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*A brief analysis on tourism indicators
Second Quarter 2014*

t o u r i s m
U P D A T E



STATISTICS SECTION

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MAJOR INDICATORS – end June 2014

Due to the closure of some resorts for renovation, the operational capacity of resorts showed a slight decline during the second quarter of 2014. Similar trend was seen from Hotels, Guest houses and Safari Vessels beds as well. Within the 30,827 registered beds in 461 facilities at the end of June 2014, on an average 26,897 beds in 291 facilities were operational. These include 105 resorts with 22,935 beds, 17 hotels with 1,488 beds, 113 Guest Houses with 1,542 beds and 57 Safari Vessels with 932 beds.

Tourist arrival growth rate was stronger during the second quarter of the year with nearly +14% increase compared to that of 2013. With the addition of 279,952 tourists during second quarter total arrivals to the Maldives at the end of first six months totaled 601,513. Arrival growth rate was at 11.4% at end of June 2014

The bed nights of tourist resorts, hotels, guesthouses and safari vessels summed up to be 3.7 million at the end of June 2014. While the first quarter saw an increase of 5.4% with a total of 2,048,964 nights, growth in bed nights was stronger during the second quarter with 7.4%. The average duration of stay was recorded to be 6.2 days at the end of first six months of 2014.

Figure 1: Major indicators at end of June 2014

Major Indicators 2014	Jan - Mar	Apr - Jun	Total
Arrivals	321,561	279,952	601,513
% Change over 2013	9.7	13.5	11.5
Bed Nights	2,048,964	1,680,079	3,729,043
% Change over 2013	5.4	7.4	6.3
Occupancy Rate	84.5	68.8	76.7
% Change over 2013	1.9	3.3	2.1
Operational Bed Capacity (Avg.)	26,999	26,794	26,897
% Change over 2013	4.3	2.4	3.3
Average Duration of Stay (Days)	6.4	6.0	6.2
% Change over 2013	-0.3	-0.3	-0.3

Source: Ministry of Tourism

INTERNATIONAL TOURISM TRENDS

Demand for international tourism remained strong in the first four months of 2014 according to the latest UNWTO World Tourism Barometer. International tourist arrivals worldwide grew by 5%, the same rate as during the full year 2013. The UNWTO prospects for the current peak tourism season remain very positive with over 460 million tourists expected to travel abroad in the May-August 2014 period.

Asia and the Pacific (+6%) consolidated its growth of recent years, with South Asia (+8%) and North-East Asia (+7%) in the lead.

Growth picked up in the Americas (+6%), with all four sub-regions showing significant improvement compared to 2013.

Europe, the most visited region in the world, maintained the strength it showed in 2013 with international tourist arrivals growing by 5% through April. Northern Europe and Southern Mediterranean Europe (+8% each) led growth.

Africa's international tourist numbers grew by 5% as the recovery was consolidated further in North Africa (+8%).

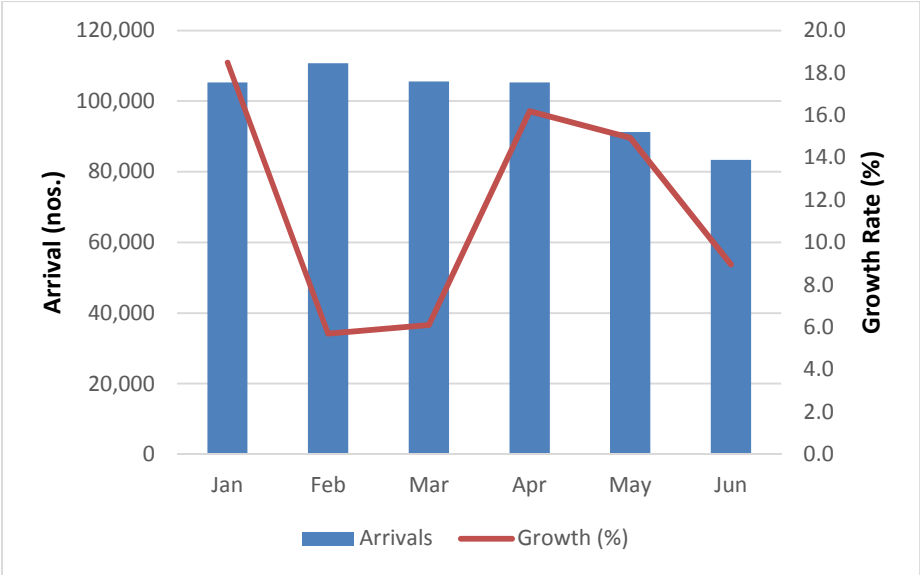
International tourist arrivals in the Middle East are estimated to be down by 4%, though this figure should be taken with caution as it is based on limited available data for the region.

TOURIST ARRIVALS TO THE MALDIVES

Over the years, the Maldives experienced increased movements in tourist traffic from October to April. The pattern is followed in 2014 with arrival numbers less during second quarter than that of first quarter. While Maldives welcomed 321,561 tourists with a growth rate of +9.7%, second quarter recorded a total of 279,952 tourists. Arrivals continued with high number of arrivals till the month of April and started to decline from April to June 2014 (Figure 2)

Growth was strongest during the month of January with 18.5%, dropped to 5.7% in February, and March recorded a slight improvement with 6.1%. A sharp increase was recorded from March (6.1%) to April (16.2%). Growth rate was at 14.9% during the month of May and went further down to 9% in June (Figure 2). Growth rate was at 11.5% for the period from January to June 2014.

Figure 2: Tourist Arrivals and growth percentage to the Maldives 2014



MAJOR MARKETS

Europe remained as the leading market generator with 46.5% shares at the end of June 2014. Maldives welcomed 279,886 tourists from Europe for the period from January to June 2014 which was an increase of 1.4% compared with the same period of 2013. Asia and the Pacific followed closely behind also with 46.5% shares, however, with just 265 tourists less than that of Europe. A total of 279,621 tourists visited the Maldives from this region during the first six months of 2014.

Middle East Market has also shown a growth of 22% over the past six months of 2014 compared to last year's arrivals. Their market share was 3% by end June 2014.

America has accounted for 3.4% Market share with a positive growth while Africa has the lowest market share of 0.6% of the total arrivals.

Figure 3: Market Share by Regions, 2014

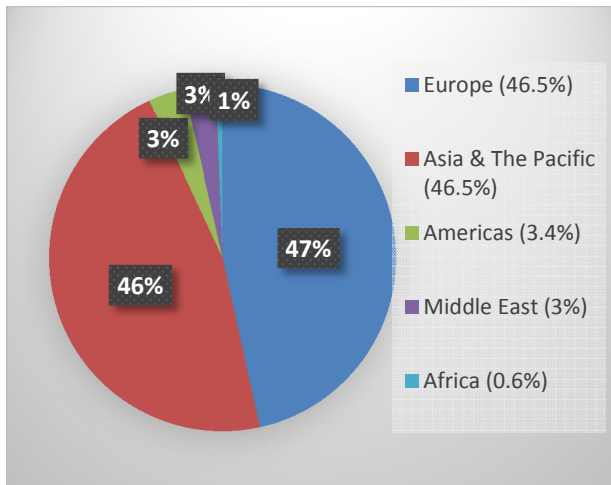
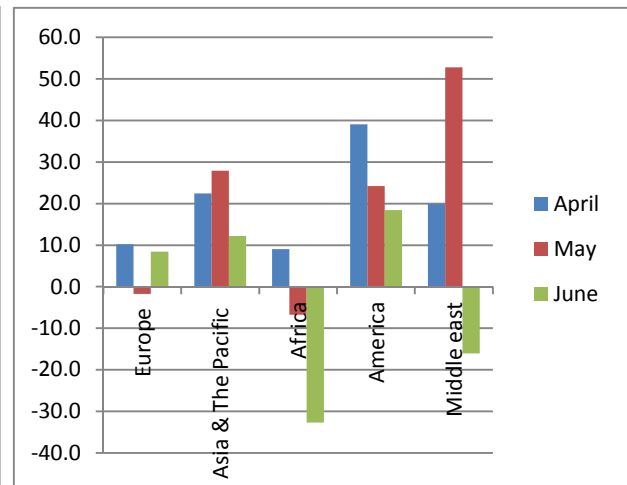


Figure 4: Tourist Arrival Growth by Regions, 2014



Arrival growth fluctuated during the year depending on the market. In the past 3 months from April till June the European market has shown a positive growth in the month of April, a slight decline in the month of May and again showed a positive growth in the month of June.

Asia and the Pacific for its high number of Chinese arrivals in the market segment has been increasing rapidly and shows a positive growth over the period of April to June 2014.

African tourist arrivals declined significantly compared to last year by -7.4% and highest decline was in the month of June 2014.

Americas showed a positive growth in arrivals from April to June 2014 compared to last year and also have topped Africa in terms of Market share.

Middle East showed the highest growth rate in the month of May by 52.8%, however, declined in June.

MAJOR EUROPEAN MARKETS

From the main market contributors in the region, six markets showed negative growth rates and markets like Ukraine showed a significant decline of -14%, and Turkey -9% compared to last year, probably due to the political turmoil in these countries.

Germany with 8.1% of market share of the total arrivals has remained at the top and also has shown a positive growth rate of 2% compared with last year.

The second best performing market was United Kingdom with 7.5% of the total arrivals which also showed an increase in market growth by 3%.

Third best performing were the Russians, with 6.2% market shares, however, it showed a negative market growth of -6% compared to the same period last year.

Italian market stands as the fourth market generator to the Maldives within the region holding a market share of 5.5% while the market has also shown a growth by 2.3%.

The next best performed are France (5.3%), followed by Switzerland (2.9%), while both showed a negative growth during the second quarter of the year.

Within the European Market segment to the Maldives, the highest performing market was observed by Israel with 68% of growth rate compared to the same period last year. Second best performed was Spain with 37.1% followed by Romania 31.9%. Fourth best in terms of market growth in the region is Sweden with 29.7%. (Figure 6)

Figure 5: Market Share of European Markets, 2014

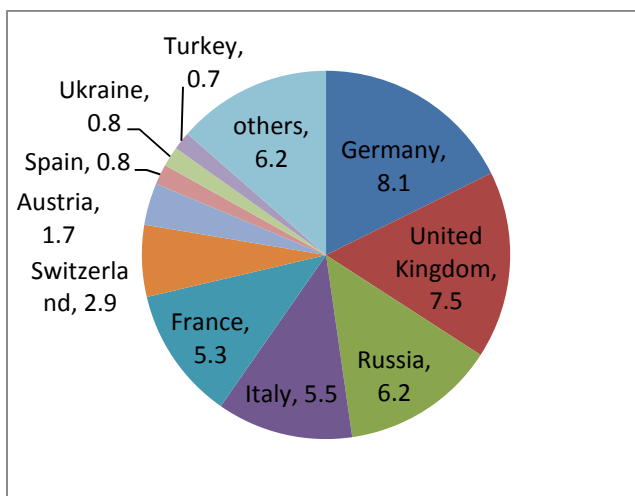
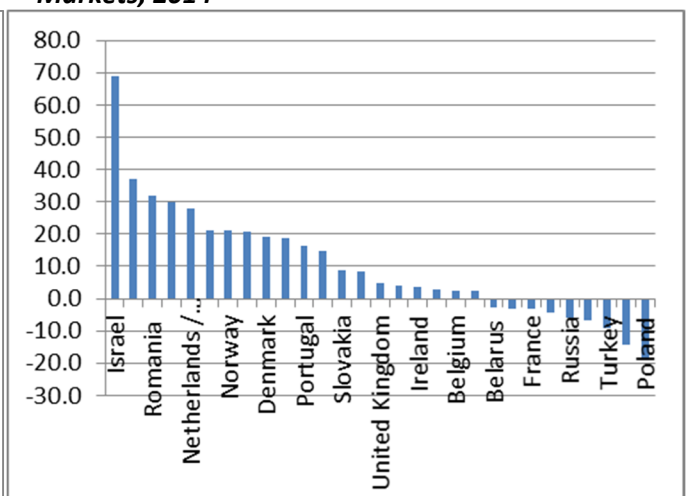


Figure 6: Growth percentage of European Markets, 2014



MAJOR MARKETS FROM ASIA AND THE PACIFIC

The fast growth pace of Asia and the Pacific markets over the past years has taken up a bigger bite in the Market share by 45.6% contribution to the arrival numbers. This is equivalent to the European Market share which has always been the top market generator to Maldives for over 40 years.

Leading market in the region and the highest performing market to the Maldives has been China with 28.5% of the total arrivals to the Maldives during the period. They also have shown a positive growth rate of 20% compared to the same period last year.

The second largest market generator is India with 3.7% and 14.2% market growth. Korea is the third best market generator in the region with 2.9% market share and a growth rate of 41.9%. Japanese market share has gone down compared to the previous years from the second best to 4th best in the region. They have contributed 2.8% to the market share and showed an increase of 5.5% market growth.

The highest growth rate in the region was observed for Singapore with 79.1% followed by Philippines and Malaysia with 76%.

Figure 7: Market Share of Asia & the Pacific, 2014

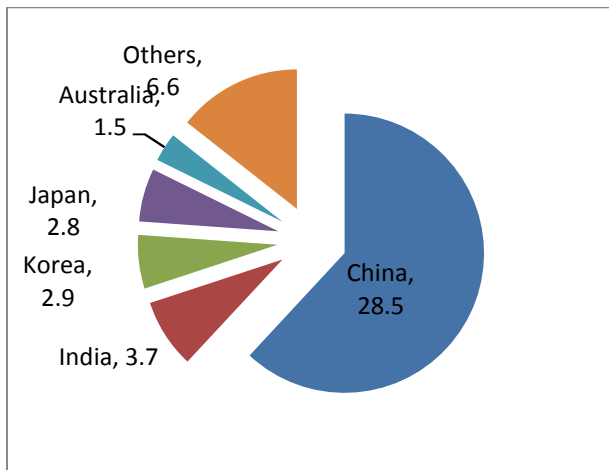
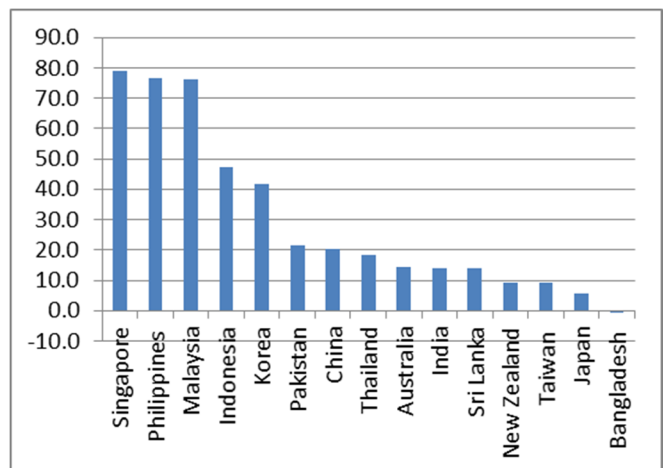


Figure 8: Market Growth percentage of Asia & the Pacific Markets, 2014



OTHER MAJOR MARKETS

In the African Region the highest market generator is South Africa with 0.3% market share, however, they have shown a significant decrease on growth with -22%. (Fig 8)

In the America’s, USA stays on top in terms of market share with 2% and showed a growth of 30% compared to the same period last year. The second best was performed by Canada with 0.6% market share and observed the highest market growth in the region with 37% growth rate. This was followed by was Brazil with 0.3% market share and 23.9% market growth from last year.

All Middle East markets have been growing since last year and showed positive growth rates. Saudi Arabia and was the leading market from the region with 1% market share and a growth of 17.7%. Kuwait has the highest market growth of 20.7% in the Middle East region. Kuwait and UAE contributed the same to the market share in the region with 0.5%. Lebanon in this region has the lowest market share with 0.2% and a growth of 12% compared to the last year’s visitors.

Figure 9: Market Share 2014

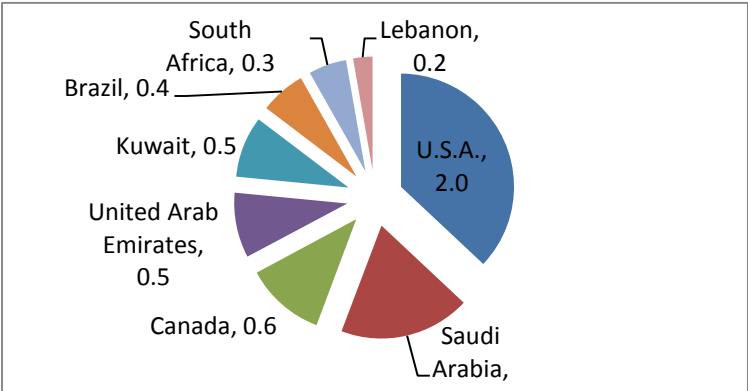


Figure 10: Market growth percentage 2014

