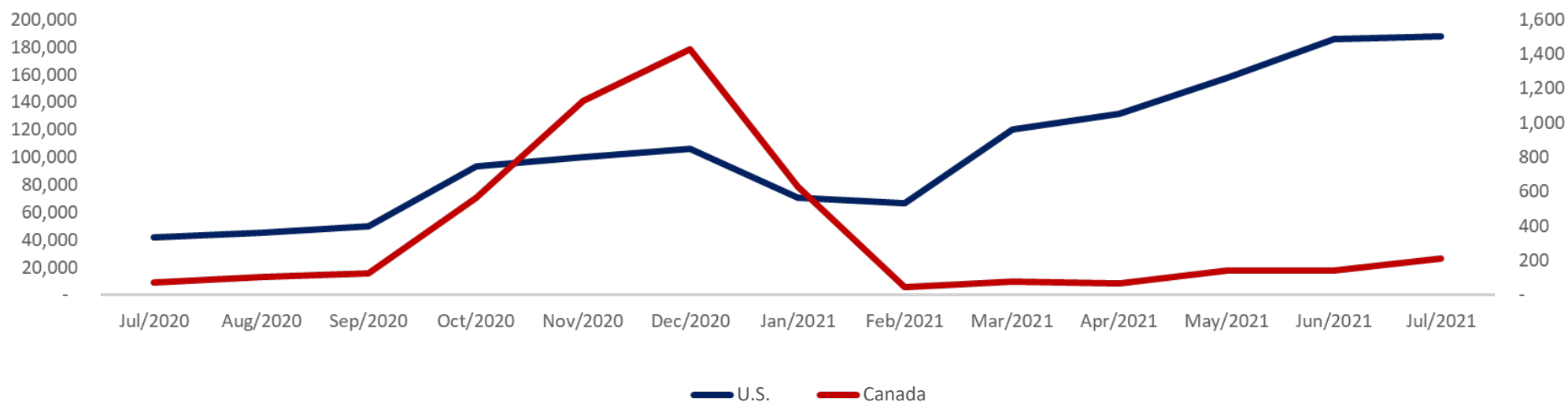
- According to DataTur, the number of national residents arriving at hotels in Los Cabos reached **22.4%** in Jul-2021 (10.4pp fewer than in 2019).
- Moreover, the share of domestic passengers in the total recorded by Los Cabos International Airport summed up to **33%** in Jul-2021. This represents a decrease of 7.8pp vs. 2019.
- In Jun-2021, Tourist Surveys indicated that the share of domestic tourism in the total received by Los Cabos reached **32%** (8.6pp more than in 2019).

SOURCE: DATATUR, GAP, TOURIST SURVEYS

International tourist arrivals by air, by origin (residence), monthly

Regions	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Nov/2020	Dec/2020	Jan/2021	Feb/2021	Mar/2021	Apr/2021	May/2021	Jun/2021	Jul/2021	Δ Jul 21 / Jul 19	Δ Jan-Jul 21 / Jan-Jul 19
U.S.	41,696	45,112	50,077	93,069	100,320	105,991	70,454	66,275	120,361	131,784	157,649	185,830	188,099	32.4%	-7.3%
Canada	74	106	128	563	1,126	1,429	628	44	75	66	144	144	211	-95.2%	-98.7%
Europe	43	52	40	48	70	64	32	32	39	37	61	55	136	-84.8%	-94.2%
Caribbean, Central & South America	34	19	33	37	48	43	19	18	31	24	58	76	138	-42.3%	-76.3%
Rest of the world	52	64	71	106	127	67	12	11	38	24	48	90	163	-80.9%	-94.1%
Grand total	41,899	45,353	50,349	93,823	101,691	107,594	71,145	66,380	120,544	131,935	157,960	186,195	188,747	27.1%	-16.9%

Key markets	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Nov/2020	Dec/2020	Jan/2021	Feb/2021	Mar/2021	Apr/2021	May/2021	Jun/2021	Jul/2021	Δ Jul 21 / Jul 19	Δ Jan-Jul 21 / Jan-Jul 19
United Kingdom	8	19	10	9	21	18	5	16	16	8	25	15	50	-72.8%	-91.1%
Australia	13	9	18	18	42	19	3	1	4	4	4	12	18	-94.6%	-98.1%
South Korea	2	3	6	5	8	3	-	-	10	1	5	6	17	-80.5%	-94.8%
Total key markets	23	31	34	32	71	40	8	17	30	13	34	33	85	-86.0%	-95.2%



SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence)

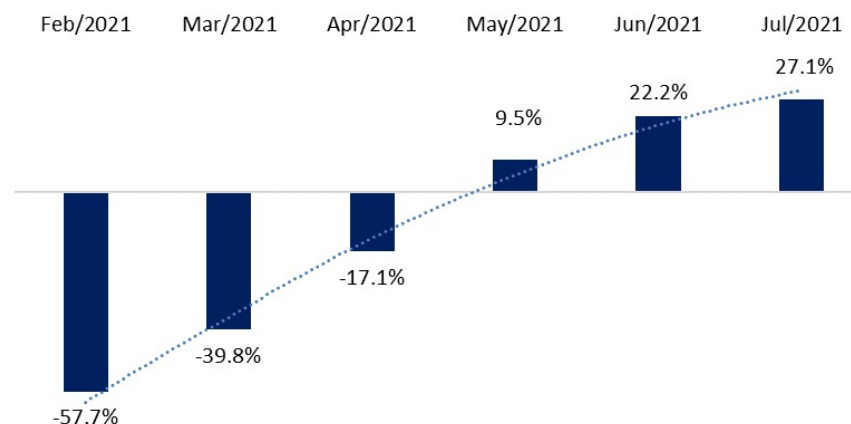
+27.1%

Jul-2021 vs. Jul-2019

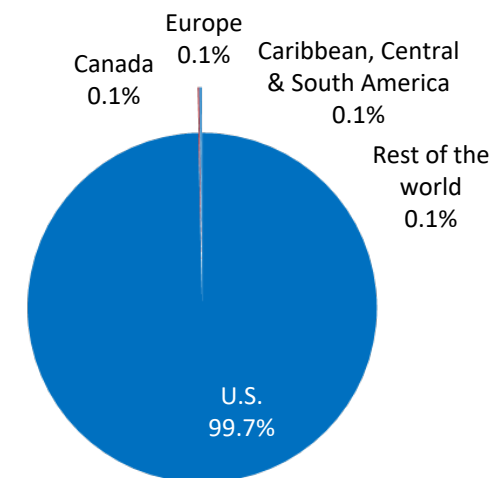
In Jul-2021, Los Cabos International Airport recorded the arrival of 188,747 international tourists, up 27.1% compared to Jul-2019.

American tourists represent 99.7% of the total.

Annual variation of international tourist arrivals by air to Los Cabos International Airport (Jan-Jul-2021 vs. 2019)



Share of international tourist arrivals by air to Los Cabos International Airport (Jul-2021)

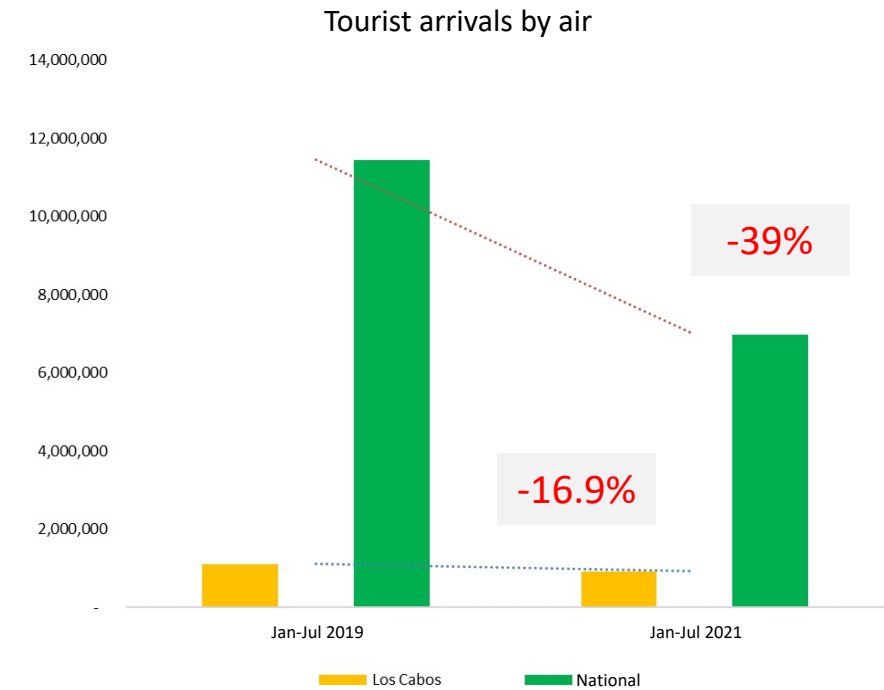


SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence), Jan-Jul aggregate

Regions	National			Los Cabos		
	Jan-Jul 2019	Jan-Jul 2021	Δ 2021/2019	Jan-Jul 2019	Jan-Jul 2021	Δ 2021/2019
U.S.	6,798,334	5,757,833	-15.3%	993,051	920,452	-7.3%
Canada	1,521,866	57,129	-96.2%	102,514	1,312	-98.7%
Europe	1,139,109	328,752	-71.1%	6,744	392	-94.2%
Caribbean, Central & South America	1,558,759	686,579	-56.0%	1,539	364	-76.3%
Rest of the world	433,364	156,367	-63.9%	6,513	386	-94.1%
Grand total	11,451,432	6,986,660	-39.0%	1,110,361	922,906	-16.9%

Key markets	National			Los Cabos		
	Jan-Jul 2019	Jan-Jul 2021	Δ 2021/2019	Jan-Jul 2019	Jan-Jul 2021	Δ 2021/2019
United Kingdom	327,500	29,951	-90.9%	1,512	135	-72.8%
Australia	38,373	1,939	-94.9%	2,362	46	-94.6%
South Korea	51,798	5,256	-89.9%	752	39	-80.5%
Total key markets	417,671	37,146	-91.1%	2,242	220	-86.0%



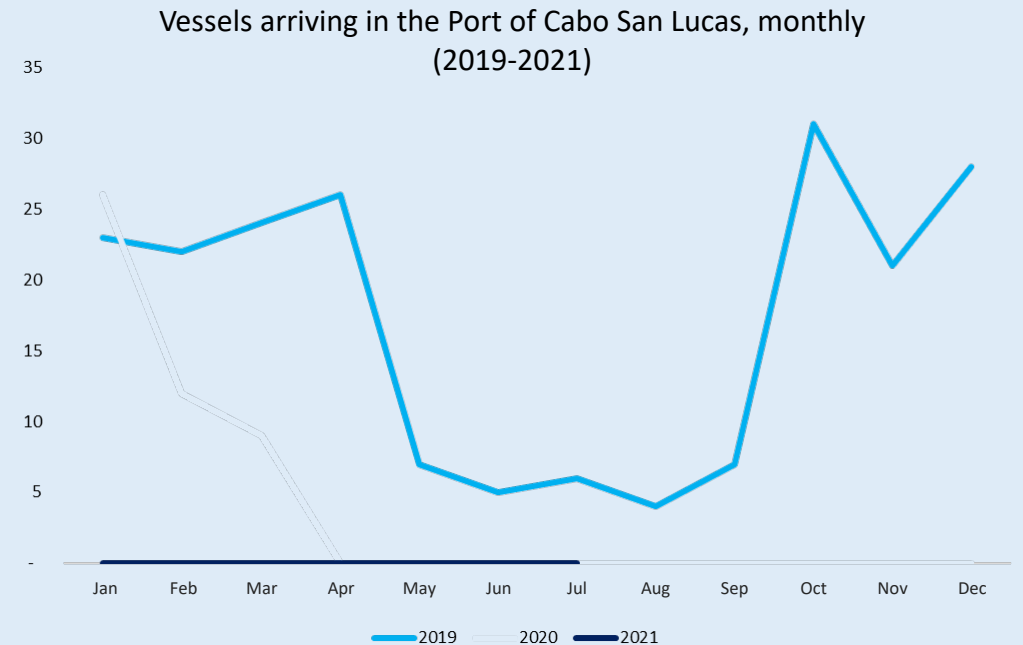
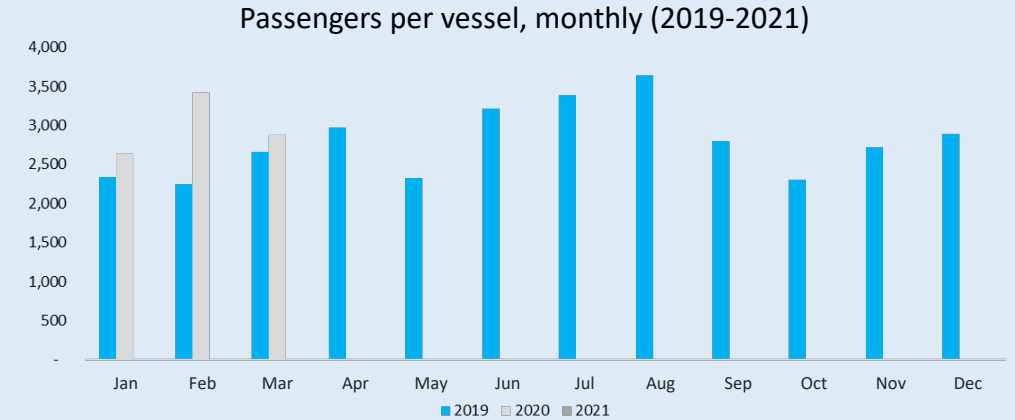
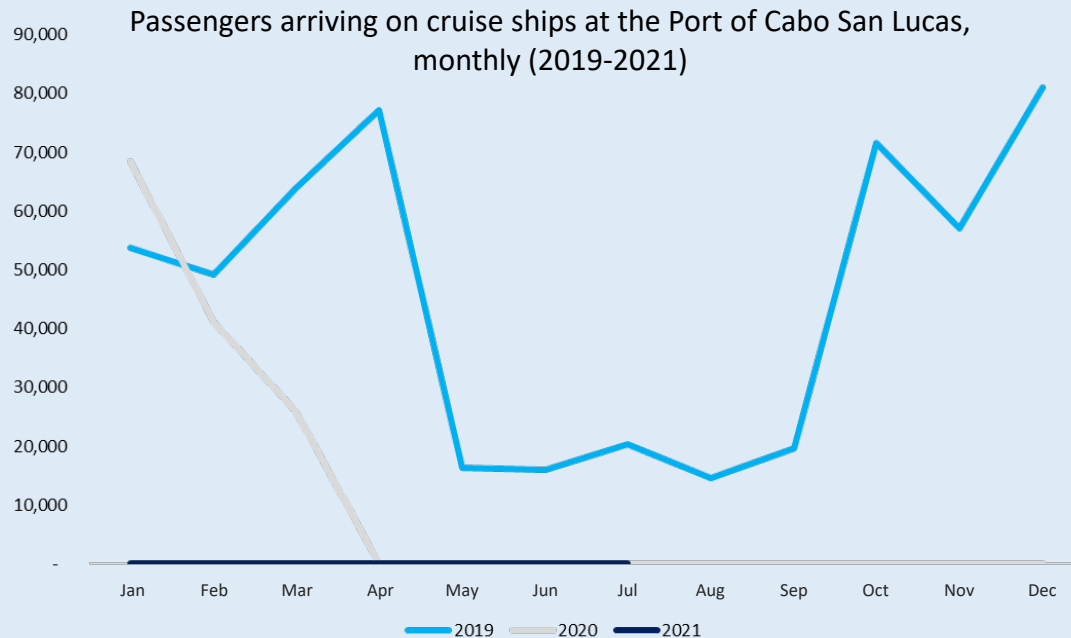
When comparing Jan-Jul-2021 vs. Jan-Jul-2019, tourist arrivals decreased by 39% nationwide and 16.9% in Los Cabos.

- On a national level, the U.S. market decreased by 15.3%, whereas the Canadian market did so by 96.2%.
- In Los Cabos International Airport, the U.S. and the Canadian markets decreased by 7.3% and 98.7% when comparing both periods.

SOURCE: INM-SIOM

Cruise activity (Jul-2021)

There were no vessel or cruise ship arrivals at the Port of Cabo San Lucas in Jul-2021.

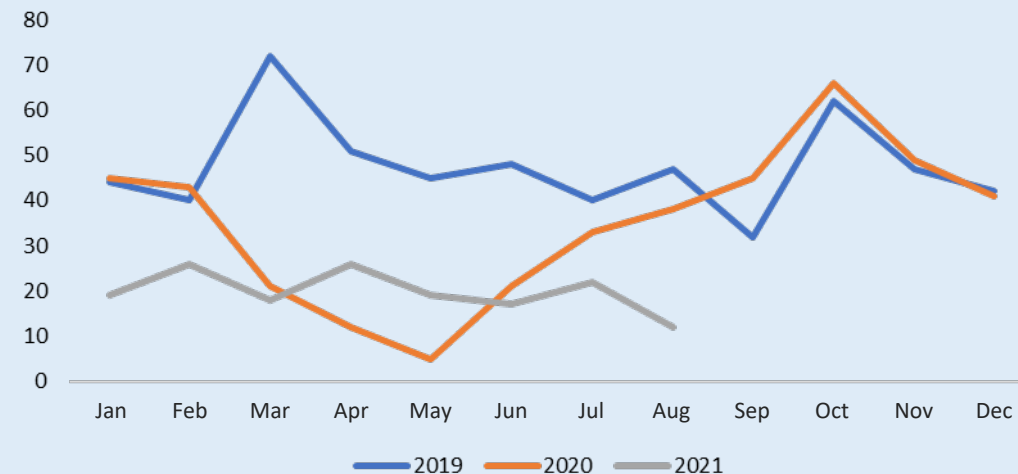


SOURCE: DATATUR-SCT

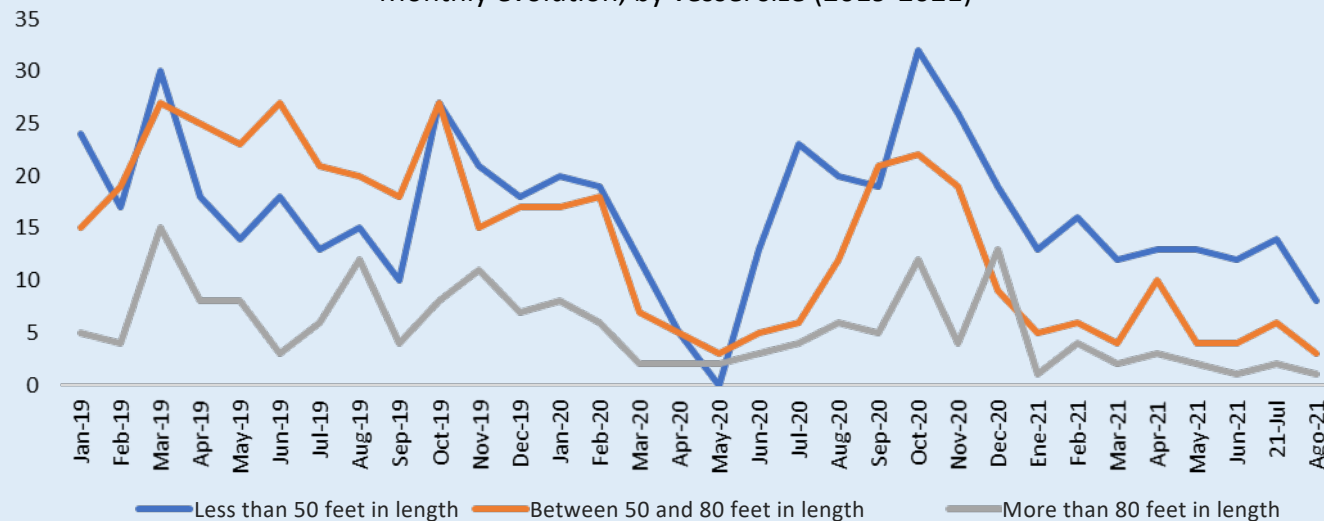
Yacht arrivals at the Port of Cabo San Lucas (Aug-2021)

- **12 yachts arrived at the Port of Cabo San Lucas in Aug-2021.** This represents a decrease of **68%** compared to the same period in 2020 and a **76%** decrease compared to 2019.
- **67% of these vessels measured less than 50 feet in length.** Vessel size proportion has increased by **35pp** between Aug-2019 and Aug-2021.

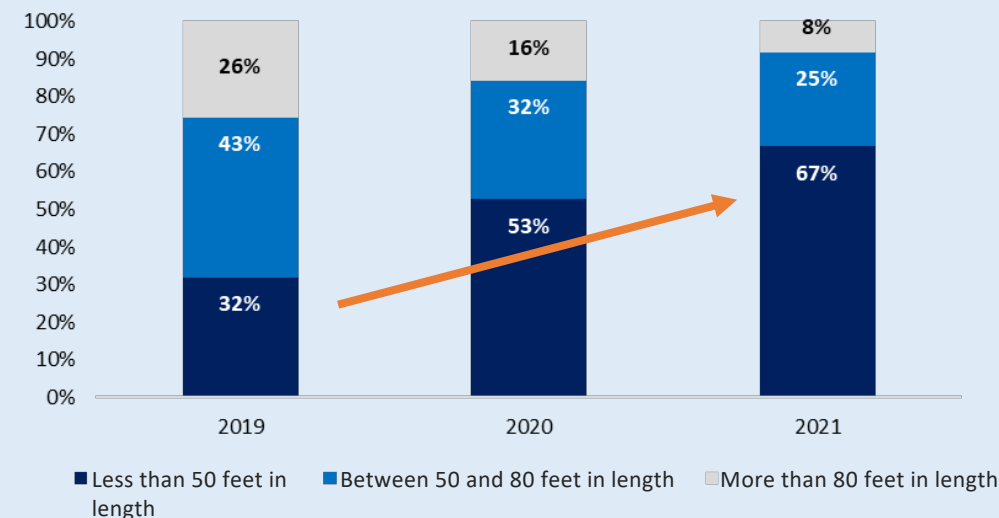
Total yacht arrivals, monthly (2019-2021)



Monthly evolution, by vessel size (2019-2021)



Arrivals distribution, by vessel size (August)



SOURCE: API Cabo San Lucas



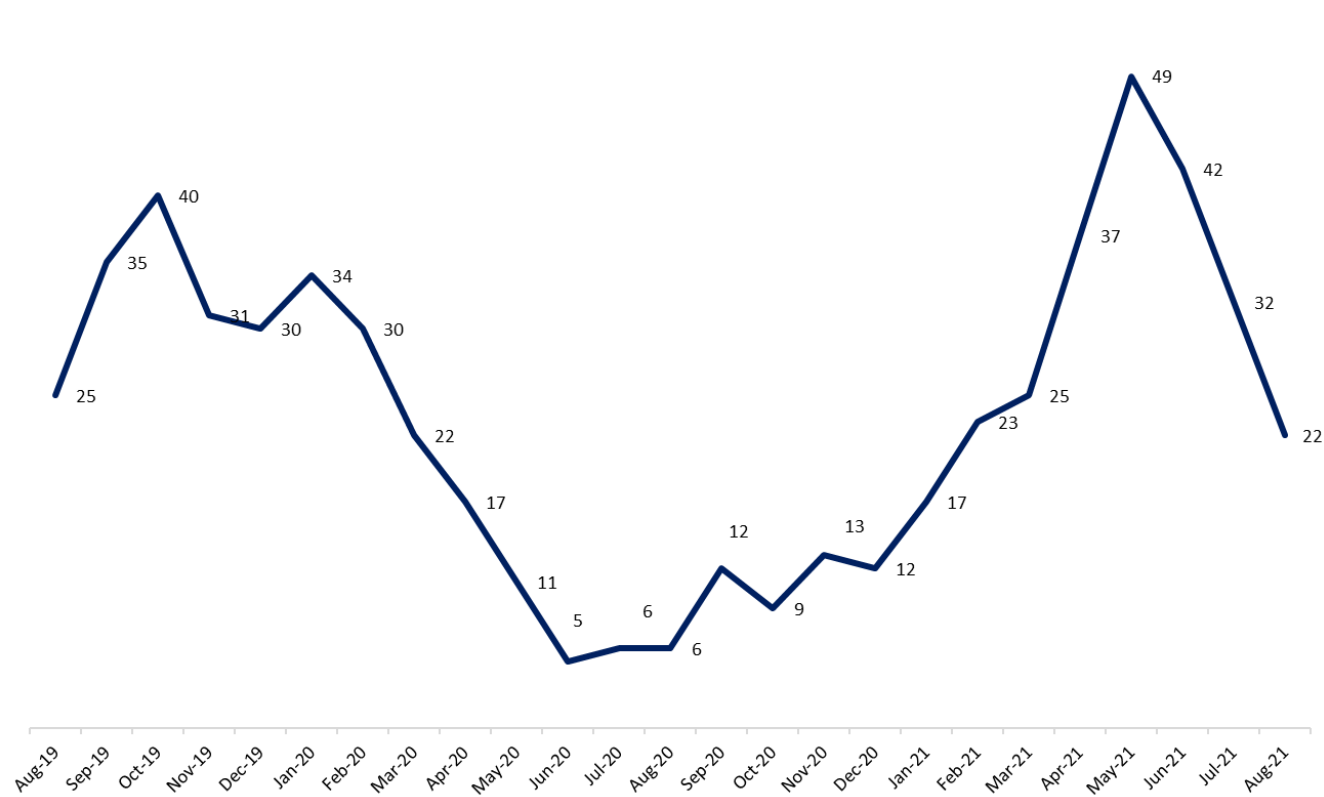
LOS CABOS TOURISM OBSERVATORY

TOURIST SURVEYS & GROUP BUSINESS



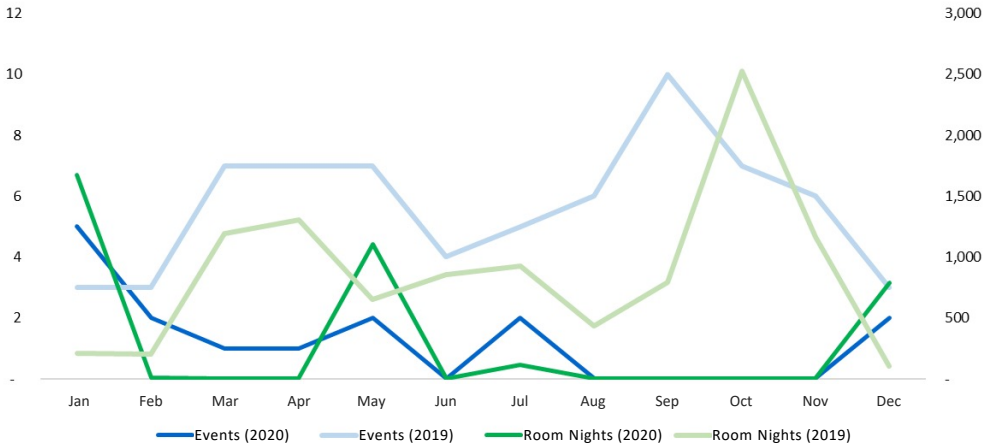
Group Business

RFPs received from meeting and group events, last 24 months (CVENT)



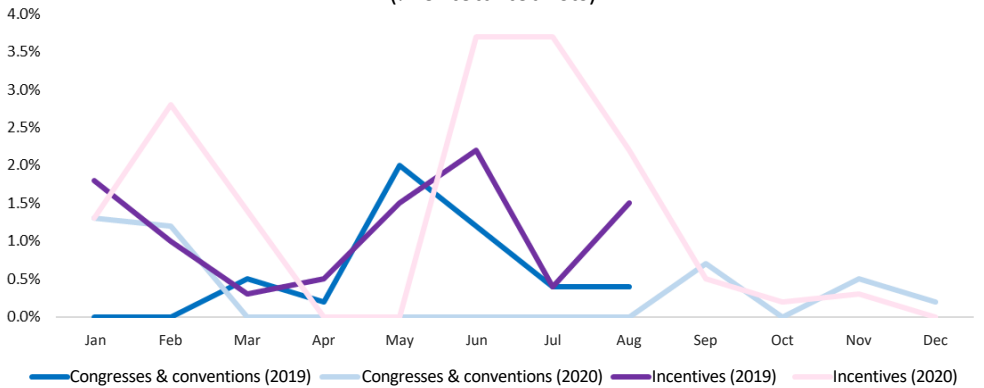
SOURCE: CVENT

Confirmed room nights and events for meetings and groups



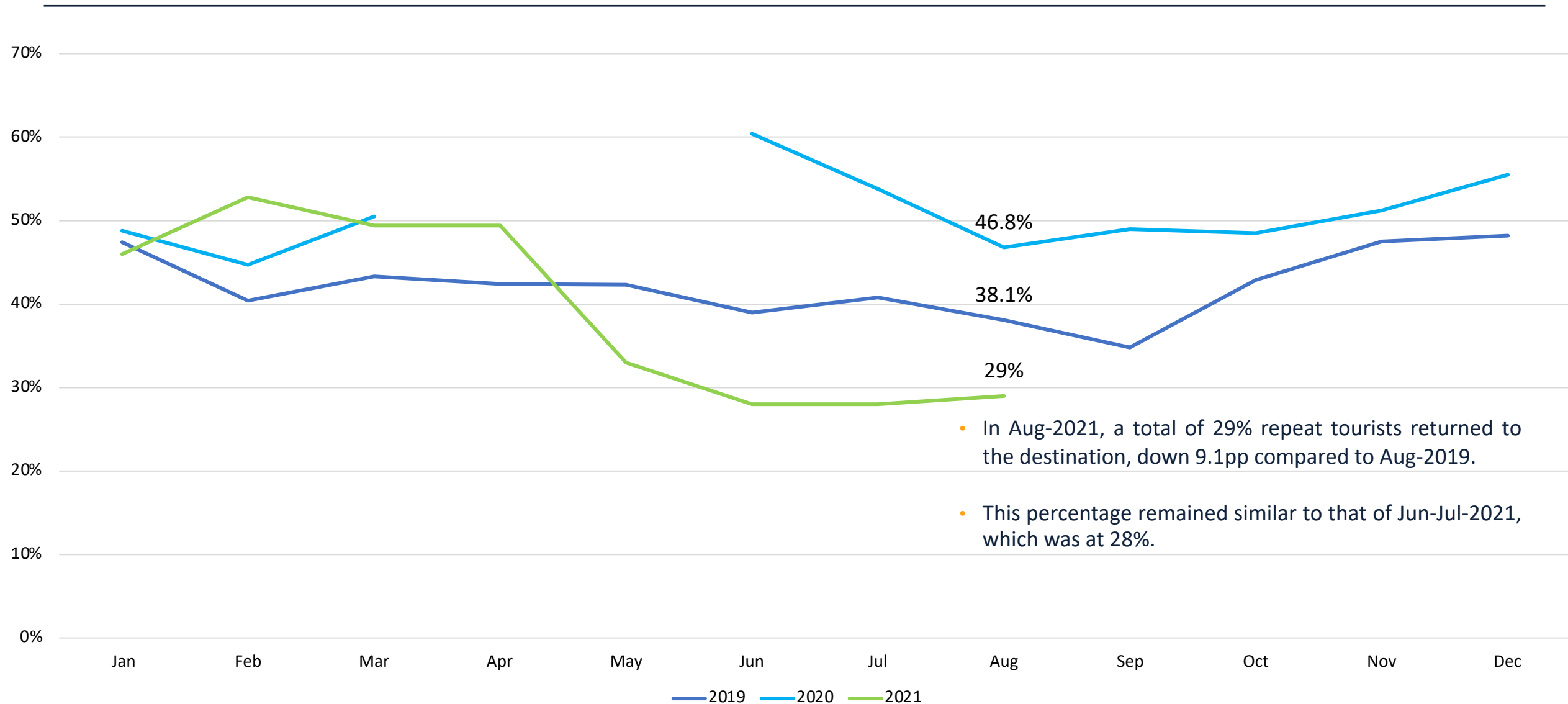
SOURCE: HELMS BRISCOE

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



SOURCE: TOURIST SURVEYS

Return rate to the destination

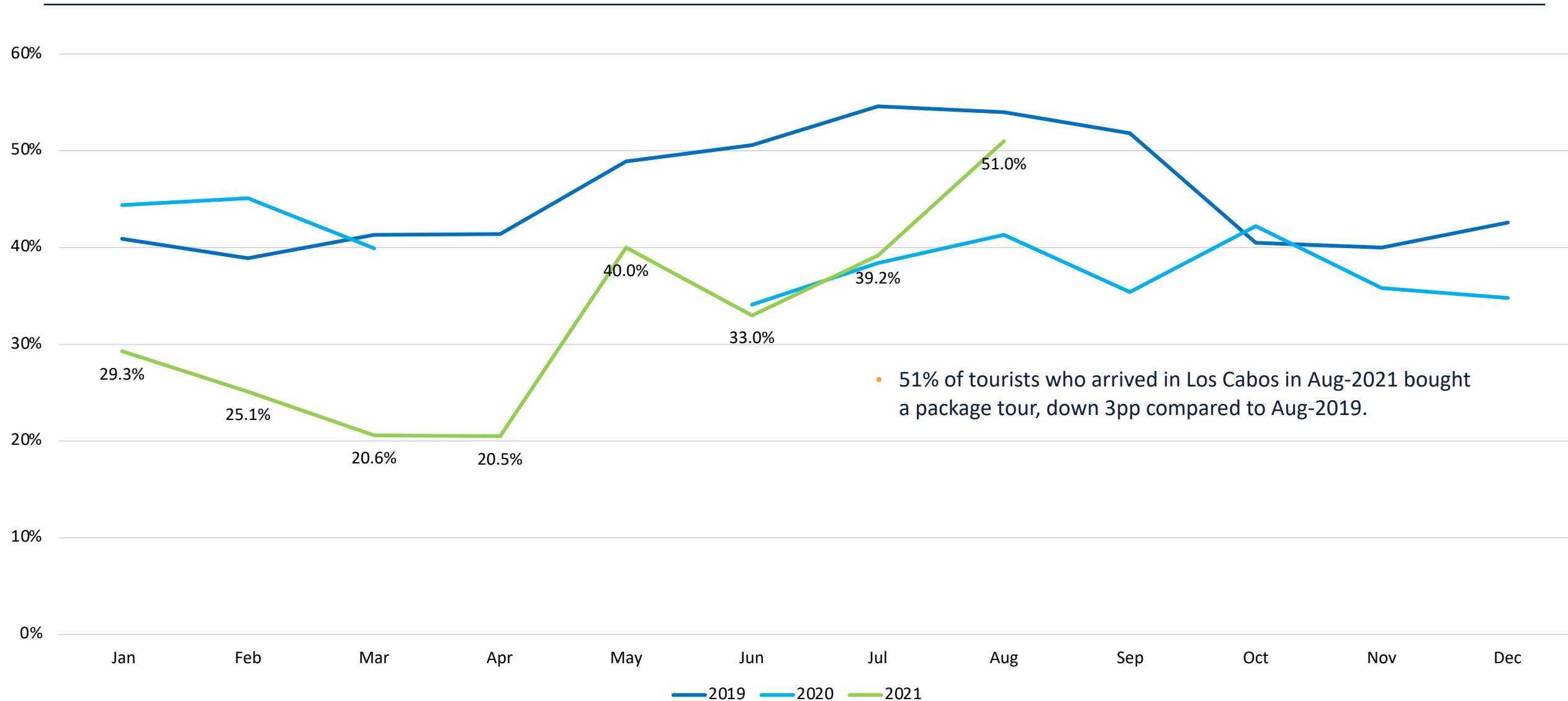


- In Aug-2021, a total of 29% repeat tourists returned to the destination, down 9.1pp compared to Aug-2019.
- This percentage remained similar to that of Jun-Jul-2021, which was at 28%.

SOURCE: TOURIST SURVEYS

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

Package tour purchases



- 51% of tourists who arrived in Los Cabos in Aug-2021 bought a package tour, down 3pp compared to Aug-2019.

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

Timeshares



SOURCE: TOURIST SURVEYS

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



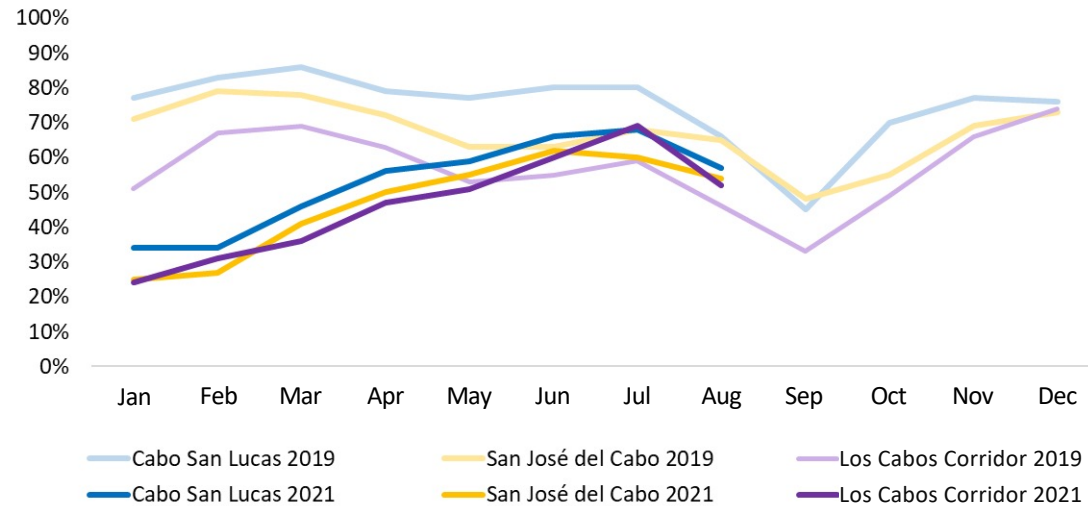
LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS



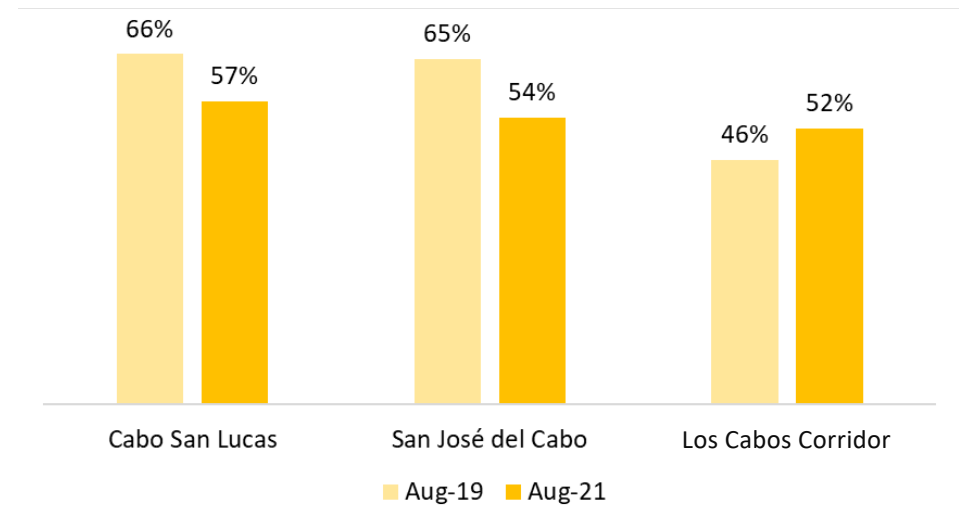
Evolution of the hotel supply in Los Cabos and sub-destinations

Monthly hotel occupancy (2019-2021)



SOURCE: AHLC

Hotel occupancy, current month (2019-2021)

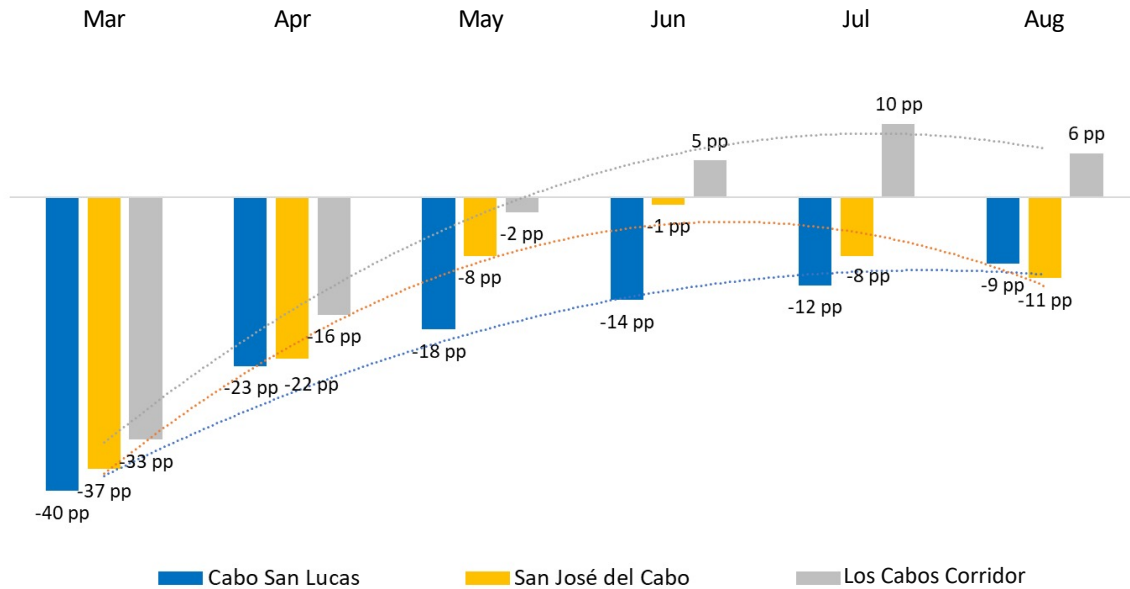


SOURCE: AHLC

- According to the Los Cabos Hotel Association, hotel occupancy in Los Cabos reached 56% during Aug-2021, down 5pp compared to 2019. On a sub-destination level, Cabo San Lucas and San Jose del Cabo were at 57% and 54% (both decreased by 9pp and 11pp, respectively). In contrast, hotel occupancy in Los Cabos Corridor increased by 6pp and stood at 52%.
- In Jul-2021, 248,101 tourists arrived at hotels in Los Cabos, 9% fewer compared with Jul-2019. The average stay also decreased by 0.1 nights against 2019 (4.90, according to DataTur).
 - Domestic tourist arrivals at hotels fell 34.7% in this period, while international tourism grew 2.7%.
 - In Jul-2021, domestic tourism represented 22.4% of the total. A share of 32.8% was recorded in 2019.

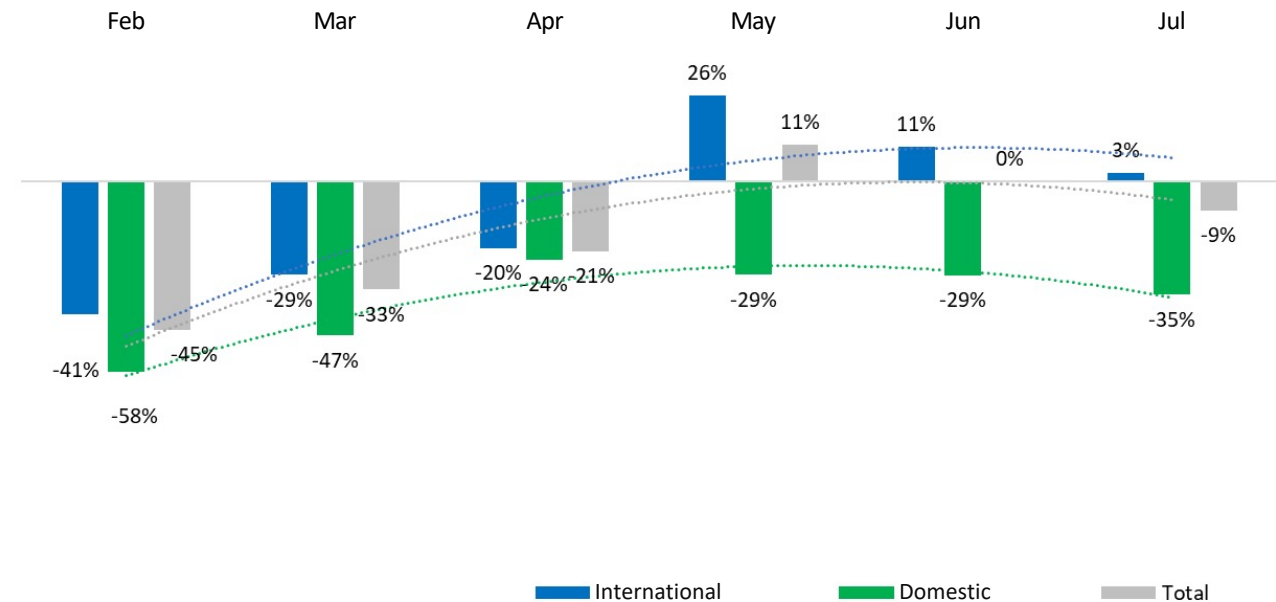
Evolution of the hotel supply in Los Cabos and sub-destinations

Annual variation in hotel occupancy, by destination
(Mar-Aug-2021 vs. 2019)



SOURCE: AHLIC

Annual variation of tourist arrivals at hotels, by origin
(Feb-Jul-2021, vs. 2019)

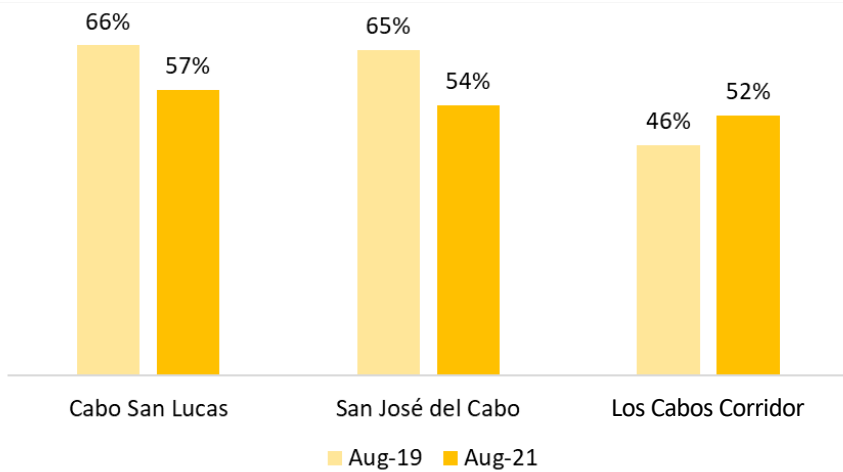


SOURCE: DATATUR

- In Cabo San Lucas, the drop in hotel occupancy decreased and went from -12pp in Jul-2021 (compared to 2019) to -9pp in Aug-2021.
- However, hotel occupancy in San Jose del Cabo had a most significant decrease, recording 11pp this month (3pp below that of Jul-2021).
- The Corridor has shown growth for three consecutive months, reaching 6pp when comparing Aug-2021 with the previous year.

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

Hotel occupancy (August 2019-2021)

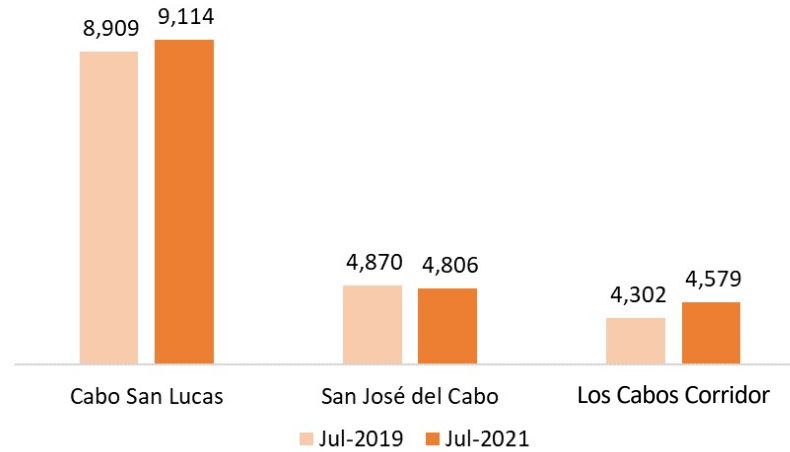


SOURCE: AHLC

CABO SAN LUCAS

- Hotel occupancy was at 57%, which implies a decrease of 9pp (Aug-2021 vs. Aug-2019, AHLC).
- Its hotel supply increased 2.3% between Jul-2019 and Jul-2021, registering 9.1 thousand rooms (DataTur).
- Occupied room nights decreased 9.7% between Jul-2019 and Jul-2021 (DataTur).

Rooms available (July 2020-2021)

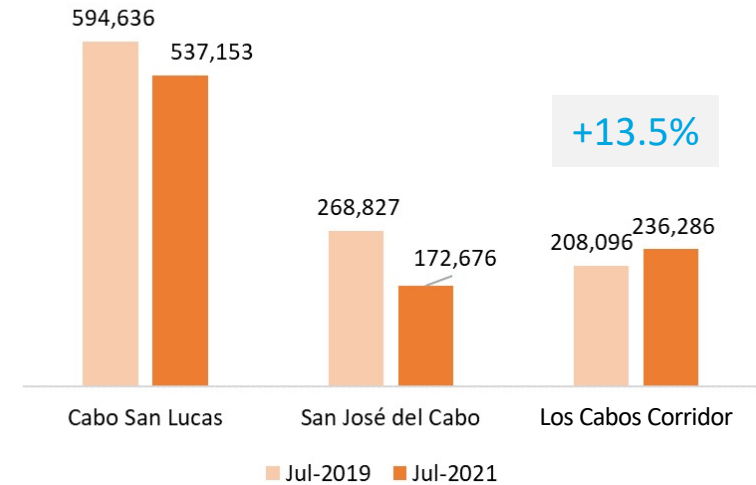


SOURCE: DATATUR

SAN JOSE DEL CABO

- Occupancy dropped 11pp (54%) when comparing Aug-2021 to Aug-2019 (AHLC).
- Its hotel supply decreased 1.3% between Jul-2019 and Jul-2021, registering 4.8 thousand rooms (DataTur).
- Occupied room nights **decreased 35.8%** between Jul-2019 and Jul-2021 (DataTur).

Room nights (July 2019-2021)



SOURCE: DATATUR

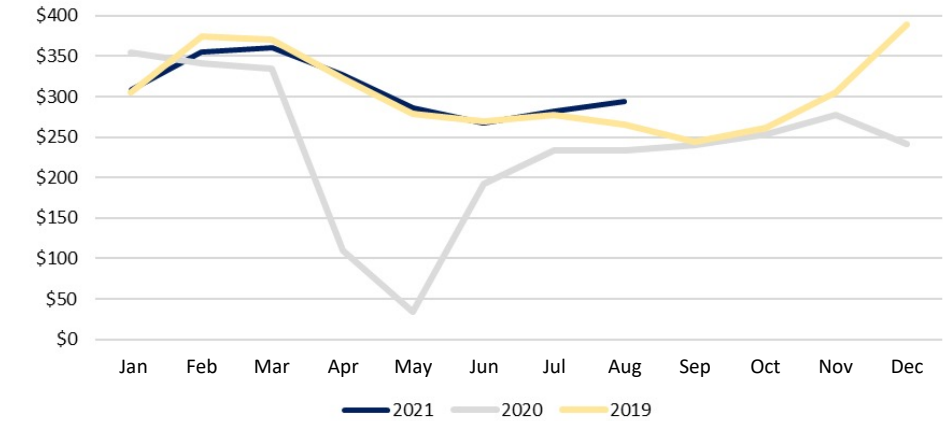
LOS CABOS CORRIDOR

- Occupancy was at 52% in Aug-2021, which implies an increase of 6pp (AHLC).
- Its hotel supply increased 6.4% between Jul-2019 and Jul-2021, registering 4.6 thousand rooms (DataTur).
- Occupied room nights **increased 13.5%** between Jul-2019 and Jul-2021 (DataTur).

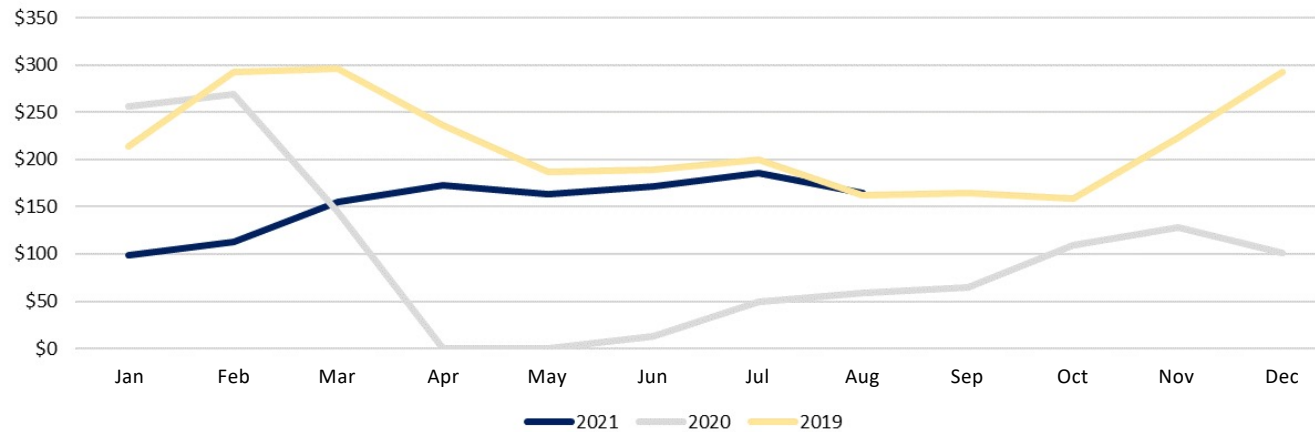
Evolution of the RevPAR and the average hotel rate in Los Cabos & sub-destinations

- The average hotel rate in Los Cabos for Aug-2021 was USD 294, 3 dollars above the last 12-month average (\$291) and 29 dollars above that of Aug-2019.
 - Cabo San Lucas recorded a decrease of 15.6% (USD 39) and now stands at USD 216.
 - San Jose del Cabo increased its rate by 1.5% (USD 3) and now stands at USD 209.
 - Compared to 2019, the rate in Los Cabos Corridor **increased 36.5% (USD 122)** and recorded USD 456.
- The RevPAR in Aug-2021 was USD 165, 3 dollars (+1.9%) above the one recorded in Aug-2019.

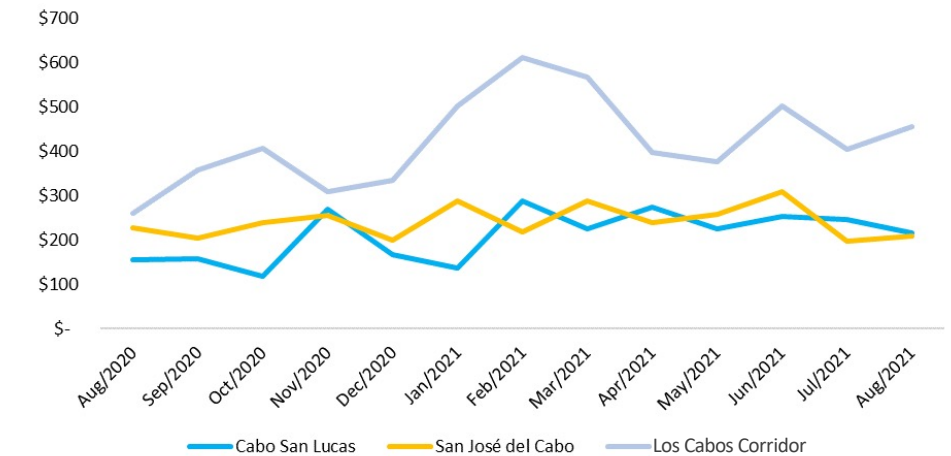
Average Hotel Rate, Los Cabos (USD, 2019-2021)



RevPAR Los Cabos (USD, 2019-2021)



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



SOURCE: AHLIC

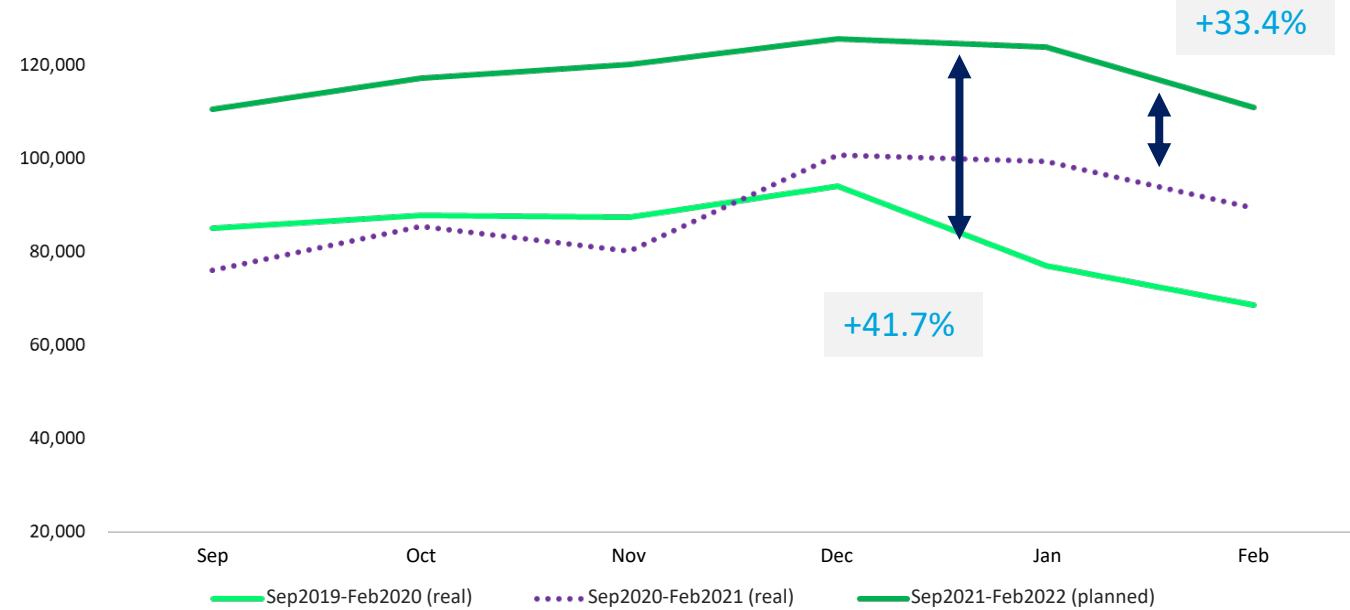
Domestic air connectivity

SEATS SCHEDULED FROM SEP-2021 TO FEB-2022

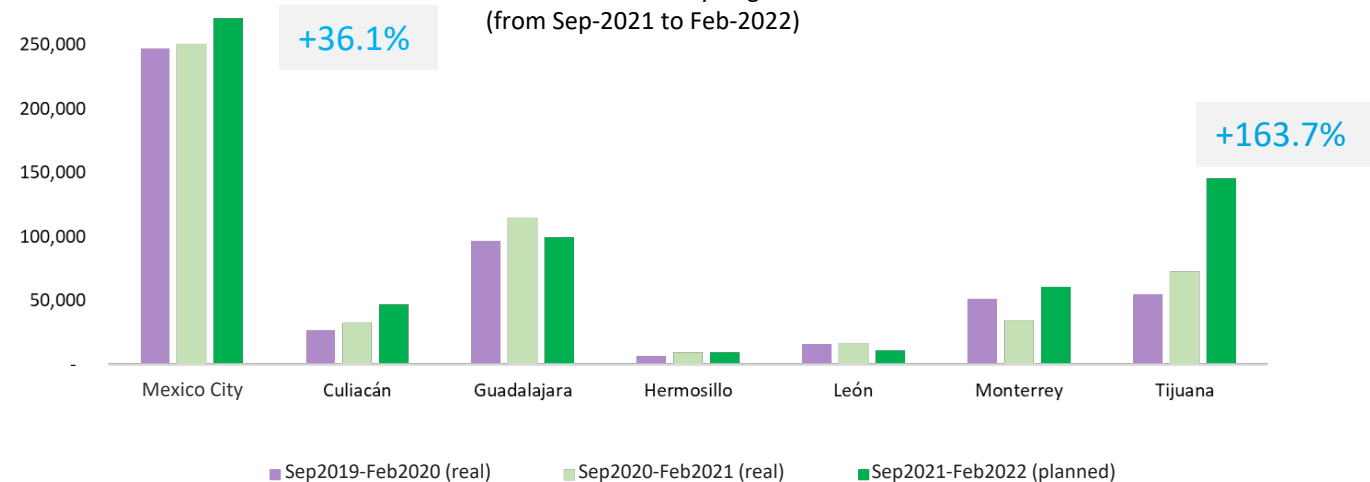
Seat offer report for the month in question and the following 6 months, as the case may be

- There are 500 thousand seats scheduled for the next 6 months, 41.7% more compared to the same period in 2019.
 - However, when comparing the seats scheduled for the next 6 months against the 2020 schedule (pandemic), the volume of programmed seats is 33.4% higher.
 - There are 30% more available seats expected for Sep-2021 than those scheduled for Sep-2019.
- Mexico City, GDL, and Tijuana are the most relevant issuing markets, having 47%, 14%, and 20% of total available seats (for the next 6 months), followed by Monterrey (9%), Culiacan (7%), Leon (2%), and Hermosillo (1%).
 - Seats from CDMX, MTY, and TIJ increased 36.1%, 18.8%, and 163.7%, respectively (when compared against 2019). However, BJX decreased by 31.4%. Consequently, TIJ's market share grew 9pp during these 6 months, and BJX's dropped 1pp.
- For the next 6 months, 50% of the available seats will be provided by Volaris, followed by Viva Aerobus with 34% and Aeromexico with 16%. Interjet has dropped to 0%.
 - 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.
- Load factors of domestic airlines for Jun-2021 were: Aeromexico (72%) and Volaris (81%).

Seat scheduling for flying to San Jose del Cabo (from Sep-2021 to Feb-2022)



Seats scheduled by origin (from Sep-2021 to Feb-2022)



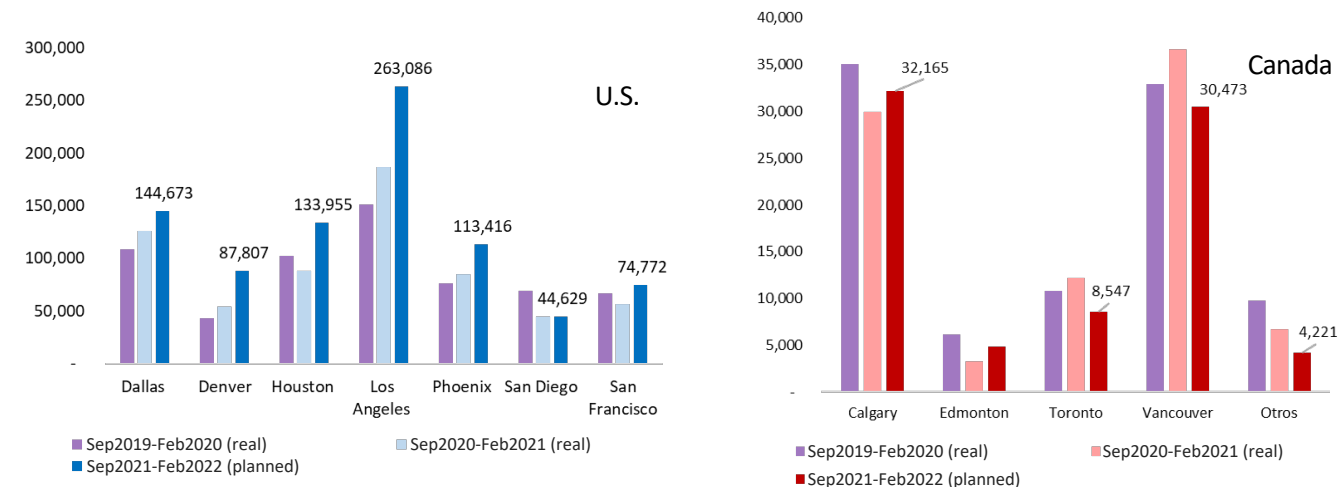
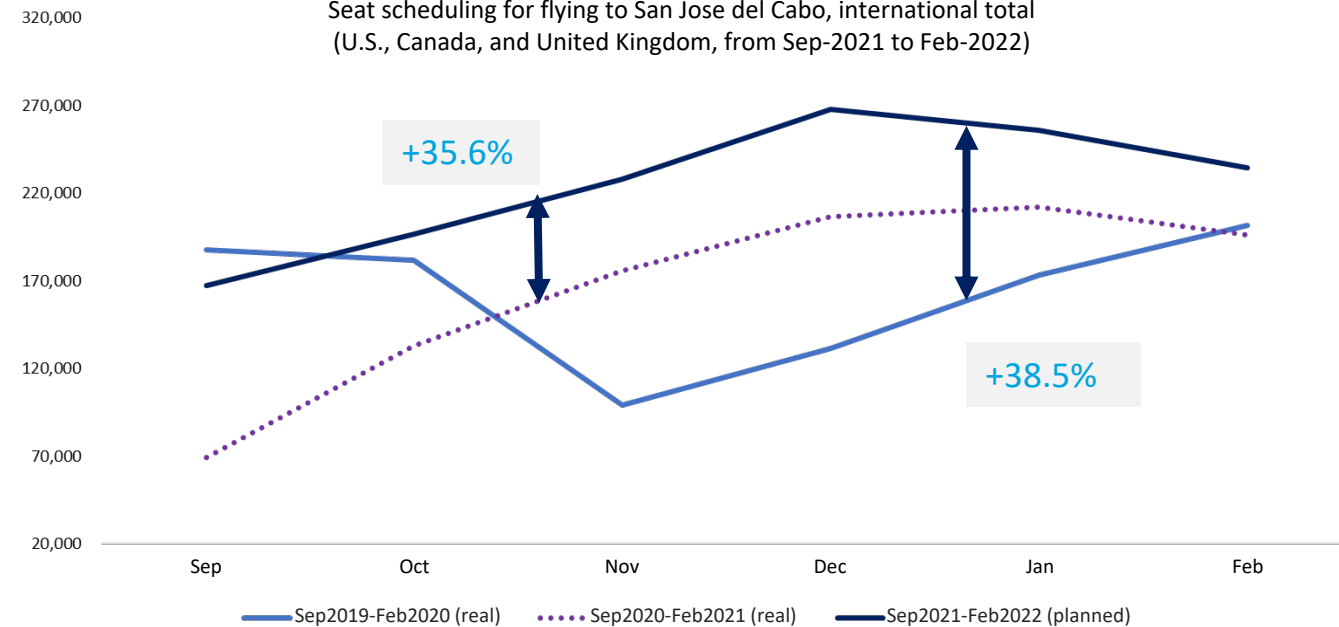
International air connectivity

SEATS SCHEDULED FROM SEP-2021 TO FEB-2022

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

- For the U.S., there are 1.27 million seats scheduled for the next 6 months, which is **45.1% more** seats compared to the same period in 2019.
 - However, when comparing the seats scheduled for the next 6 months against the 2020 schedule (pandemic), the volume of programmed seats is **40.5% higher**.
 - LAX (+73.9%), PHX (+49.4%), HOU (+31.1%), DFW (+33.1%), DEN (+102.3%), and SEA (+64.9%)** have the most significant increase in service vs. 2019. However, a decrease of 35.5% is observed in San Diego.
 - Los Angeles is the main issuing market in the U.S. (21% of the market), followed by DFW (11%), Houston (11%), and Phoenix (9%).
 - American, Alaska, Delta, and United Airlines are the most relevant (78% as a whole).
 - For Sep-2021, the United States expects 74.9% more available seats than those scheduled for 2019.
- For Canada, there are 80.3 thousand seats scheduled for the next 6 months, which is **15.3% fewer** seats compared to the same period in 2019.
 - When comparing the seats scheduled for the next 6 months against the 2020 schedule (pandemic), the volume of programmed seats is 9.6% lower.
 - There are 60.1% fewer available seats expected for Sep-2021 than those scheduled for Sep-2019.
 - All airports show a decrease in service within the next 6 months: Calgary (-8.3%), Vancouver (-24.6%), Toronto (-20.7%), and Edmonton (-21.1%).
 - During this period, Swoop, Air Canada, and WestJet will reduce the number of seats by 100%, 26.1%, and 1.7%, respectively, while Sunwing will have a 3.5% increase compared to the number of seats scheduled for 2019.
- Load factors of international airlines for Jun-2021 were: American (87%), Alaska (82%), Delta (80%), United (86%), and Southwest (78%).

Seat scheduling for flying to San Jose del Cabo, international total (U.S., Canada, and United Kingdom, from Sep-2021 to Feb-2022)





LOS CABOS TOURISM OBSERVATORY

PUBLIC RELATIONS



Public relations: notes and scope

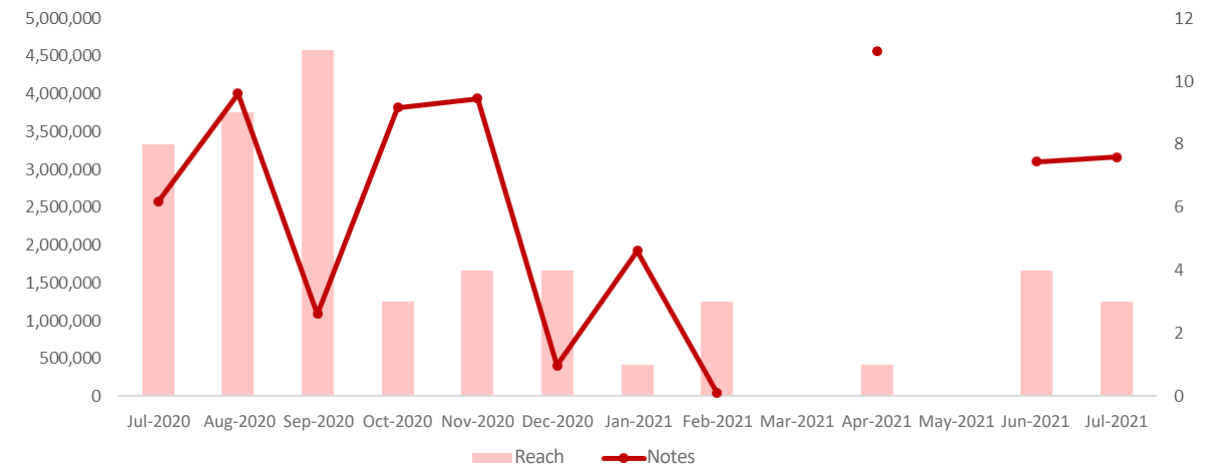
- In the domestic market:

- During Aug-2021, 27 placements were introduced, accounting for 3.1 million impressions. An average of 42 placements has been published monthly since the pandemic started in April 2020, with a **monthly reach of 3.6 million**.

- In the international market:

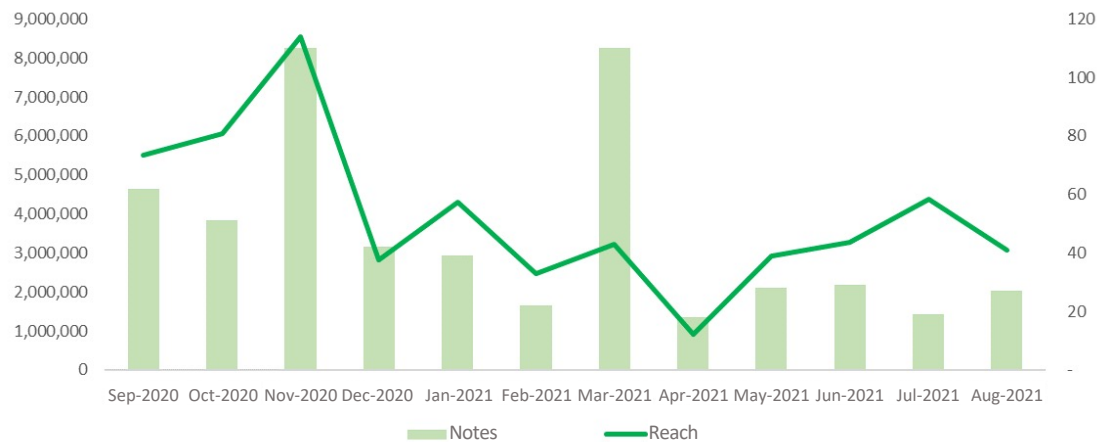
- In Aug-2021, 4 placements and 42.4 million impressions were achieved in the United States. An average of 22 placements has been published monthly since the pandemic started, with a **monthly reach of 734 million**.
- 31 notes were delivered to the Canadian market throughout Jun-2021, achieving 18.9 million impressions. An average of 6 placements has been published monthly since April, with a **monthly reach of 4.7 million**.

NOTES MADE FOR THE CANADIAN MARKET - TOTAL & REACH



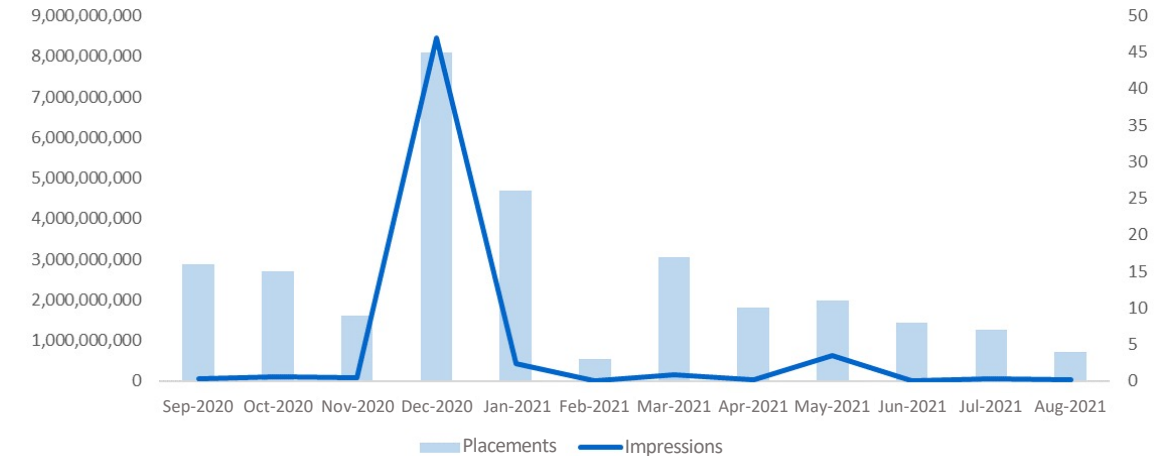
SOURCE: JESSON+CO

NOTES MADE FOR THE DOMESTIC MARKET - TOTAL & REACH



SOURCE: GAUDELLI (Feb-2018 to Jan-2019), LLORENTE & CUENCA (Feb-2019 to Aug-2021)

NOTES MADE FOR THE U.S. MARKET - TOTAL & REACH



SOURCE: NJF (Feb-2018 to Jan-2019), OGILVY (Feb-2019 to Aug-2021)



LOS CABOS TOURISM OBSERVATORY

DEFINITIONS



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 TOURISM OBSERVATORY

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