



Market Situation, Latest Trends and Forecasts

✚ In spite of the fact that one year ago Moscow was the leader among big European cities in profitability of hotel room capacity, today the situation is considerably different. For the first 9 months of this year the revenue per available room (RevPAR) in four- and five-star Moscow hotels amounted to € 90-95, which is almost half as much as it was a year ago. In capital cities of Central and East Europe (Prague, Budapest, Vienna) decrease in profitability was about 20-30%, whereas in large tourist centers of Western Europe (London, Paris) the decrease was only 7-13%.

✚ According to data of the Transport Clearing House, in January – September 2009 through Moscow airports it was transported approximately 30.9 mln passengers, that is about 10.1% less than in the same period a year ago. Meanwhile, passenger traffic of domestic flights decreased by 11.5%, for international flights this indicator reduced by 9.2%.

In airports of St. Petersburg the situation is similar. For the first 9 months in 2009 passenger traffic reduced by 9% (domestic flights – by 7.2%, international flights – by 10.4%).

Official Announcements, Estimations, and Opinions of Market Players

◆ **Russian Union of Tourist Industry with reference on data of Hotels.com:** In the first half of 2009 accommodation price in hotels decreased by 17%. These results are based on Hotel Price Index (HPI), which is calculated on basis of data of payments, made by means of Hotels.com site, for accommodation in 78 thousand hotels in 13 thousand cities and health resorts located all over the world. (Hotel News)

◆ **World Tourism Organization, UNWTO (Taleb Rifai):** Owing to global economy crisis and spread of the A (H1N1) influenza pandemic, through the first seven months of 2009 the decline in international tourism demand equals 7% in comparison with the same period of 2008. It is projected that international tourism demand will decrease by 5% by the end of 2009. Negative dynamics is expected to be seen in all world regions, except for Africa. In many tourism regions characteristics of domestic tourism are better than of international tourism. (RATA news)

◆ **The Russia Federal Agency for Tourism (Genadiy Pilipenko):** Currently, there are amounted 158 ski resorts of different capacity in Russia, another 7 are in construction. (Interfax)

◆ **The Moscow City Tourism Committee (Grigory Antufeev):** According to the Border Service of the Russian Federation, for the first 9 months of this year Moscow was visited by 2,620,660 foreigners, which is about 15% less than in the same period of 2008, when 3,070,299 foreigners visited Moscow. (HotelNews)

◆ **Bloomberg (according to Cyprus Statistical Department):** In January-September 2009 a number of Cyprus visitors shrank by 10.7% in comparison with the same period of last year. The most considerable reduction in amount of tourists was seen from Russia and the United Kingdom – countries, which are the main tourist suppliers for the island. Since January 1 to September 30 Cyprus was attended by a bit less than 1.8 mln people, while year ago the island was visited by more than 2 mln people. In 2008 Cyprus was visited by 182 thousand Russians (24% more than in 2007).

◆ **St. Petersburg Government Committee for Investments and Strategic Projects (Maxim Sokolov):** According to preliminary data, for the first 9 months of 2009 number of foreign visitors of St. Petersburg increased to 2 mln people against 1.846 mln people in the same period of 2008. (RATA news)

◆ **The German National Tourism Board:** In 2009 Russian tourists spent more than 1.3 mln nights in hotels and camping sites in Germany. It is expected that by 2015 number of nights, which Russians spend in Germany, will increase to 1.5 mln. (HotelNews)

◆ **The Croatian National Tourist Office in Russia and CIS countries (Mladan Falkony):** Flow of tourists from Russia to Croatia in January-September of 2009 fell by 23% compared to the same period in 2008 and amounted to 137 thousand people. The main reasons are global economy crisis, ruble devaluation, shortage of charter flights and unwillingness of Croatia's hotel owners to reduce prices. (RATA news)

Hotel Openings

(Hotels officially opened in October 2009)

City	Name of hotels, category / number of rooms
Moscow	Hotel Kadashevskaya, 4★ / 35
Uzhno-Sahalinsk	Mira Hotel
Kaliningrad	Obertaykh Luxe, ... / 9

Hotel Projects

(Projects mentioned in October 2009)

City	Name of hotels, category / number of rooms	Opening
Moscow	Radisson Royal Moscow, 5★ / 545	Q1 2010
	Hotel Lotte, 5★ / 304	Q1 2010
	Renaissance Monarch Center, 4★ / 350	Q4 2009
St. Petersburg	"Icebridge" (a multi-functional complex with a hotel), 4★ / 1000	Q3 2011
	Courtyard at Kanal Griboedova emb., 3★ / 280	2010
	Four Seasons Lion Palace St. Petersburg, 5★ / 183	2011
	Indigo, 5★ / 120-150	2013
	W Hotel, 5★ / 130	2010
	Reval Hotel Sonya, 4★ / 174	2009
Kazan	Courtyard, 3★ / 150	2011
Irkutsk	Courtyard, 3★ / 204	2011

Other News

◆ Since the beginning of the year to present day airport of Salonika, the capital city of north Greece, received 17 thousand Russian tourists less than in the same period of 2008. Average duration of staying at half-island Khalkidhiki in this season decreased by 15%. Most of the tourists preferred to go on holiday to other part of Greece – Pieria, where prices are lower than in Khalkidhiki. At the same time, in Pieria was also seen 8% decrease in number of visited tourists. (Travel.ru)