LOS CABOS

LOS CABOS TOURISM OBSERVATORY

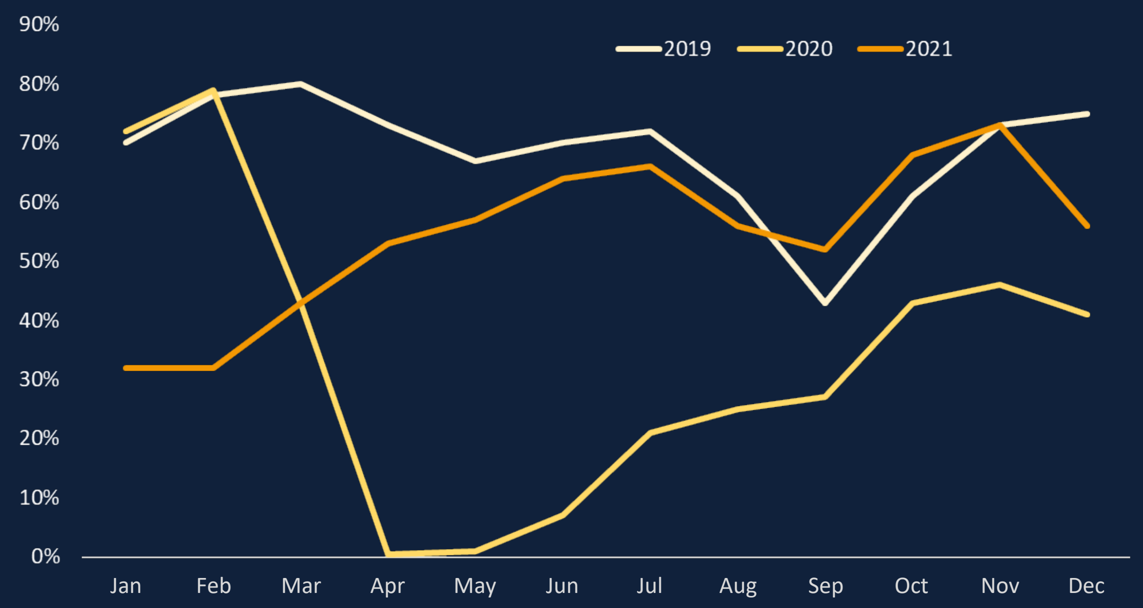
KEY PERFORMANCE INDICATORS

JANUARY 2022

Leading indicators – Summary

Hotel Performance

Hotel Occupancy:



Hotel Occupancy
(Dec-2021):
56%
-19pp
(vs. Dec-2019)

SOURCE: AHLC

Rooms Available
(Nov-2021):
22,116
+0%
(vs. Nov-2019)

SOURCE: DATATUR

Room Nights
(Nov-2021):
1,134,008
+2.8%
(vs. Nov-2019)

SOURCE: DATATUR

Air Passenger Arrivals

Total Passengers
(Dec-2021, expressed in thousands):
291
+11.2%
(vs. Dec-2019)

National Passengers
(Dec-2021, expressed in thousands):
98.9
+22.5%
(vs. Dec-2019)

International Passengers
(Dec-2021, expressed in thousands):
192.1
+6.2%
(vs. Dec-2019)

SOURCE: GAP

Other indicators

Cruise Ships
(Nov-2021):
27
+15 vessels
(vs. Nov-2019)

SOURCE: DATATUR

Cruise Passengers
(Nov-2021):
45,887
+30.6%
(vs. Nov-2019)

SOURCE: DATATUR

Group Business Total
RFPs (Dec-2021):
29
-1 RFPs
(vs. Dec-2019)

SOURCE: CVENT

Tourist Satisfaction:
More than expected
(Dec-2021):
64%
+29.5pp
(vs. Dec-2019)

SOURCE: TOURIST SURVEYS

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

SOURCE: TOURIST SURVEYS

Tourists' Origin
(Dec-2021):
69.2% foreigners
-4.3pp
(vs. Dec-2019)

SOURCE: TOURIST SURVEYS

LOS CABOS

Leading indicators – Summary

PASSENGER ARRIVALS

- In Dec-2021, Los Cabos International Airport recorded an 11.2% (+29.4 thousand) increase in the total number of passengers arriving at the destination compared to Dec-2019, adding up to a total of 291 thousand (when considering arrivals only).
  - Passengers on domestic flights (98.9 thousand) represent 34% of total arrivals, increasing by 22.5% (+18.15 thousand) compared to Dec-2019.
  - Passengers on international flights (192.1 thousand) represent 66% of total arrivals, increasing by 6.2% (+11.25 thousand) compared to Dec-2019.

FLIGHT SCHEDULES

- The domestic market has 42.9% more available seats scheduled from Jan-2022 to Jun-2022 (compared to the same period in 2019). 42.6% more seats are expected in Jan-2022.
  - Flight seats departing from CDMX, MTY, and TIJ increased by 38.9%, 101.8%, and 197.6%, respectively (compared to 2019); however, BJX decreased by 49%.
- There are 1.3 million seats scheduled for the U.S. in the next six months, which is 32.8% more than the same period in 2019.
  - LAX (+39.6%), PHX (+40.7%), HOU (+32.6%), DFW (+31.2%), DEN (+65.4%), and SEA (+97.27%) had the most significant increase vs. 2019. However, San Diego showed a decrease of 35.2%.
- For Jan-2022, the United States expects 38.4% more available seats than those scheduled for 2019.
- From Canada, 21.6% fewer seats are expected in the next six months, with a 31.1% drop in Jan-2022.
  - Decreases are expected in Calgary (-43.9%), Edmonton (-17.6%), and Toronto (-10.1%) within the next six months. Vancouver showed an increase of 34% compared with 2019.

HOTEL PERFORMANCE

- Occupancy in Dec-2021 was at 56%, down 19pp compared to Dec-2019.
  - Occupancy in Cabo San Lucas decreased by 18pp compared to Dec-2019 and is now at 58%.
  - San Jose del Cabo recorded an occupancy rate of 52% (21pp lower than in Dec-2019).
  - Los Cabos Corridor recorded an occupancy rate of 52% (a 22pp decrease compared to Dec-2019).
- Compared to Nov-2019, the number of rooms available in Los Cabos remained unchanged in Nov-2021, reaching 22,116 this month.
- Hotels in Los Cabos recorded 241 thousand tourist arrivals in Nov-2021, equivalent to an increase of 2.8% compared to Nov-2019.
- Domestic tourism dropped by 12.5% (-8 thousand), while international tourism increased by 8.6% (+14.6 thousand).
- There were 1.13 million occupied room nights in Nov-2021, 2.8% more than in Nov-2019.

TOURIST SURVEYS

- In Dec-2021, 64% of tourists rated their experience in Los Cabos as ‘better than expected’ (29.5pp more compared to Dec-2019, the same level as in Nov-2021).
- During Dec-2021, security was perceived as ‘bad’ or ‘regular’ by 2.6% of tourists, 10.4pp better than in Dec-2019.
- Satisfaction with the airport also improved by 6.6pp compared to 2019 and 2.2pp compared to Nov-2021 (2.4% of tourists rated their experience as ‘bad’ or ‘regular’).
- The number of repeat tourists decreased by 11.2pp compared to 2019, reaching 37% in Dec-2021.
- 33% of tourists traveled with a package tour, down 9.6pp compared to 2019.
- The number of tourists who visited restaurants increased by 14.8pp this month, recording 83%.

LOS CABOS TOURISM OBSERVATORY

PASSENGER ARRIVALS

Passenger arrivals at Los Cabos International Airport, 2019-2020

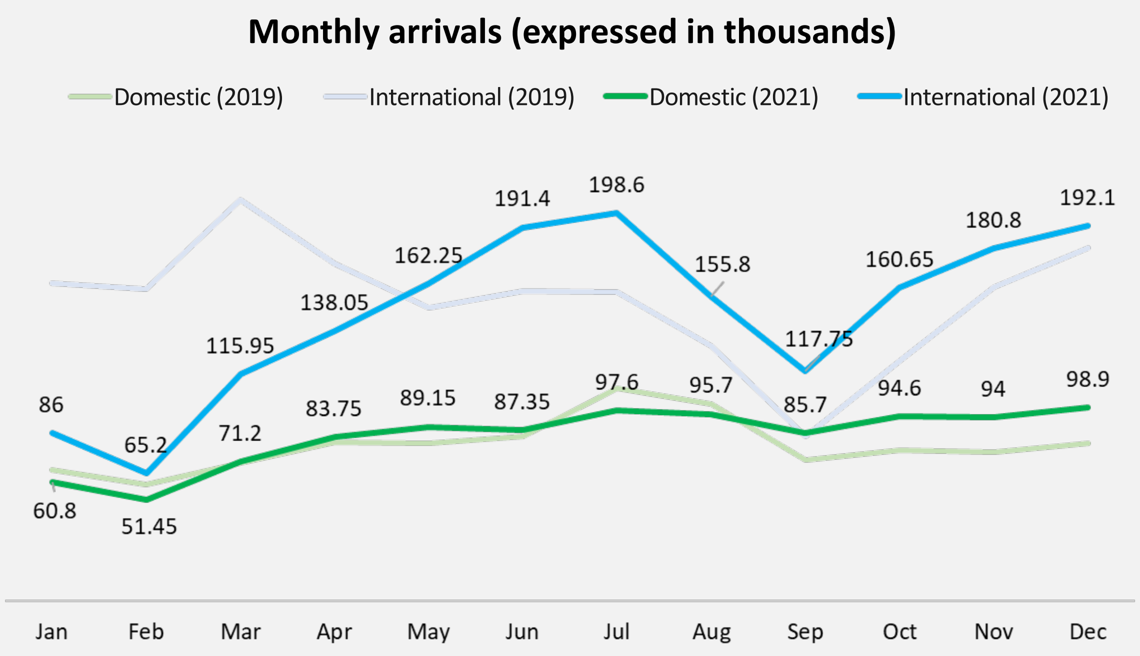
- In Dec-2021, 291 thousand passengers arrived at Los Cabos International Airport, which represents an 11.2% **increase** compared to the same period in 2019.

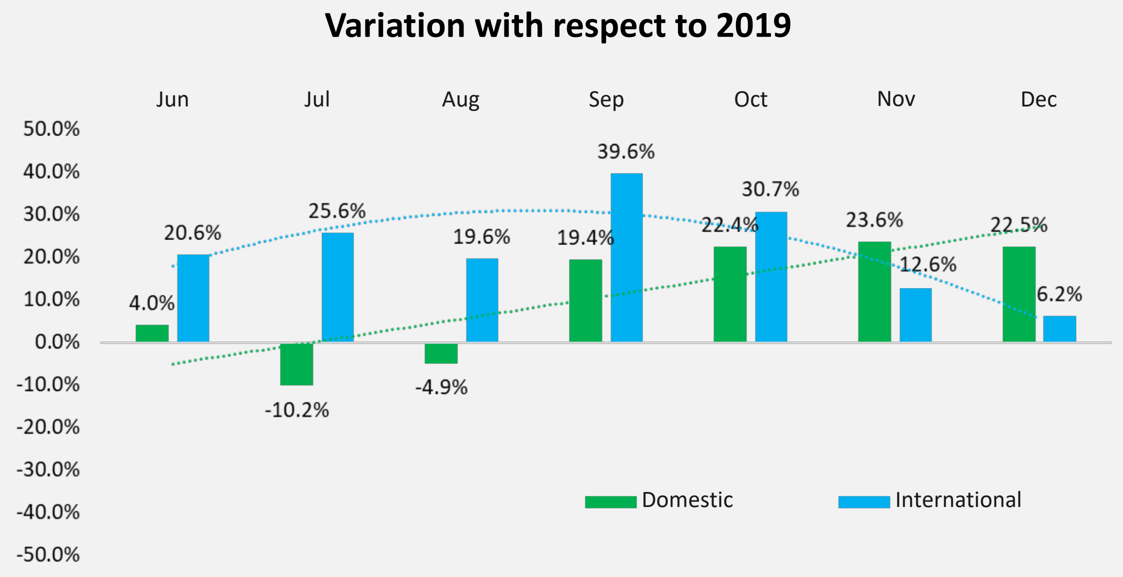
  - It also represents an average growth rate of 4.4% between Dec-2020 and Dec-2021.

  - Passengers on domestic flights (**98.9 thousand**) represent 34% of total arrivals and increased by 22.5% compared to Dec-2019.
    - TMAC: 2.5% (between Dec-2020 and Dec-2021).

  - Passengers on international flights (**192.1 thousand**) represent 66% of total arrivals and increased by 6.2%.
    - TMAC: 5.7% (between Dec-2020 and Dec-2021).

SOURCE: GAP





LOS CABOS

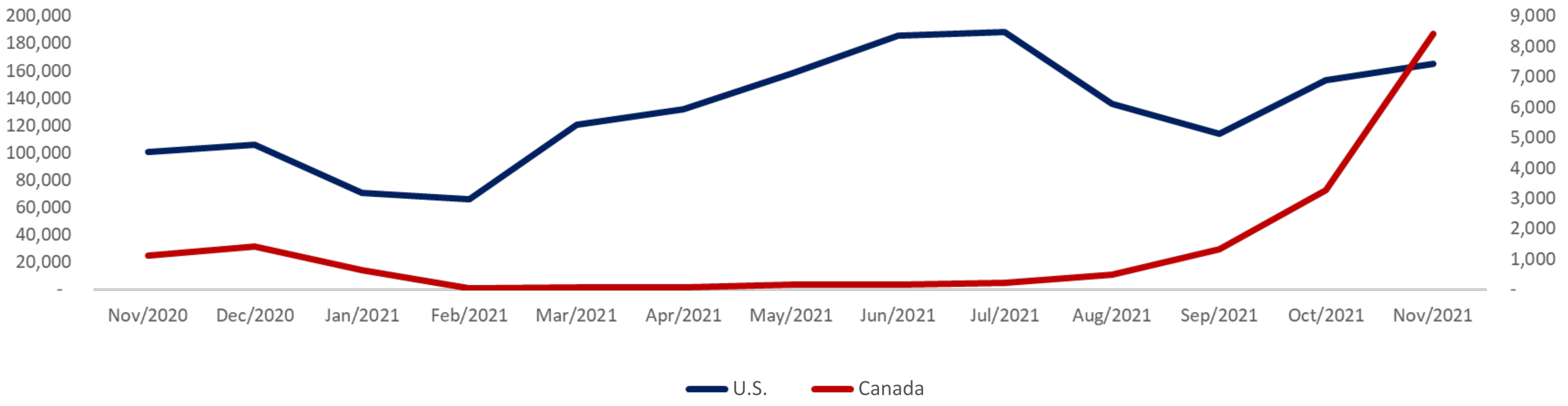
LOS CABOS TOURISM OBSERVATORY

PASSENGER ARRIVALS by nationality

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

Regions	Nov/2020	Dec/2020	Jan/2021	Feb/2021	Mar/2021	Apr/2021	May/2021	Jun/2021	Jul/2021	Aug/2021	Sep/2021	Oct/2021	Nov/2021	Δ Nov 21 / Nov 19	Δ Jan-Nov 21 / Jan-Nov 19
U.S.	100,320	105,991	70,454	66,275	120,361	131,784	157,649	185,830	188,099	135,769	114,095	153,027	165,218	20.2%	4.1%
Canada	1,126	1,429	628	44	75	66	144	144	211	480	1,316	3,280	8,420	-55.8%	-89.2%
Europe	70	64	32	32	39	37	61	55	136	98	62	94	299	-75.7%	-90.0%
Caribbean, Central & South America	48	43	19	18	31	24	58	76	138	138	107	130	116	-23.7%	-59.6%
Rest of the world	127	67	12	11	38	24	48	90	163	169	108	187	352	-55.8%	-87.3%
Grand total	101,691	107,594	71,145	66,380	120,544	131,935	157,960	186,195	188,747	136,654	115,688	156,718	174,405	9.9%	-5.1%

Key markets	Nov/2020	Dec/2020	Jan/2021	Feb/2021	Mar/2021	Apr/2021	May/2021	Jun/2021	Jul/2021	Aug/2021	Sep/2021	Oct/2021	Nov/2021	Δ Nov 21 / Nov 19	Δ Jan-Nov 21 / Jan-Nov 19
United Kingdom	21	18	5	16	16	8	25	15	50	48	7	27	81	-90.2%	-89.3%
Australia	42	19	3	1	4	4	4	12	18	21	15	19	41	-84.7%	-95.9%
South Korea	8	3	-	-	10	1	5	6	17	16	10	11	45	-66.4%	-90.4%
Key markets total	71	40	8	17	30	13	34	33	85	85	32	57	167	-86.4%	-92.5%



SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence)

+9.9%

Nov-2021 vs. Nov-2019

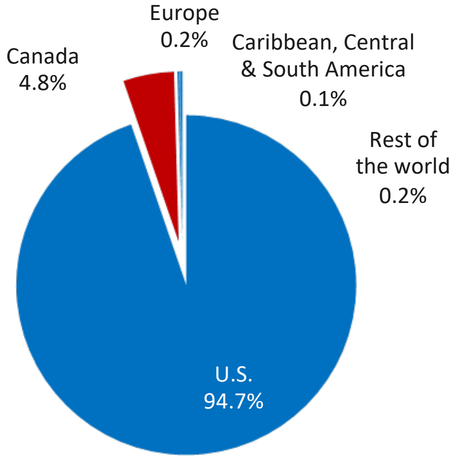
In Nov-2021, Los Cabos International Airport recorded the arrival of 174,405 international tourists, up 9.9% compared to Nov-2019.

However, this growth is mainly due to a 20.2% increase in U.S. inbound tourists, while those from other regions declined.

American tourists represent 94.7% of the total.

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

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

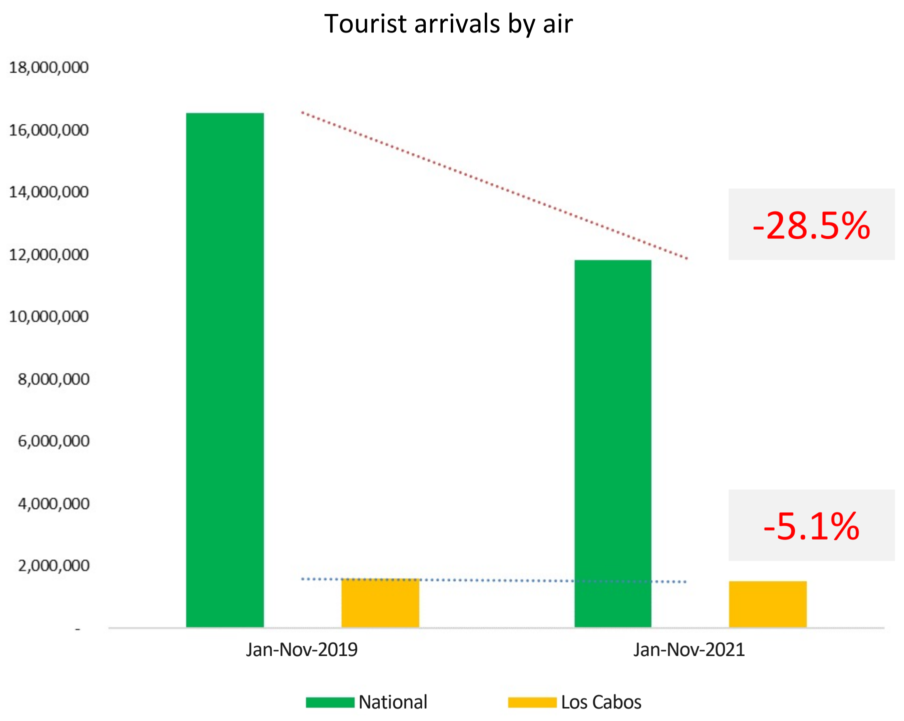


SOURCE: INM-SIOM

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

Regions	National			Los Cabos		
	Jan-Nov-2019	Jan-Nov-2021	Δ 2021/2019	Jan-Nov-2019	Jan-Nov-2021	Δ 2021/2019
U.S.	9,663,286	9,174,543	-5.1%	1,429,356	1,488,561	4.1%
Canada	1,992,341	295,386	-85.2%	136,596	14,808	-89.2%
Europe	1,789,146	696,029	-61.1%	9,480	945	-90.0%
Caribbean, Central & South America	2,447,757	1,363,653	-44.3%	2,117	855	-59.6%
Rest of the world	661,570	311,397	-52.9%	9,471	1,202	-87.3%
Grand total	**16,554,100**	**11,841,008**	**-28.5%**	**1,587,020**	**1,506,371**	**-5.1%**

Key markets	National			Los Cabos		
	Jan-Nov-2019	Jan-Nov-2021	Δ 2021/2019	Jan-Nov-2019	Jan-Nov-2021	Δ 2021/2019
United Kingdom	2,780	302	-89.1%	2,786	298	-90.2%
Australia	3,441	142	-95.9%	3,433	142	-84.7%
South Korea	1,259	117	-90.7%	1,259	121	-66.4%
Key markets total	**7,480**	**561**	**-92.5%**	**2,242**	**561**	**-86.4%**



When comparing Jan-Nov-2021 to 2019, international tourist arrivals by air decreased 28.5% nationwide and 5.1% in Los Cabos.

- On a national level, the U.S. travel market decreased by 5.1%, whereas the Canadian travel market did so by 85.2%.
- In Los Cabos International Airport, the U.S. travel market grew by 4.1%, while the Canadian travel market decreased by 89.2% when comparing both periods.

SOURCE: INM-SIOM

LOS CABOS

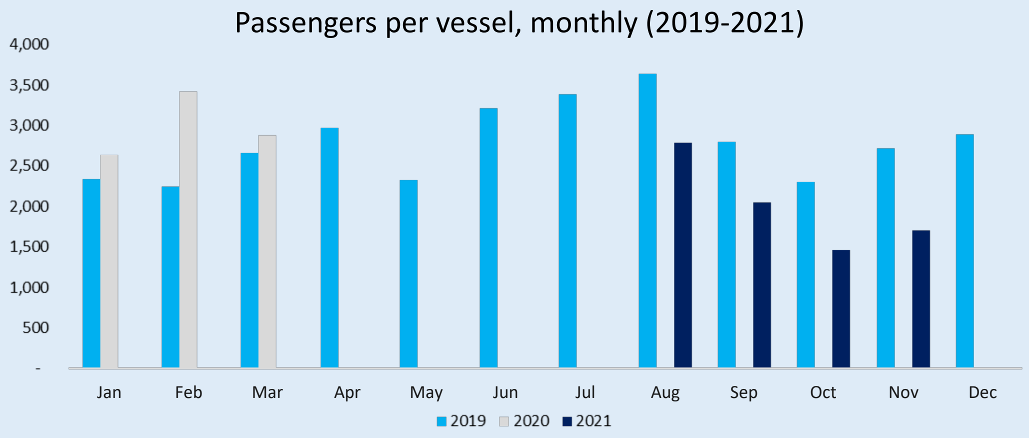
LOS CABOS TOURISM OBSERVATORY

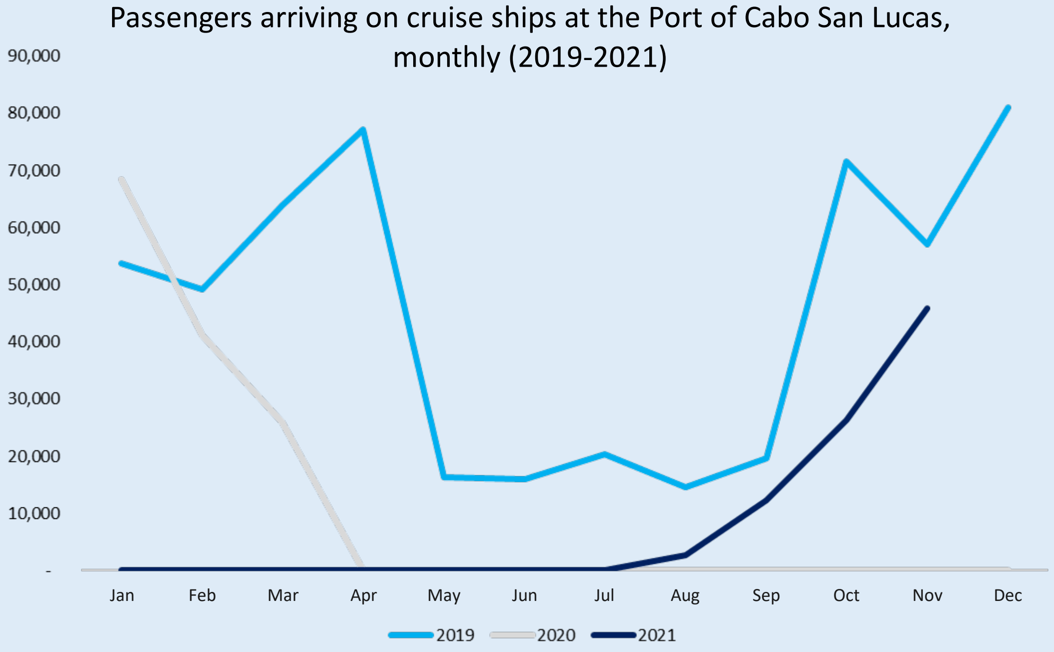
YACHT AND CRUISE SHIP ACTIVITY

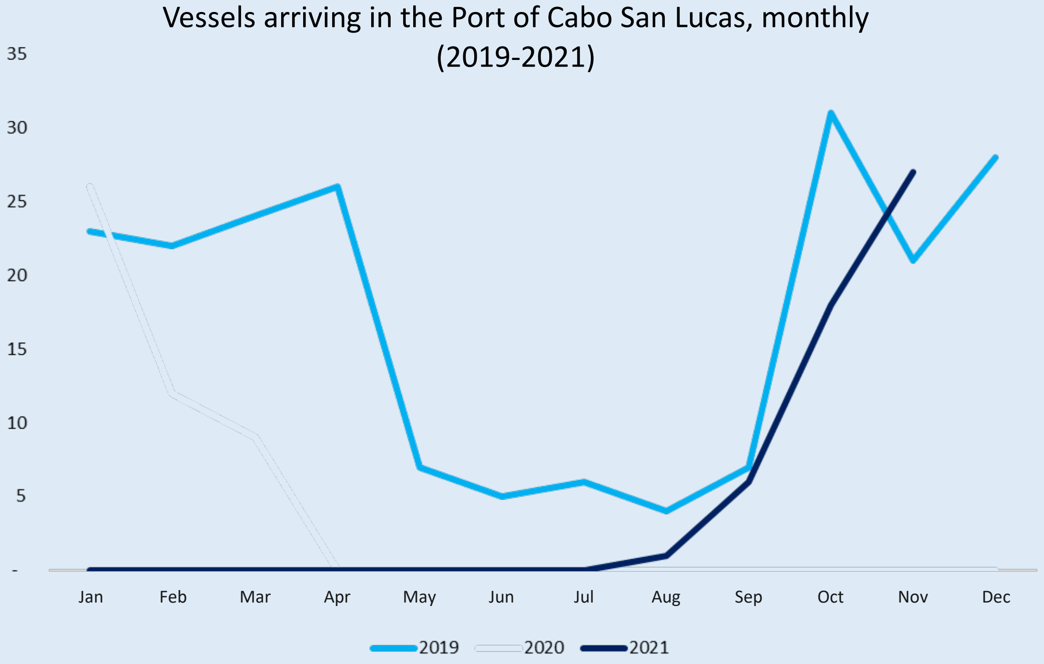
Cruise activity (Nov-2021)

Cruise operations continued to recover in Nov-2021, with **27 vessels** arriving at the port of Cabo San Lucas **carrying a total of 45,887 passengers** (up 30.6% compared to 2019).

SOURCE: DATATUR-SCT





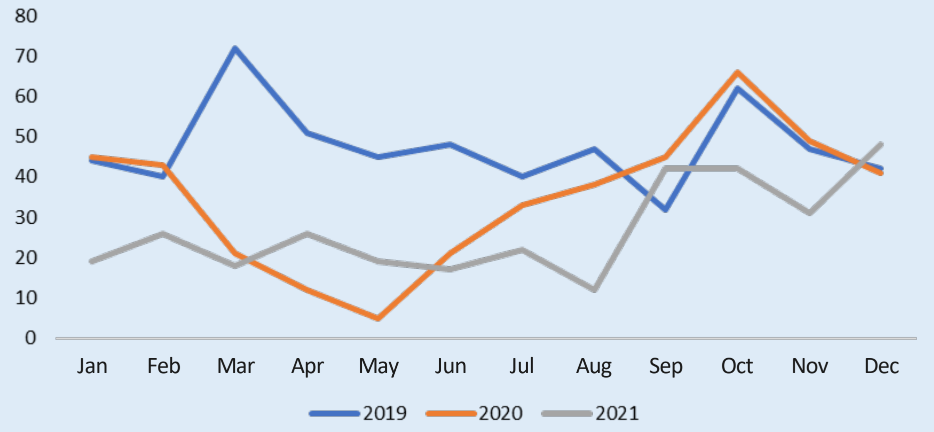


Yacht arrivals at the Port of Cabo San Lucas (Dec-2021)

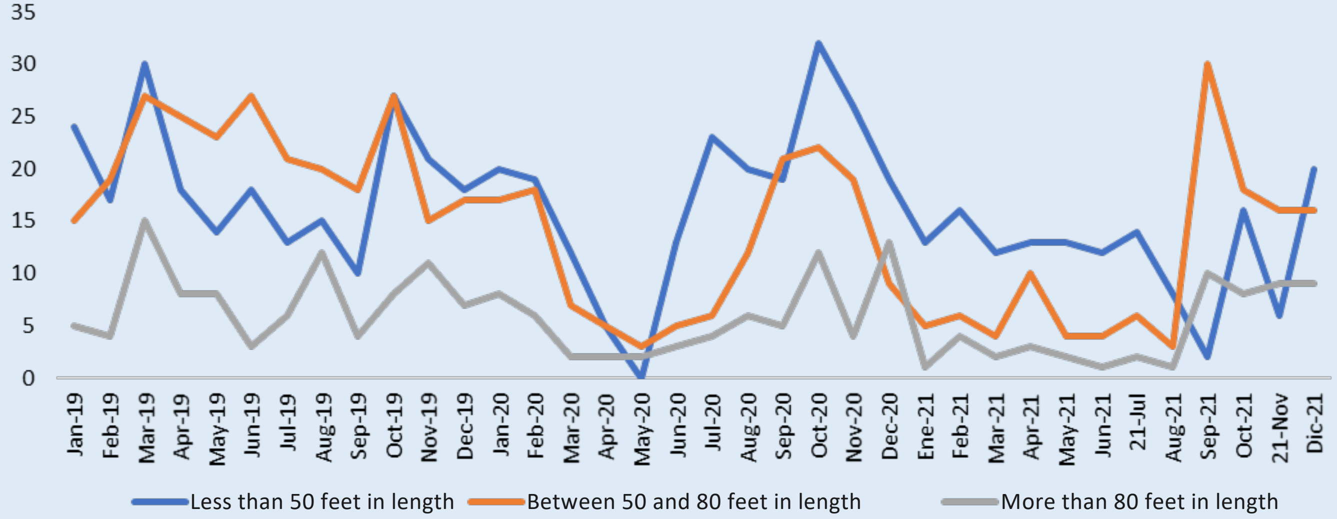
- 48 yachts arrived at the Port of Cabo San Lucas in Dec-2021. This represents an increase of 14.3% compared to the same period in 2019.
- 42% were small-sized vessels that measured less than 50 feet in length.

SOURCE: API CABO SAN LUCAS

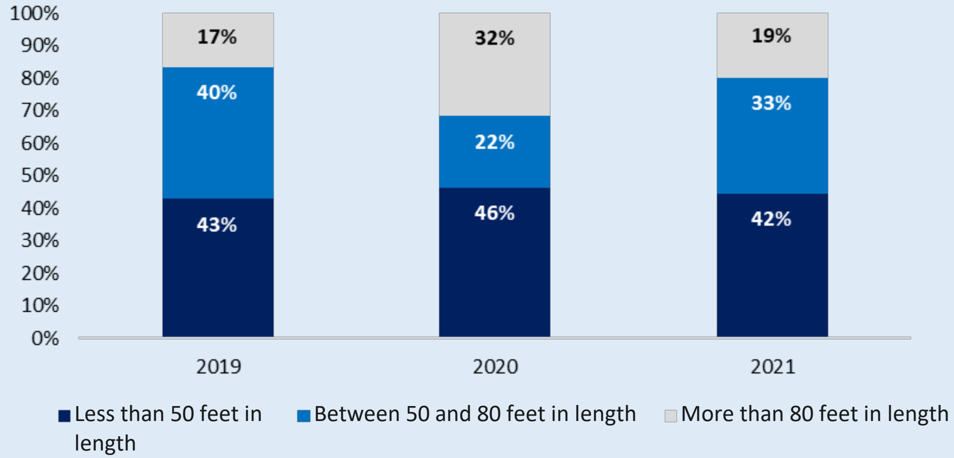
Total yacht arrivals, monthly (2019-2021)



Monthly evolution, by vessel size (2019-2021)



Arrivals distribution, by vessel size (December)



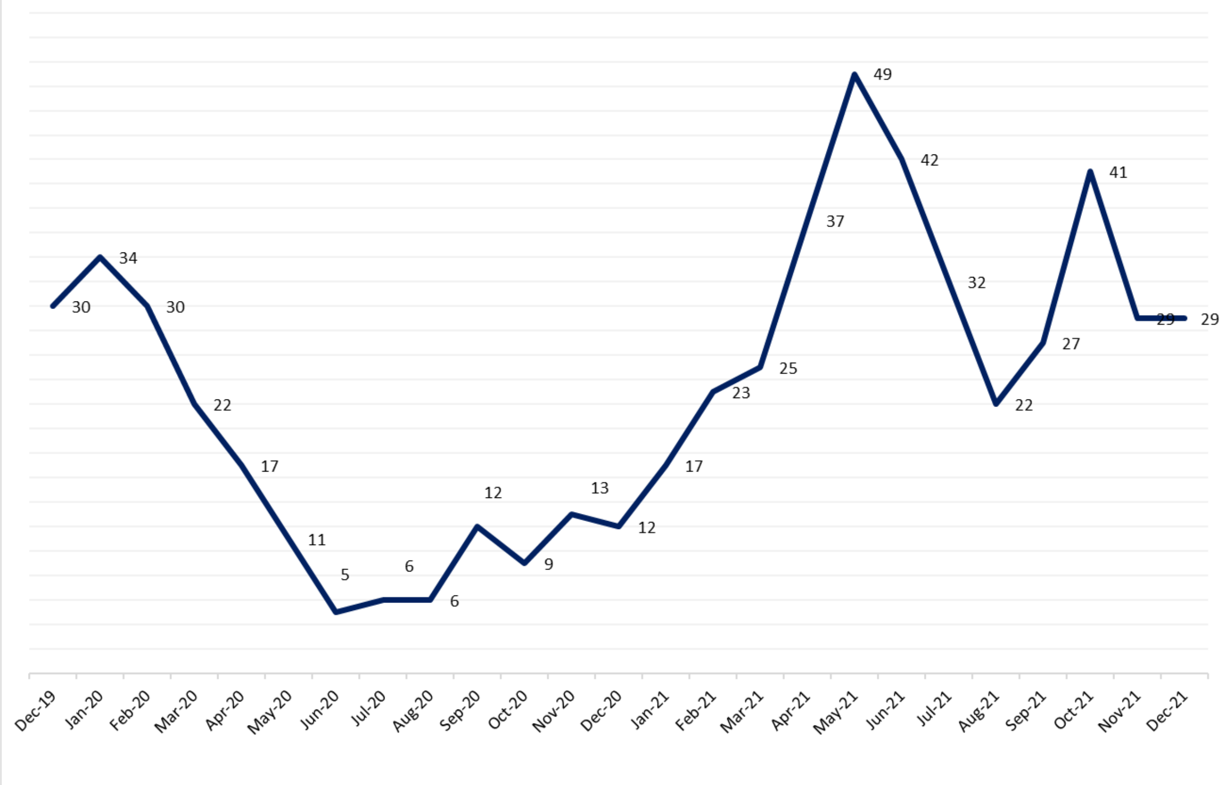
LOS CABOS

LOS CABOS TOURISM OBSERVATORY

TOURIST SURVEYS & GROUP BUSINESS

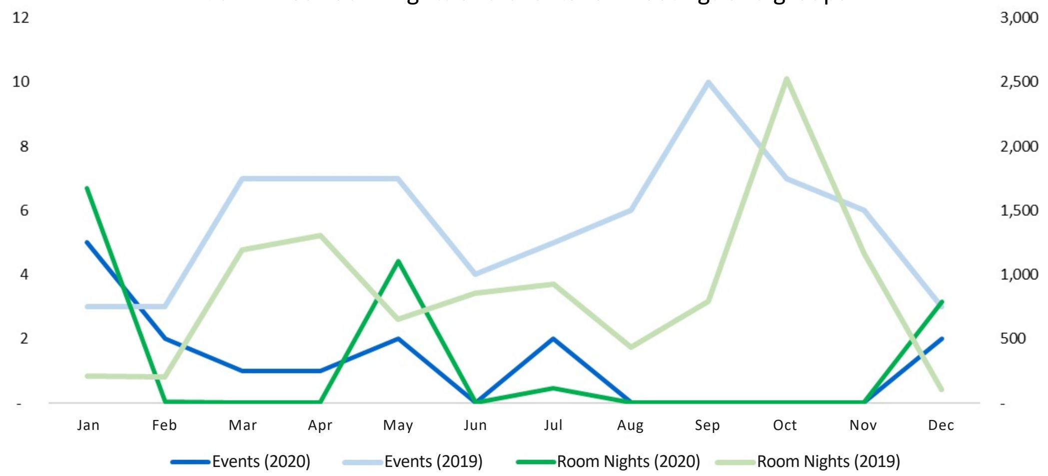
Group Business

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



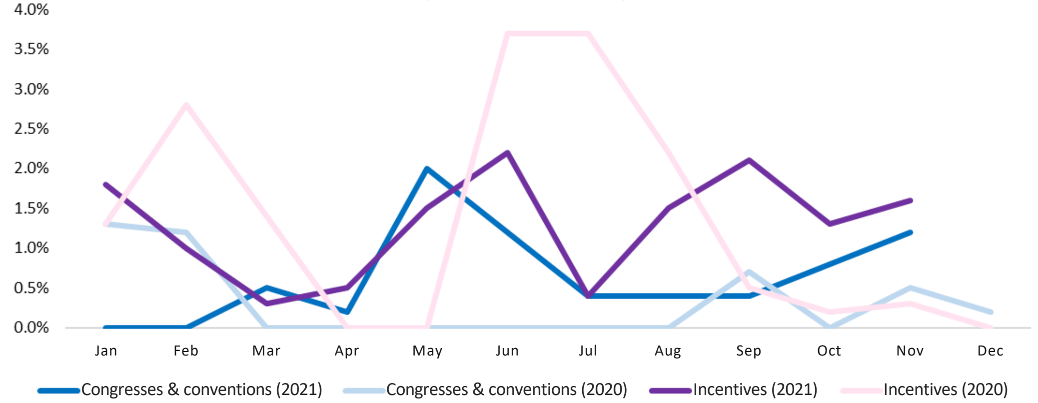
SOURCE: CVENT

Confirmed room nights and events for meetings and groups



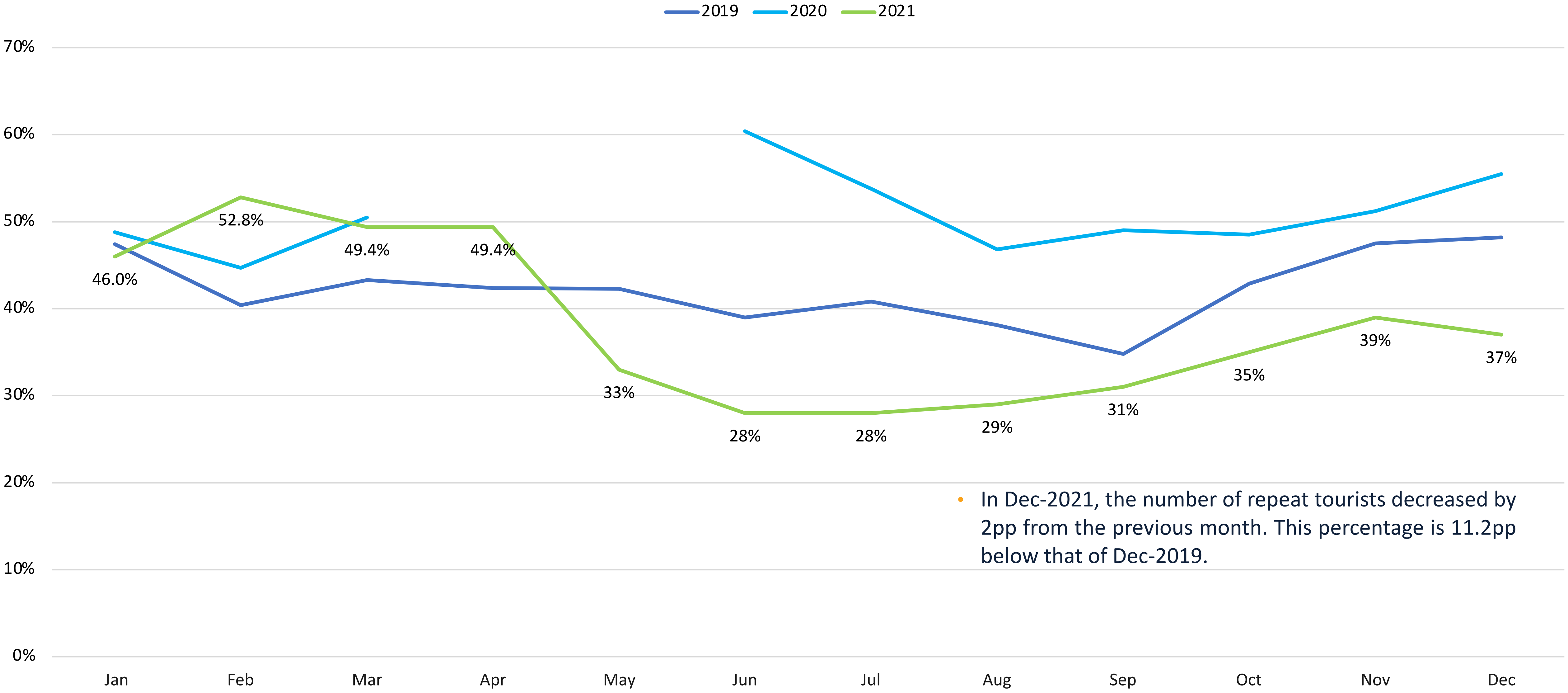
SOURCE: HELMS BRISCOE

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



SOURCE: TOURIST SURVEYS

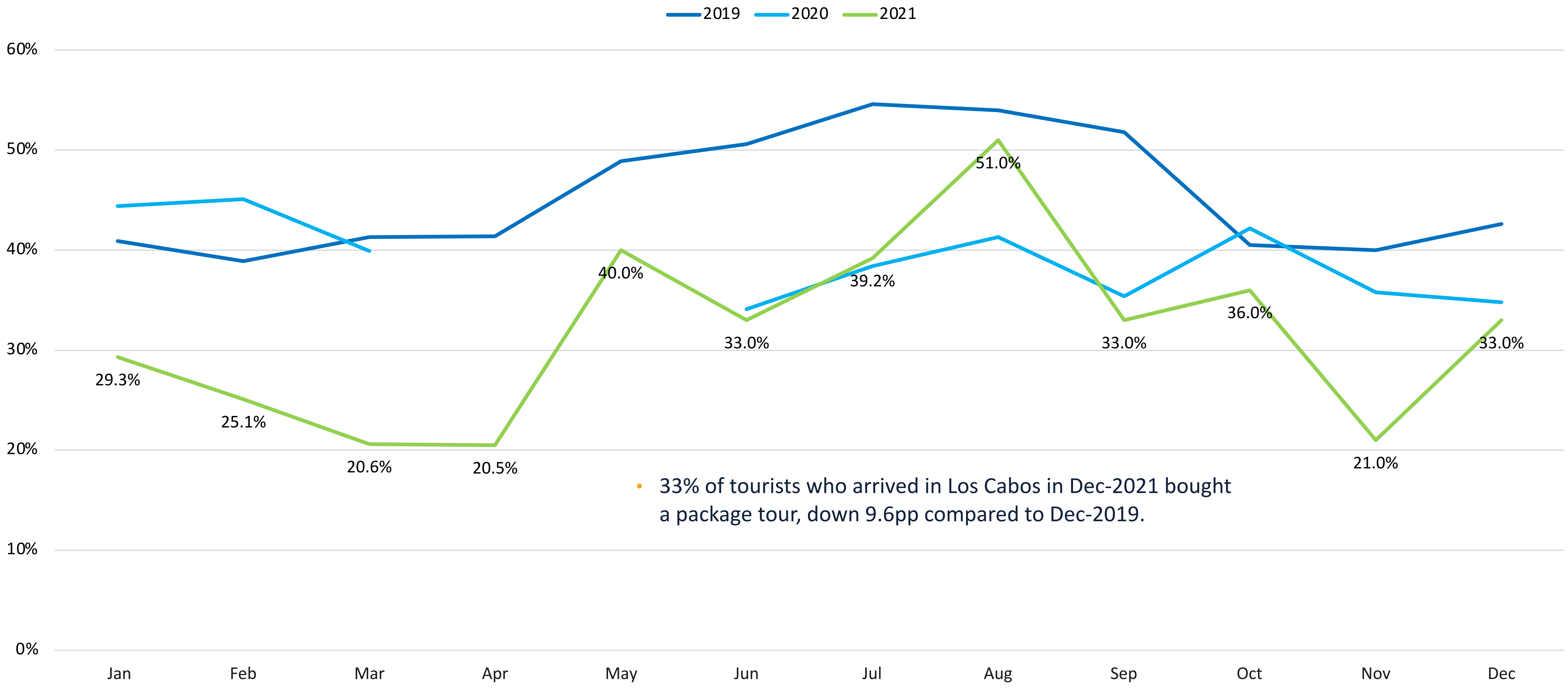
Return rate to the destination



- In Dec-2021, the number of repeat tourists decreased by 2pp from the previous month. This percentage is 11.2pp below that of Dec-2019.

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

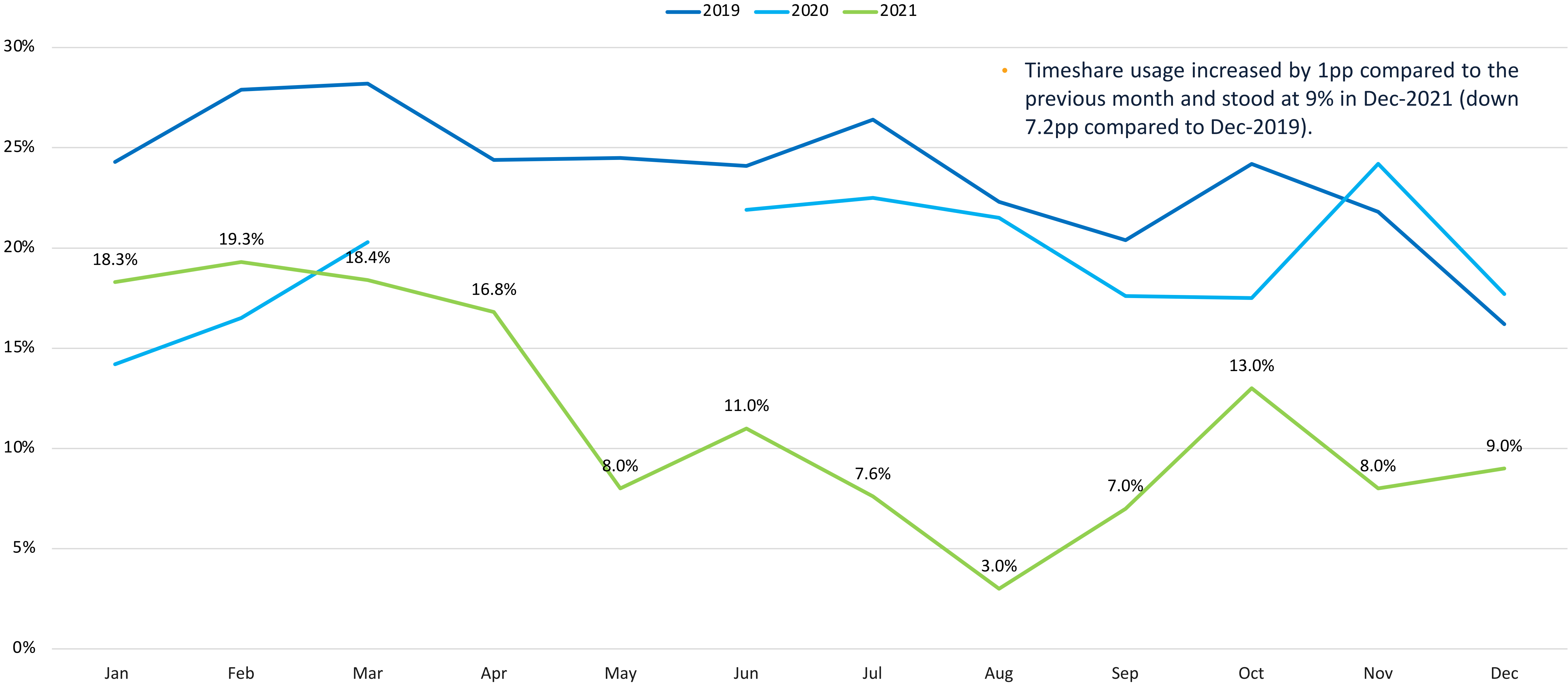
Package tour purchases



SOURCE: TOURIST SURVEYS

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

Timeshares



- Timeshare usage increased by 1pp compared to the previous month and stood at 9% in Dec-2021 (down 7.2pp compared to Dec-2019).

SOURCE: TOURIST SURVEYS

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

LOS CABOS

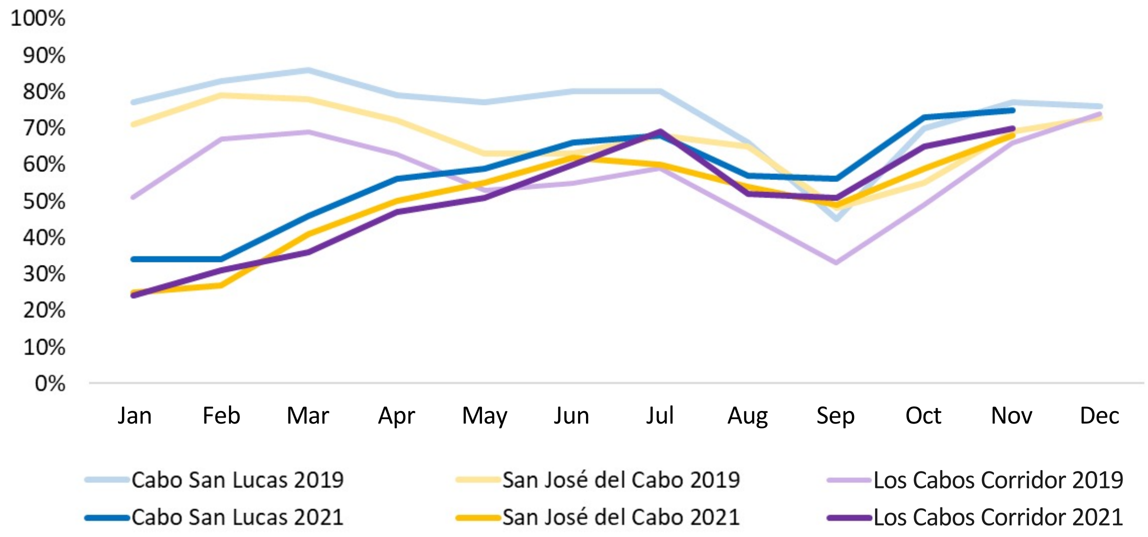
LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS

Hotel Performance

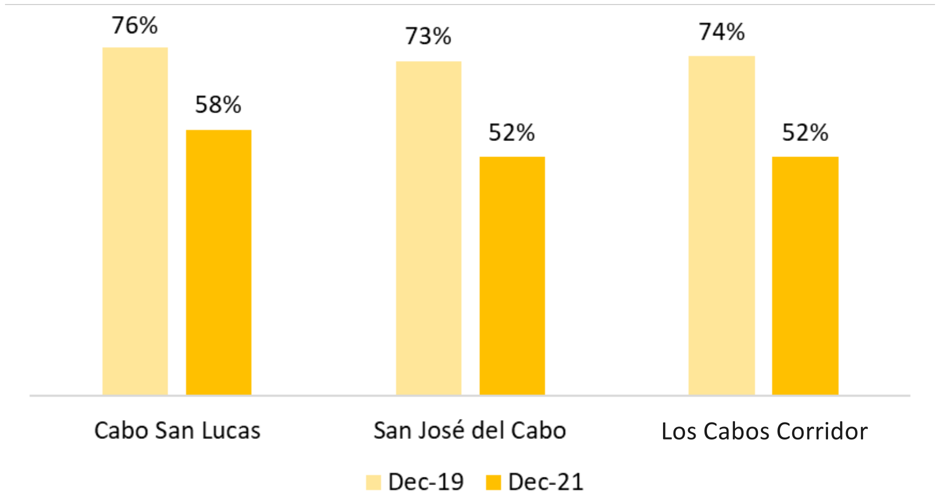
Evolution of the hotel supply in Los Cabos and sub-destinations

Monthly hotel occupancy (2019-2021)



SOURCE: AHLC

Hotel occupancy, current month (2019-2021)

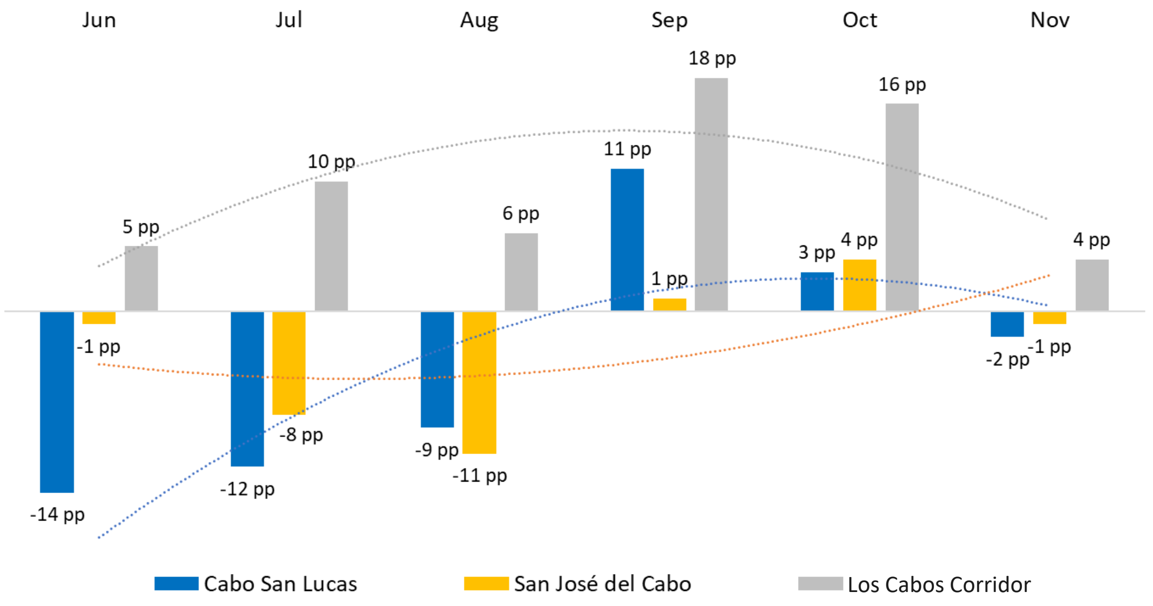


SOURCE: AHLC

- According to the Los Cabos Hotel Association, hotel occupancy in Los Cabos reached 56% during Dec-2021, down 19pp compared to 2019. On a sub-destination level, hotel occupancy in Cabo San Lucas, San Jose del Cabo, and Los Cabos Corridor was 58%, 52%, and 52%, respectively (down 18pp, 21pp and 22pp compared to 2019).
- In Nov-2021, 240,985 tourists arrived at hotels in Los Cabos, 2.8% more than in Nov-2019. Meanwhile, the average stay remained the same (4.71, according to DataTur).
    - Domestic tourist arrivals at hotels decreased by 12.5% in this period, while international tourism grew by 8.6%.
    - In Nov-2021, domestic tourism represented 23.3% of the total. A share of 25.3% was recorded in 2019.

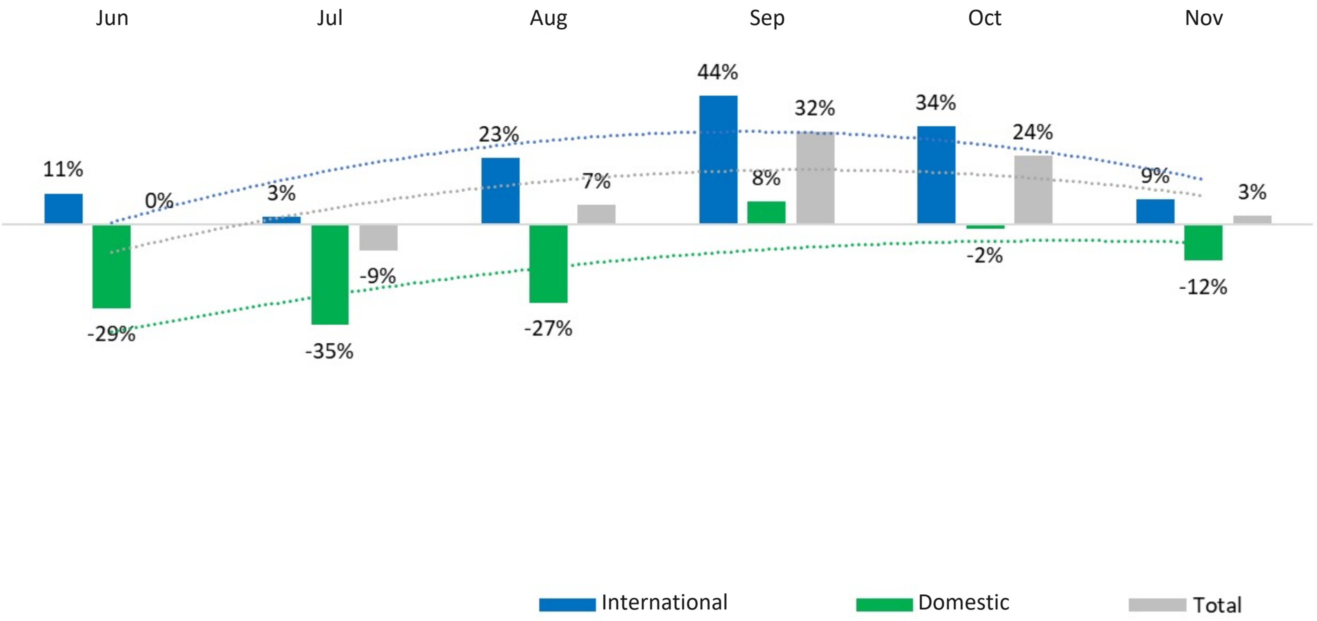
Evolution of the hotel supply in Los Cabos and sub-destinations

Annual variation in hotel occupancy, by destination
(Jun-Nov-2021 vs. 2019)



SOURCE: AHLC

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

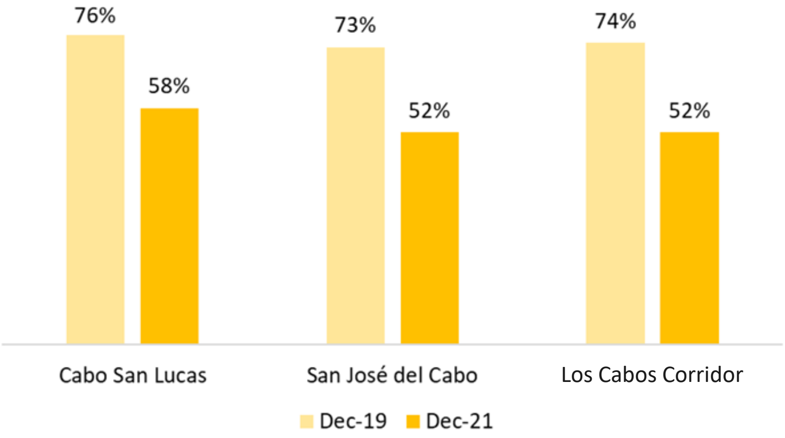


SOURCE: DATATUR

- Compared to Nov-2019, hotel occupancy in Cabo San Lucas and San Jose del Cabo decreased by 2pp and 1pp, respectively.
- However, Los Cabos Corridor has shown growth for six consecutive months, reaching a 4pp increase compared to 2019.

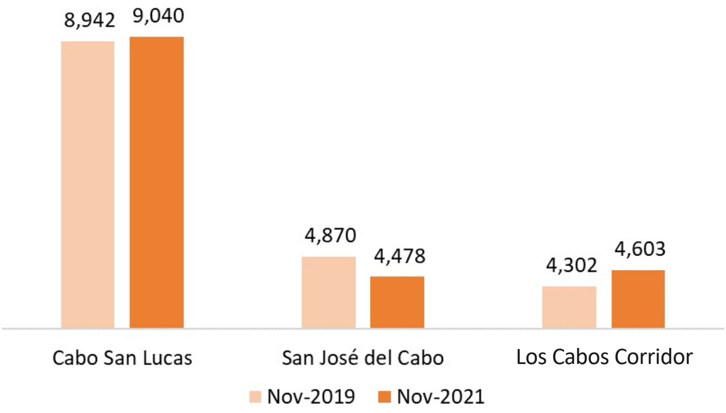
Evolution of the hotel supply in Los Cabos and sub-destinations

Hotel occupancy (December 2019-2021)



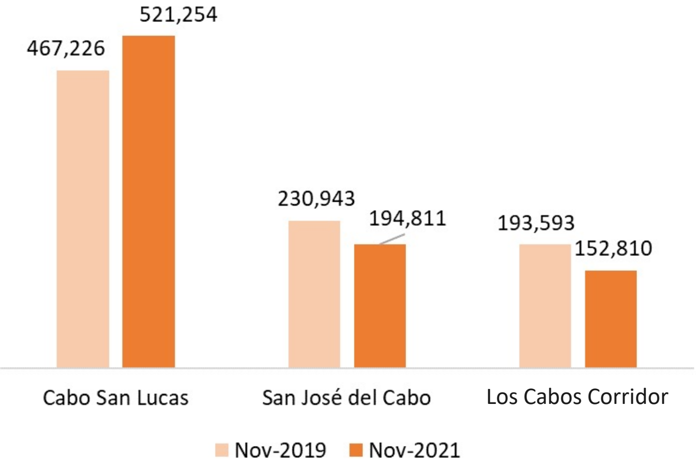
SOURCE: AHLC

Rooms available (November 2020-2021)



SOURCE: DATATUR

Room nights (November 2019-2021)



SOURCE: DATATUR

CABO SAN LUCAS

- Hotel occupancy was 58%, down 18pp when comparing Dec-2021 to Dec-2019 (AHLC).
- Its hotel supply increased 1% between Nov-2019 and Nov-2021, registering a total of 9 thousand rooms (DataTur).
- Occupied room nights **increased 11.6%** between Nov-2019 and Nov-2021 (DataTur).

SAN JOSE DEL CABO

- Occupancy was 52%, down 21pp when comparing Dec-2021 to Dec-2019 (AHLC).
- Its hotel supply decreased 8% between Nov-2019 and Nov-2021, registering a total of 4.5 thousand rooms (DataTur).
- Occupied room nights decreased 15.6% between Nov-2019 and Nov-2021 (DataTur).

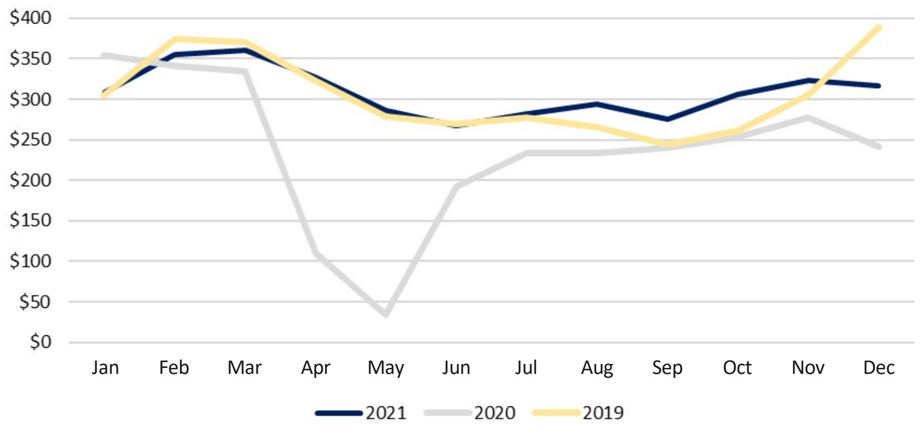
LOS CABOS CORRIDOR

- Occupancy was 52% in Dec-2021, down 22pp compared to Dec-2019 (AHLC).
- Its hotel supply increased 7% between Nov-2019 and Nov-2021, registering a total of 4.6 thousand rooms (DataTur).
- Occupied room nights decreased 21.1% between Nov-2019 and Nov-2021 (DataTur).

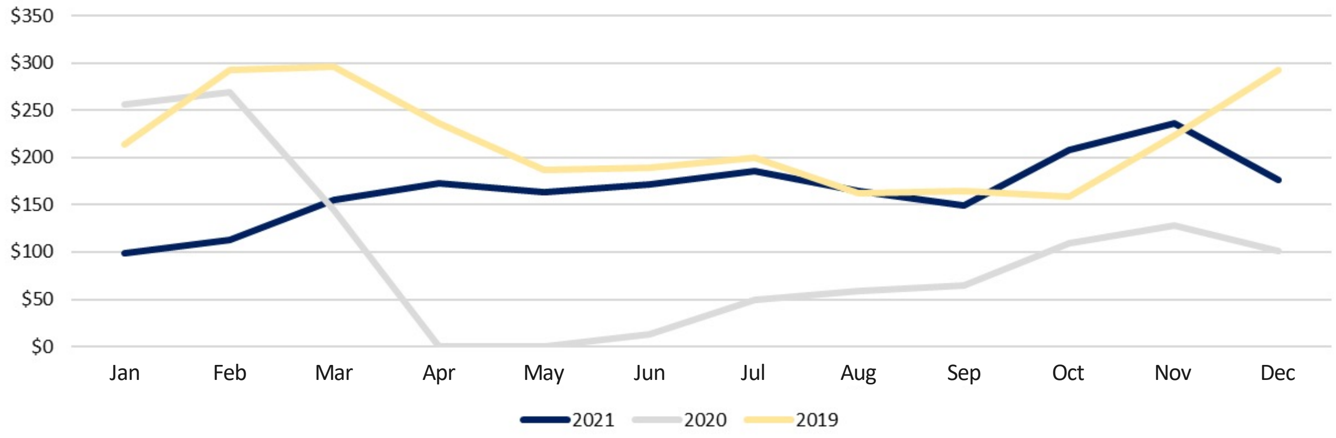
Evolution of the RevPAR and the average hotel rate in Los Cabos & sub-destinations

- The average hotel rate in Los Cabos for Dec-2021 was USD 317, 8 dollars above the last 12-month average ($305) and 72 dollars below that of Dec-2019.
    - Cabo San Lucas recorded an **increase of 12.9% (USD 28)** and now stands at USD 245.
    - San Jose del Cabo **increased its rate by 4.7% (USD 12)** and now stands at USD 265.
    - Compared to 2019, the rate in Los Cabos Corridor **increased by 3.8% (USD 17)** and recorded USD 465.
- The RevPAR in Dec-2021 was USD 176, **down 119 dollars (-39.7%)** compared to Dec-2019.

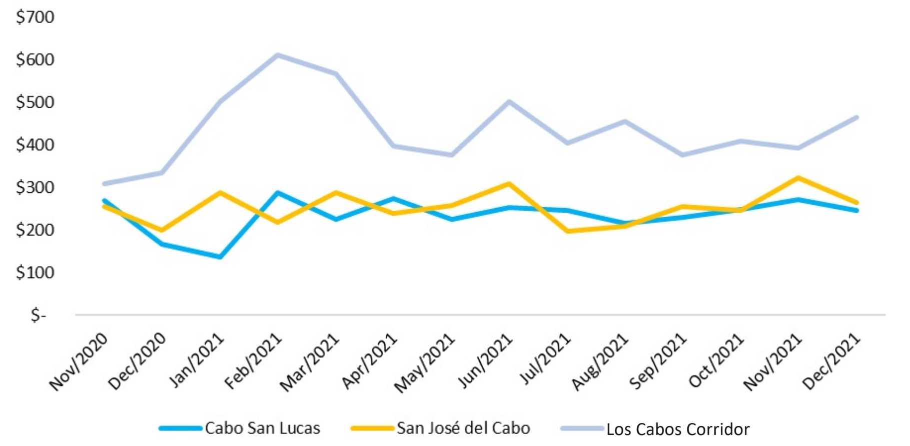
Average Hotel Rate, Los Cabos (USD, 2019-2021)



RevPAR Los Cabos (USD, 2019-2021)



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



SOURCE: AHLC

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS
Air Connectivity

SOURCE: OAG

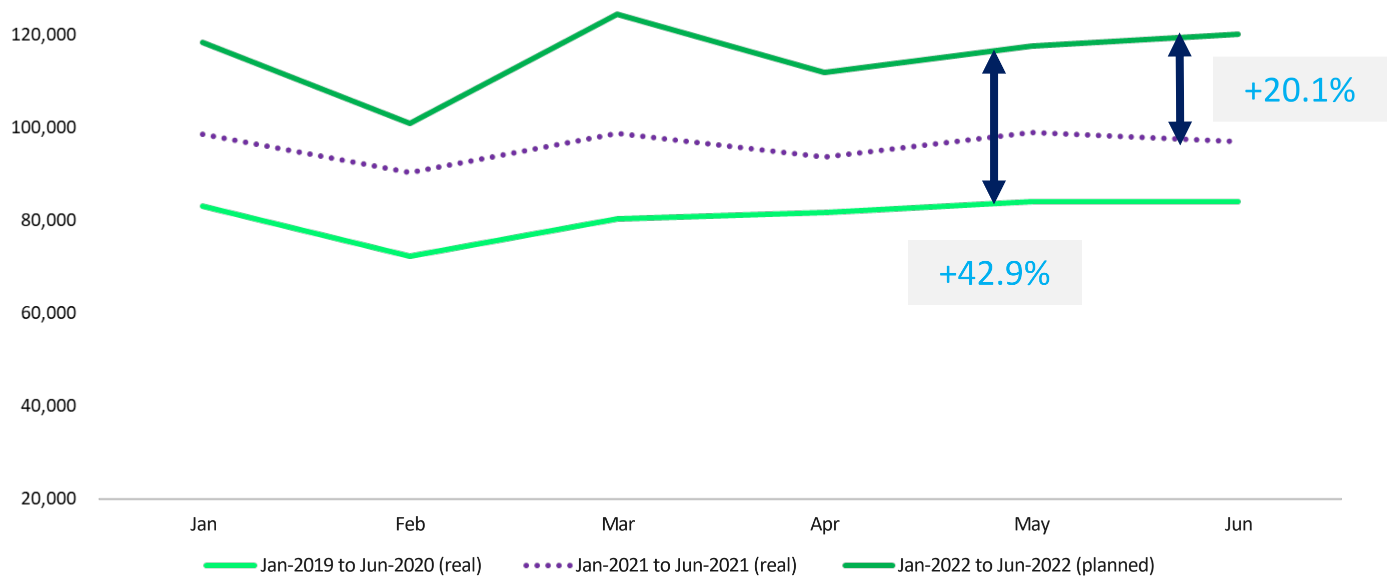
Domestic air connectivity

SEATS SCHEDULED FROM JAN-2022 TO JUN-2022

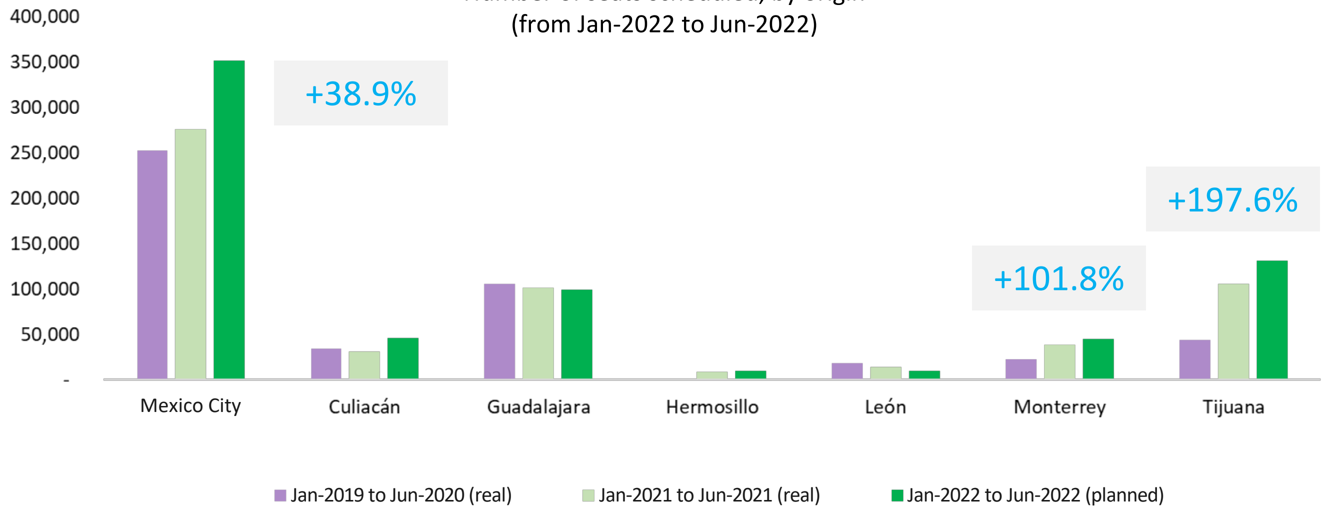
Seat offer report for the month in question and the following 6 months, as the case may be

- There are 693,714 seats scheduled for the next six months, **42.9% more** compared to the same period in 2019.
  - However, when comparing the seats scheduled for the next six months against the 2021 schedule, the volume of programmed seats is **20.1% higher**.
  - **38.4% more** available seats are expected in Jan-2022 than those scheduled for Jan-2019.
- Mexico City, GDL, and Tijuana are the most relevant source markets, having 51%, 14%, and 19% of total available seats (for the next six months), followed by Monterrey (7%), Culiacan (7%), Leon (1%), and Hermosillo (1%).
  - Seats from CDMX, MTY, and TIJ increased by 38.9%, 101.8%, and 197.6%, respectively (when compared against 2019). However, BJX decreased by 49%. Consequently, TIJ's market share grew 10pp during these six months, and BJX's dropped 3pp.
- For the next six months, 52% of the available seats will be provided by Volaris, followed by Viva Aerobus with 30% and Aeromexico with 18%. Interjet has dropped to 0%.
  - It's worth noting that this corresponds to the information provided on the OAG portal. However, this number would likely change given the flight suspensions announced by the airline and the sales restrictions implemented by IATA.
- Load factors of domestic airlines for Oct-2021 were: Aeromexico (80%), Viva Aerobus (75%), and Volaris (69%).

Scheduled seats to San Jose del Cabo (from Jan-2022 to Jun-2022)



Number of seats scheduled, by origin
(from Jan-2022 to Jun-2022)



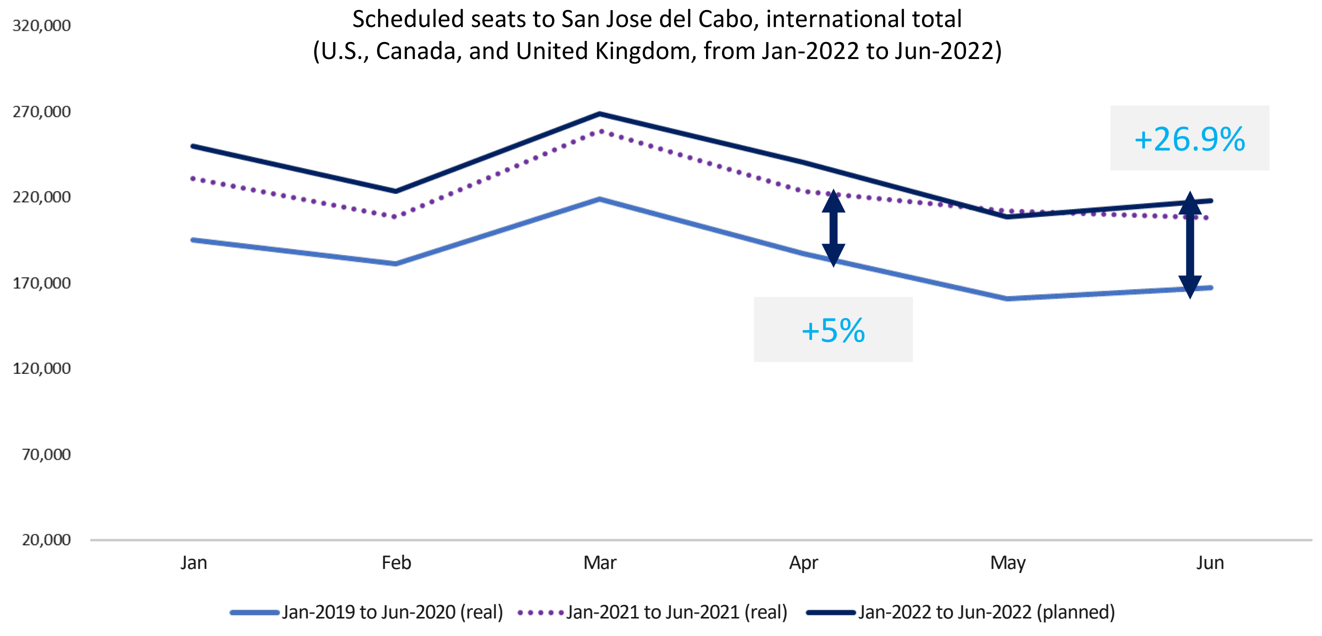
SOURCE: OAG

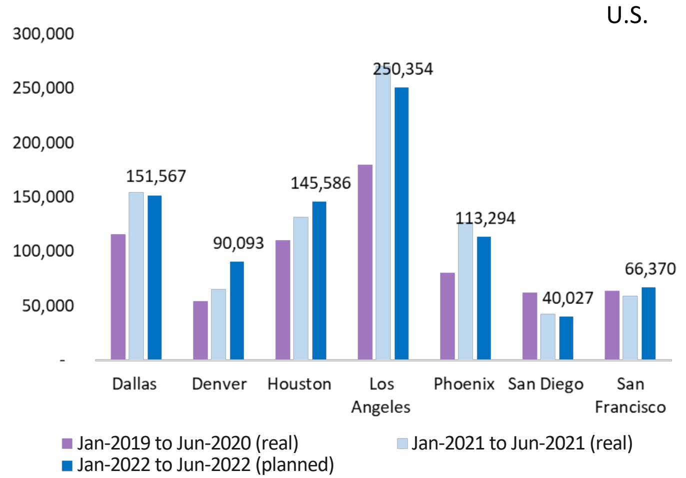
International air connectivity

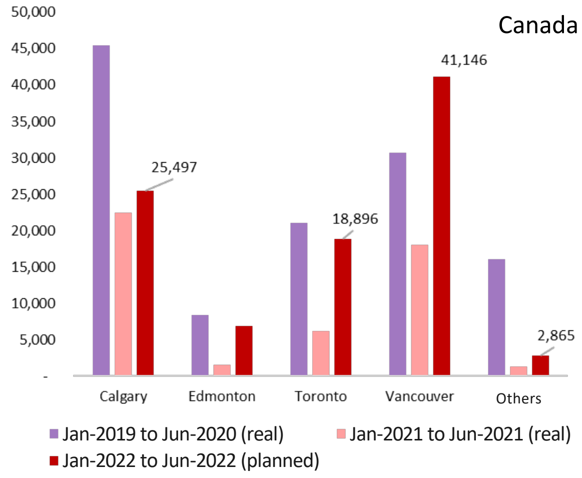
SEATS SCHEDULED FROM JAN-2022 TO JUN-2022

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

- For the U.S., there are 1.31 million seats scheduled for the next six months, which is **32.8% more** seats compared to the same period in 2019.
  - However, when comparing the seats scheduled for the next six months against the 2021 schedule (pandemic), the volume of programmed seats is **1.7% higher**.
  - **LAX (+39.6%), PHX (+40.7%), HOU (+32.6%), DFW (+31.2%), DEN (+65.4%), and SEA (+97.27%)** have the most significant increase vs. 2019. However, a decrease of 35.2% is observed in San Diego.
  - Los Angeles is the main source market in the U.S. (19% of the market), followed by DFW (12%), Houston (11%), and Phoenix (9%).
  - American, Alaska, Delta, Southwest, and United Airlines are the most relevant (90% as a whole).
  - For Jan-2022, the United States expects 38.4% more seats than those scheduled for 2019.
- For Canada, there are 95,292 seats scheduled for the next six months, which is **21.6% fewer** seats compared to the same period in 2019.
  - When comparing the seats scheduled for the next six months against the 2021 schedule (pandemic), the volume of programmed seats is 92.2% higher.
  - There are 31.1% fewer seats expected in Jan-2022 than those scheduled for 2019.
  - A decline is anticipated in Calgary (-43.9%), Edmonton (-17.6%), and Toronto (-10.1%) within the next six months. Vancouver is expected to increase by 34% compared to 2019.
  - During this period, Air Canada, Sunwing, and WestJet will reduce the number of seats by 42.2%, 65.5%, and 16.5%, respectively. On the other hand, **Swoop and Flair Airlines have added 11.3 and 8.7 thousand seats**.
- Load factors of international airlines for Oct-2021 were: American (76%), Alaska (71%), Delta (70%), United (78%), Southwest (68%), Sunwing (61%), and WestJet (86%).







LOS CABOS

LOS CABOS TOURISM OBSERVATORY

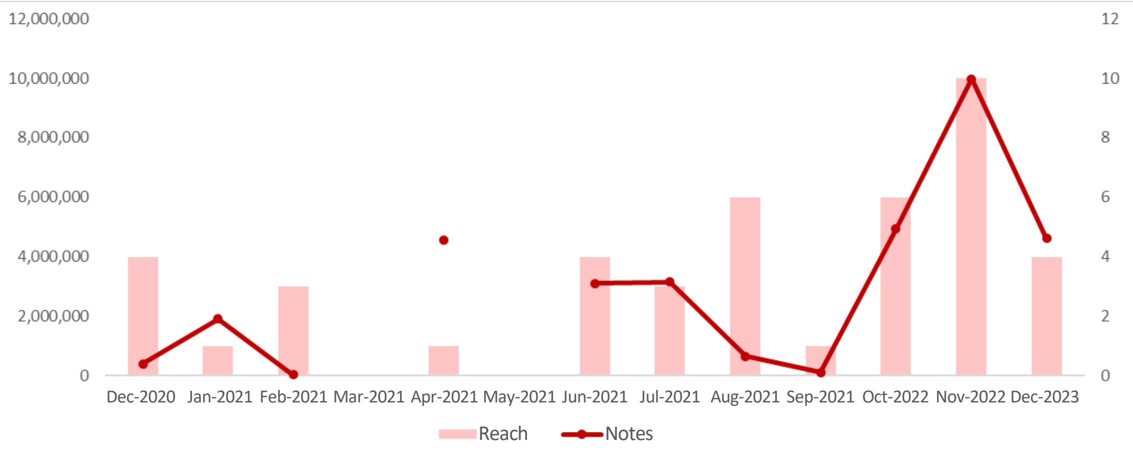
PUBLIC RELATIONS

Public relations: notes and scope

- **In the domestic market:**
  - During Dec-2021, 54 placements were introduced, accounting for 1.47 million impressions. An average of 46 placements has been published monthly since the pandemic started in April 2020, with **a monthly reach of 3.8 million**.

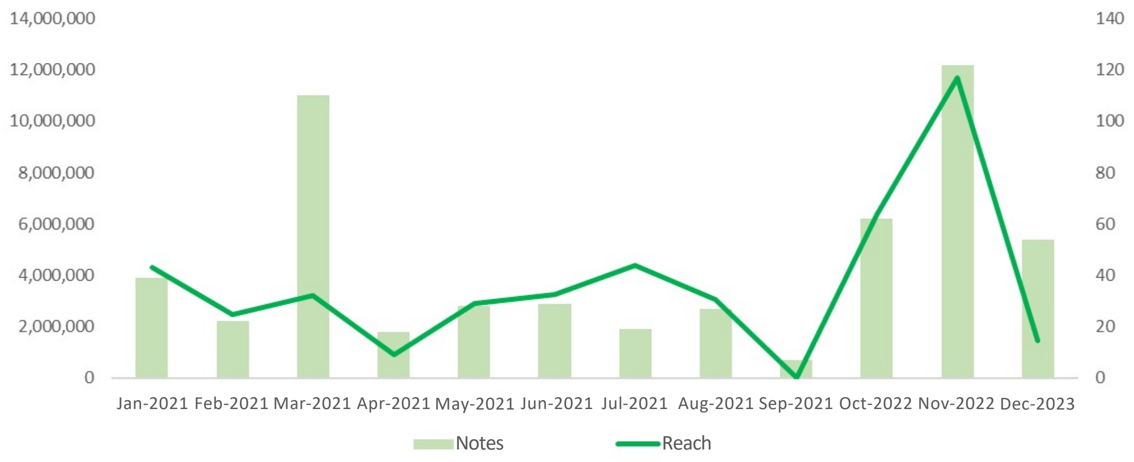
- **In the international market:**
  - In Dec-2021, 33 placements and 630 million impressions were achieved in the United States. An average of 22 placements has been published monthly since the pandemic started, with **a monthly reach of 659 million**.
  - 4 notes were delivered to the Canadian market throughout Dec-2021, achieving 4.6 million impressions. An average of 4 placements has been published monthly since April, with **a monthly reach of 4.5 million**.

NOTES MADE FOR THE CANADIAN MARKET – TOTAL & REACH



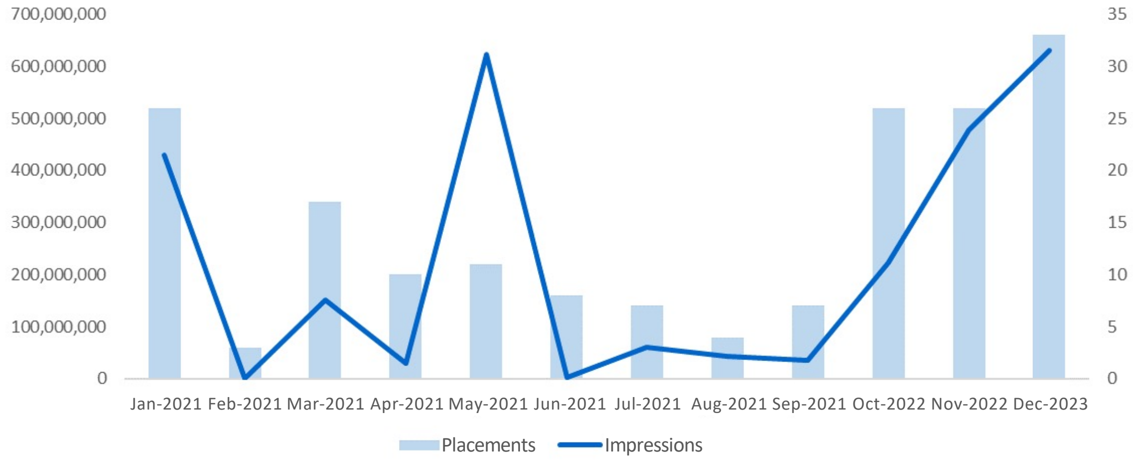
SOURCE: JESSON+CO

NOTES MADE FOR THE DOMESTIC MARKET – TOTAL & REACH



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

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



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

LOS CABOS

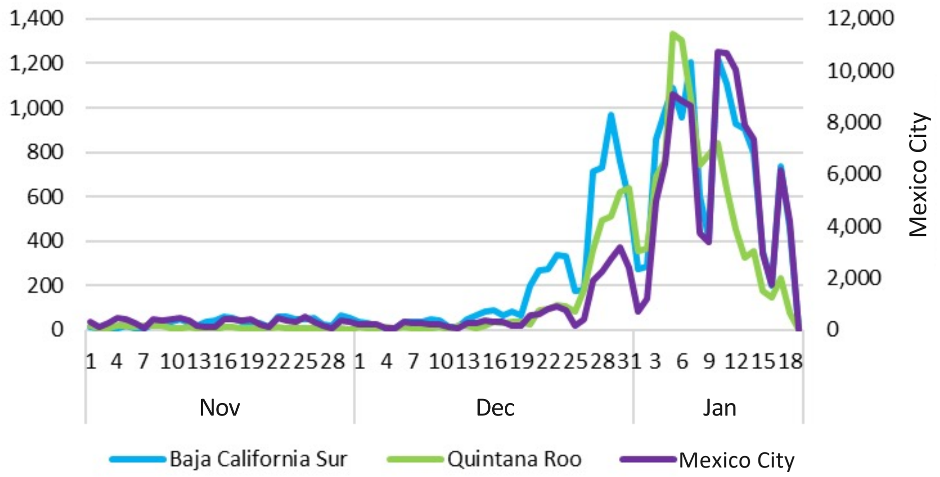
LOS CABOS TOURISM OBSERVATORY

IMPACT OF COVID-19

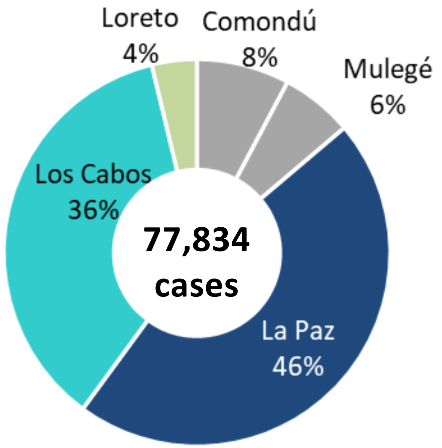
Effects of COVID-19 on Mexico's tourism sector.

Confirmed COVID-19 cases – overview

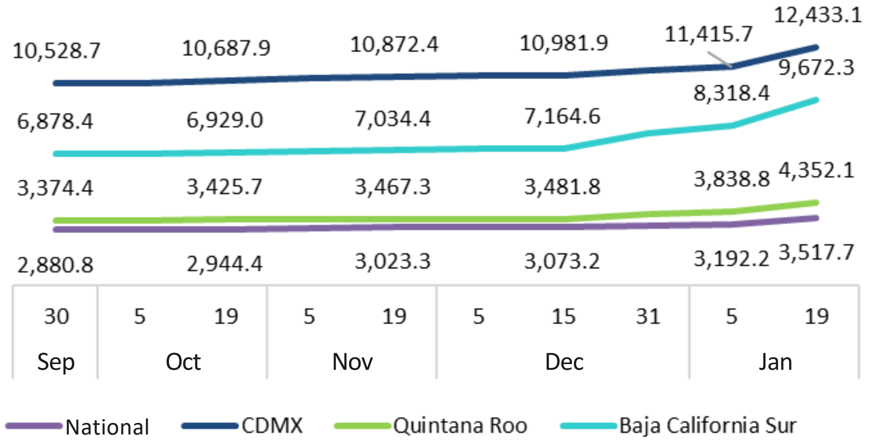
Number of daily new cases



Confirmed cases by municipalities in B.C.S.



Incidence of infection



Total confirmed cases as of January 19, 2022

National

4.49 million

- 565 thousand more cases since December 15.

Baja California Sur

77,834

- 20,180 more cases than those recorded by December 15.

Quintana Roo

74,998

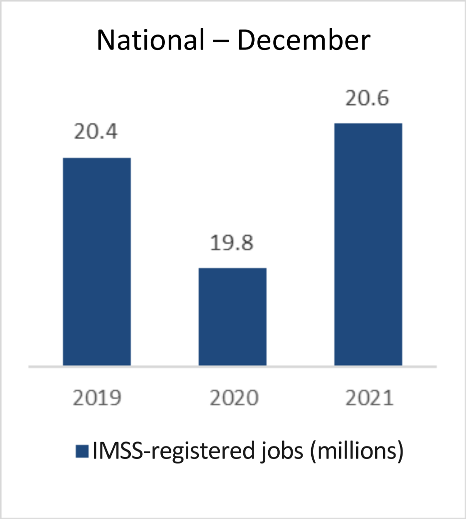
- 14,998 more cases in the same period.

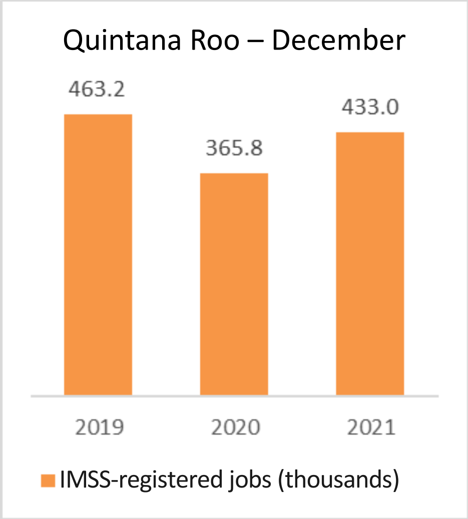
- La Paz and Los Cabos jointly account for 82% of the total confirmed cases statewide.
- Los Cabos has 5,023 more cases, adding up to a total of 28,150.
- La Paz has 11,975 more cases than those recorded as of December 15, accumulating a total of 36,003 confirmed cases.
- Loreto accumulates 2,928 cases (555 more).

- The national average rate of infection is 3,517 cases per 100 thousand inhabitants.
- Mexico City recorded the highest rate of COVID-19 cases, which is above the national average of 12,433.
- Quintana Roo: 4,352.
- Baja California Sur is the second state with the highest rate: 9,672.

SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx). FIGURES UPDATED AS OF JANUARY 20, 2022.

Effects on employment in Mexico





- As of December 31, 2021, IMSS had registered 20,620,148 jobs in the country, which is 1% more than those reported in Dec-2019.
- Mexico has 846,416 more jobs compared to the end of Dec-2020.

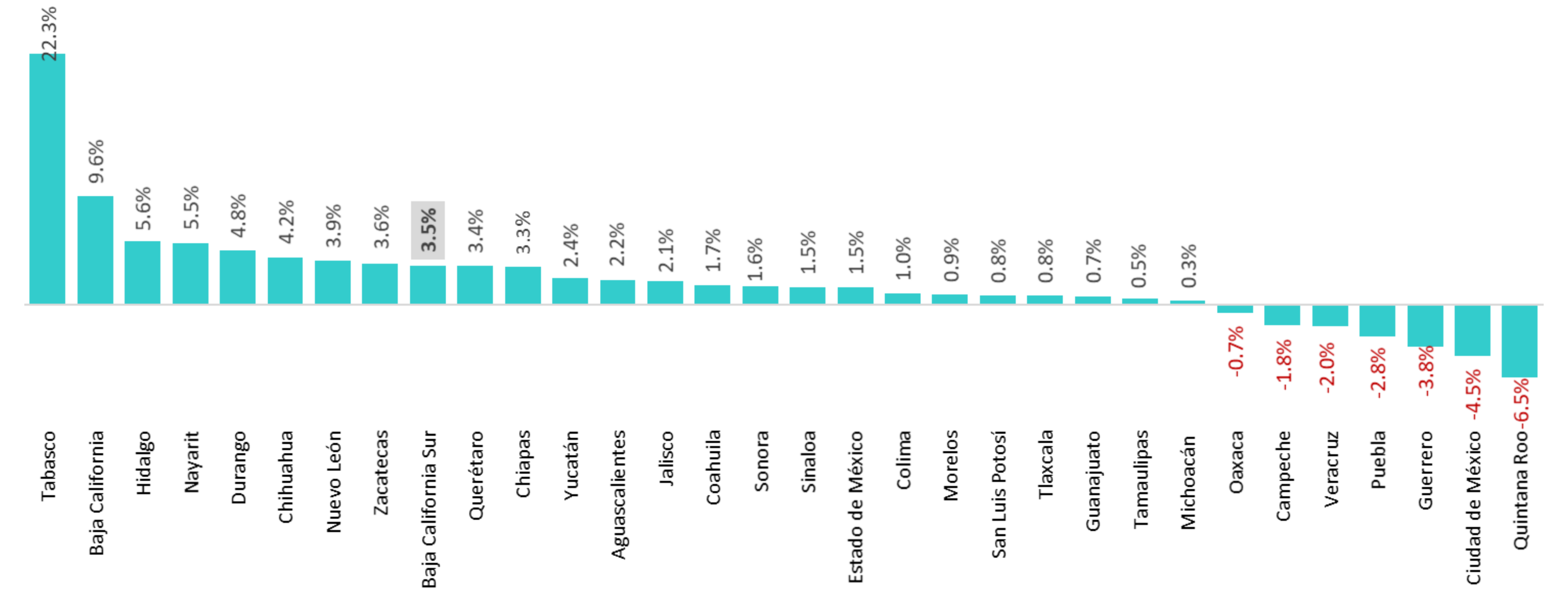
- Baja California Sur closes Dec-2021 with 189,833 jobs, 3.5% more than in Dec-2019.
- The state has 20,462 more jobs compared to the end of Dec-2020.

- Quintana Roo closes Dec-2021 with 432,986 jobs, 6.5% fewer than in Dec-2019.
- 67,203 more jobs were recorded from Dec-2020 to Dec-2021.

SOURCE: IMSS

Effects on employment in Mexico

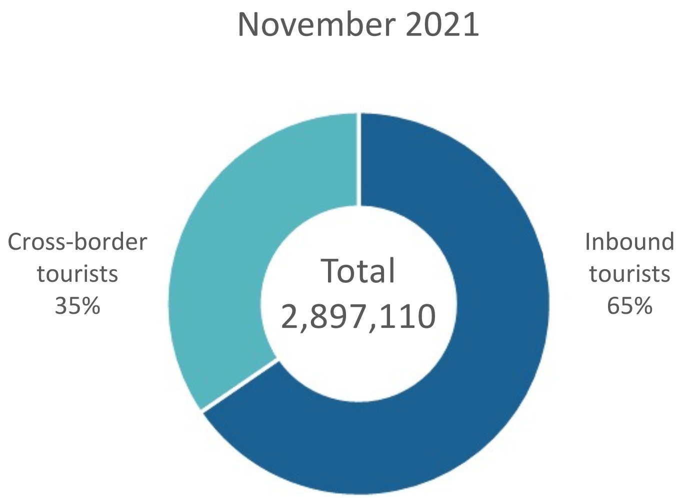
Employment variation by state (December 2021 vs. December 2019)

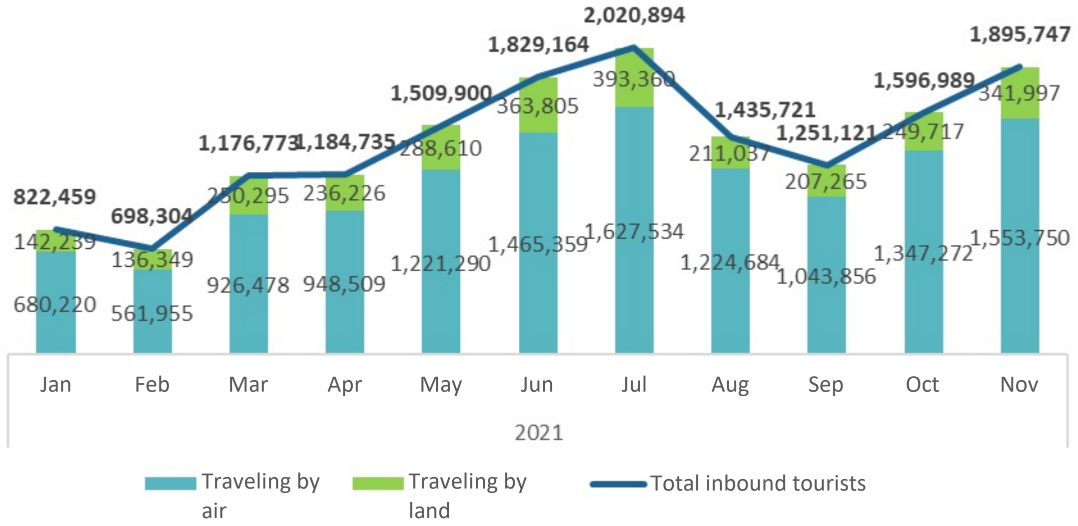


- Baja California Sur ended 2021 with 3.5% more jobs than at the end of Dec-2019. Quintana Roo recorded 6.5% fewer jobs.

SOURCE: IMSS

International tourist arrivals in Mexico



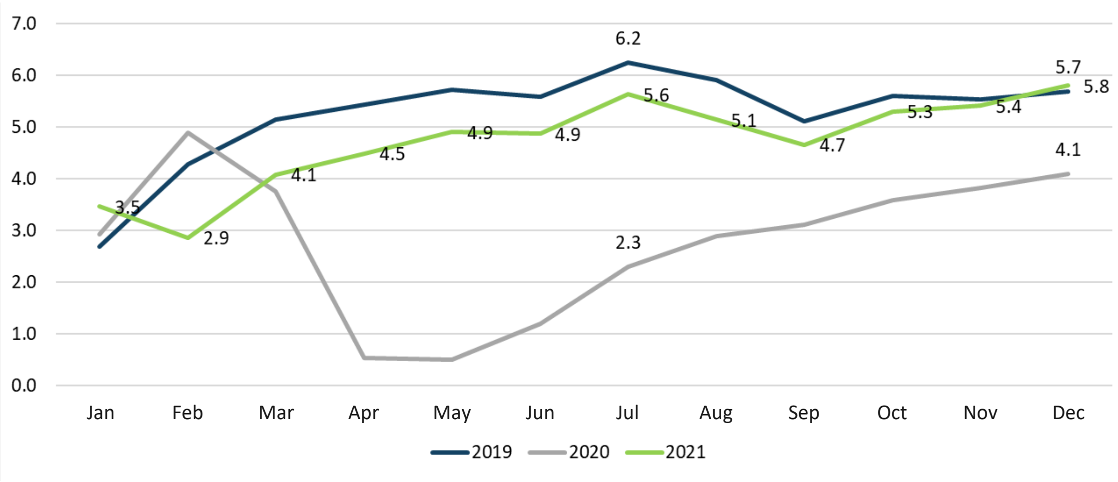


- In Nov-2021, 2.90 million international tourists arrived in the country (24.6% fewer than in Nov-2019). 65% were inbound tourists.
- The average spending of inbound tourists arriving by air was USD 1,150 ($227 more than the average spending in Nov-2019).
- In Nov-2021, the total number of inbound tourists increased by 18.7% compared to the previous month.
- There is a 5.2% drop in the total number of inbound tourists compared to Nov-2019.
- 82% arrived by air, and 18% did so by land.

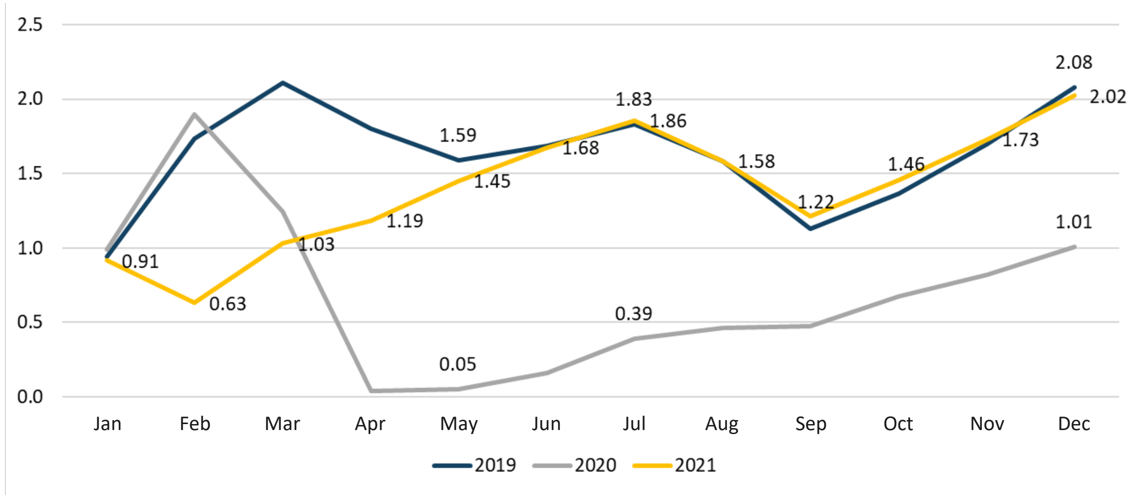
SOURCE: INTERNATIONAL TOURIST SURVEYS, INEGI

Air traffic in Mexico – Airport groups

Passenger traffic in domestic flights (millions)



Passenger traffic in international flights (millions)

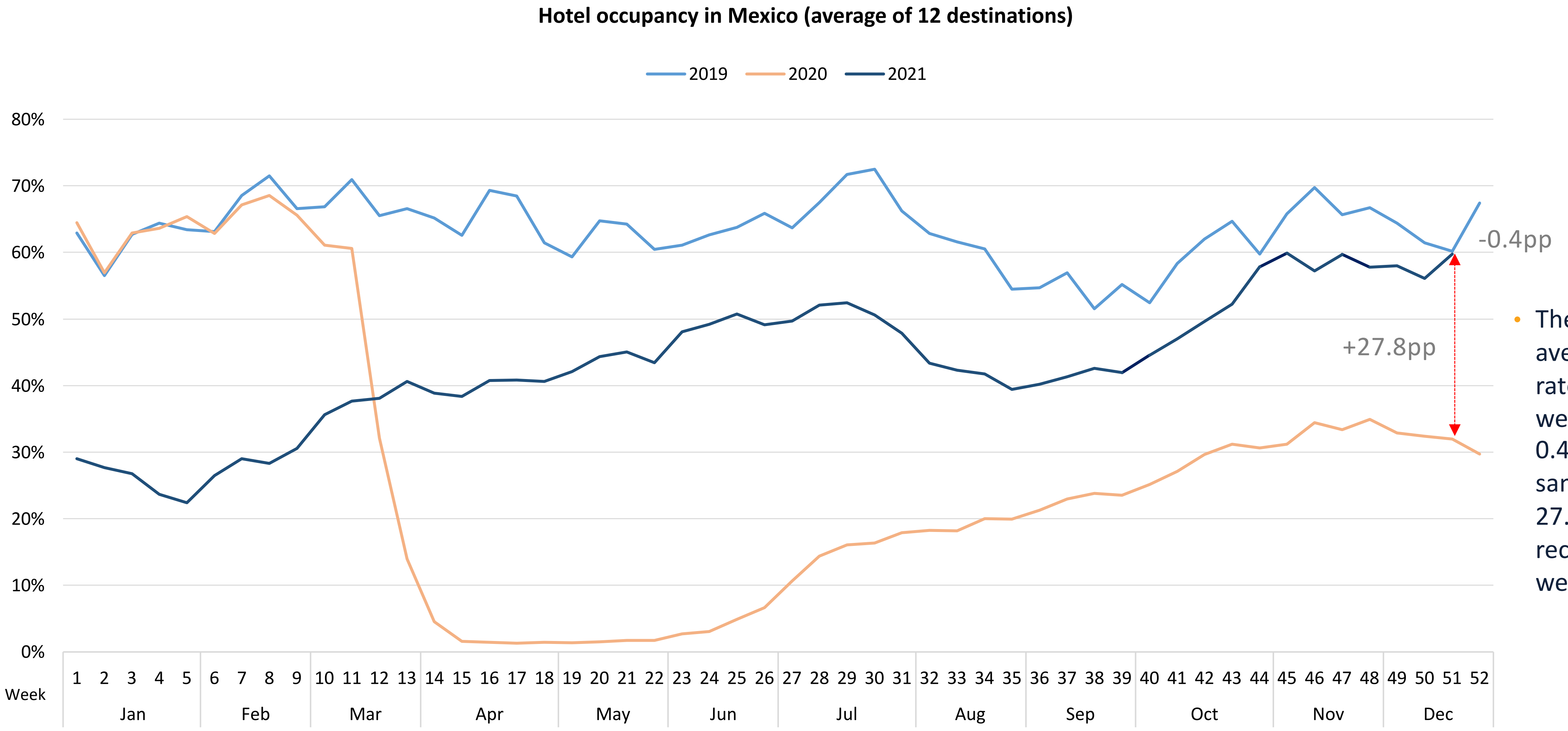


- The number of domestic passengers in Dec-2021 went up 17.2% compared to Nov-2021.
- Passenger traffic was 1.9% higher in Dec-2021 compared to Dec-2019.

- The number of international arrivals in Dec-2021 went up 17% compared to Nov-2021.
- The number of international arrivals in Dec-2021 was 3% below that of Dec-2019.

SOURCE: ASUR, OMA, GAP *TOTAL INFORMATION FROM THE THREE AIRPORT GROUPS, CDMX'S INFORMATION NOT INCLUDED.

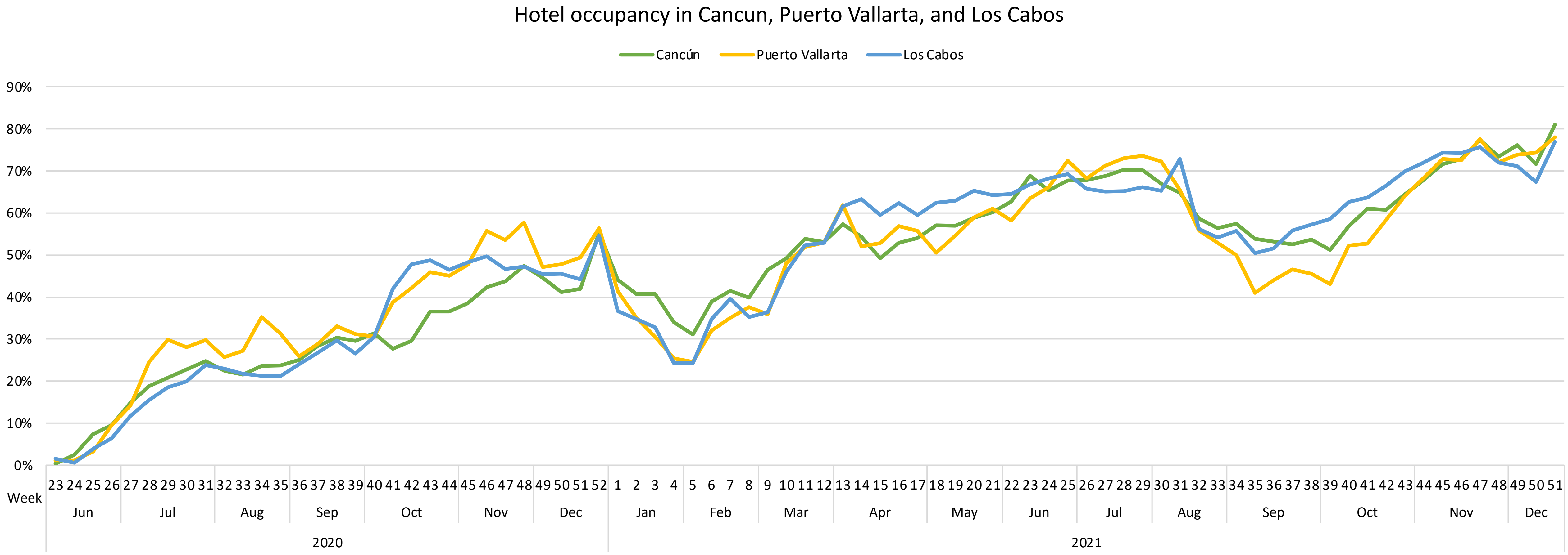
Hotel indicators in Mexico



- The country reached an average hotel occupancy rate of 59.8% in the 51st week of the year, down 0.4pp compared to the same week of 2019, but 27.8pp above the rate recorded in the same week of 2020.

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



- Los Cabos had a lower occupancy rate than Cancun and Puerto Vallarta during Dec-2021.
- By the end of week 51, Los Cabos, Puerto Vallarta, and Cancun had an occupancy rate of 76.9%, 78%, and 81%.

SOURCE: DATATUR

LOS CABOS

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: RevPAR = It/ΣHt, 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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