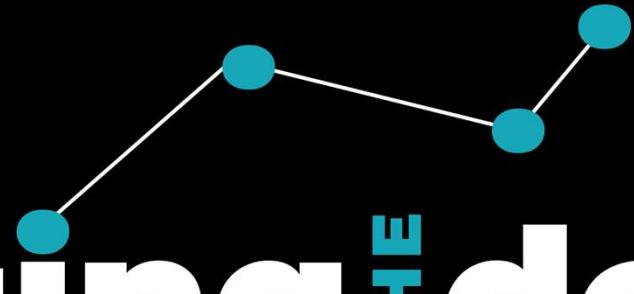


connecting ^{THE} dots

WITH ALHI



Michael Dominguez, FASAE, CHSE
Global Luxury Sales Leader @ ALHI |
Hospitality & Resorts Expert | Futuris...





NUMBER OF THE DAY

Global growth is projected to drop to 2.8 percent in 2025 and 3 percent in 2026—down from 3.3 percent for both years in the January 2025 WEO Update. More in the latest World Economic Outlook.

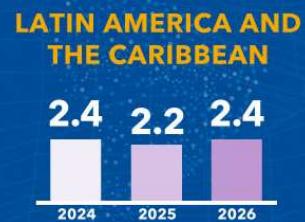
2.8%

ECONOMIC
GROWTH

WORLD ECONOMIC OUTLOOK UPDATE JULY 2025

GROWTH PROJECTIONS BY REGION

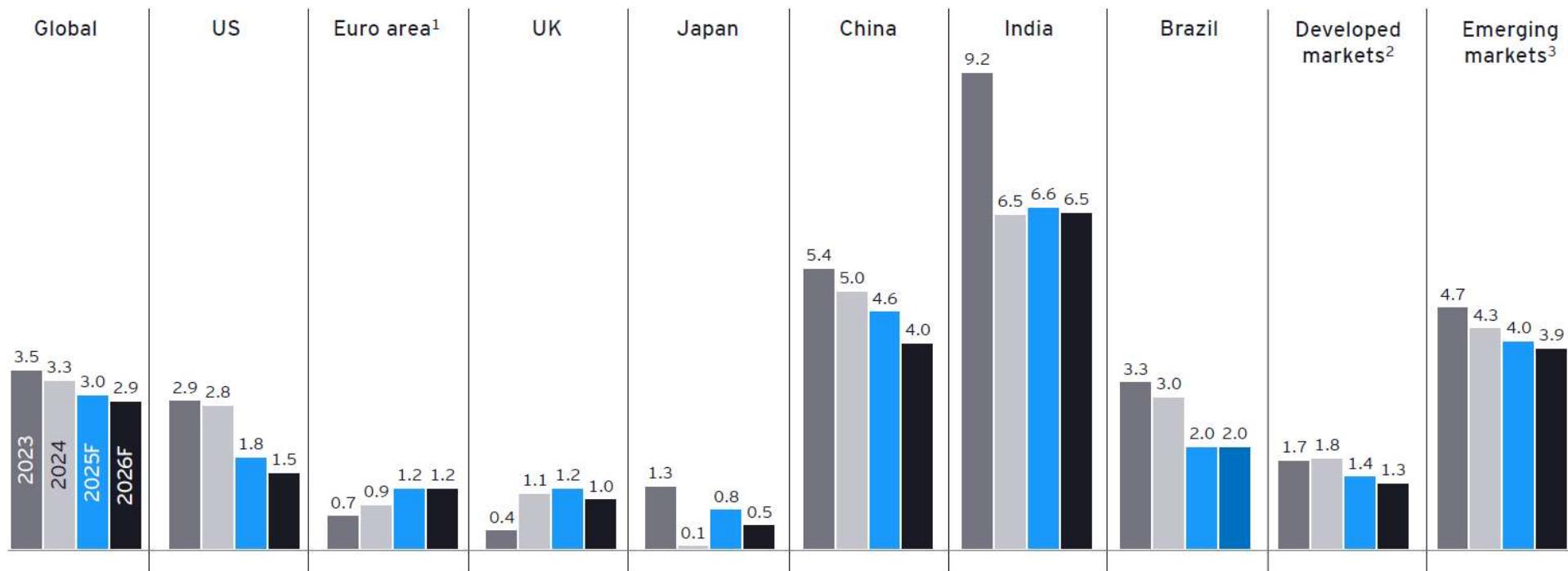
(REAL GDP GROWTH, PERCENT CHANGE)



The global economy is holding up, but growth is slowing as the US and mainland China see weaker momentum and activity in other economies remains constrained

Global snapshot

Year-over-year (y/y) percentage change in real GDP
September forecast, 2023-26F



1. Euro area includes 20 countries.

2. Developed markets according to definition of advanced economies from the International Monetary Fund (IMF).

3. Emerging markets is the rest of the world.

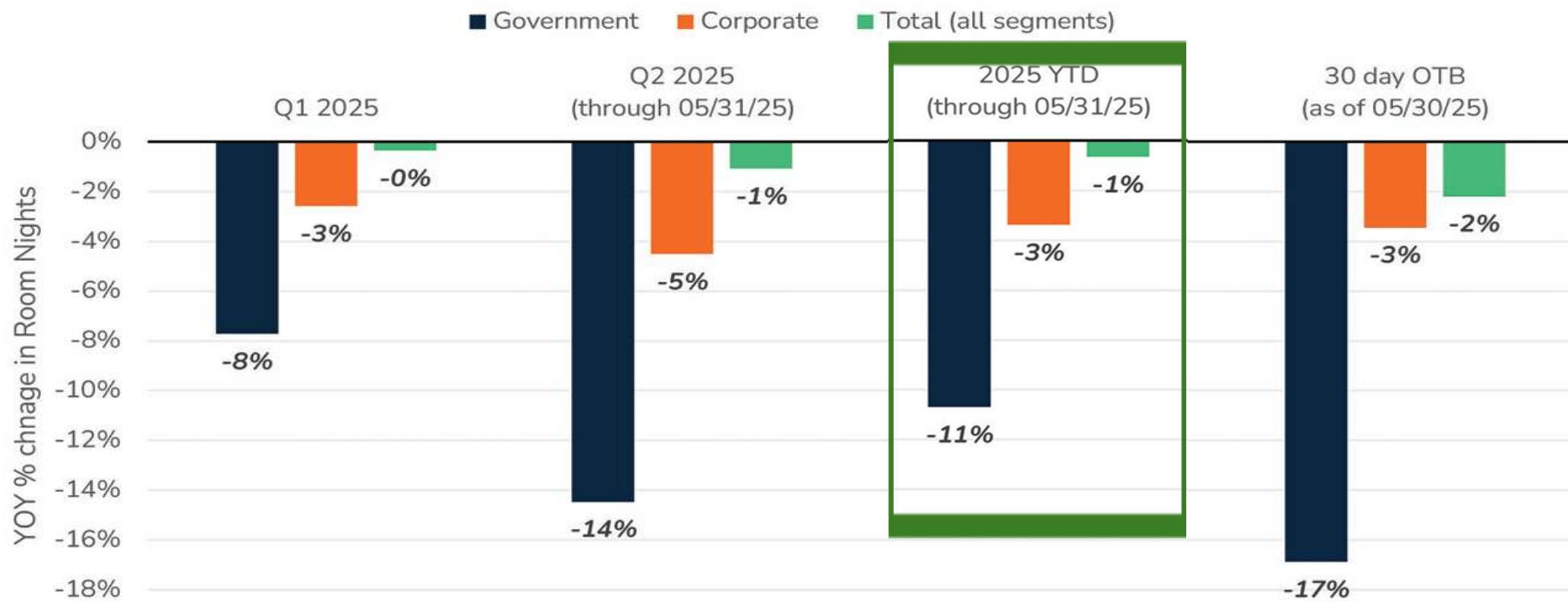
Source: EY-Parthenon

US Hotel Industry



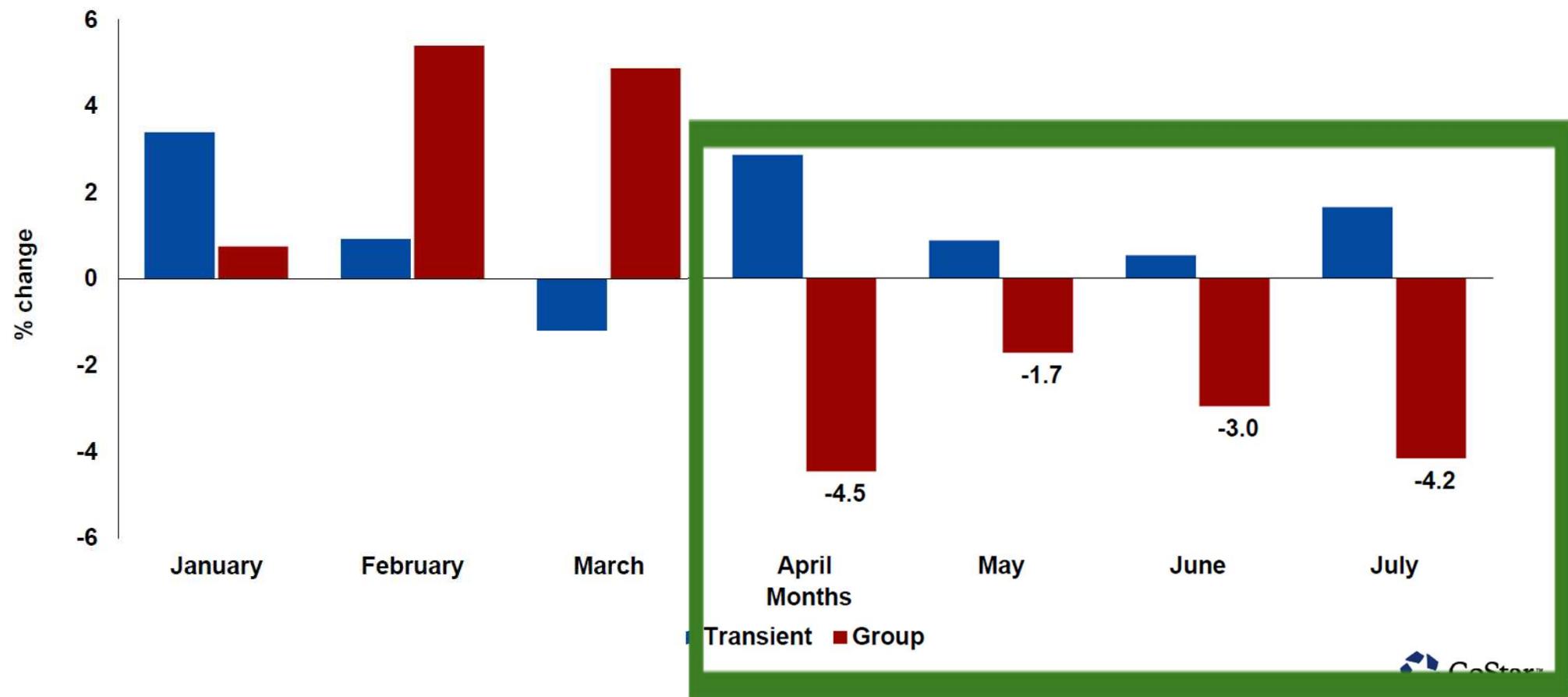
U.S. Total, Government and Corporate Room Nights

Year-over-Year % Change in 2025 YTD Actuals and 30-day On-the-Books Pace



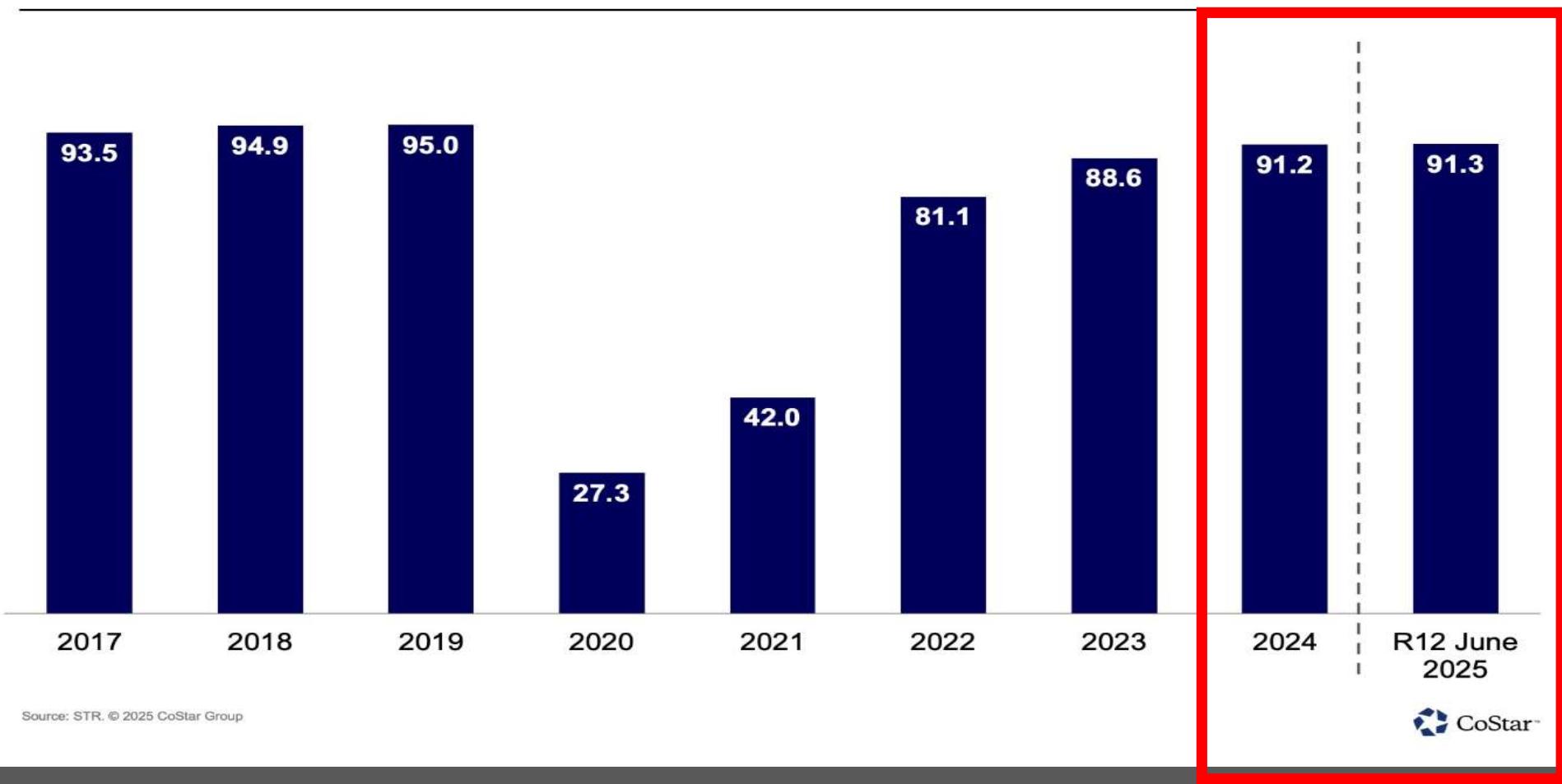
Transient Demand Robust. Group Demand declined in Q2

Segmentation demand % change, by month, 2025



Groups and meetings slowing and still not to 2019 levels

US luxury and upper upscale classes, group room demand (millions)



US hotel forecast

Year-over-year percent change

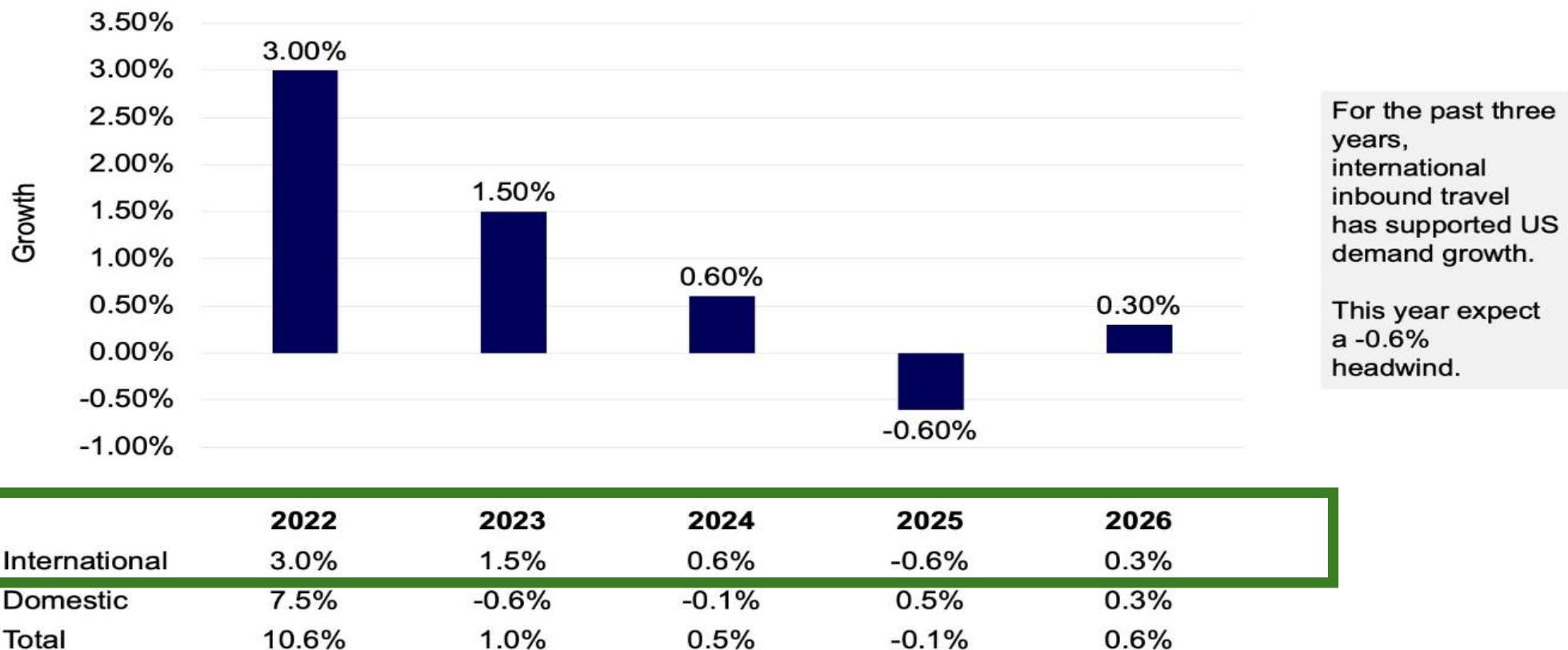
	2024 Actual	2025 Forecast	2026 Forecast
Supply (year over year)	+0.5%	+0.8%	+0.8%
Demand (year over year)	+0.5%	-0.1%	+0.6%
Occupancy	63.0%	62.5%	62.3%
Average daily rate (year over year)	+1.8%	+0.8%	+1.0%
Revenue per available room (year over year)	+1.9%	-0.1%	+0.8%

Source: CoStar and Tourism Economics, August 2025



Expected impact to US hotel demand

US room demand growth, domestic and international contributions to total growth



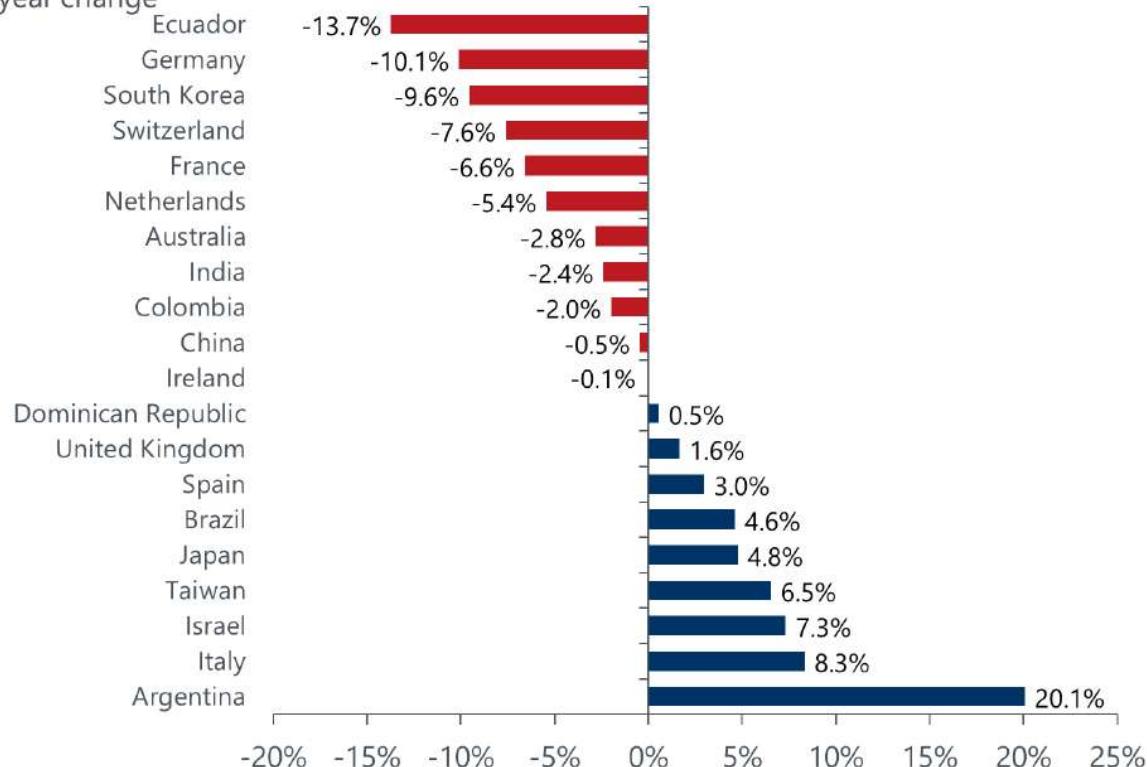
Source: Tourism Economics and CoStar Group

 CoStar™

Disparate performance by market!

Overseas visitor arrivals to the US by top 20 markets (July 2025 YTD)

Year-over-year change



Rising Google searches point to potential lodging demand growth this fall

Corporate Brands Average Searches Index Change



CBRE Hotels Research, Google Trends. Keywords: Hilton, Marriott, Hyatt, IHG Hotels & Resorts, as of July 31, 2025

24

CBRE HOTELS RESEARCH

Brand Loyalty Program Searches Index Change



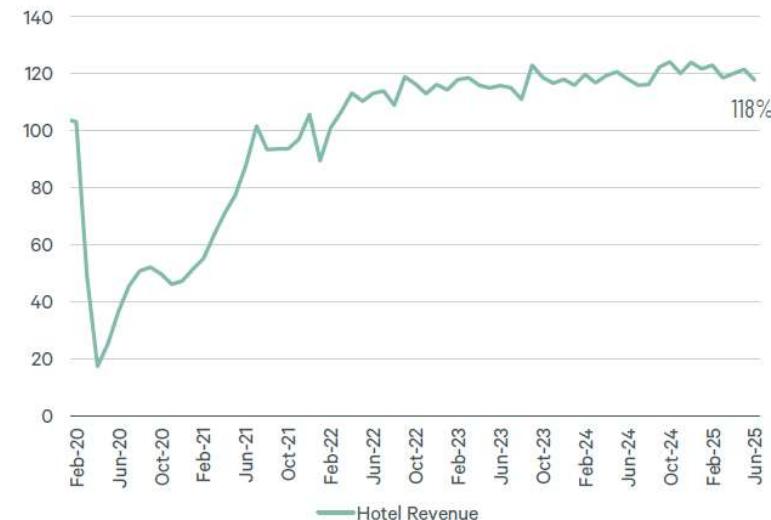
CBRE Hotels Research, Google Trends Keywords: Hilton Honors, Marriott Bonvoy, World of Hyatt, IHG Rewards, as of July 31, 2025

© 2025 CBRE, INC.

Revenue growth for STR, cruise lines and casinos continue to outpace traditional hotels

U.S. Hotel Room Revenue

Percent of 2019 (%)



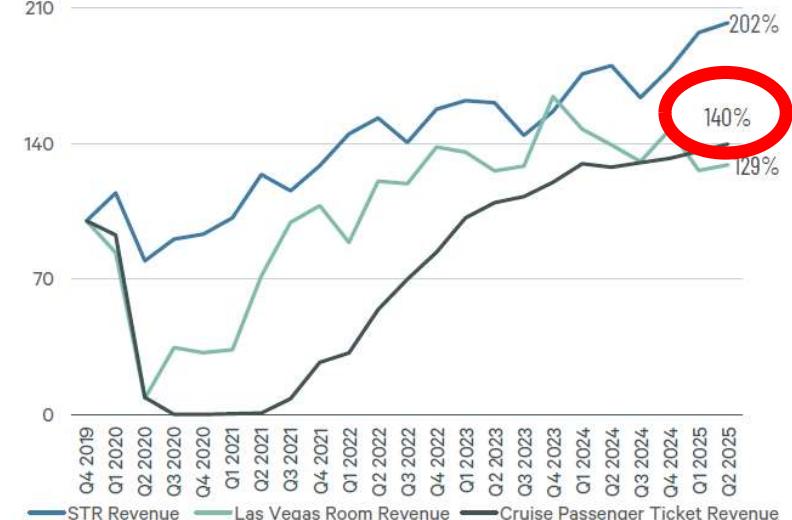
CBRE Hotels Research, CoStar

23

CBRE HOTELS RESEARCH

Cruise Line, Las Vegas & Short-Term Rental Revenue

Percent of 2019 (%)



CBRE Hotels Research, AirDNA, LVCVA as of June, Cruise line data is from Carnival, Norwegian and Royal Caribbean as of Q2 2025

*Passenger Ticket Revenue and Vegas Room Revenue

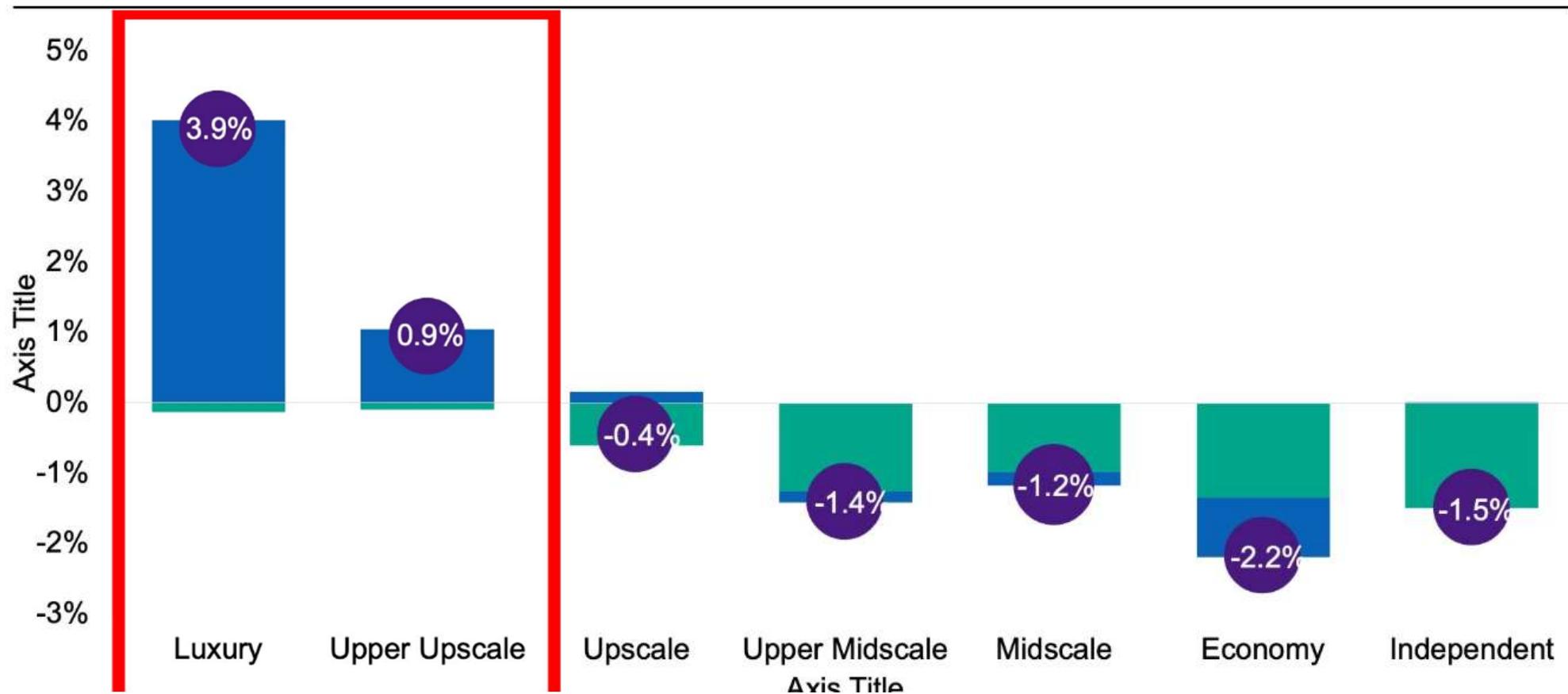
© 2025 CBRE, INC.

Bifurcated Market



Upper-tier rate projections are lowered, while occupancy comps are dismal

US 2025 forecast, year-over-year percent change



Notable Company Highlights (as of July 24, 2025)

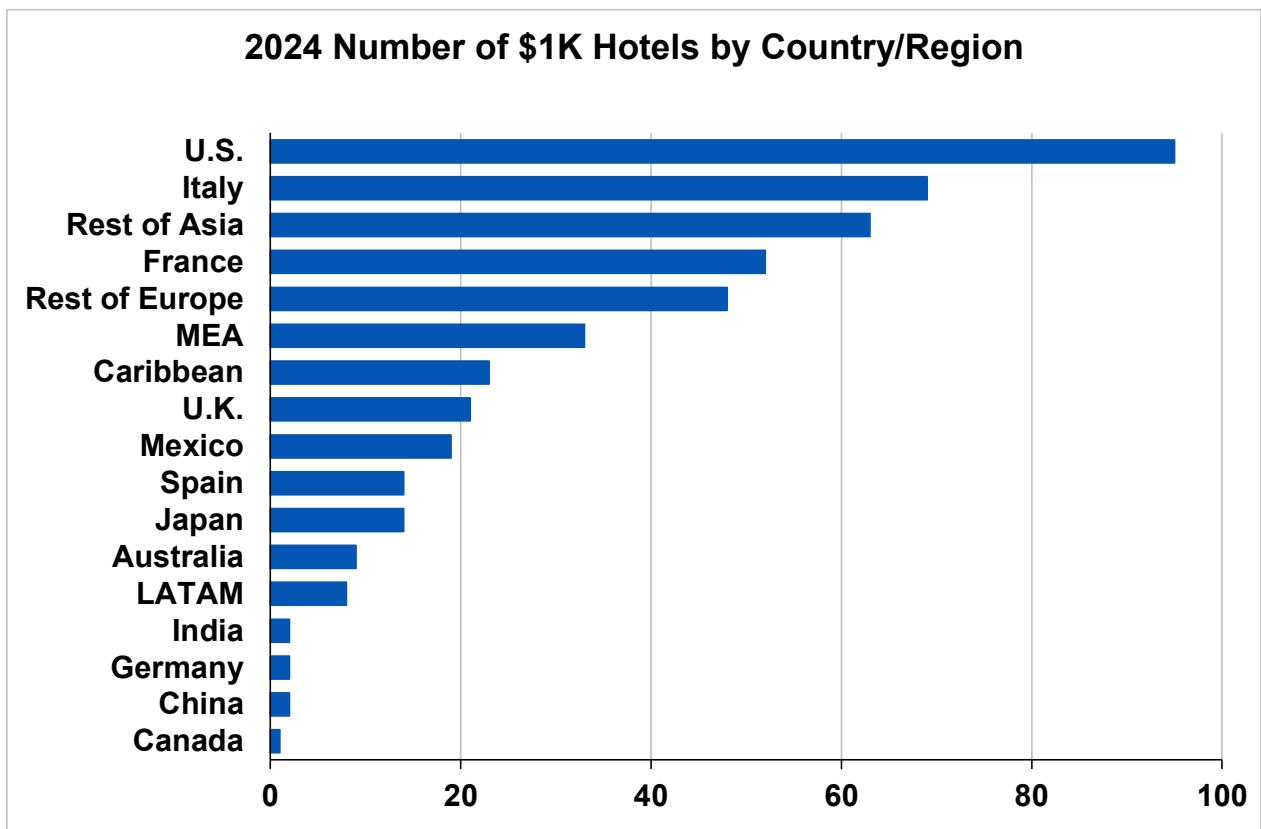
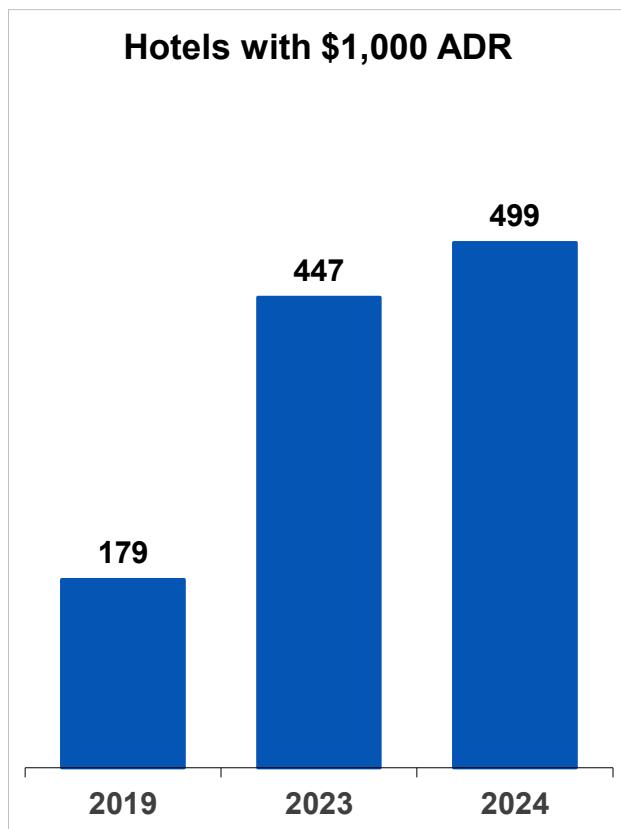
- **Micron:** Reported strong earnings and revenue, driven by demand for memory chips used in AI applications.
- **Delta Airlines:** Showcased robust travel demand, particularly for premium cabins and transatlantic routes.
- **Nike and FedEx:** Offered cautious outlooks, reflecting pressures on consumer spending and global economic growth.
- **GE Vernova:** Raised revenue and free cash flow forecasts, benefiting from growing power demand for AI and cryptocurrency data centers.
- **Texas Instruments:** Quarterly profit forecast pointed to weaker demand for analog chips, highlighting tariff-related uncertainty. 

LUXURY
BUYERS

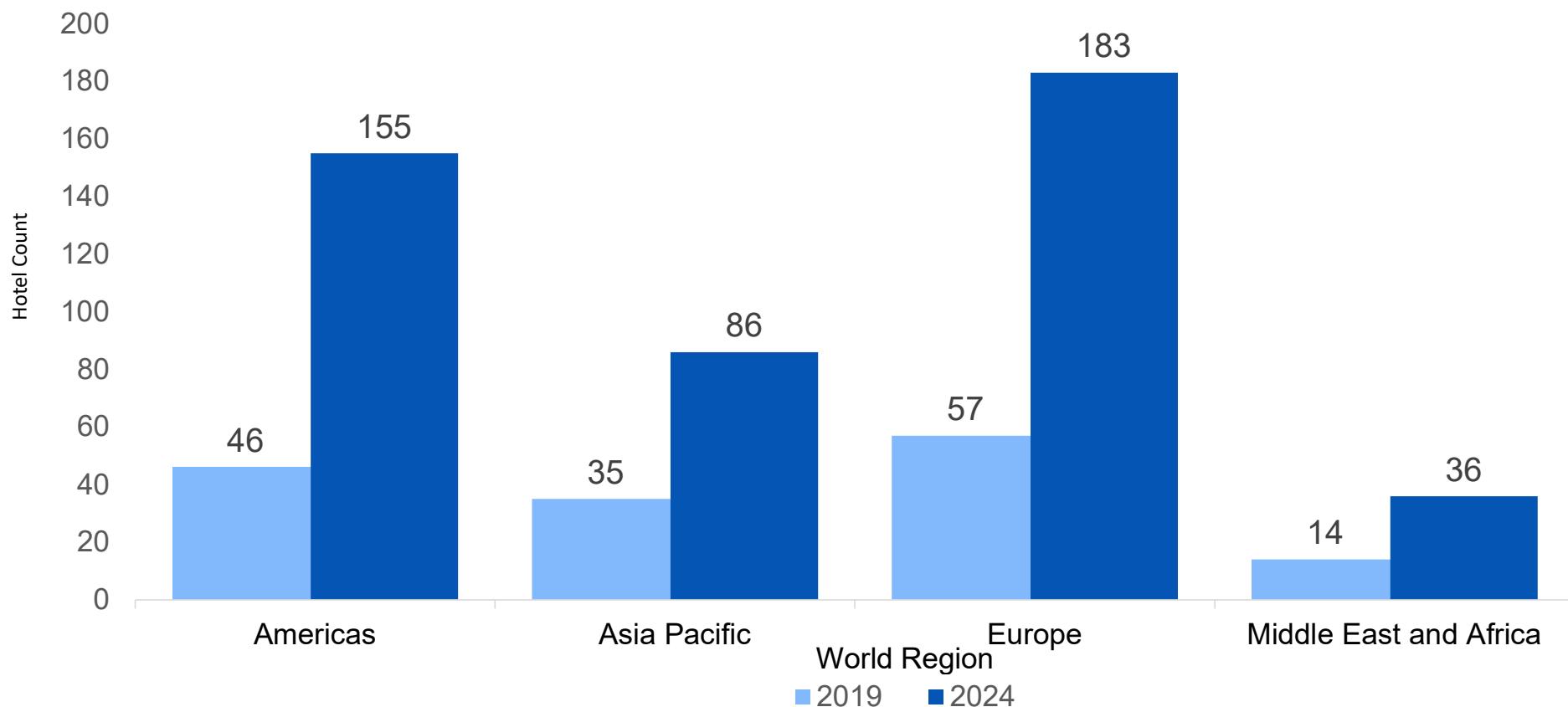


\$1,000 ADR hotels increasing

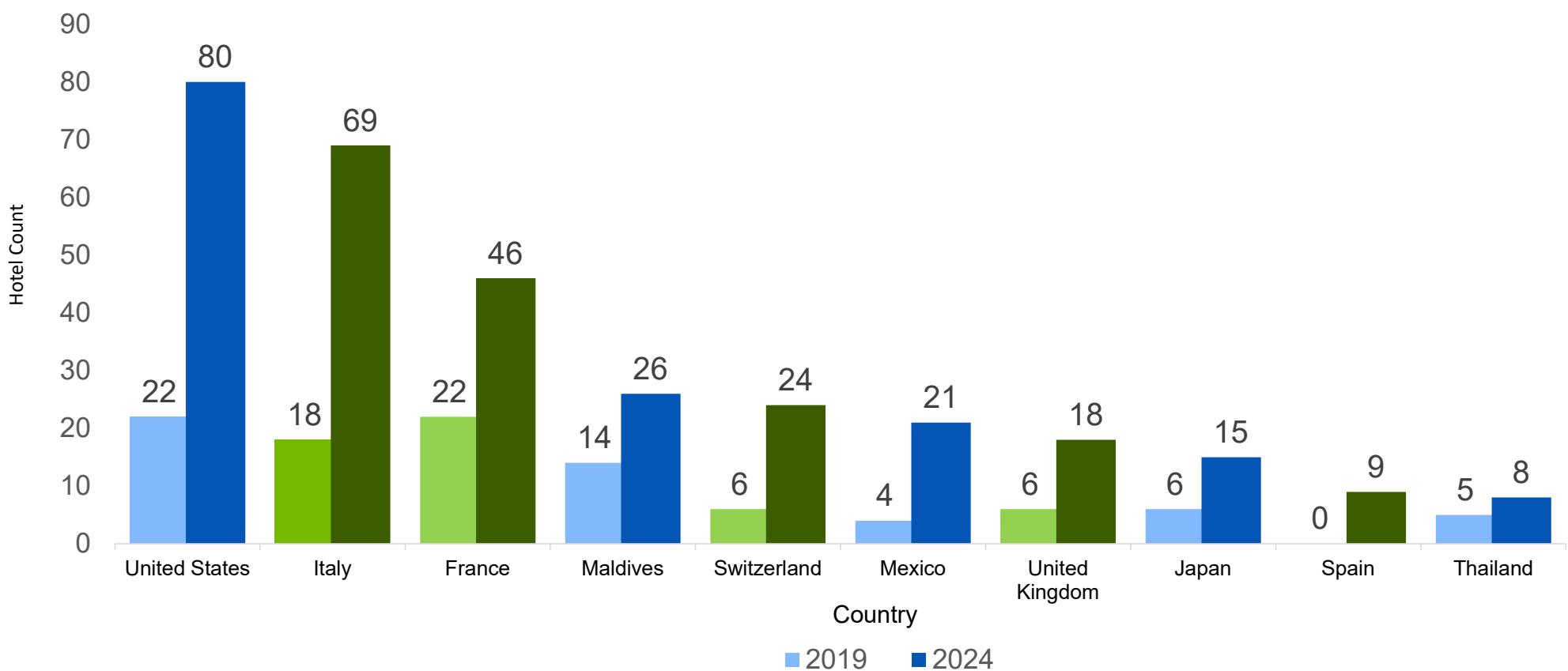
Number of hotels with an average ADR above \$1,000, reporting hotels

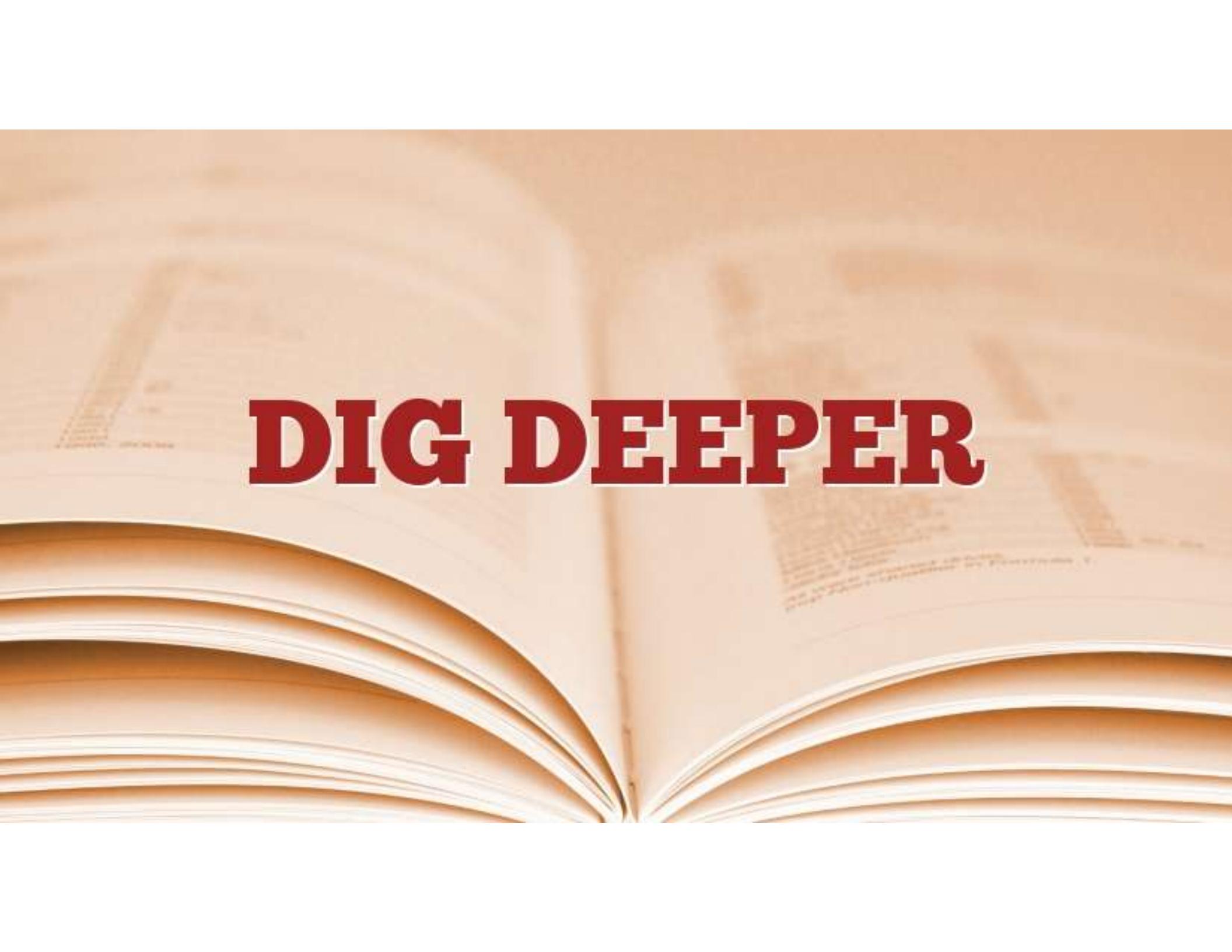


Hotels with \$1,000 Averages Rates Used To Be Rare. Not Anymore.



European Countries Show Strong Increase in Hotels That Report a \$1,000+ ADR

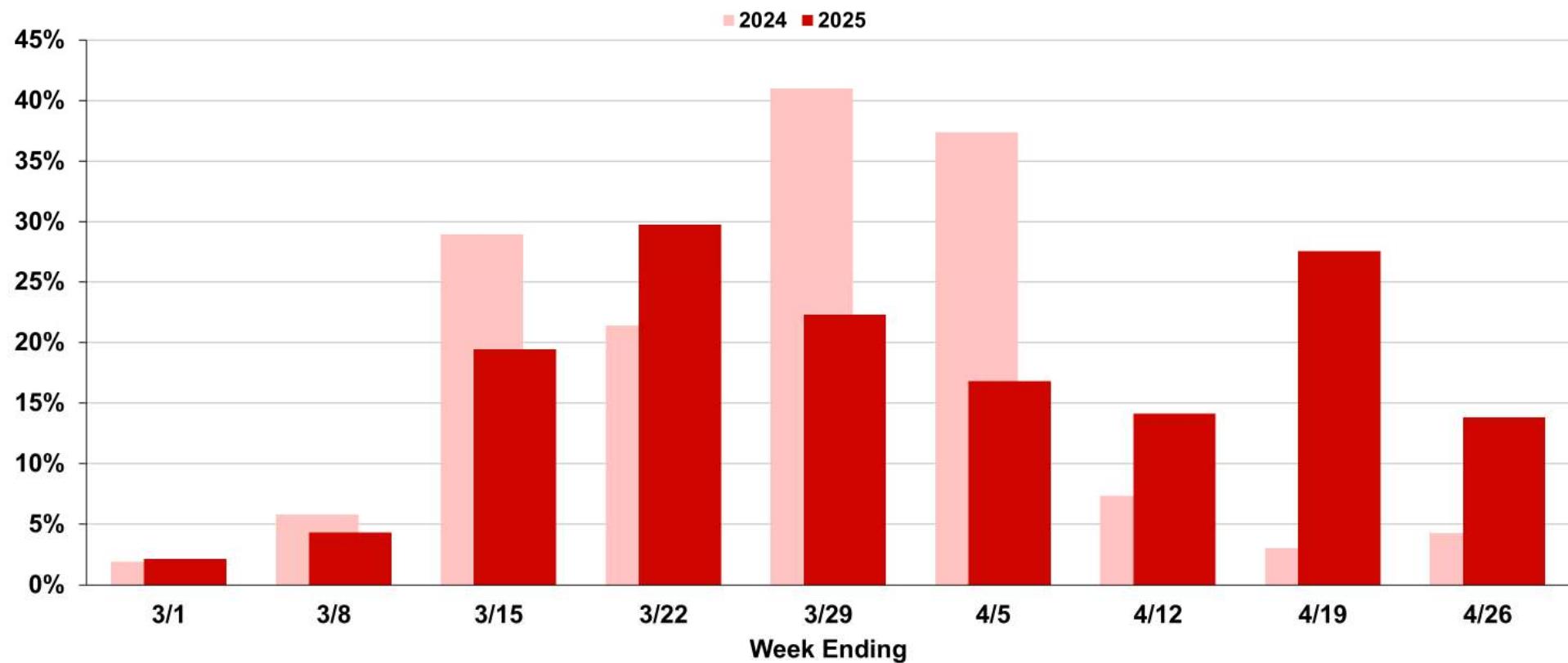




DIG DEEPER

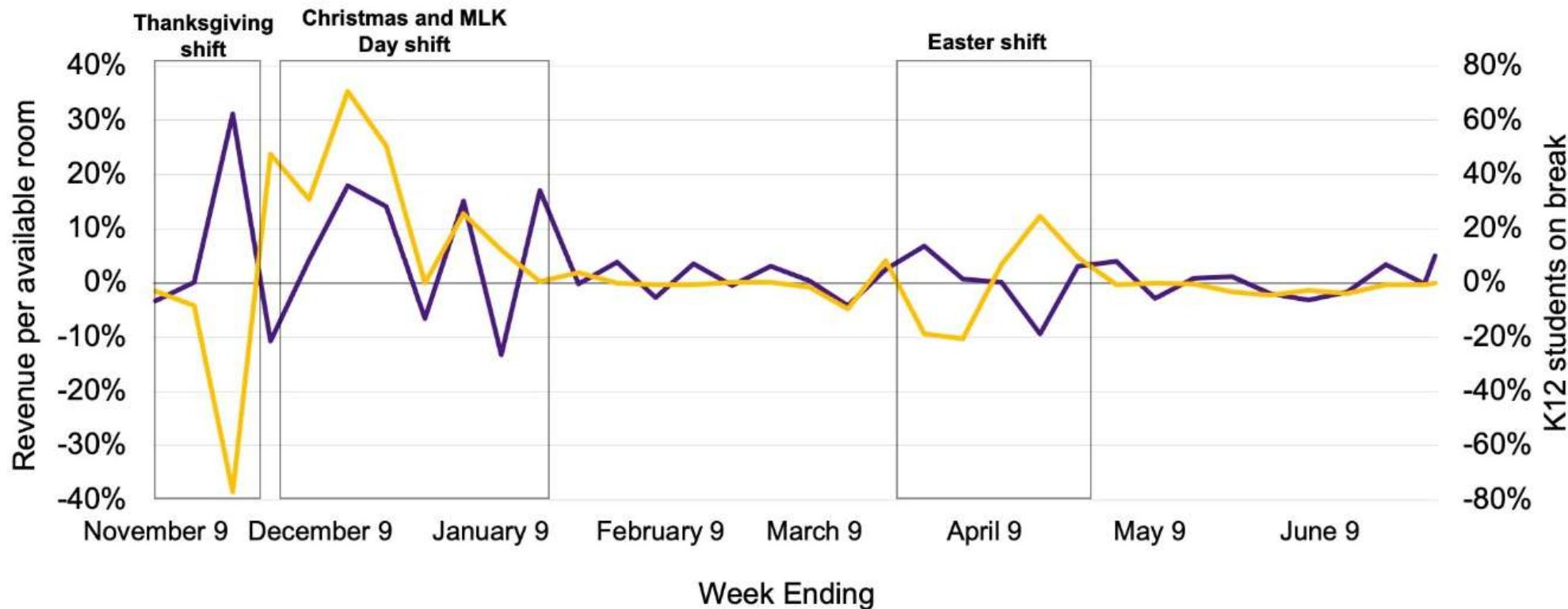
Changes in school holidays have complicated things

Percent of school population on vacation



School calendars make-or-break weekly revenue per available room growth

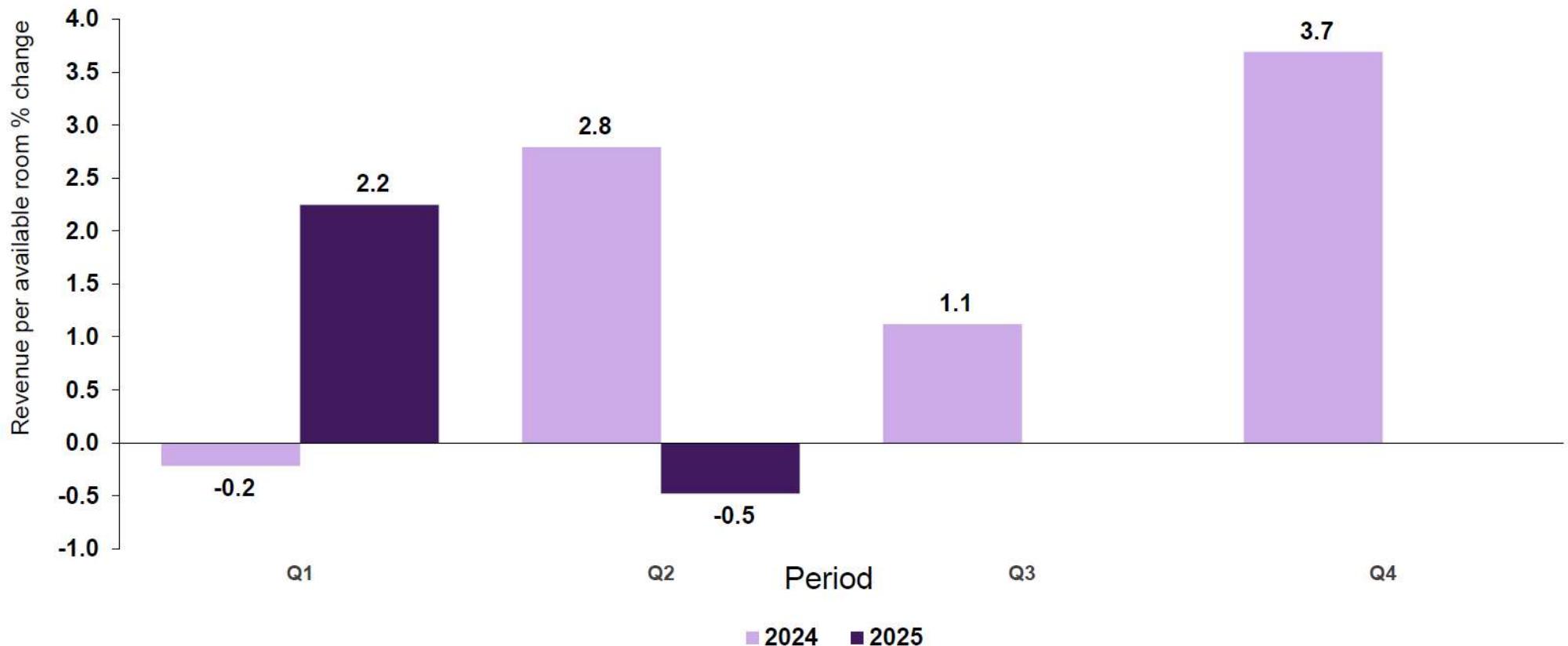
US revenue per available room percent change year over year and K-12 ppt difference in students on break year over year, 2024-2025 school year



The background of the image features a dark, black space-like setting. Overlaid on this are several glowing, translucent energy waves in shades of blue, purple, and pink. These waves are composed of fine, radiating lines that create a sense of depth and motion. Interspersed among the waves are numerous small, glowing particles, primarily in shades of blue and cyan, which appear to be moving along the paths of the waves.

...Cut Through
The Noise

Tough Q4 comp ahead





TAYLOR SWIFT

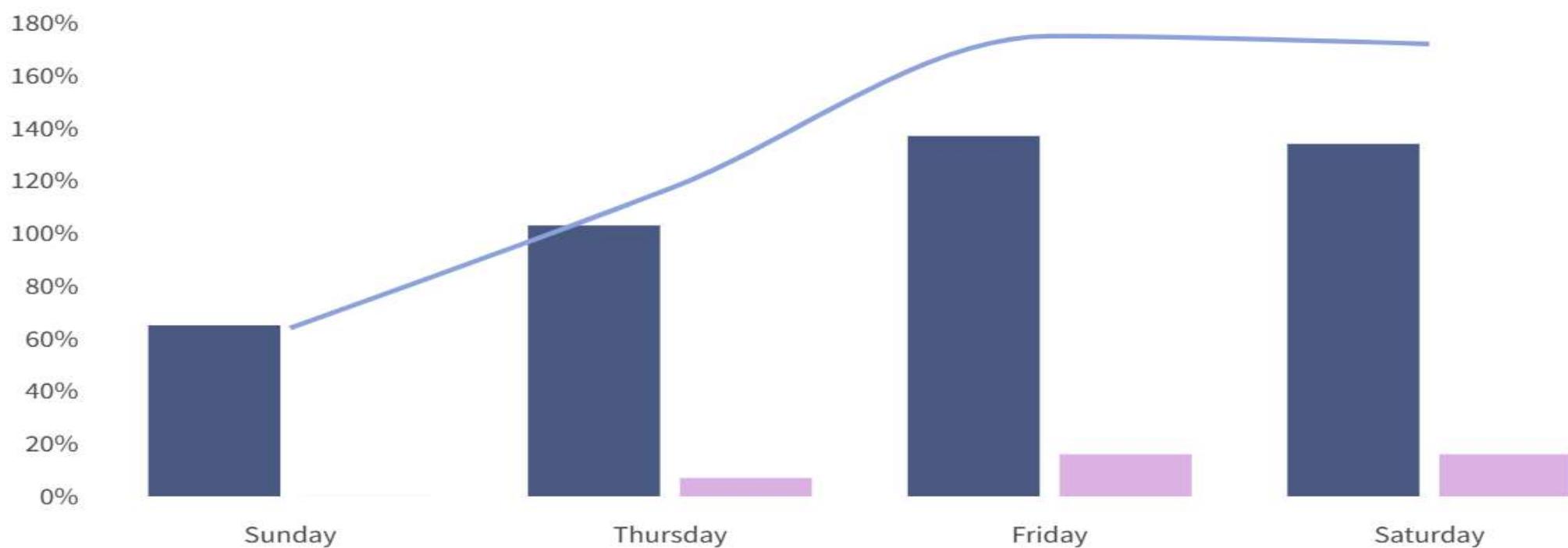
THE ERAS TOUR

(TAYLOR'S VERSION)

Fridays drove the most RevPAR growth during the final leg of the Eras Tour

Day of week, host markets

● Avg RevPAR growth ● Avg ADR growth ● Avg Occ growth



Source: © 2024 CoStar Group

Occupancy, ADR growth by market for the final leg of the Eras Tour

Year-over-year % chg

● Avg ADR growth ● Avg Occ growth



Source: © 2024 CoStar Group

MAX DEFENDER 8

HURRICANE BERYL

5:00AM | 0 MI N OF MATAGORDA TEXAS

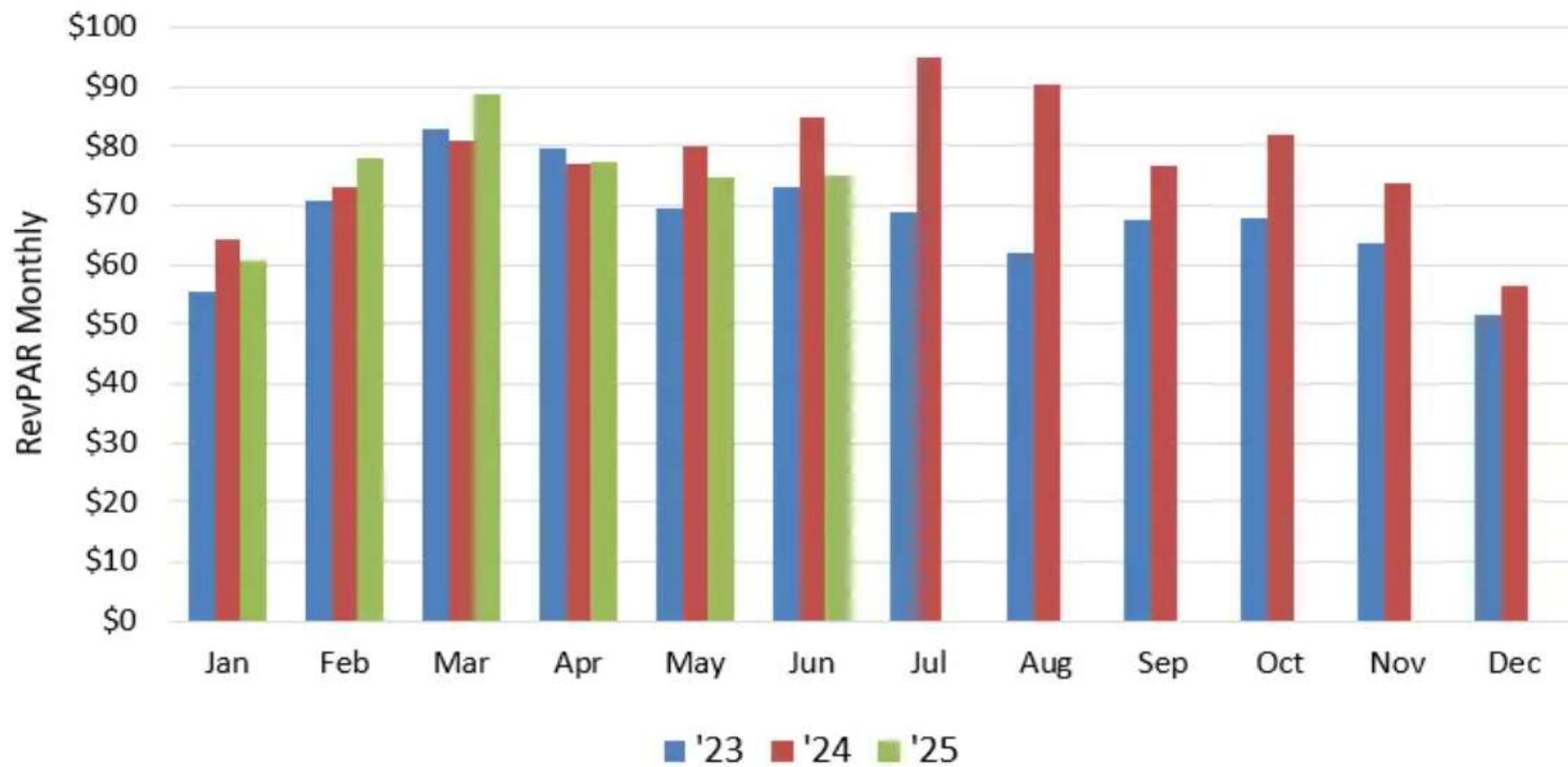
MAX WINDS
80 mph

PRESSURE
979 mb

MOVEMENT
N at 12



REVENUE PER AVAILABLE ROOM (REVPAR), HOUSTON METRO AREA



Source: Partnership analysis of CoStar data



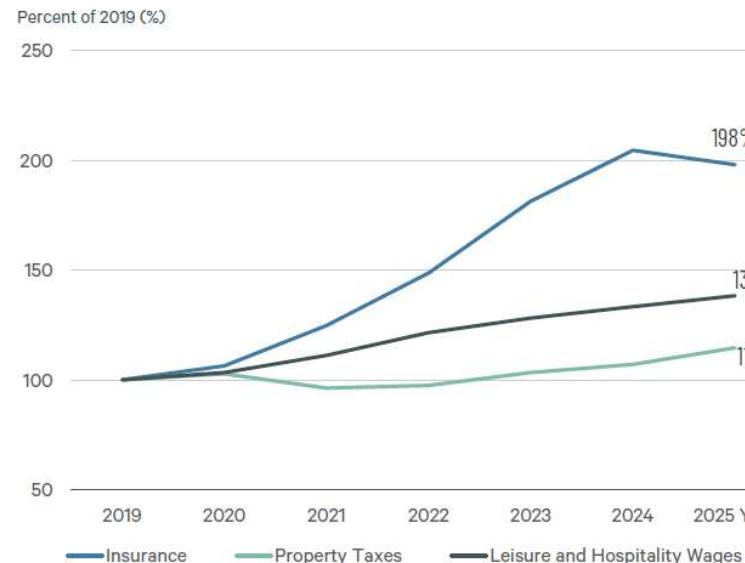


PROFIT

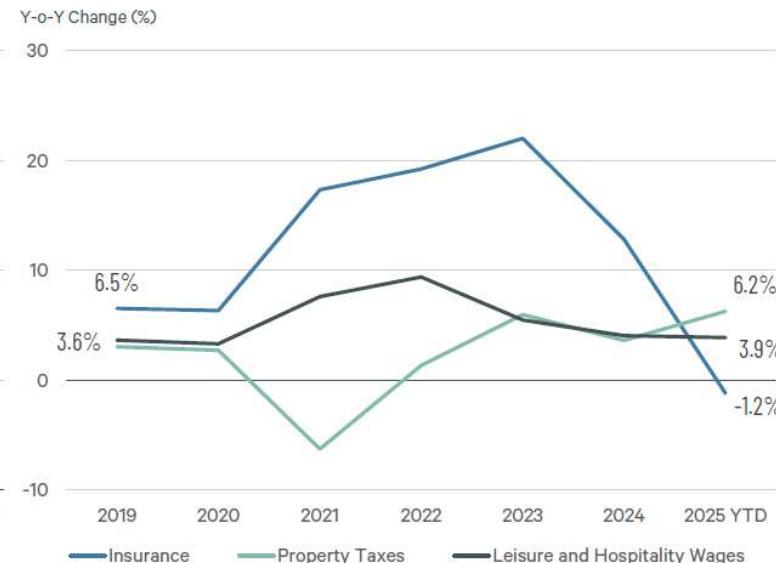
LOSS

Insurance costs are down, but wage and tax increases still outpace revenue

Hotel Property Taxes, Insurance and L&H Average Hourly Wage



Hotel Property Taxes, Insurance and L&H Average Hourly Wage Change



CBRE Hotels Research, Trends® in the Hotel Industry – Sample of 2,450 properties that provide monthly P&L data



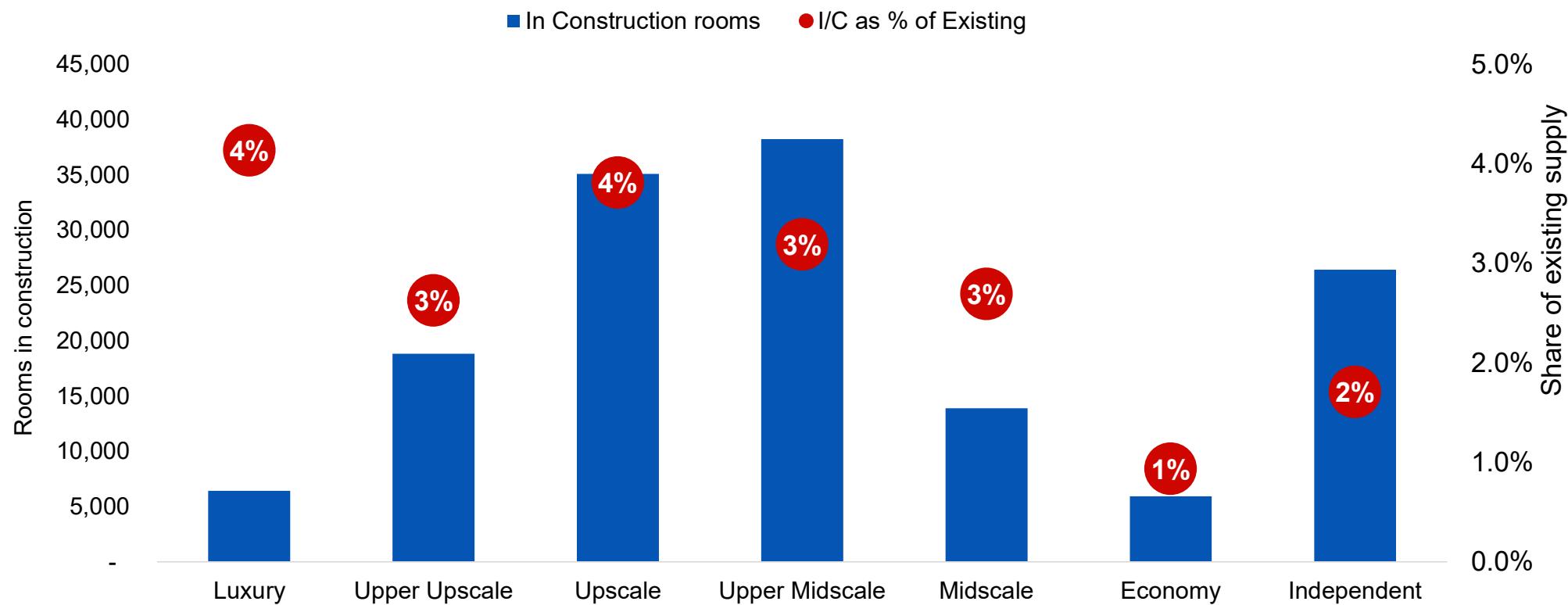
Tariffs, labor costs/availability and construction loan costs will impact pipeline

Rooms in '000s, April 2025

Phase	2025	2024	% Change
In Construction	144.8	156.5	-8%
Final Planning	273.1	263.3	+4%
Planning	359.9	324.5	+11%
Under Contract	777.7	744.4	+5%

Select Service Continues To Dominate Pipeline

U.S., rooms in construction by chain scale, April 2024



The Decade of Sports



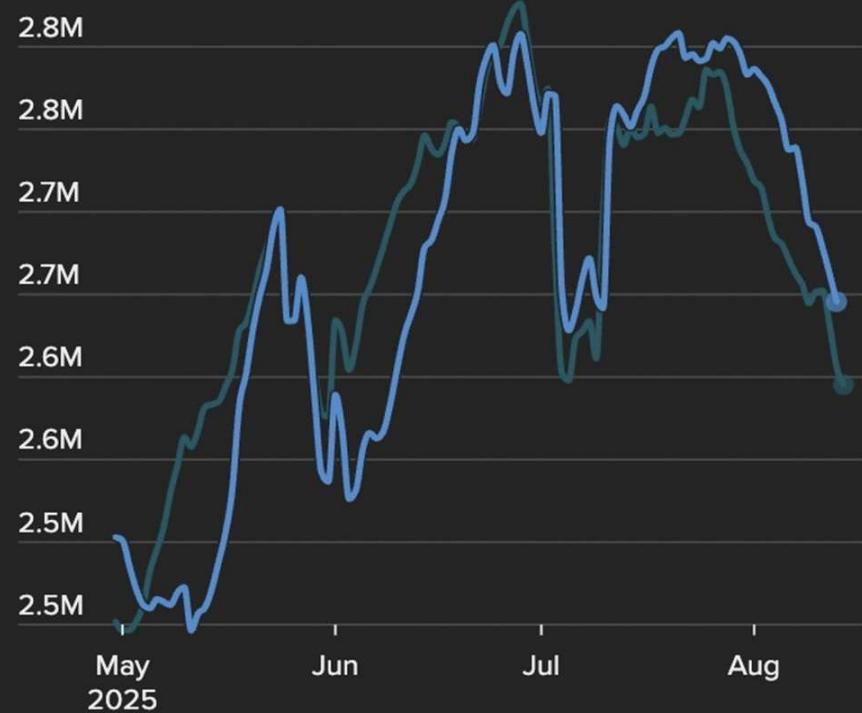


8/15/2025

Traveler screenings at U.S. airports in 2024 and 2025

7-day moving average | May 1–August 13

— 2025 — 2024



Source: U.S. Transportation Security Administration

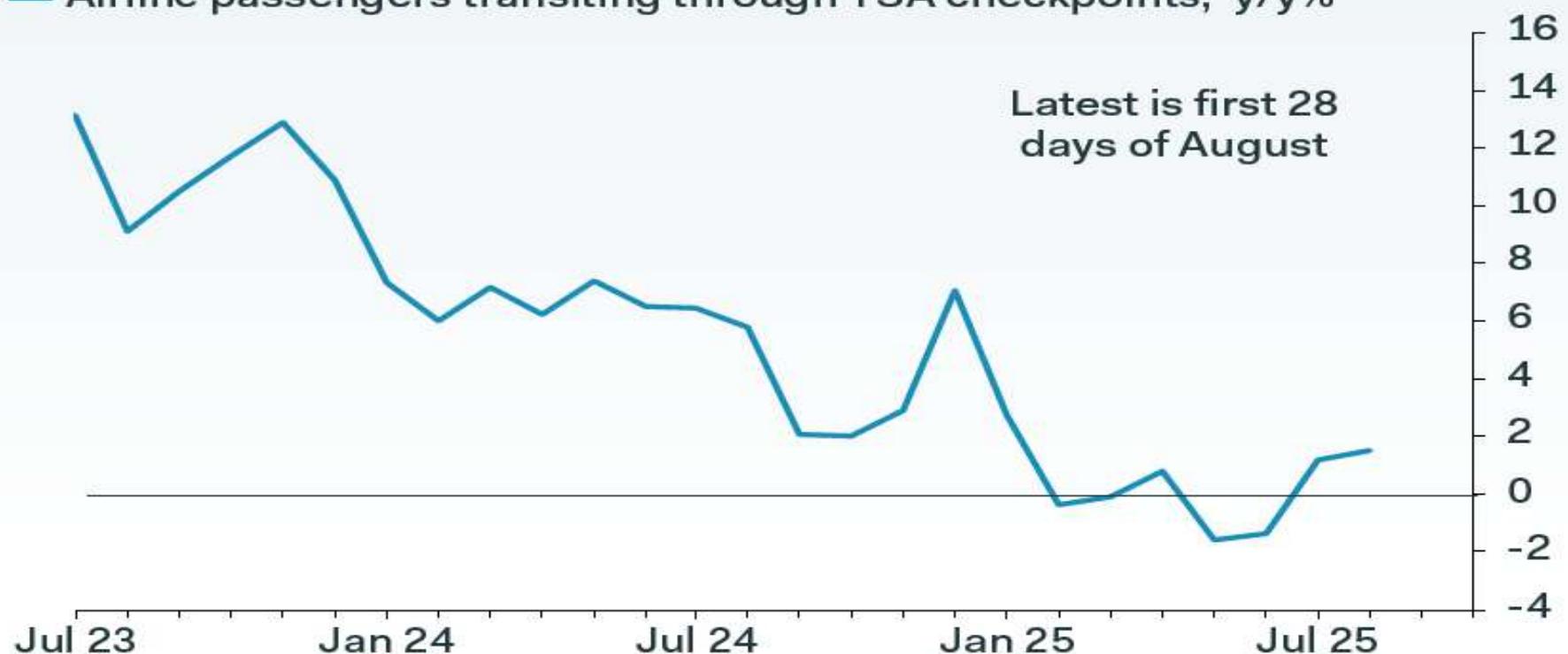
Note: Dates in 2024 adjusted by one day to match the 2025 calendar

 **CNBC** COTD

AIRLINE PASSENGER NUMBERS HAVE CONTINUED TO RECOVER

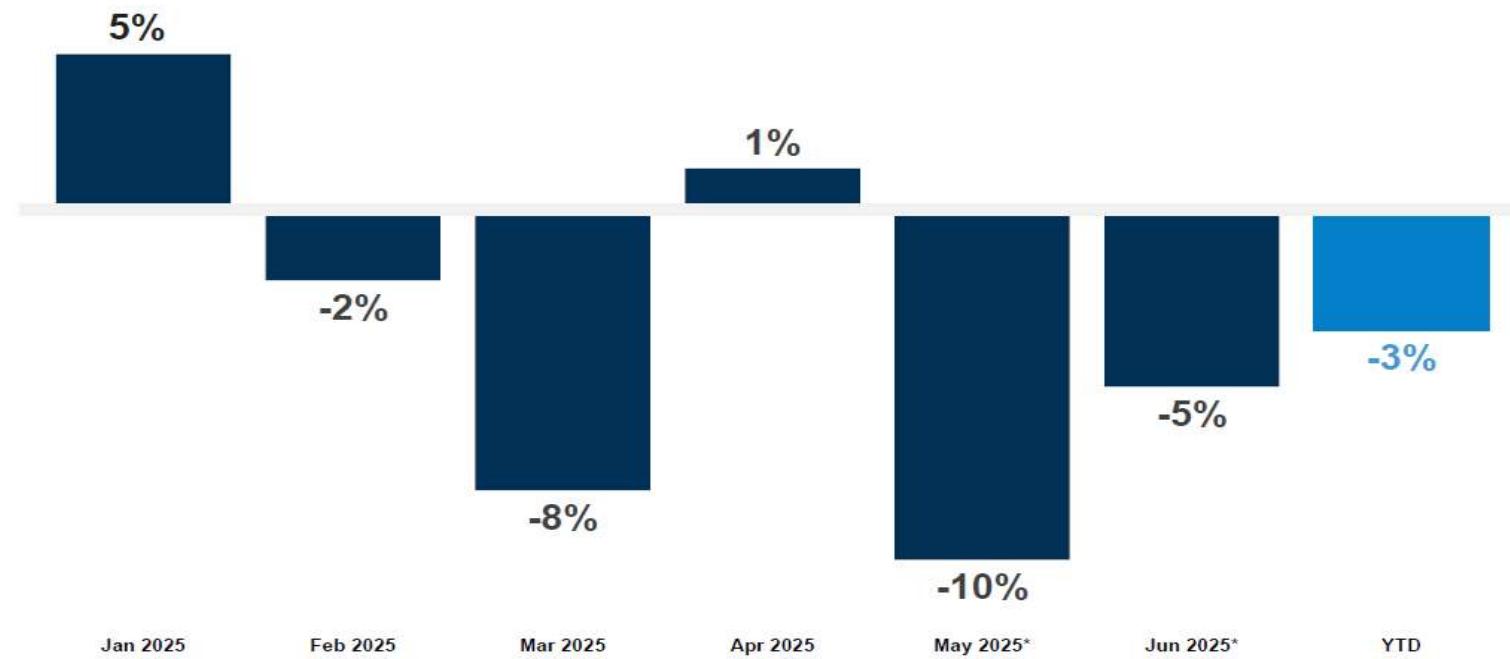
— Airline passengers transiting through TSA checkpoints, y/y%

Latest is first 28
days of August





International Visits to the U.S. (YoY Volume)

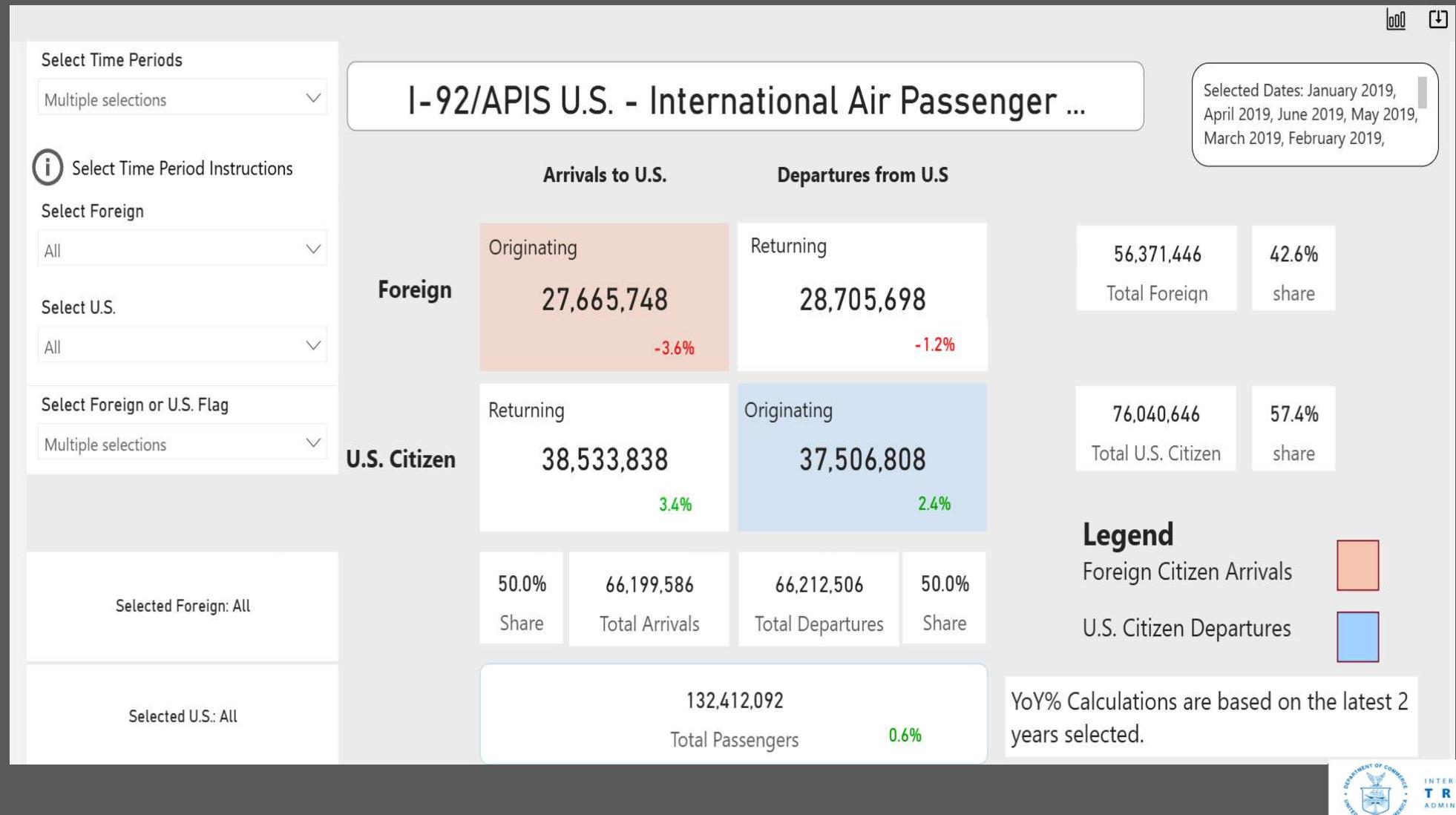




Mexico: Visits to U.S.

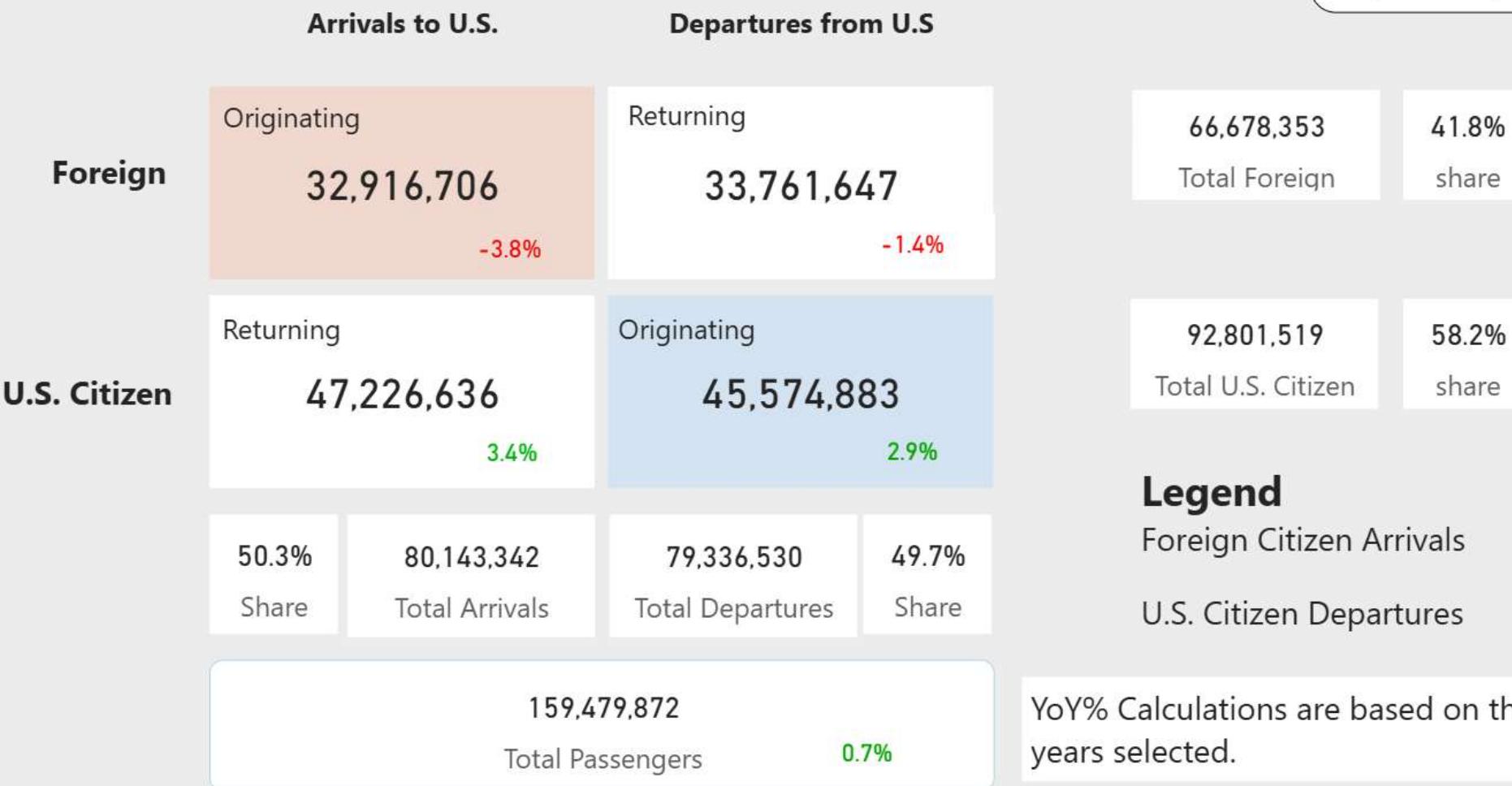
(YoY Volume)





I-92/APIS U.S. - International Air Passenger Monitor

January 2025, February 2025,
March 2025, April 2025, May
2025, June 2025, July 2025



Legend

Foreign Citizen Arrivals



U.S. Citizen Departures



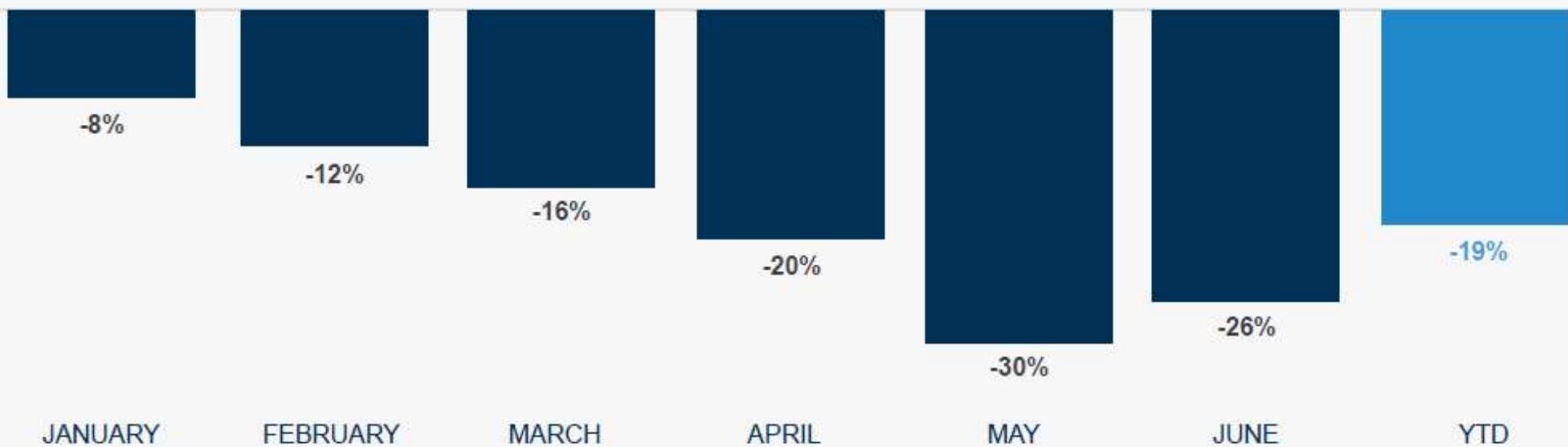


...Cut Through
The Noise

Year	Ontime Arrivals	Ontime (%)	Arrival Delays	Delayed (%)	Flights Cancelled	Cancelled (%)	Diverted	Flight Operations
2016	1,107,550	82.11%	215,131	15.95%	23,221	1.72%	2,936	1,348,838
2017	1,071,422	79.42%	250,601	18.57%	23,725	1.76%	3,383	1,349,131
2018	1,362,019	79.98%	293,814	17.25%	43,421	2.55%	3,687	1,702,941
2019	1,369,806	78.31%	330,976	18.92%	44,545	2.55%	3,907	1,749,234
2020	1,483,968	81.10%	220,621	12.06%	122,250	6.68%	3,004	1,829,843
2021	983,360	86.38%	125,197	11.00%	27,843	2.45%	1,972	1,138,372
2022	1,221,903	76.44%	309,482	19.36%	63,734	3.99%	3,349	1,598,468
2023	1,245,751	76.81%	345,726	21.32%	26,720	1.65%	3,711	1,621,908
2024	1,295,574	78.13%	330,478	19.93%	28,511	1.72%	3,696	1,658,259
2025	1,293,780	78.63%	317,266	19.28%	30,640	1.86%	3,817	1,645,503



Canada: Visits to U.S. (YoY Volume)



Summary Forecast Calendar Alerts Download ▾



3Y 5Y 10Y MAX



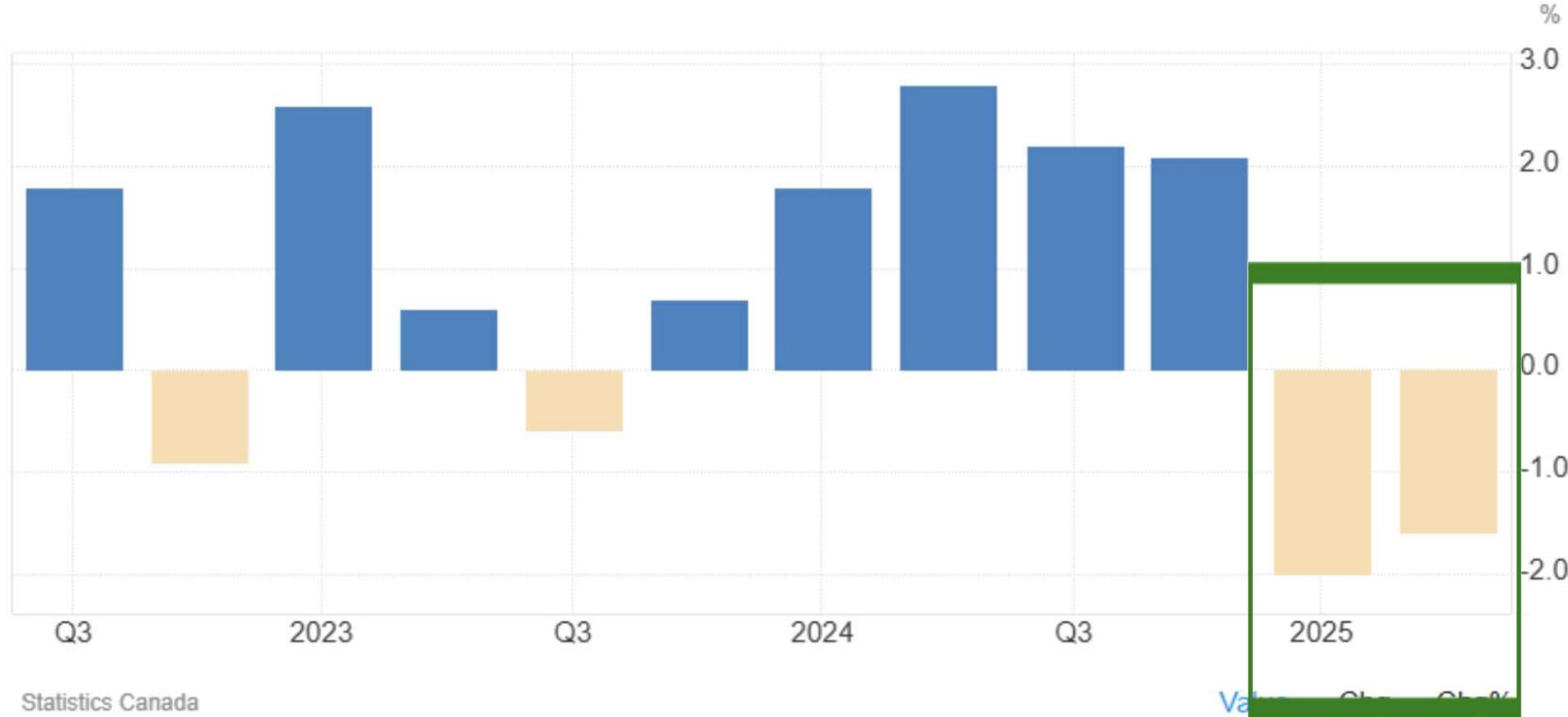
Compare +



Export

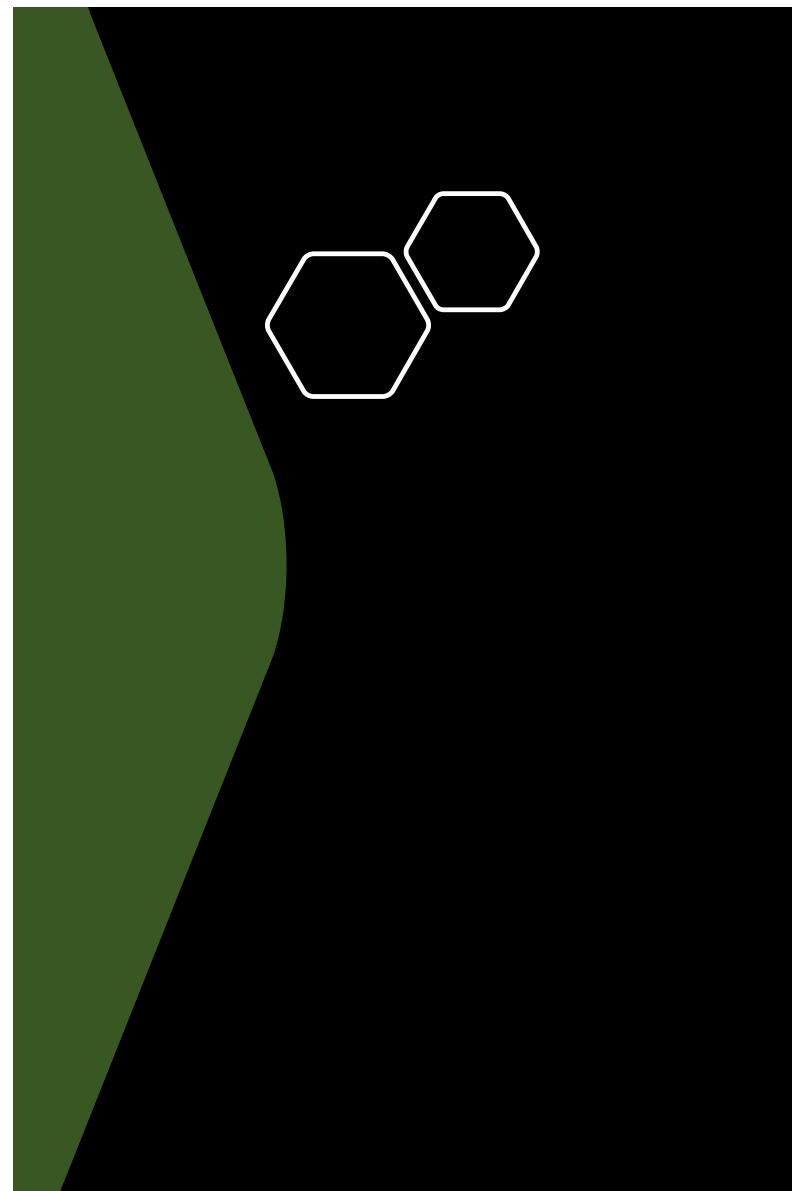
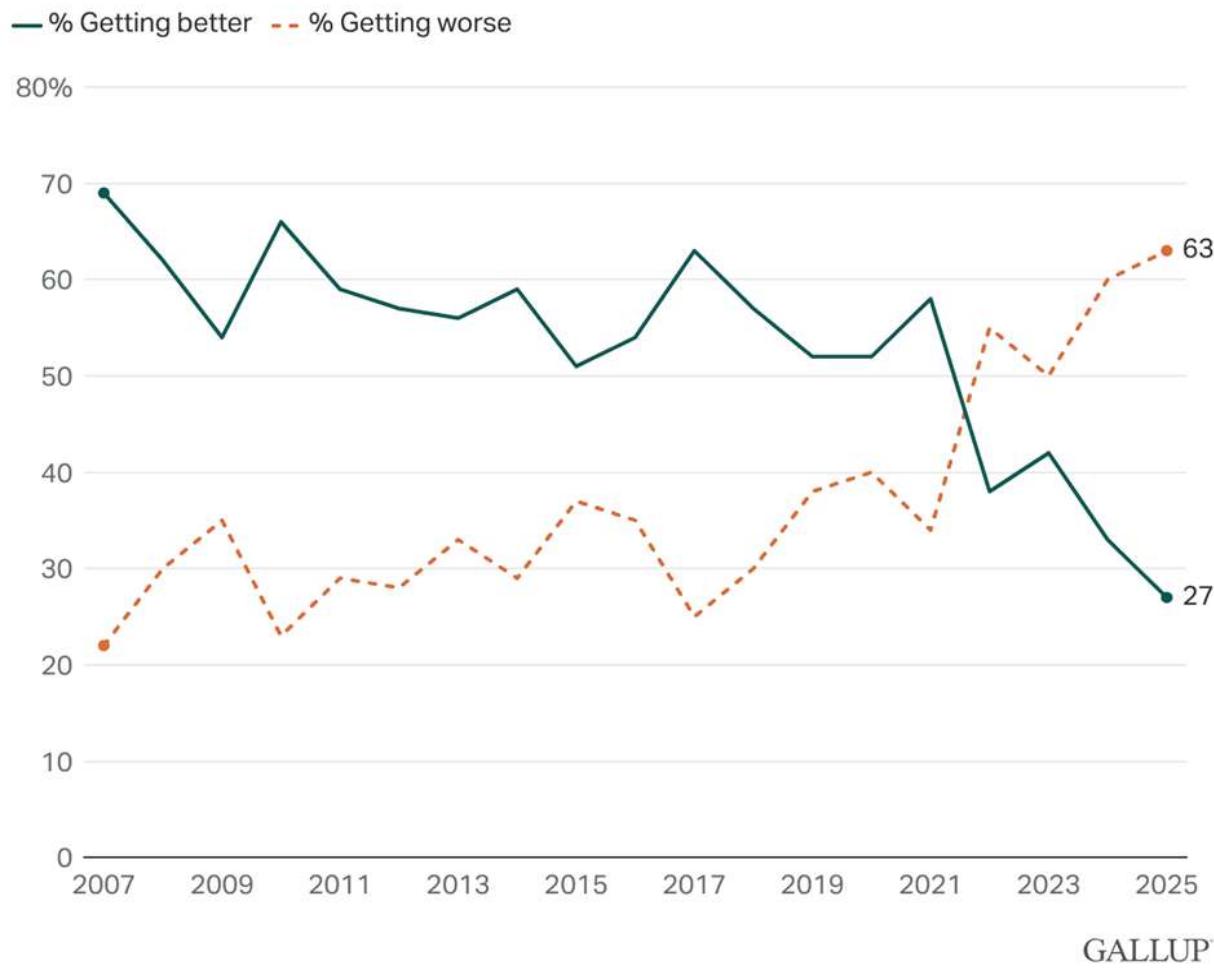


API



4. Canada's Economic Mood at New Low

Right now, do you think that the economic conditions in the city or area where you live, as a whole, are getting better or getting worse?







3Y 5Y 10Y MAX



Compare +



 Export



API

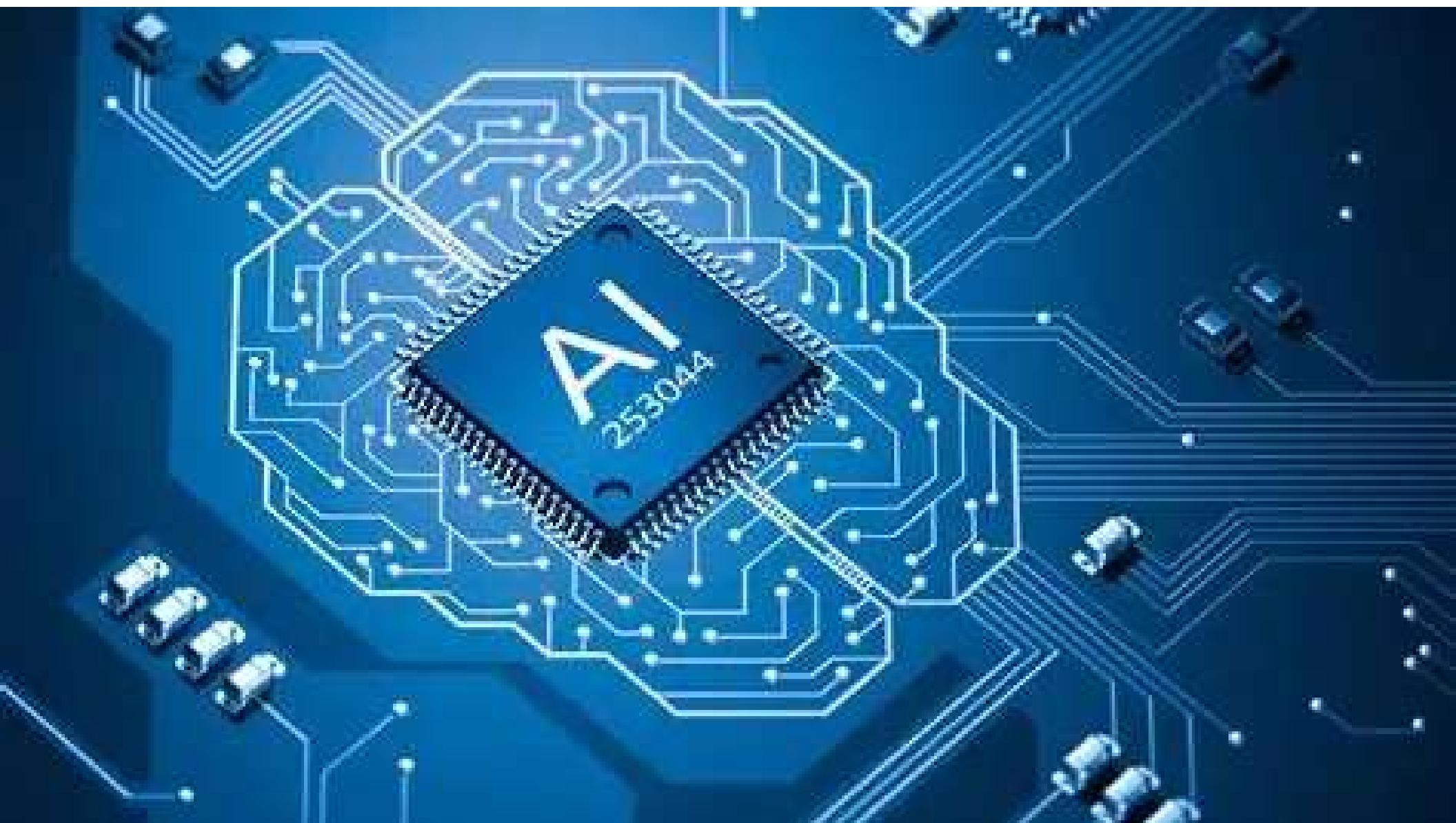


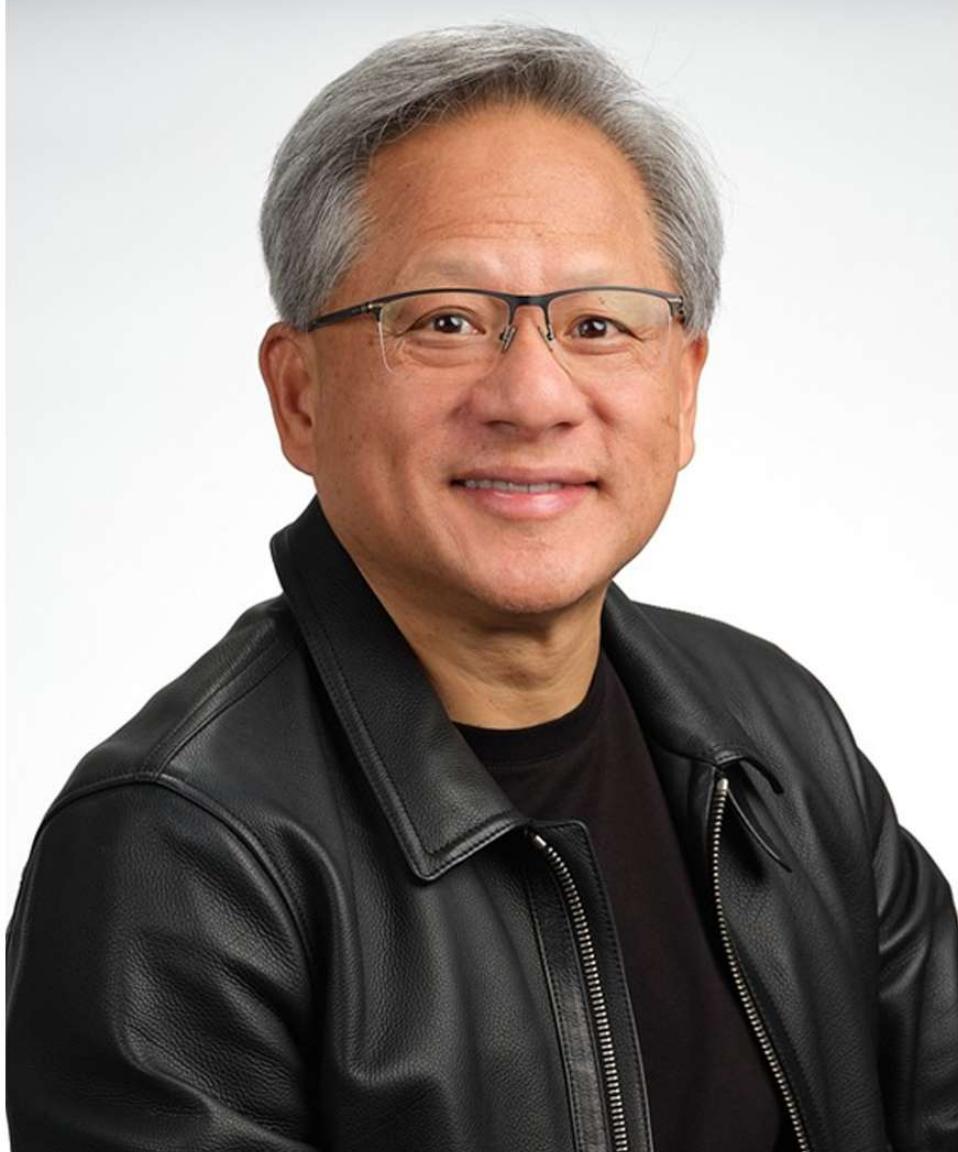
%



Federal Statistical Office

Value Chg Chg%





**AI won't take your job, the
person who uses AI will take
your job**

— Jensen Huang —

—
79%

Say it is important for the U.S.
to have more advanced AI
than other countries.

—
87%

Think it is likely foreign
governments will use AI to
attack the U.S. in the future.

—
72%

Support creating or
expanding workforce training
and education programs to
teach AI skills.



...Cut Through
The Noise

A photograph of a US flag with a wavy texture. In the foreground, several \$100 bills are fanned out. Resting on the bills is a stack of five wooden blocks. The blocks are arranged with 'GDP' on the top row and 'USA' on the row below. The letters are red, and the blocks are a light-colored wood.

GDP
USA

4/30/2025

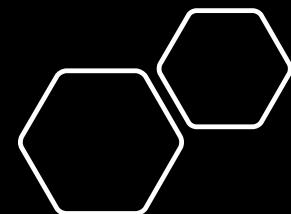
U.S. economy contracts in Q1 2025 — the first quarter of negative growth in three years

Quarterly U.S. GDP growth | Q1 2021 – Q1 2025



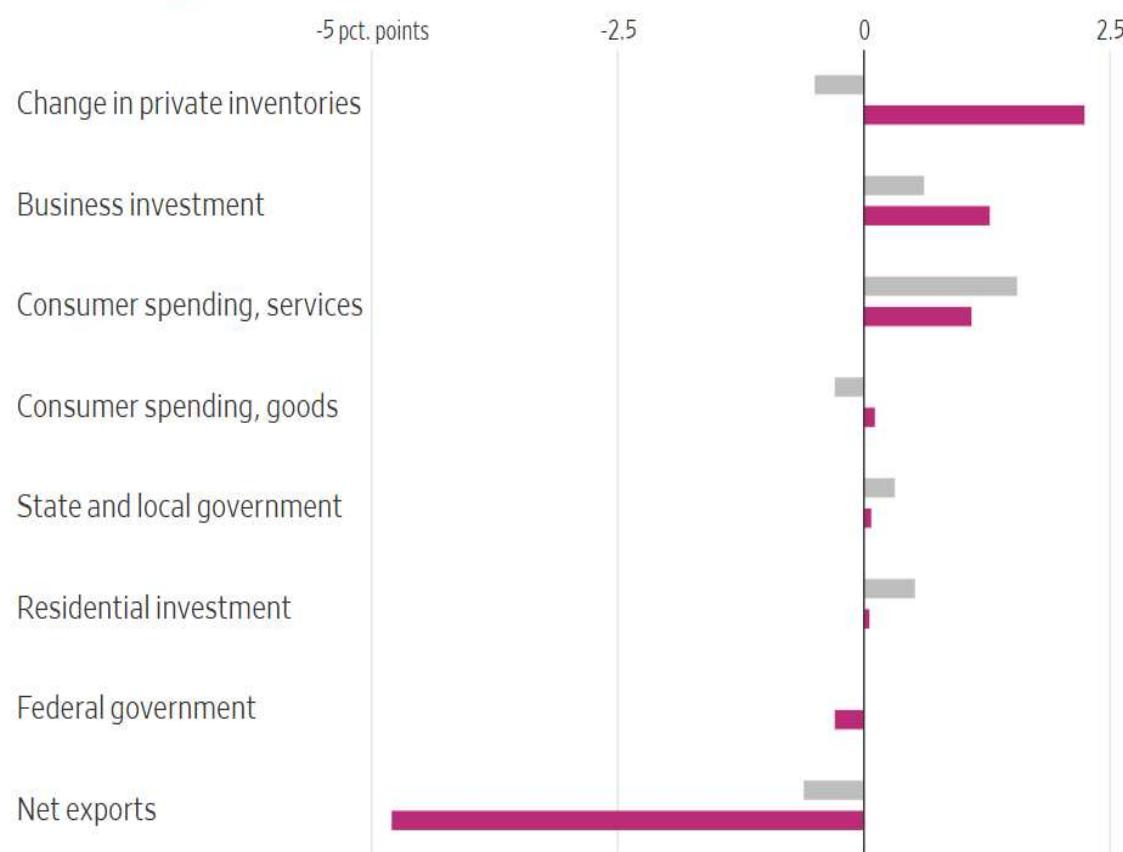
Source: U.S. Bureau of Economic Analysis

Note: Seasonally adjusted, annualized



Contributions to quarterly change in real GDP for select categories

■ 1Q 2024 ■ 1Q 2025



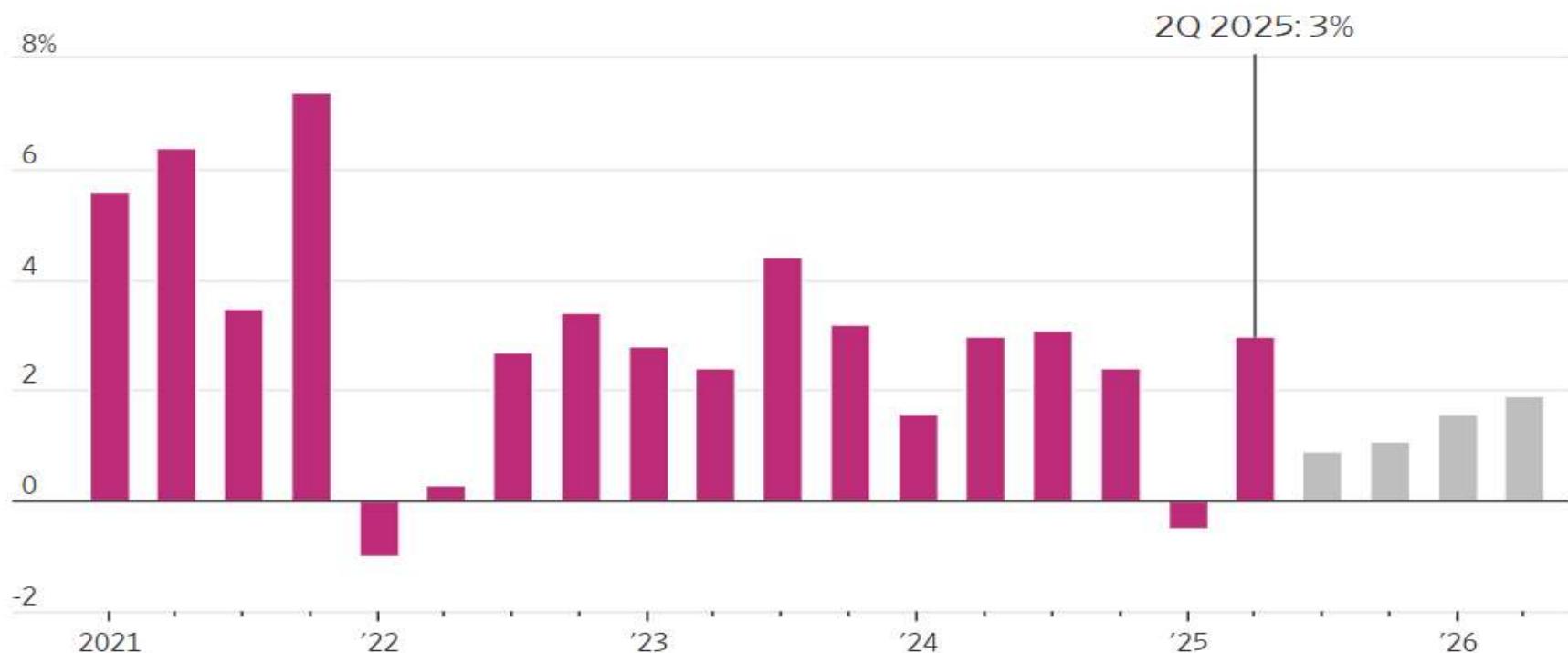
Note: Seasonally adjusted at annual rates

Source: Commerce Department



GDP, change from previous quarter

■ Actual ■ Forecasts



Notes: Seasonally and inflation-adjusted annual rates; forecasts are an average of all survey responses.

Sources: Commerce Department (actual); WSJ survey of economists (forecasts)

Key Trends and Observations

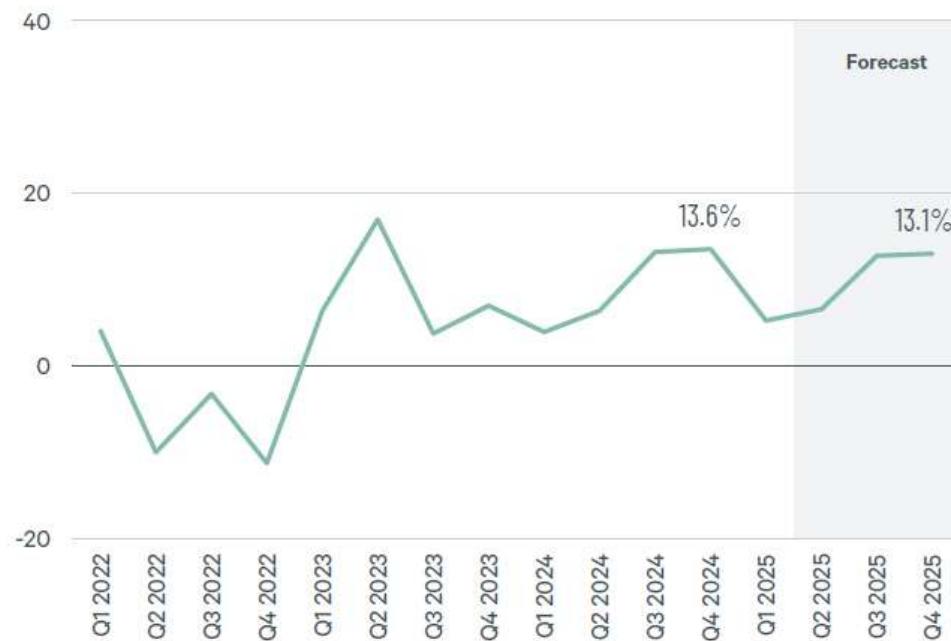
- **Strong Performance in Tech and Communication Services:** Technology and Communication Services sectors are leading earnings growth, driven by continued demand for AI, cloud computing, and related services.
- **Energy Sector Lagging:** The energy sector is expected to be a drag on overall S&P 500 earnings due to weaker energy prices compared to the previous year.
- **Impact of Tariffs and Trade Tensions:** Tariff uncertainty and ongoing trade disputes have created headwinds for some companies, particularly in sectors like industrials and consumer goods. However, the full impact of tariffs on Q2 earnings might be limited due to implementation delays.
- **Above-Average Beat Rate:** A significant number of companies are reporting earnings above analyst expectations (over 80% as of July 24), compared to a historical average of 67%.
- **Focus on Forward Guidance:** Investors are paying close attention to companies' forward guidance due to macroeconomic uncertainty and policy-related risks. 

Despite slowing GDP and higher inflation, business sentiment is stable, and earnings growth is solid

CBRE

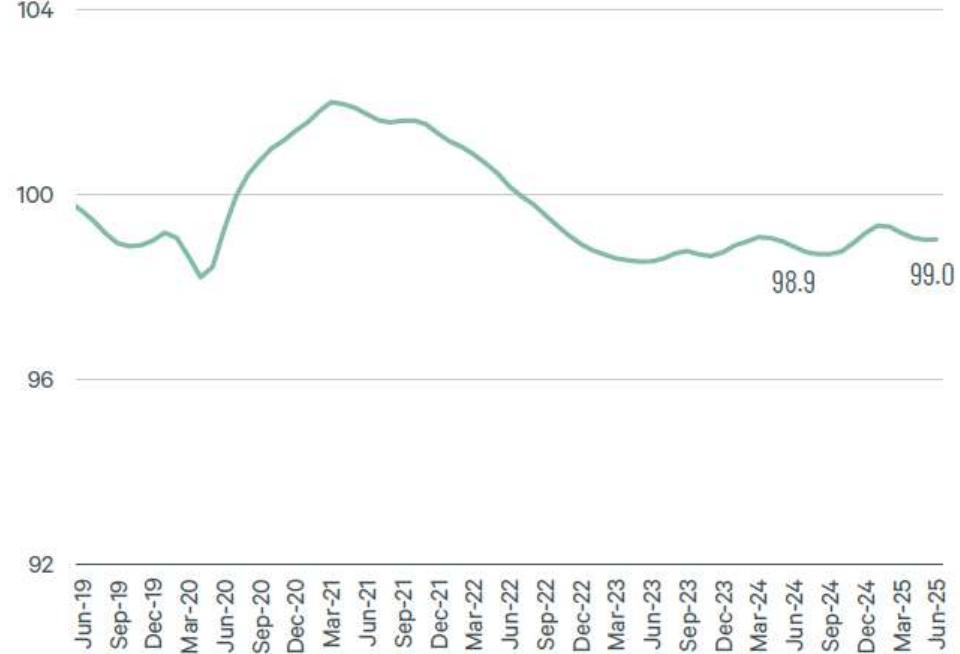
S&P 500 Operating Earnings per Share

Y-o-Y Change (%)



Business Confidence Index

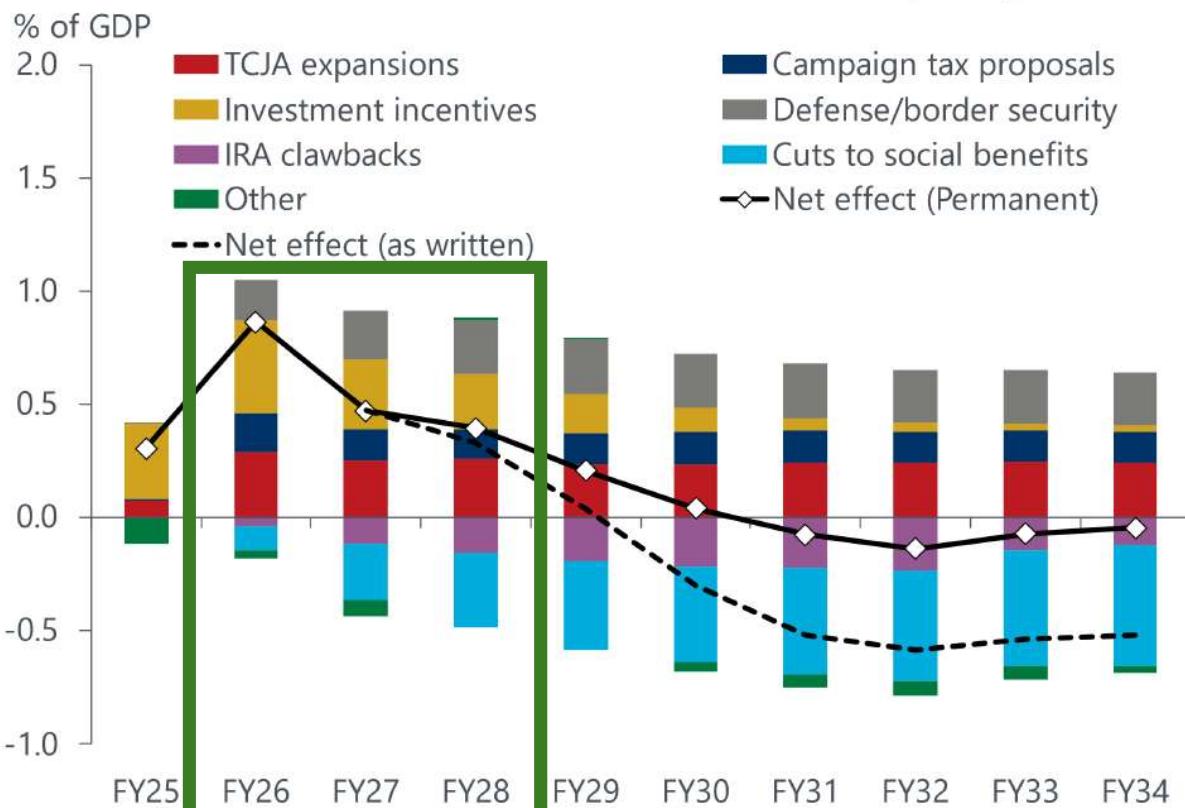
Index



CBRE Hotels Research, S&P Global

Senate bill will boost growth next year

US: Fiscal effect of Senate OBBB versus current policy

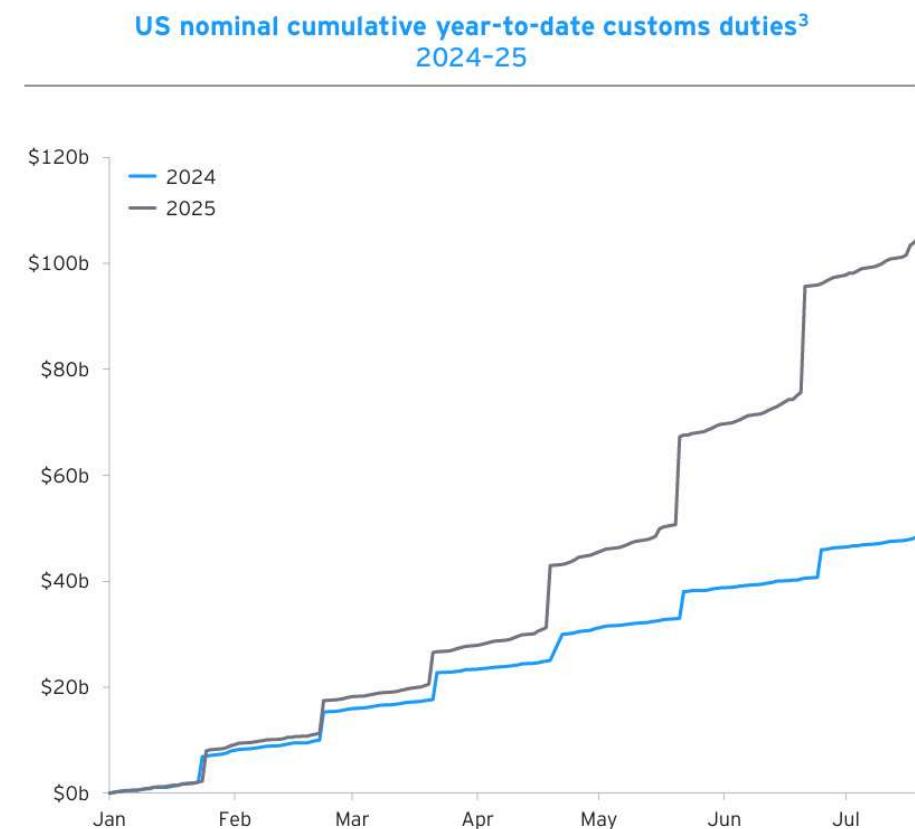
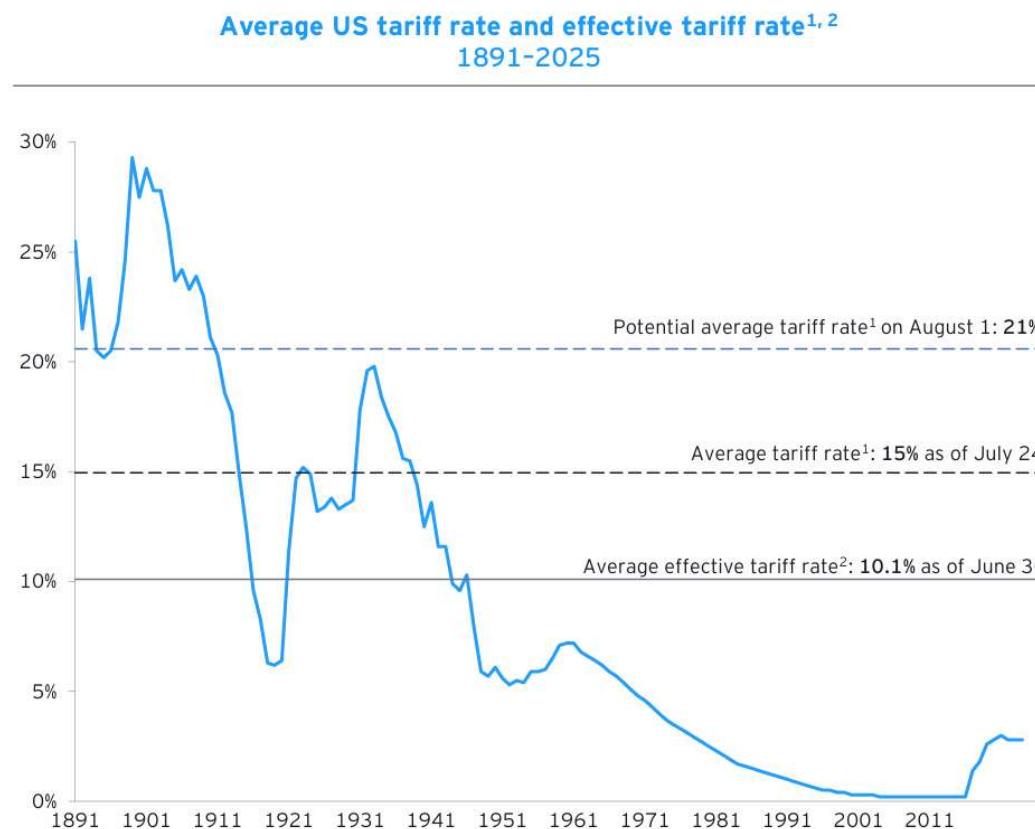


Positive fiscal stimulus

- tax cut extensions
- tax cuts on tips, overtime, and car loan interest
- more generous state and local tax deduction

The 15% US average tariff rate is at its highest since 1939, but the effective tariff rate, reflecting collected duties, was only around 10% in June

Policy developments



1. Average tariff rate equates to the weighted average of tariffs across trading partners based on 2024 US imports. The average tariff rate shown is not inclusive of August 1 tariff changes.

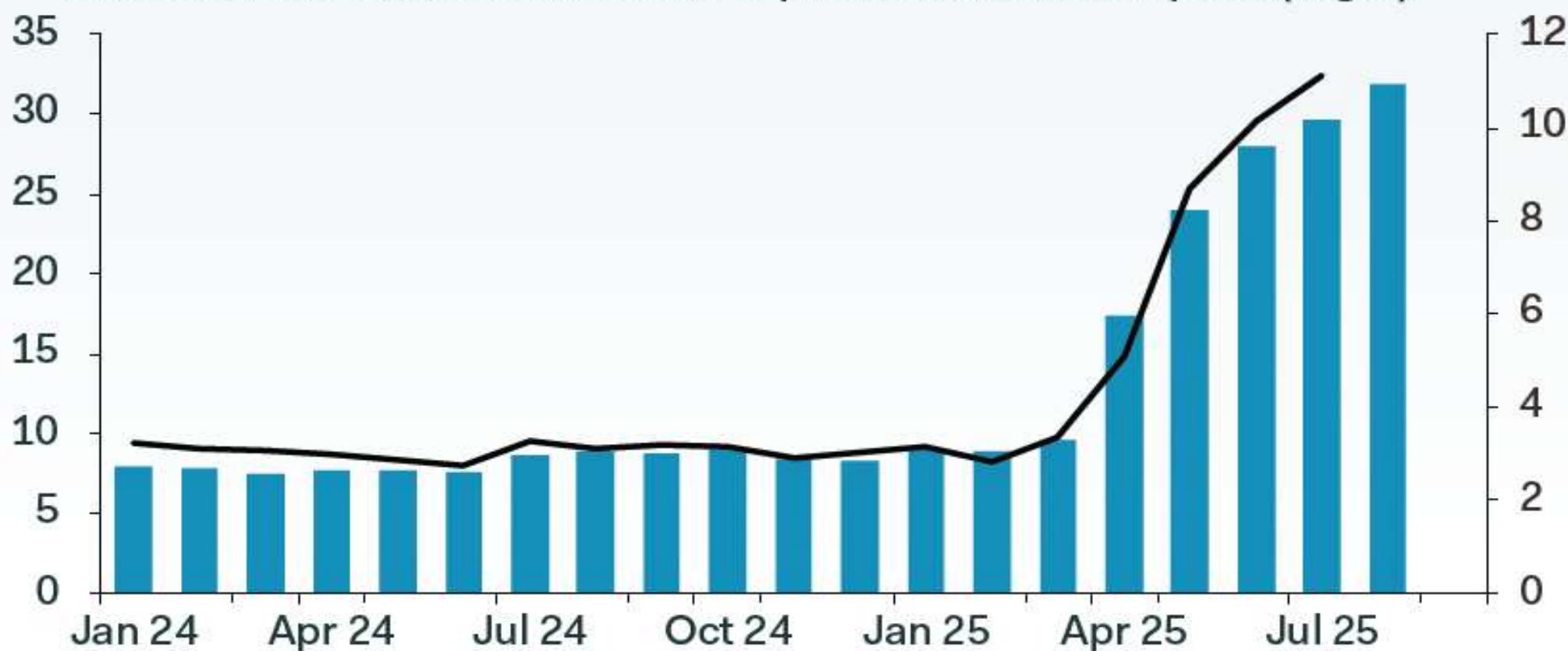
2. Effective tariff rate equates to collected customs duties relative to total merchandise imports value; currently illustrated using June customs taxes and May imports values, the latest available data.

3. Cumulative sum since January 1; includes certain inseparable excise taxes collected by U.S. Department of Homeland Security.

Source: U.S. International Trade Commission; Daily Treasury Statement; EY-Parthenon

REVENUES IMPLY AN EFFECTIVE TARIFF RATE OF ABOUT 12%...

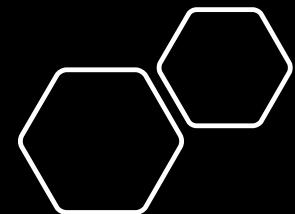
- US Treasury deposits, customs & excise duties, \$B per month (Left)
- Effective tariff rate, revenues as % of previous month's imports (Right)



Trump's tariffs could reduce US deficit by \$4 trillion, CBO estimates

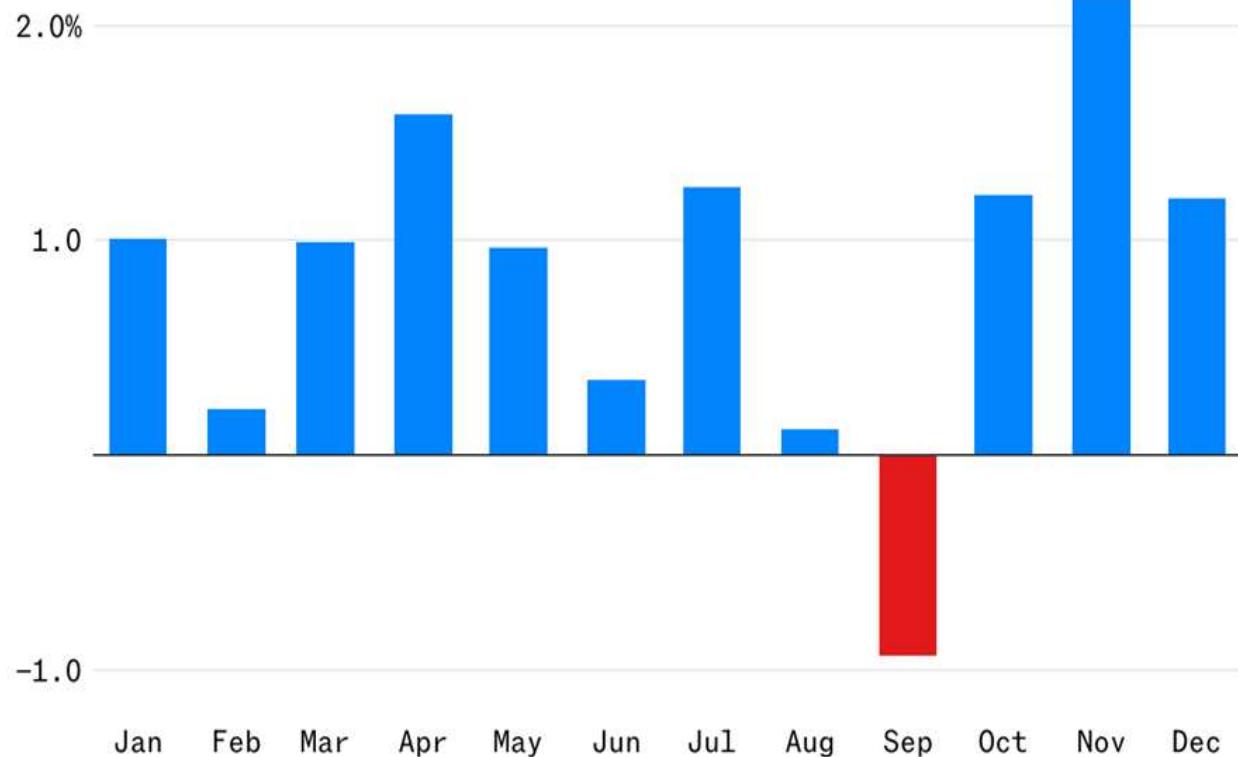
By Bo Erickson

August 22, 2025 12:09 PM CDT · Updated August 22, 2025



September has been the worst month for stocks

Average monthly returns (%), S&P 500 Index [1980-2024]



Source: Bloomberg

Sherwood

RECESSION FORECASTS

What is your best forecast for the U.S. economy over the coming six months?

	August 2025	July 2025	June 2025	May 2025	April 2025
Strong growth	8%	10%	6%	2%	4%
Growth	40%	41%	36%	25%	19%
Flat	22%	27%	31%	27%	15%
Mild recession or slowdown	28%	21%	28%	38%	48%
Severe recession	2%	1%	0%	8%	14%

Source: CEO Confidence Index, Chief Executive Group, ChiefExecutive.net

Chief Executive

Earnings calls mentioning 'recession'[†]





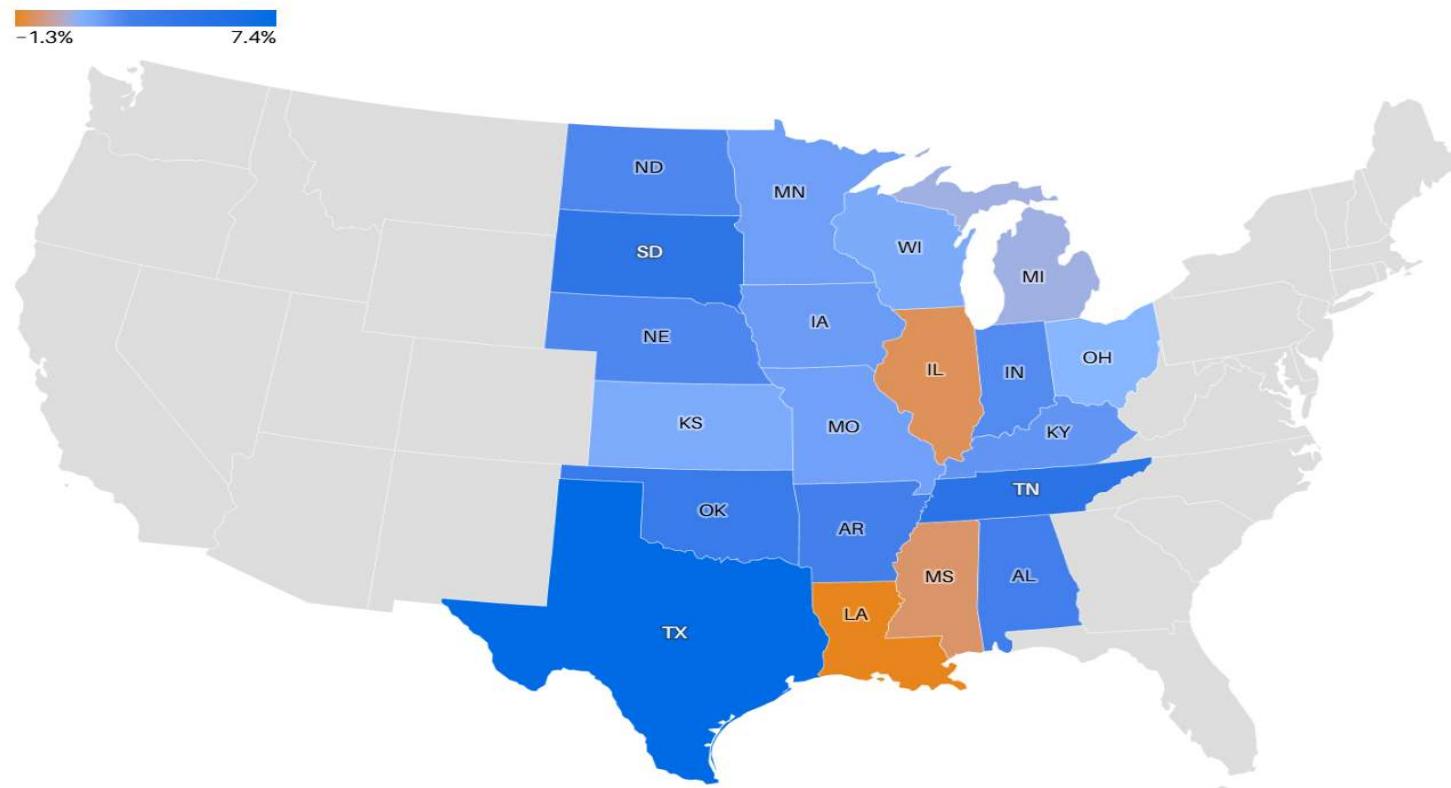
XCHANGE

Dynamic Business Shifts

America Moves to the Middle

An estimated 39% of the U.S. population lived in the heartland states in 2024, according to the U.S. Census Bureau. The region's population growth exceeded the rest of the country in the past five years—the first time that has happened since the U.S. included all 50 states in 1959.

Population Percent Change 2020-2024



Source: U.S. Census

Business Bets on the Heartland

Postpandemic business investment in the heartland states outpaced investment elsewhere in recent years for the first time in two decades.

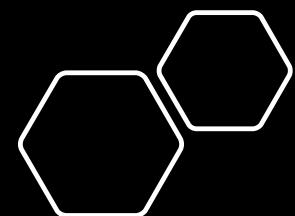
Nonresidential Capex

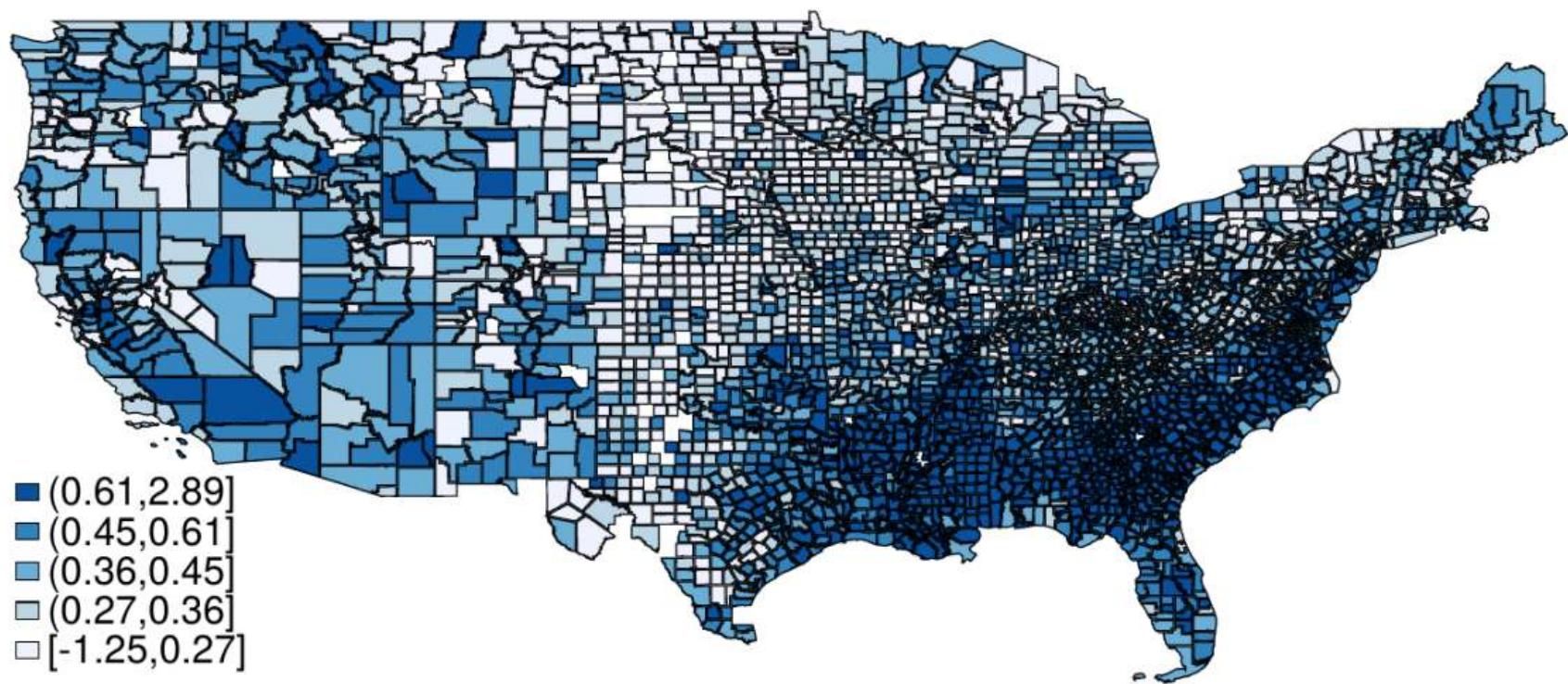
— Heartland — Non-Heartland

\$90 billion



Source: IMPLAN





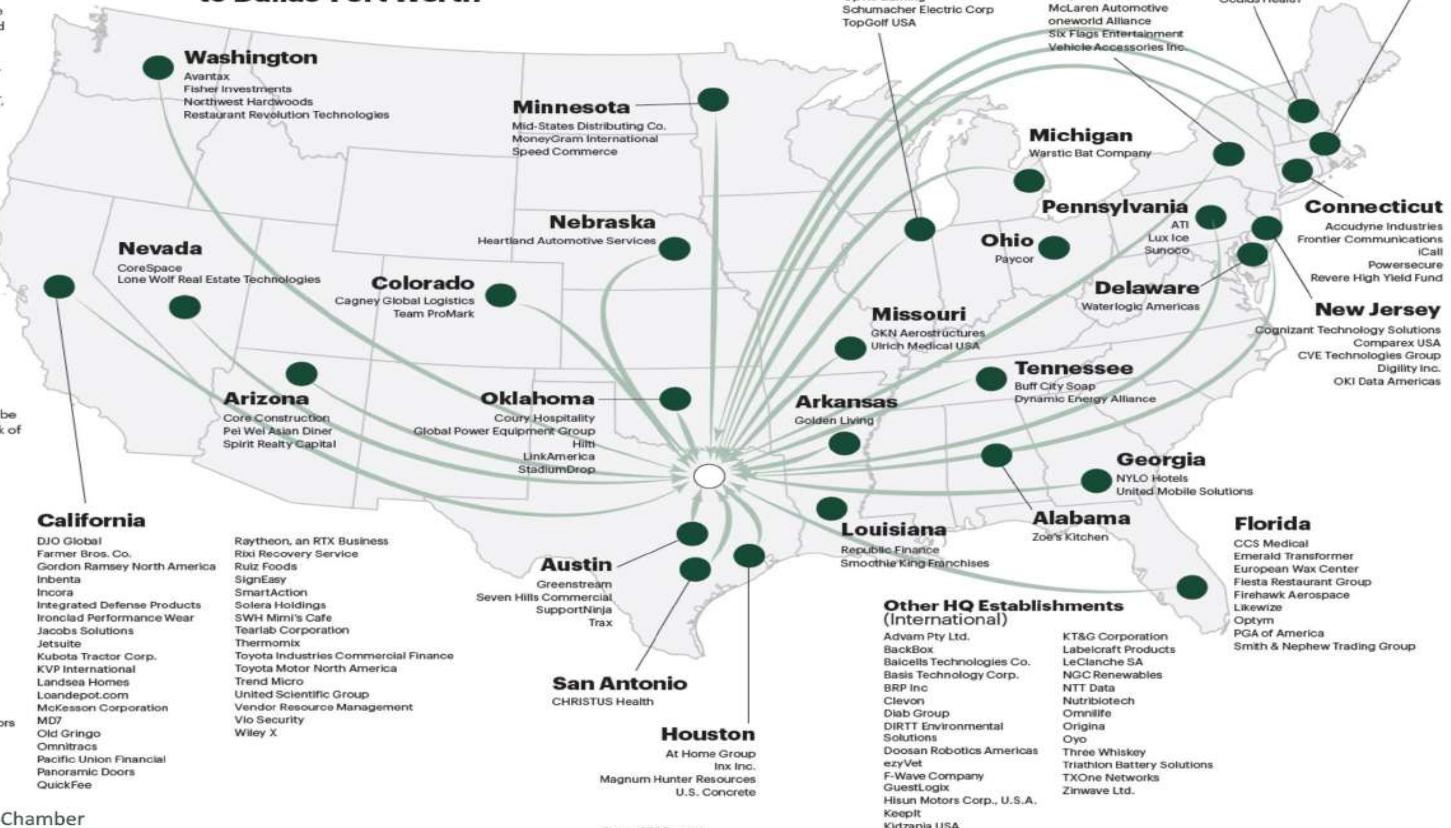
Note: Difference of average (log) all applications per capita, 2020-2022 vs. 2010-2019.
Source: Census Bureau Business Formation Statistics and population estimates.

Major Headquarters Relocations

The Dallas-Fort Worth region is regularly identified as one of the nation's top markets for new and expanded corporate facilities. Past relocations to the region include headquarters moves for Fortune 500 and Forbes Top Private companies such as AT&T, Comerica, Fluor, and Toyota. More recent moves include well-known industry leaders like AECOM, ATI, Caterpillar, CBRE, Charles Schwab, Jacobs, and McKesson. Other major companies have expanded into DFW distribution, logistics, and manufacturing centers, including Amazon, BMW, Galderma, General Dynamics, General Motors, MolsonCoors, and Pratt Industries. Meanwhile, corporations including 7-Eleven, American Airlines, Liberty Mutual, State Farm, FedEx, and JPMorgan Chase have expanded into new corporate office space, soon to be joined by new buildings for Bank of America, Goldman Sachs, and Wells Fargo.

Acadia Research Group
Active Network
AECOM
Ameriflight
Astura Medical
Aviatrix
Boingo Wireless
C & S Propeller
Cacique Foods
CBRE Group
Chemical Commercial Corp.
Charles Schwab
Chip 1 Exchange
Cinepolis Luxury Cinemas
Consolidated Electrical Distributors
Copart
Core-Mark International
Daegis
Dealersocket

Sample of Headquarters Relocations to Dallas-Fort Worth



Source: Dallas Regional Chamber

By [Tasha Tsiaperas](#) and [Naheed Rajwani-Dharsi](#)

People employed in finance and insurance

Monthly; January 1990 to June 2024



Data: Labor Department; Chart: Axios Visuals



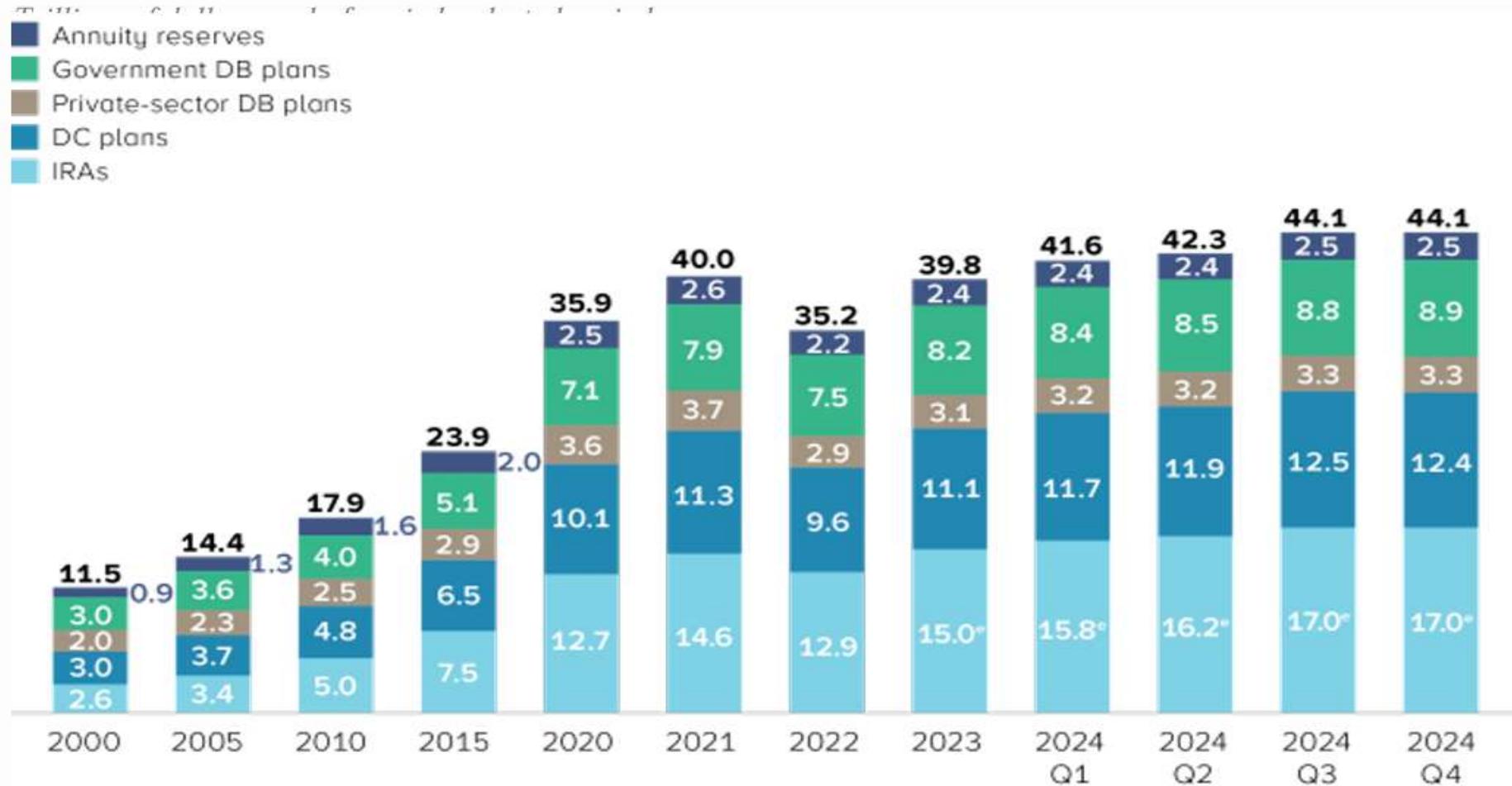
SQUAWK
BOX
30 YEARS



WELLS FARGO CEO LIVE

STREAM CNBC+

US Total Retirement Market Assets

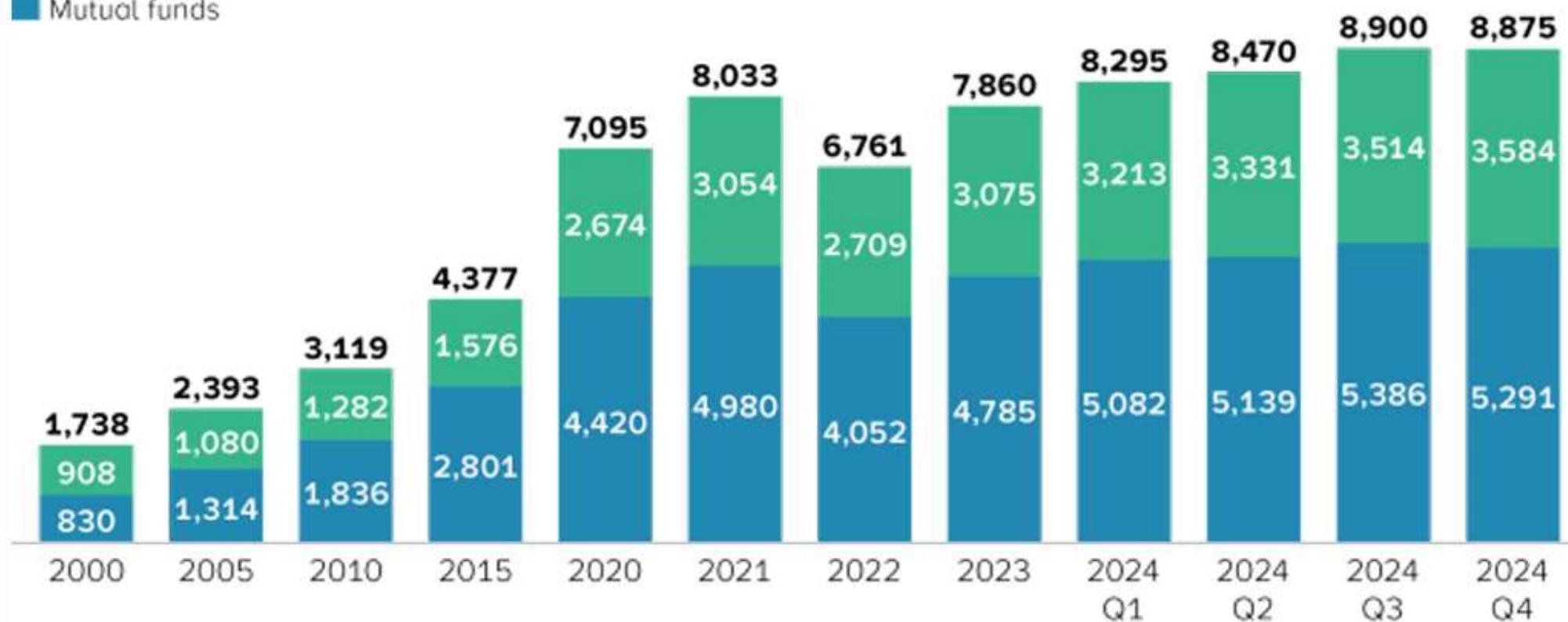


401(k) Plan Assets

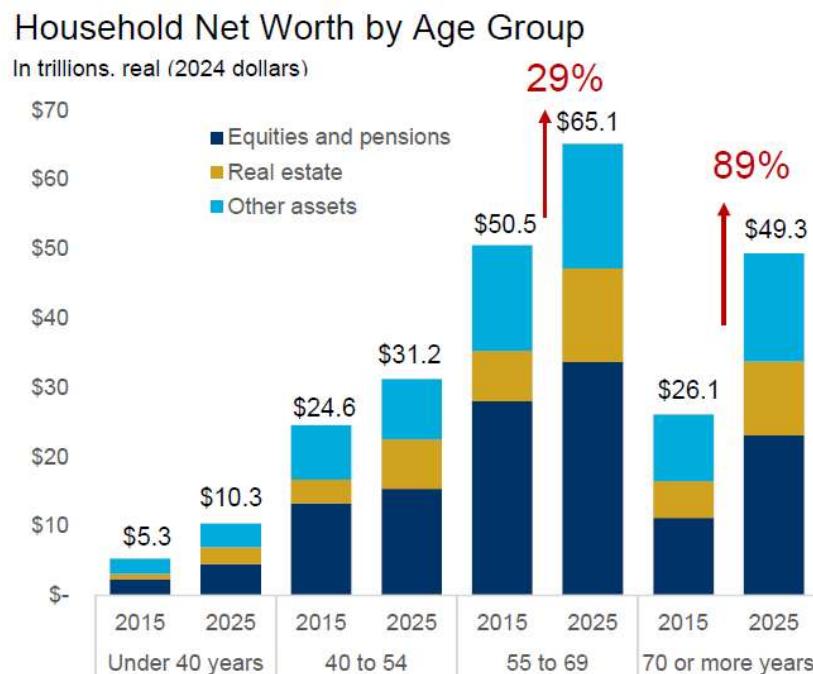
Billions of dollars, end-of-period, selected periods

Other investments

Mutual funds

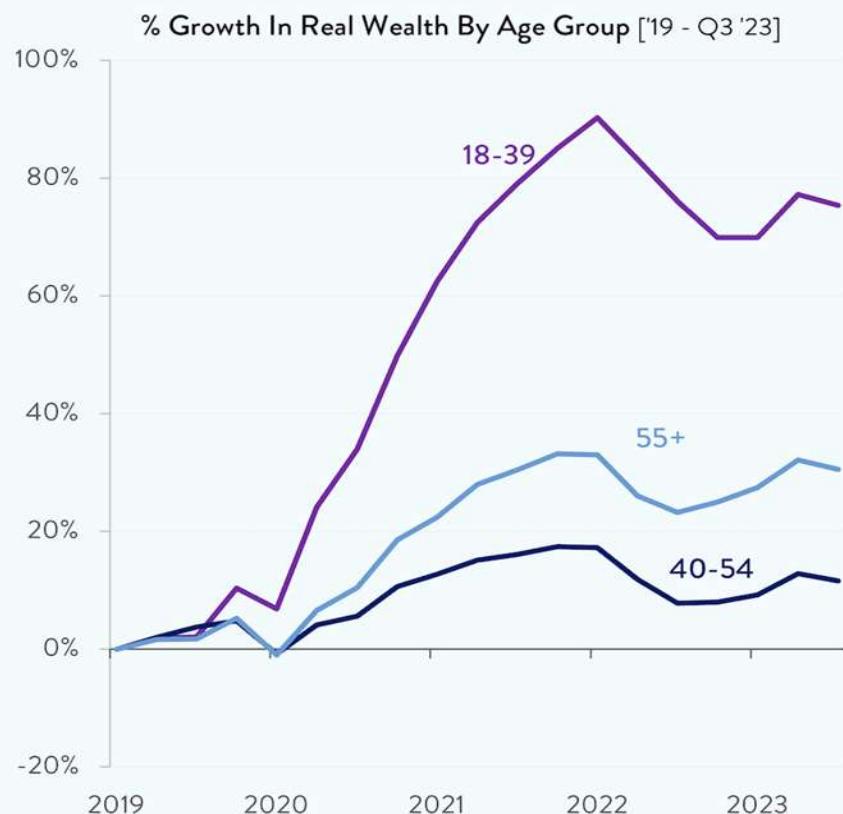


Older US households (55+) now have \$114 trillion

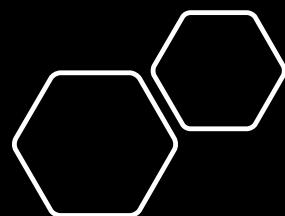


Note: Real estate is shown net of mortgages. Other assets include private businesses, consumer goods and other assets, net of other liabilities.
Source: Federal Reserve

New Money: Americans Under 40 Are Getting Wealthier... But It's All Relative



chartr





Food prices eased slightly, mostly due to improved harvests from India and Brazil

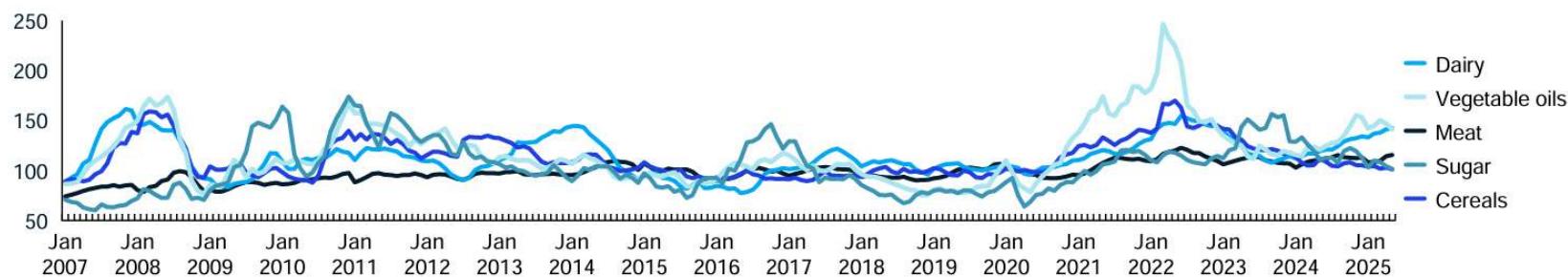
FAO Food Price Index by month, in real terms

Overall index, 2014–16 = 100



Component indexes¹

Index level, 2014–16 = 100

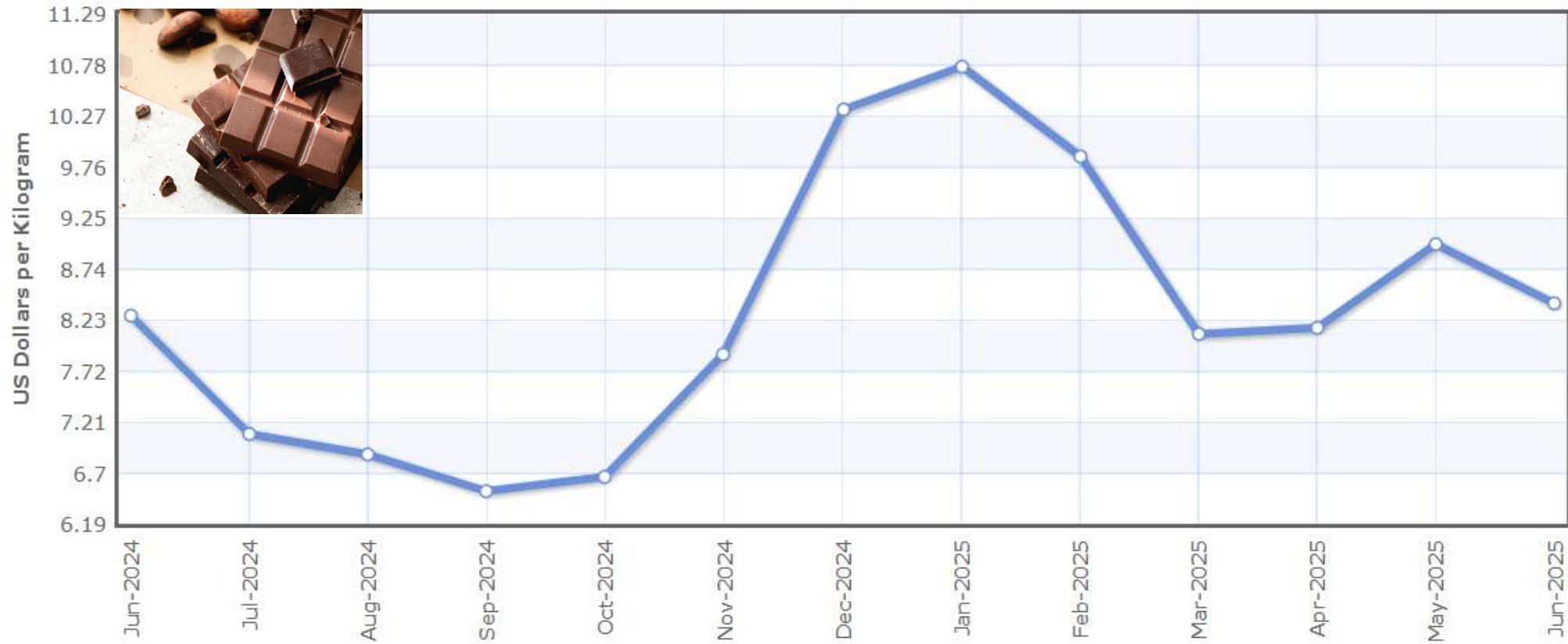


¹The values of the five indexes are compiled and then weighted by the average export shares of each group in 2002–04. The final figure represents the current value of the FAO Food Price Index.

Cocoa beans Monthly Price - US Dollars per Kilogram

Range 6m 1y 5y 10y 15y 20y 25y 30y

Jun 2024 - Jun 2025: 0.130 (1.57%)



Description: Cocoa (ICCO), International Cocoa Organization daily price, average of the first three positions on the terminal markets of New York and London, nearest three future trading months.

Coffee, Other Mild Arabicas Monthly Price - US Dollars per Kilogram

Range 6m 1y 5y 10y 15y 20y 25y 30y

Jun 2024 - Jun 2025: 2.530 (46.17%)



Description: Coffee (ICO), International Coffee Organization indicator price, other mild Arabicas, average New York and Bremen/Hamburg markets, ex-dock

Coffee, Other Mild Arabicas Monthly Price - US Dollars per Kilogram

Range 6m 1y 5y 10y 15y 20y 25y 30y

Dec 2024 - Jun 2025: 0.440 (5.81%)

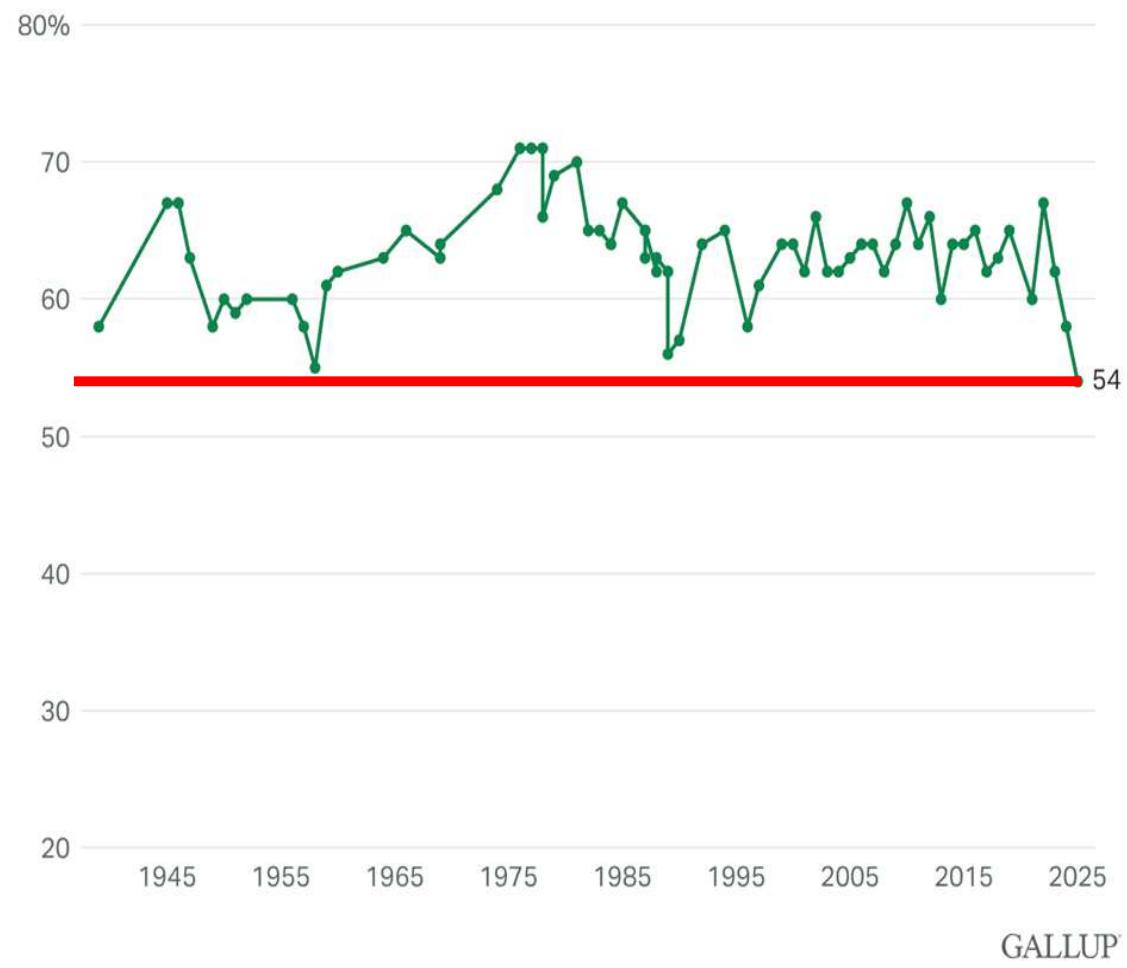


Description: Coffee (ICO), International Coffee Organization indicator price, other mild Arabicas, average New York and Bremen/Hamburg markets, ex-dock

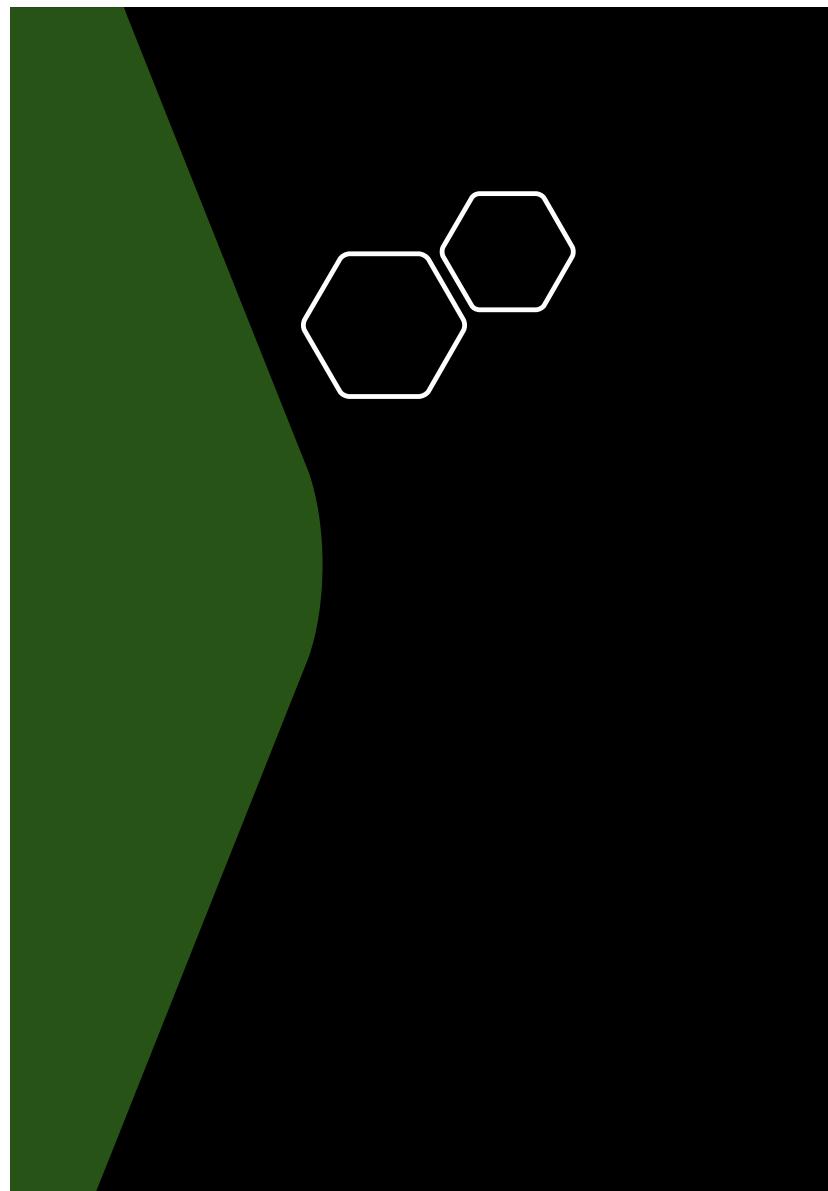


Do you have occasion to use alcoholic beverages such as liquor, wine or beer, or are you a total abstainer?

— % Yes, use alcoholic beverages

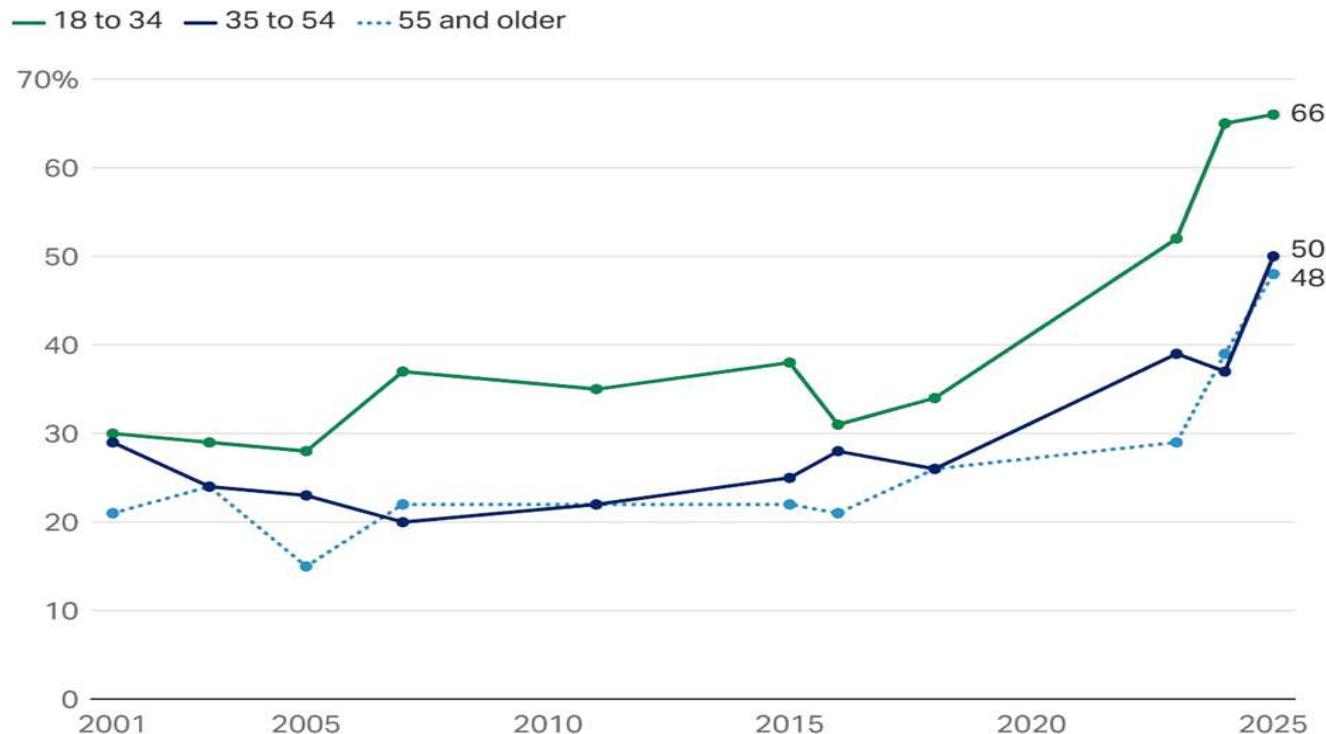


GALLUP



Do you, personally, think drinking in moderation — that is, one or two drinks a day — [ROTATED: is good for your health, makes no difference or is bad for your health]?

% Bad for your health



Those saying drinking is good for your health, saying it makes no difference or with no opinion are not shown.

GALLUP

Do you most often drink liquor, wine or beer?

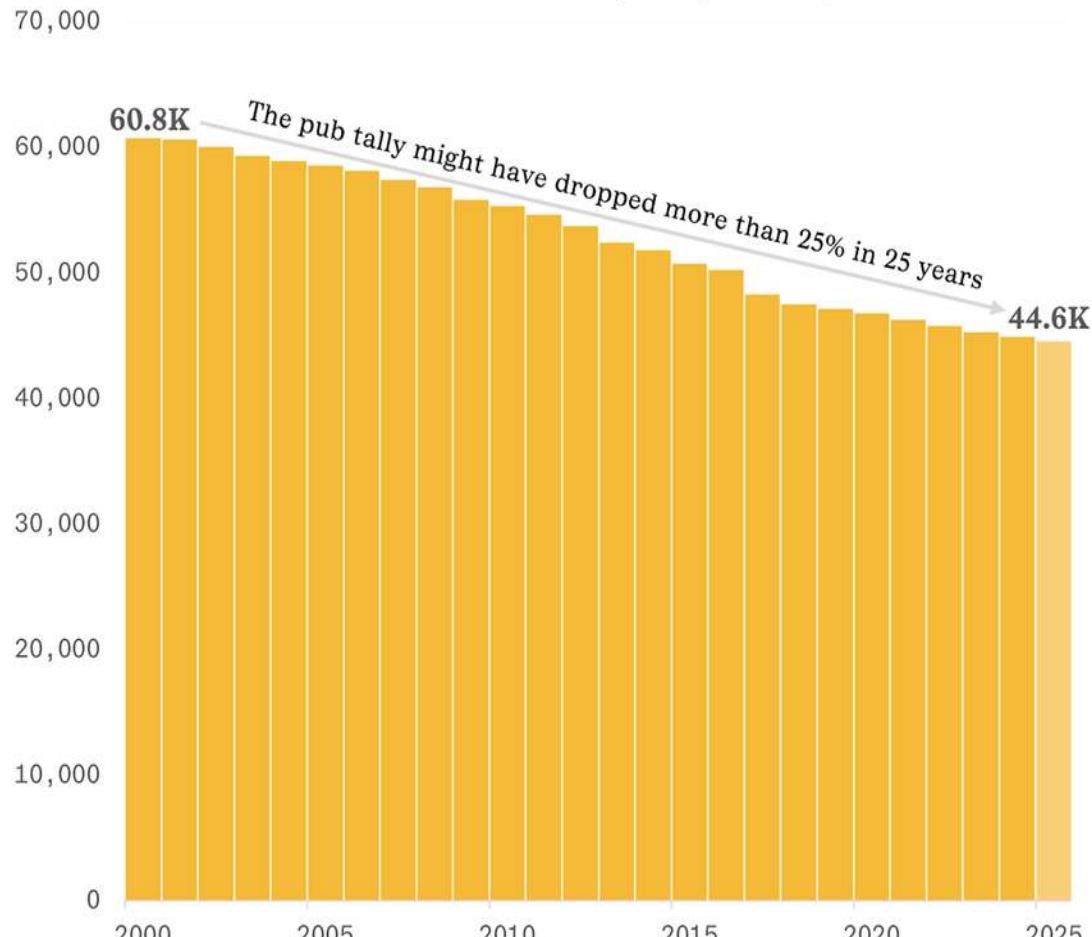


GALLUP

TIME, GENTLEMEN!

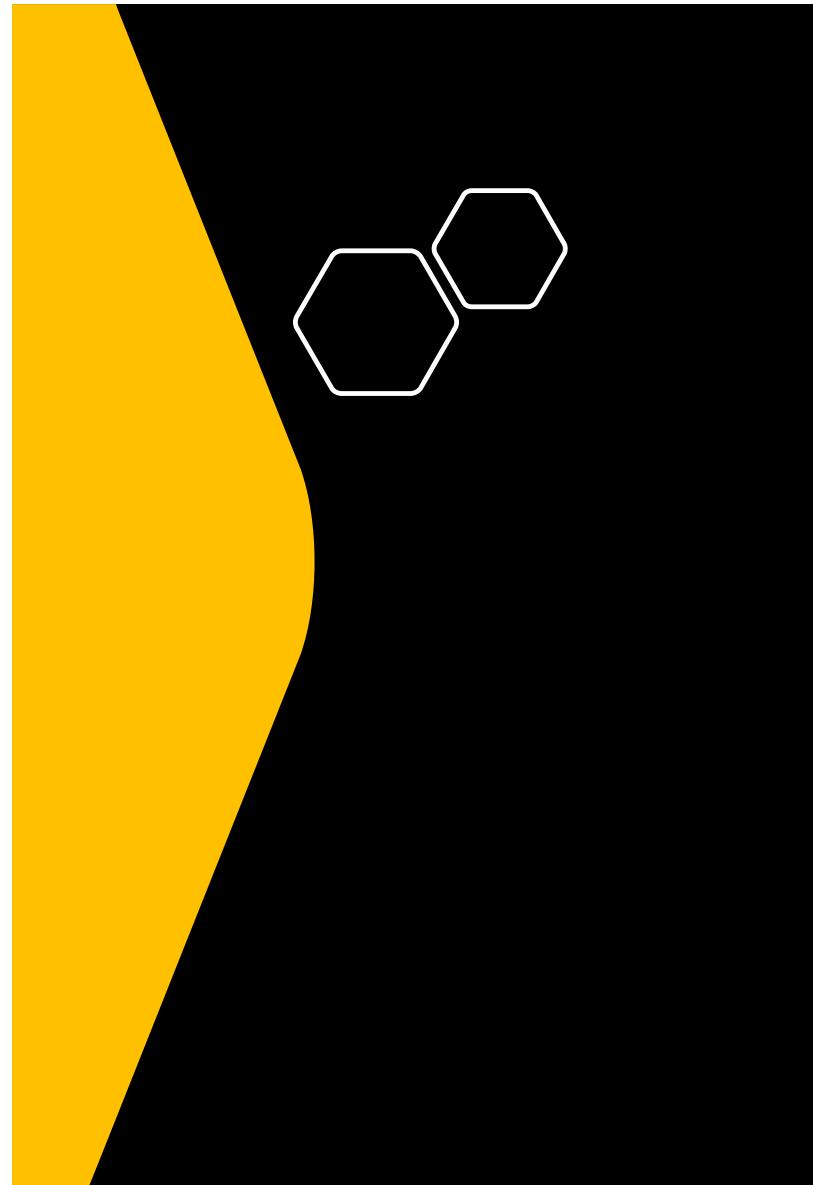
Britain's Pub Footprint Just Keeps Falling

Number of Pubs in the UK [Annual, thousands]



SnacksUK

Note: 2025 is a forecast | Source: British Beer & Pub Association

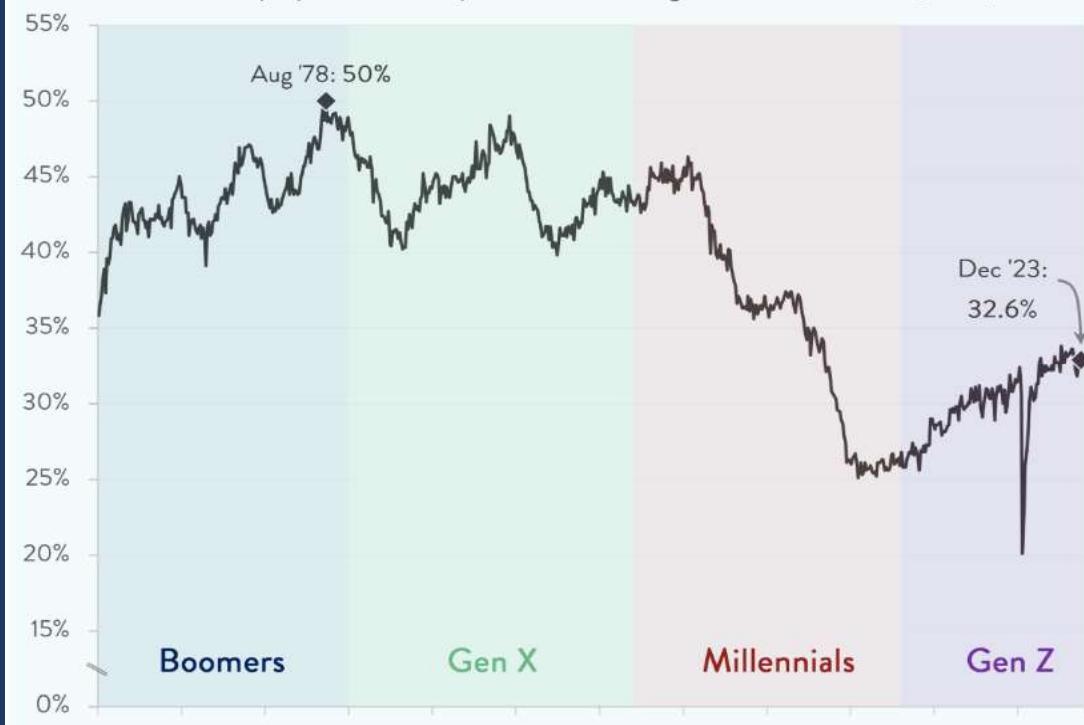




Gen Z

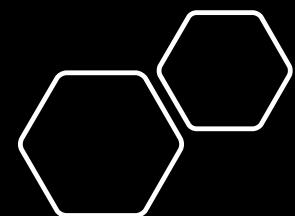
Gen Z Teens Have Been Getting To Work Since The Pandemic

— Employment-to-Population Ratio, Ages 16-19 Years Old [%], US



Source: Bureau of Labor Statistics via FRED

chartr



WORK

Meet the Gen Zers skipping college to take blue-collar jobs and launch trade businesses: 'One of the smartest decisions I ever made'

Published Thu, Aug 29 2024 • 8:55 AM EDT



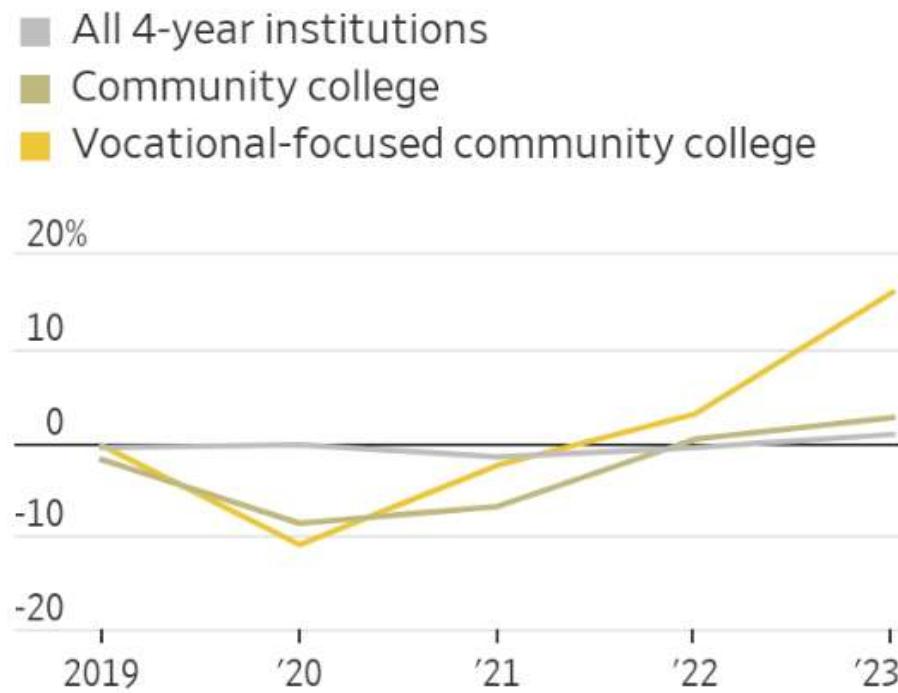
Morgan Smith
@THEWORDSMITHM

SHARE

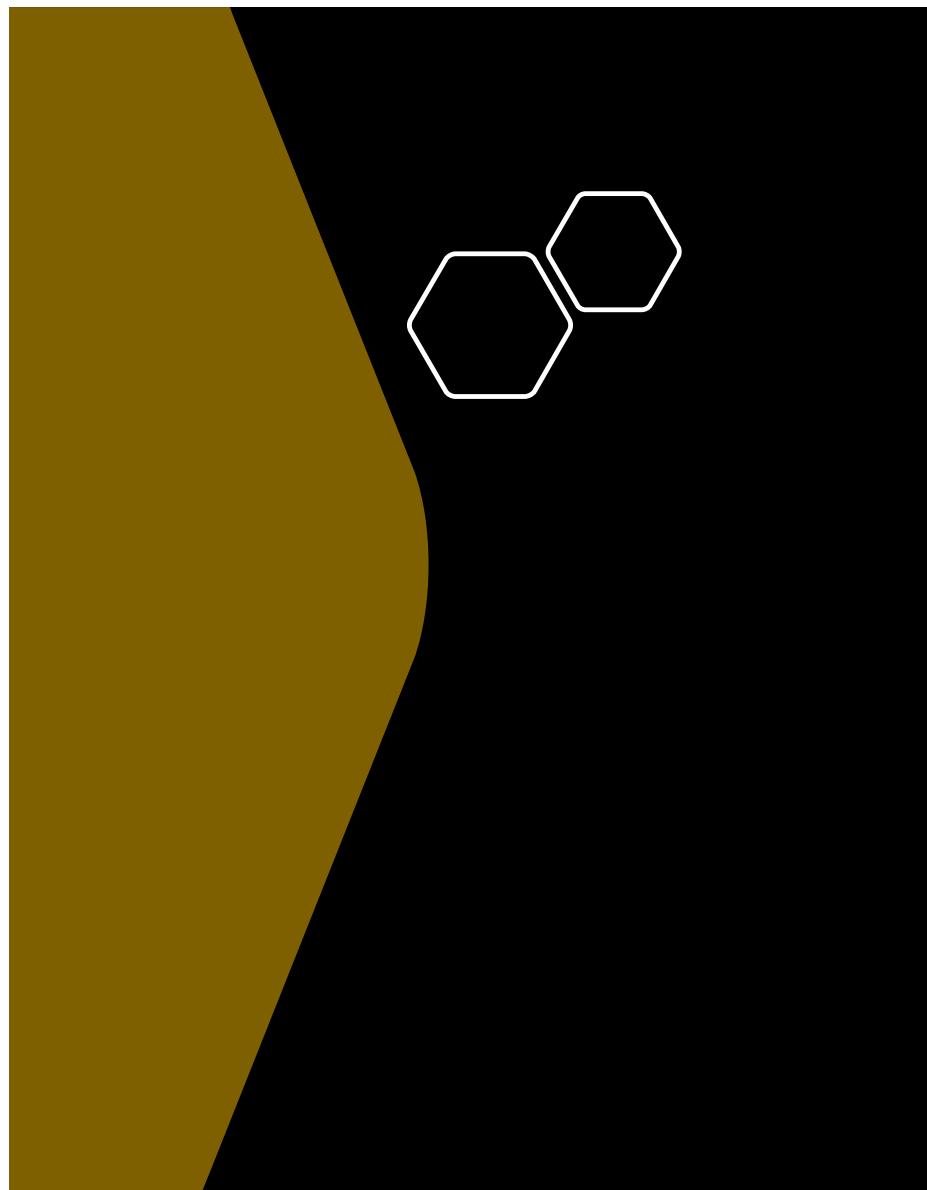


More students are choosing vocational programs while four-year colleges are looking less attractive.

Enrollment growth, change from previous year



Source: National Student Clearinghouse



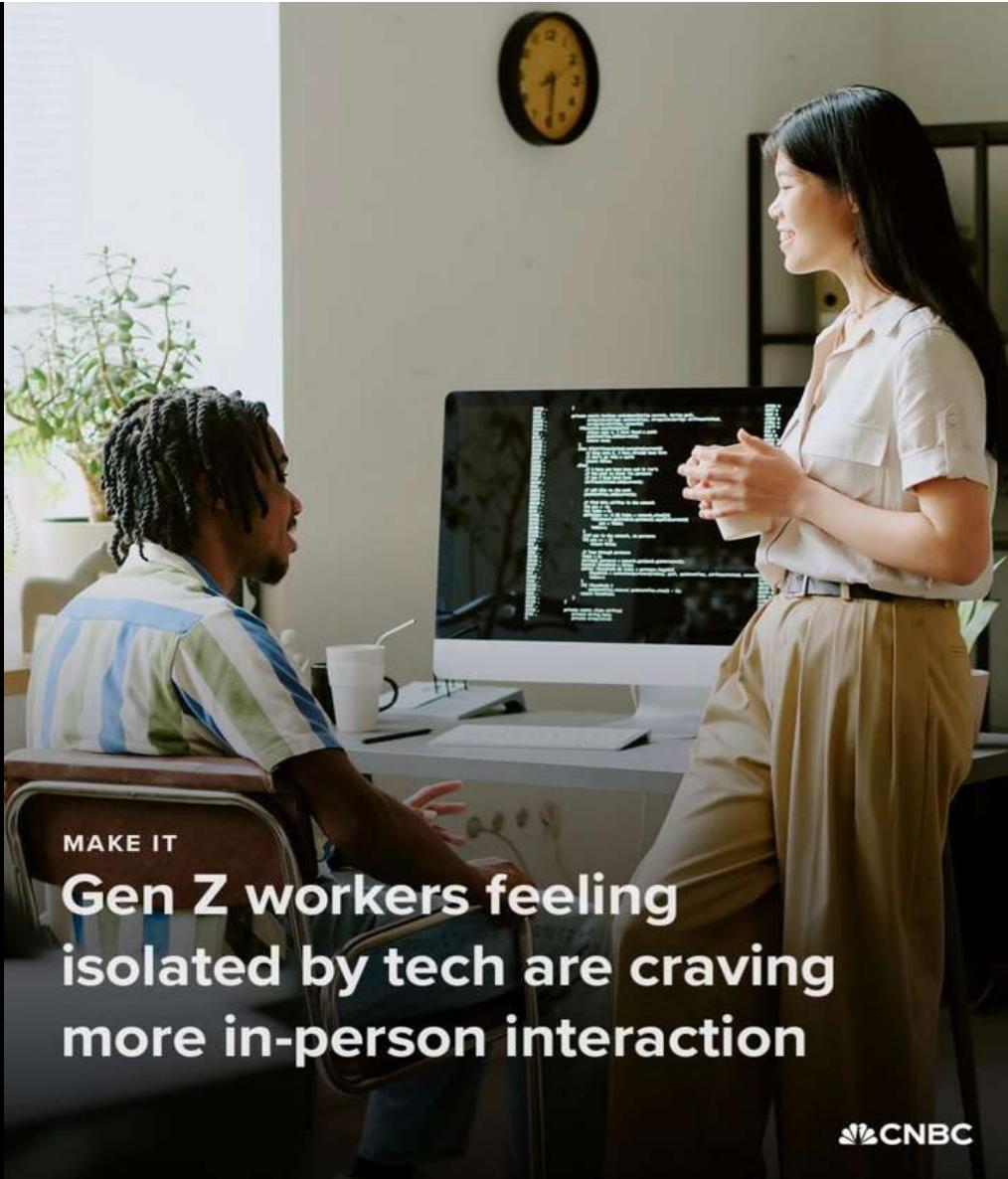
Average hourly wage for Gen Z workers in skilled trades in the U.S.

Monthly average | January 2019–June 2024



Note: Ages 18-26

Source: Gusto



MAKE IT

Gen Z workers feeling isolated by tech are craving more in-person interaction

CNBC

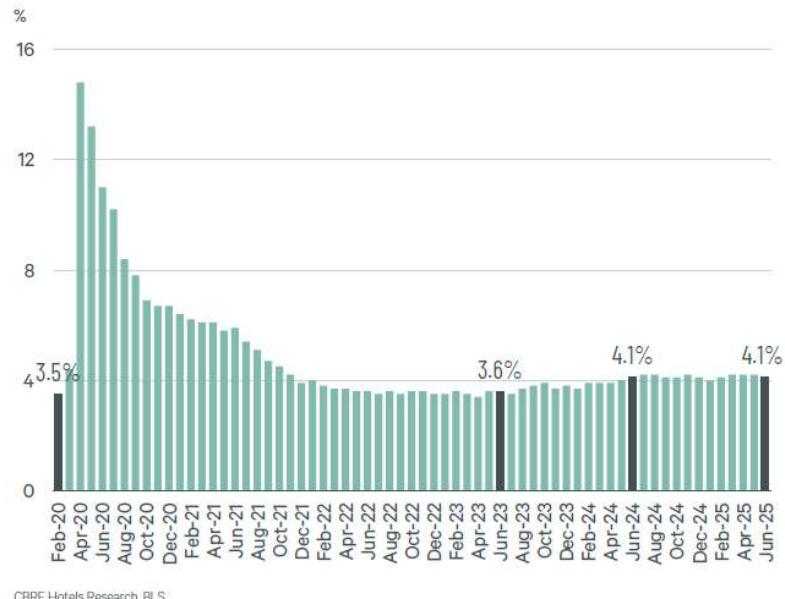


**NOW
HIRING**

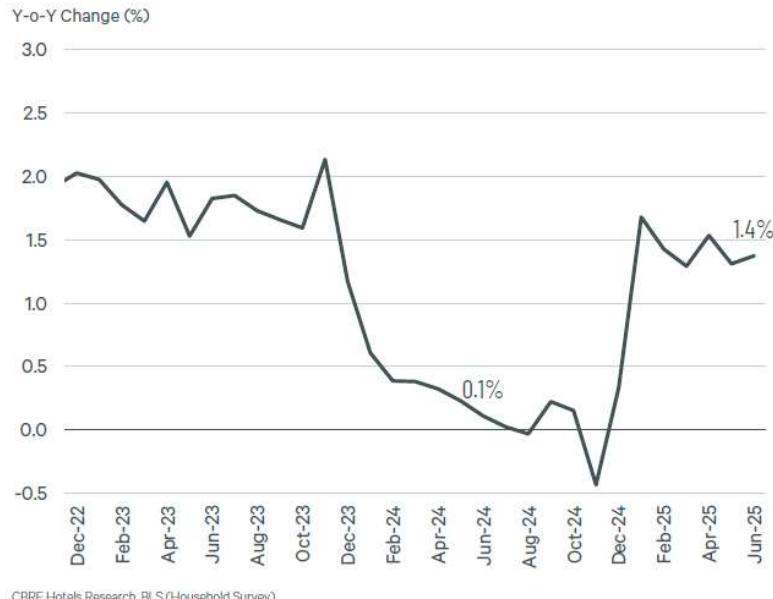
Steady unemployment and employment growth should support discretionary travel spending

CBRE

Monthly Unemployment Rate

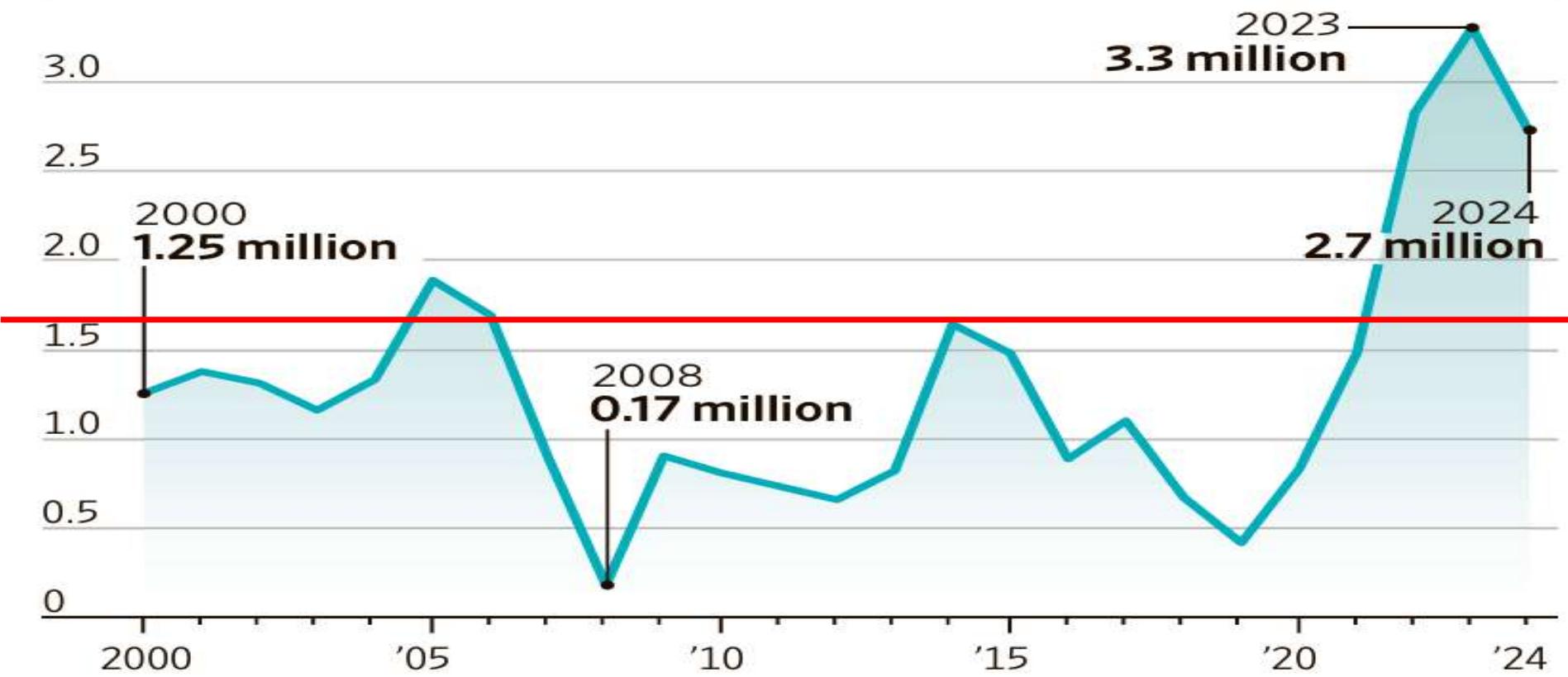


Total U.S. Employment Change

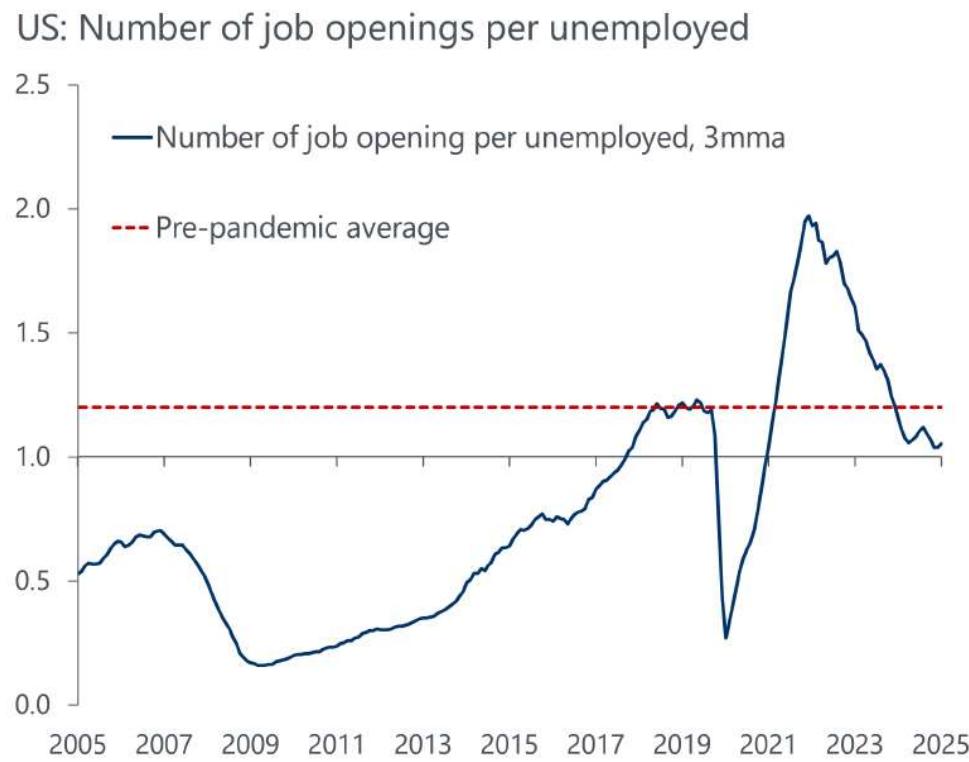


U.S. net immigration, annually

3.5 million



But the labor supply-demand balance is still ok



The spread between wages and inflation is holding steady at roughly 100 bps

U.S. CPI Change vs. U.S. Average Hourly Wage Change



Spread between U.S. Average Hourly Wage and CPI Change

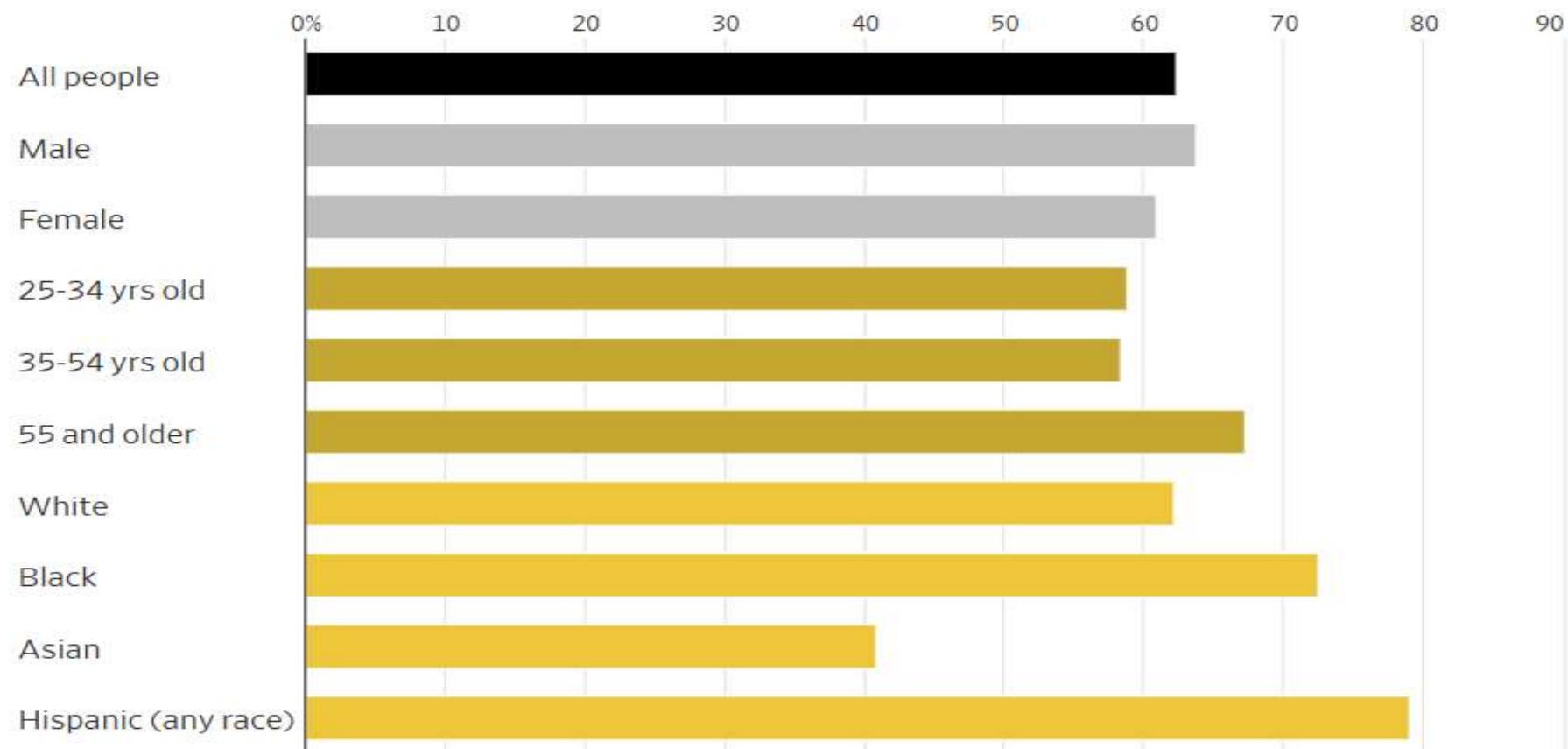




62%

The share of Americans over age 25 who don't have a bachelor's degree. Some employers such as IBM and Delta are dropping their degree requirements to expand applicant pools for people traditionally ineligible for many managerial and technical positions. Progress is slow, though. Automated screening tools favor college grads, and hiring managers aren't changing long-held beliefs about a degree's value.

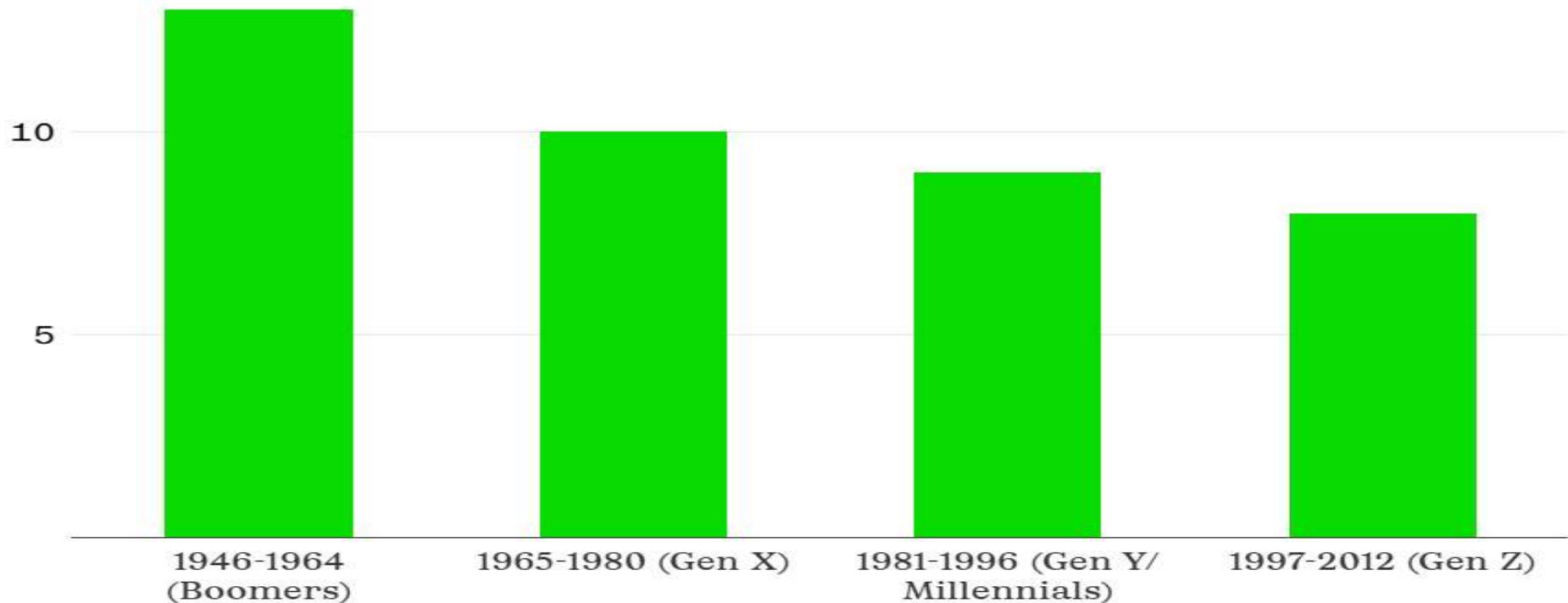
Percentage of U.S. population over age 25 without a bachelor's degree



Source: U.S. Census Bureau, Current Population Survey, 2022

Boomers are back in the job market

Job seeker intensity among boomers grew 13% in July from January.



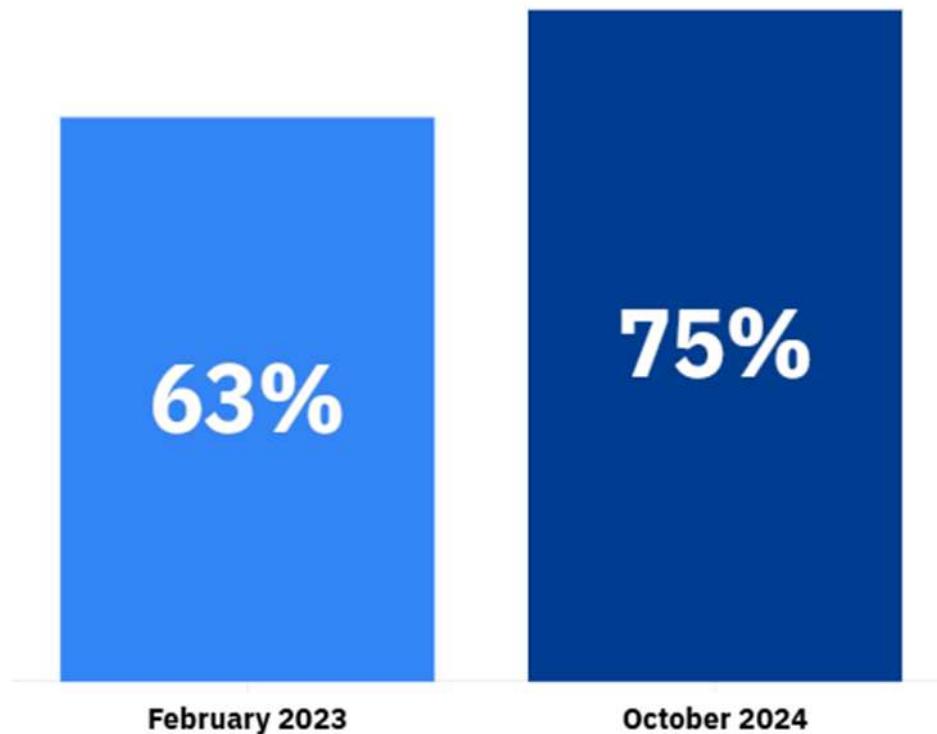
Source: LinkedIn

Sherwood

Welcome
Back ☺

Growing share of US workers required to be in office a certain number of days

The number of workers required to be in the office regularly surged to 75% in late 2024, up from 63% in early 2023



Source: Pew Research Center

* A Flourish chart

Nostalgia Is Back





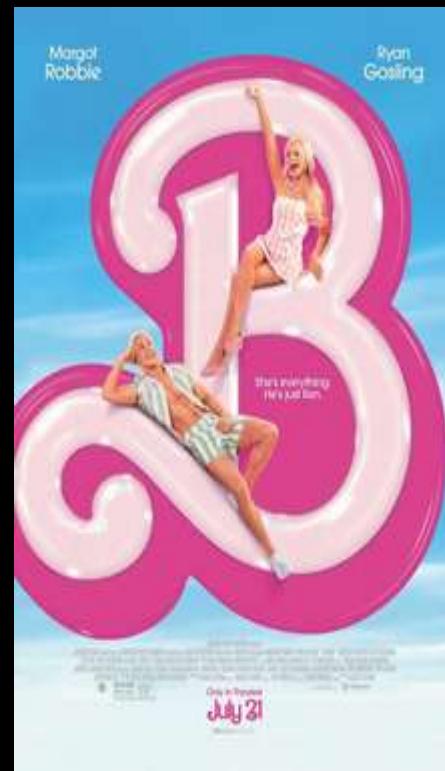
BRANDING

Why Nostalgia Will be a Key Branding Trend in 2024

Nostalgia in branding is back for 2024, but this time it's a little different. ☺

Inc.

2022



2023



2024



GOLD PLUSH

Build-A-Bear's Stock Returns Are Eclipsing Some Of Tech's Biggest Names

Theoretical Value of \$100 Invested on 04/01/21, Selected Stocks [Daily]



CHARTR

Source: Bloomberg



LEGO'S Revenue Growth

LEGO is privately owned by Kirkbi A/S (75%), the investment firm of the Kristiansen family, and the LEGO Foundation (25%).

The LEGO Movie was released

LEGO Star Wars: The Video Game was released

\$1B

\$9.8B

2003

2005

2007

2009

2011

2013

2015

2017

2019

2021

2023

\$1B

\$9B

\$8B

\$7B

\$6B

\$5B

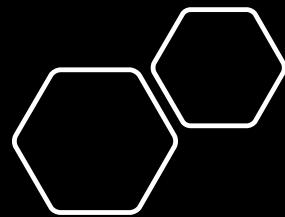
\$4B

\$3B

\$2B



Source: Statista, as of March, 2024



make
it fun



WHO IS THE BEST PLAYER
IN THE WORLD?

RONALDO

MESSI

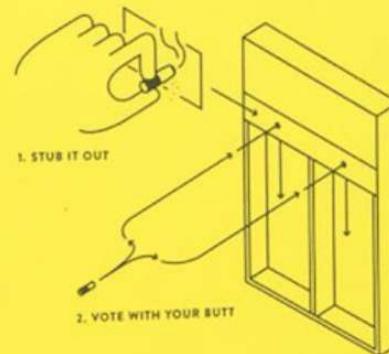
STUB IT OUT



STUB IT OUT



THINK INSIDE THE BOX
AND VOTE WITH YOUR BUTT



LITTER IS IN OUR HANDS.
LET'S WISE UP AND BIN IT.

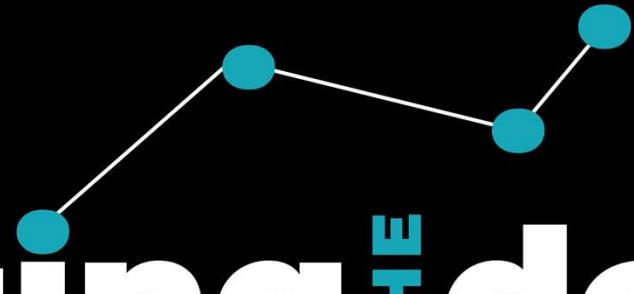
#NEATSTREETS

Final
thoughts



connecting THE dots

WITH **ALHI**



Michael Dominguez, FASAE, CHSE
Global Luxury Sales Leader @ ALHI |
Hospitality & Resorts Expert | Futuris...

