

## Tourism - China

# CNY golden week summary – The Dragons want to travel

Industry Overview

## Solid CNY travel data beats market expectations

The 8-day CNY holidays spanning from 10 Feb-17 Feb marked the start of the Chinese New Year of the Dragon. We summarize the travel data observed for domestic tourism, hotel, duty free, Macau/HK. In summary, the data was better than market expectations which had been adjusted lower after 2023 Oct GW's miss ([see report link here](#)). The solid CNY data shows that travel demand held up better than expected. In our view, it could allay investor concerns that travel activity in 2024 could slow down given macro weakness and lapse of pent-up leisure demand. (Please refer to page 2-5 for exhibits showing more detailed data).

## 1. Overall domestic trips/rev. at 474mn/RMB633bn

According to the Ministry of Culture and Tourism, total domestic trips and tourism rev. during the 8-day holidays were 474mn and RMB633bn. On a like-for-like comparable basis, dom. trips and tourism rev. recovery ratio were 119% and 108% of 2019 level and +34% YoY and +47% YoY, respectively. The recovery level vs. 2019 in 2024 CNY is better than the 2023 May GW's recovery ratio (119% and 101%) and 2023 Oct GW's (104% and 102%). Recall that 2023 Oct GW data missed market expectations and raised market concerns that travel demand could weaken due to macro slowdown.

## 2. Hotel: Est. strong YoY RevPAR growth

Based on the overall domestic travel trends and our checks, we believe leading operators' RevPAR recovery level vs. 2019 during 2024 CNY should exceed the level recorded in 2023 May/Oct GW (120-130%). As such, we estimate leading operators' RevPAR to post 35-60% YoY growth and be 40-50% above 2019 level. (Recall that operators' RevPAR recovery in 2023 CNY was at a relatively low base at 90-105% of 2019 level only vs. 120-130% during 2023 May/Oct GW).

## 3. Hainan Duty Free: RMB2.49bn of DF revenue

According to Haikou customs, total Hainan DF sales were RMB2.49bn (DA: RMB311mn) during the 8-day holiday. This compares to RMB1.33bn (DA: RMB166mn) during 2023 Oct GW, RMB883mn (DA: RMB177mn) during 2023 May GW and RMB1,560mn (DA: RMB223mn) during CNY'23. Total number of purchasers in CNY'24 was 298k and average spend is RMB8,358. The DA of RMB311mn in CNY'24 was well above that of all major holidays in 2023.

## 4. Macau visitations: 1.36mn/HK visitations: 1.44mn

According to Macau tourism office, total visitations to Macau during the 8-day holiday was 1.36mn (DA: 170k). The DA visitations implies 99% recovery vs. CNY'19 level (DA: 172k). This compares to 493k (DA: 99k) in 2023 May GW (62% recovery level) and 923k (DA: 115k) in 2023 Oct GW (83% recovery level). In Hong Kong, total visitations were 1.44mn (DA: 180k) and mainland visitations were 1.25mn (DA: 157k). The DA of 180k reflects 24% above 2023 May GW level (145k) and 15% above 2023 Oct level (157k).

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GW: Golden week

DA: Daily average

HTHT: H World

ATAT: Atour Lifestyle

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## 1. Overall domestic trips/rev. at 474mn/RMB633bn

According to the Ministry of Culture and Tourism, total dom. trips and tourism rev. during the 8-day holidays were 474mn and RMB633bn. On a like-for-like comparable basis, dom. trips and tourism rev. recovery ratio were up 119% and 108% of 2019 level and +34% YoY and +47% YoY, respectively. The recovery level vs. 2019 in CNY'24 is better than the 2023 May GW's recovery ratio (119% and 101%) and 2023 Oct GW's (104% and 102%), respectively. Recall that 2023 Oct GW data missed market expectations and raised market concerns that travel demand could weaken due to macro slowdown.

### Exhibit 1: Domestic tourism traffic and revenue vs. 2019 since COVID

CNY'24 domestic tourist traffic recovery was 119% while domestic tourism spend was 108% vs. CNY'19

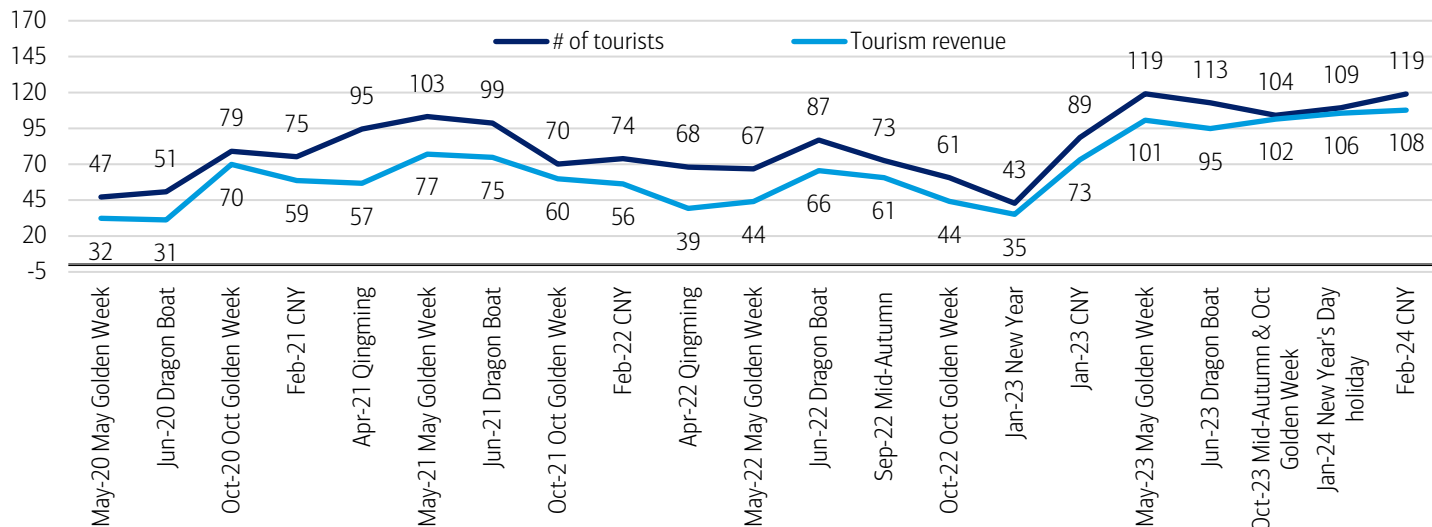
Holiday	# days off	# of tourists			Tourism revenue		
		mn	% yoy	% of 2019 level	bn	% yoy	% of 2019 level
Apr-20 Qingming	3	43	-61	39	8	-81	19
May-20 May Golden Week	5	115	-53	47	48	-68	32
Jun-20 Dragon Boat	3	49	-49	51	12	-69	31
Oct-20 Oct Golden Week	7	618	-21	79	454	-30	70
Feb-21 CNY	7	256	16	75	301	8	59
Apr-21 Qingming	3	102	145	95	27	229	57
May-21 May Golden Week	5	230	120	103	113	138	77
Jun-21 Dragon Boat	3	89	94	99	29	140	75
Oct-21 Oct Golden Week	7	515	-17	70	389	-14	60
Feb-22 CNY	7	251	-2	74	289	-4	56
Apr-22 Qingming	3	75	-26	68	19	-31	39
May-22 May Golden Week	5	160	-30	67	65	-43	44
Jun-22 Dragon Boat	3	80	-11	87	26	-12	66
Sep-22 Mid-Autumn	3	73	-17	73	29	-23	61
Oct-22 Oct Golden Week	7	422	-18	61	287	-26	44
Jan-23 New Year	3	53	0	43	27	4	35
Jan-23 CNY	7	308	23	89	376	30	73
Apr-23 Qingming	1	24	23		7	29	
May-23 May Golden Week	5	274	71	119	148	129	101
Jun-23 Dragon Boat	3	106	32	113	37	45	95
Oct-23 Mid-Autumn & Oct Golden Week	8	826	71	104	753	130	102
Jan-24 New Year's Day holiday	3	135	155	109	80	201	106
Feb-24 CNY	8	474	34	119	633	47	108

Source: Ministry of Culture and Tourism

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**Exhibit 2: Domestic tourism traffic and revenue recovery level vs. 2019 since COVID**

Recovery during CNY'24 is better than the 2023 May GW's and 2023 Oct GW's



Source: Ministry of Culture and Tourism

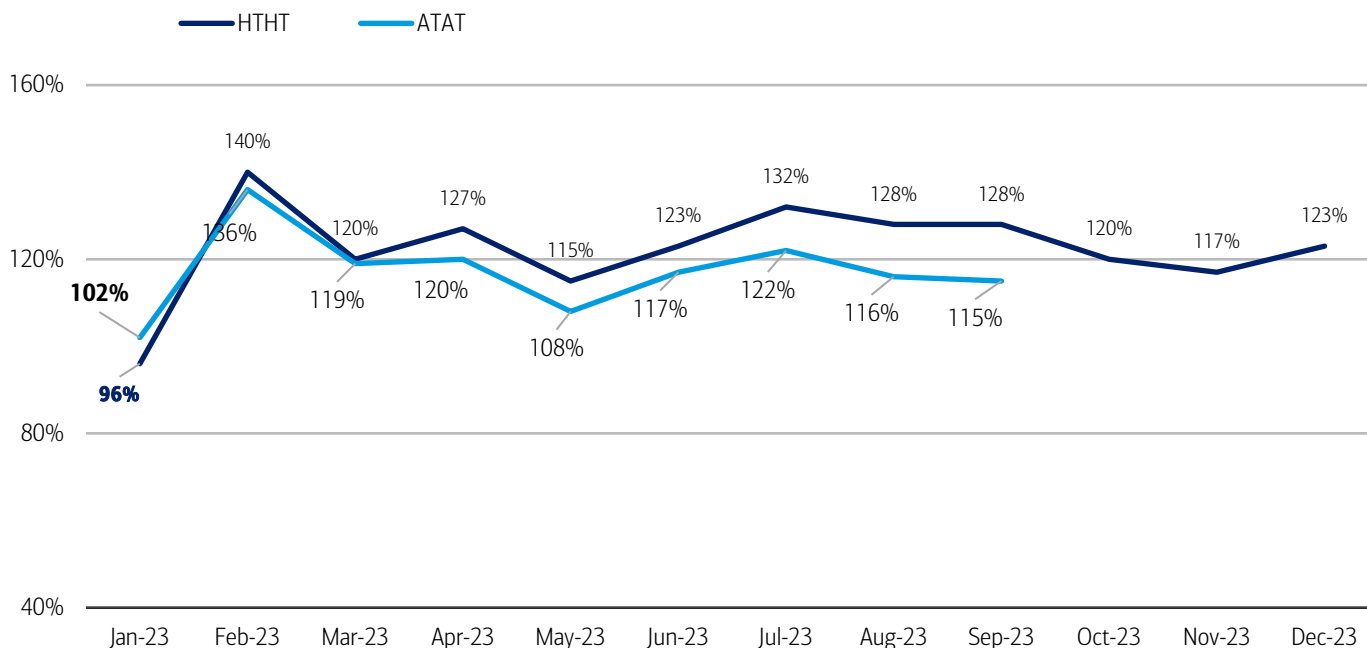
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**2. Hotel: Est. strong YoY RevPAR growth**

Based on the overall domestic travel trends and our checks, we believe leading operators' RevPAR recovery level vs. 2019 during CNY'24 should exceed the level recorded in 2023 May/Oct GW (120-130%). As such, we estimate leading operators' RevPAR to post 35-60% YoY growth and be 40-50% above 2019 level. (Recall that operators' RevPAR recovery in CNY'23 was a low base at 90-105% of 2019 level only vs. 120-130% during 2023 May/Oct GW).

**Exhibit 3: Monthly RevPAR recovery for HTHT and ATAT**

RevPAR recovery reached 120-130% during peak travel season in 2023



Source: Company data

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### 3. Hainan Duty Free: RMB2.49bn of DF revenue

According to Haikou customs, total Hainan DF sales were RMB2.49bn (DA: RMB311mn) during the 8-day holiday. This compares to RMB1.33bn (DA: RMB166mn) during 2023 Oct GW, RMB883mn (DA: RMB177mn) during 2023 May GW and RMB1,560mn (DA: RMB223mn) during CNY'23. Total number of purchasers in CNY'24 was 298k and average spend is RMB8,358. The DA of RMB311mn in CNY'24 was well above that of all major holidays in 2023.

#### Exhibit 4: Hainan duty free sales

Total Hainan DF sales were RMB2.49bn (DA: RMB311mn) during 2024 CNY

GW	Date	DF sales (RMB mn)	Ave. daily DF sales (RMB mn)	DF shoppers	Ave. spend per capita (RMB)
2023 CNY	1/21/2023 - 1/27/2023	1,560	223	157,000	9,936
2023 May GW	4/29/2023 - 5/3/2023	883	177	109,000	8,101
2023 Oct GW	9/29/2023 - 10/6/2023	1,330	166	170,000	7,824
2024 CNY	2/10/2024 - 2/17/2024	2,489	311	297,700	8,358
2024 CNY daily breakdown	2/10/2024		245		
	2/11/2024 - 2/12/2024		318		
	2/13/2024		336		
	2/14/2024		368		
	2/15/2024		315		
	2/16/2024		314		
	2/17/2024		275		

Source: Haikou customs

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### 4. Macau: daily visitations of 170k were 99% of '19 level

According to Macau tourism office, total visitations to Macau during the 8-day holiday was 1.36mn (DA: 170k). The DA level implies 99% recovery vs. CNY'19 level (DA: 172k). This compares to 493k (DA: 99k) in 2023 May GW (62% recovery level) and 923k (DA: 115k) in 2023 Oct GW (83% recovery level).

#### Exhibit 5: Macau visitations recovery level vs. 2019

Total Macau visitations reached 1.36mn during CNY'24 GW. The daily average of 170k implies 99% recovery vs. 2019 level

	Number of days	Visitations		Daily average		Recovery level vs. 2019 (daily average)	
		Total	Mainland	Total	Mainland	Total	Mainland
CNY '23	7	450,298	263,922	64,328	37,703	37%	30%
May GW '23	5	493,000	376,000	98,600	75,200	62%	69%
Oct GW '23	8	923,287	700,888	115,411	87,611	83%	77%
CNY '24	8	1,357,803	1,034,503	169,725	129,313	99%	101%
	Number of days	Visitations		Daily average			
		Total	Mainland	Total	Mainland		
CNY '19	7	1,201,912	893,759	171,702	127,680		
May GW '19	4	637,000	437,000	159,250	109,250		
Oct GW '19	7	974,337	793,620	139,191	113,374		

Source: Macau Tourism Office, Macau Today News, hk01

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### 5. Hong Kong: total visitations reached 1.44mn during CNY

According to Hong Kong Immigration department, total visitations were 1.44mn (DA: 180k) and mainland visitations were 1.25mn (DA: 157k). The DA of 180k reflects 24% above 2023 May GW level (145k) and 15% above 2023 Oct level (157k).

**Exhibit 6: Hong Kong visitations recovery level vs. 2019**

Total visitations to Hong Kong during the CNY GW'24 were 1.44mn (DA: 180k)

	Number of days	Visitations		Daily average		Recovery level vs. 2019 (daily average)	
		Total	Mainland	Total	Mainland	Total	Mainland
CNY '23	7	163,982	94,880	23,426	13,554	N/A	N/A
May GW '23	5	723,587	625,538	144,717	125,108	N/A	50%
Oct GW '23	8	1,253,350	1,091,963	156,669	136,495	N/A	142%
CNY '24	8	1,436,341	1,254,500	179,543	156,813	N/A	78%
	Number of days	Visitations		Daily average			
		Total	Mainland	Total	Mainland		
CNY '19	7	N/A	1,400,000	N/A	200,000		
May GW '19	4	N/A	997,663	N/A	249,416		
Oct GW '19	7	N/A	671,000	N/A	95,857		
Oct GW '18	7	N/A	1,521,369	N/A	217,338		

**Source:** HK immigration, Voacantonese, hk01, HKCD, The paper, BofA Global Research estimates

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Neutral	≥ 0%	≤ 30%
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