

MALAYSIAN HOTEL MARKET

FEBRUARY 2022 UPDATE

Economic Update

The Malaysian economy is on the right track towards recovery, based on the reopening of more than 90 per cent of economic sectors and most social activities.

The recovery was further supported by high vaccination rates with almost the entire population having been vaccinated. With the momentum of recovery, the gross domestic product is on a strong track to continue to grow between 5.5 per cent and 6.5 per cent in 2022.

The growth will be driven mainly by the expanding Budget 2022 which is worth RM332.1 billion and the resumption of projects with high multiplier effects and strong external demand, especially from major trading partners.

Hotel News

Marriott International has signed an agreement with Rackson Hospitality to bring the Le Meridien brand to the island of Penang, Malaysia. Construction is due to begin mid-2022 and the hotel is expected to open in 2026.

It will be part of the Penang Gateway Development, placing it close to the Penang International Airport alongside a residential tower, a medical centre, commercial space and shops.

The hotel will be home to 186 guestrooms and 14 suites, inclusive of a 2,000 sq ft presidential suite, along with an all-day dining restaurant offering European and Asian cuisine, a specialty restaurant, a café and a bar.

Also being planned is a club lounge, fitness facilities, a pool area with sundeck, 7,000 sq ft of event space and the brand's signature Le Meridien Hub, providing a modern take on the traditional hotel lobby by transforming it into a social space.

International Travel Perspective

Malaysia has resumed ticket sales for air and land travel under a vaccinated travel lane with Singapore that has been suspended until Jan 20 over Omicron coronavirus variant concerns. However, the ticket quota will be halved based on risk assessments on the Covid-19 situation in both countries.

On another note, Wisma Putra and the Transport Ministry are looking to add Thailand and Indonesia to the Vaccinated Travel Lane (VTL) initiative.

Following revelations of unvaccinated umrah pilgrims returning to Malaysia carrying the Covid-19 Omicron variant, travel associations and agents handling pilgrimage trips have proposed stricter, multilayered documentation checks for the travelers. There was also talks to reduce the mandatory quarantine period for returning pilgrims to three days instead of seven for those who had received Covid-19 booster shots.

Meanwhile, effective 1st February 2022, the EU is altering its travel restrictions by altering the focus to the individual instead of the region of departure.

It comes as the WHO announced that Europe was moving towards the end of the emergency phase of managing Covid-19 because the Omicron variant is now widespread across the region.

The EU explains that if a person has a valid EU Digital Covid Certificate and can prove their vaccination, test or recovery status, then they should not be subject to additional restrictions to free movement.

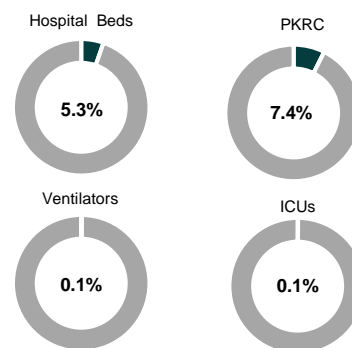
Vaccine Progress

Malaysia's Covid-19 vaccination programme for children aged five to 12 will begin on February 3. Parents can book appointment slots via the MySejahtera contract tracing app and the process will be carried out in phases, starting with the Klang Valley. As of 28th January, the ministry said 484,639 children had been registered for vaccination on MySejahtera.

The programme will utilize a special vaccine formulation for children, which is by Pfizer, and it will be a two-dose regime with an eight-week interval.

On the 28th January, Malaysia has received the first shipment of 624,000 Pfizer-BioNTech Comirnaty 10mcg Concentrate for Dispersion vaccine doses that will be used for the vaccination of children.

CHART: Active Cases Distribution




Note: PKRC – Covid-19 Quarantine and Treatment Centre
Source: covidnow.moh.gov.my (as at 2 February 2022)

TABLE: Malaysia Vaccine Progress

	29 December	2 February
Total number of people registered for the vaccine	22.2 million	22.2 million
Total number of doses given	56.8 million	63.6 million
7-day moving average	111,997	146,750
At least 1 dose	79.5%	79.8%
2 doses	78.3%	78.7%
Boosted	16.7%	36.8%

Sources: JKJAV, covidnow.moh.gov.my, ourworldindata.org, covidvax.live

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Hotels Available for Sale via Knight Frank



Hilton Garden Inn Kuala Lumpur
Tenure: Freehold
No. of Rooms: 532 keys



Former Holiday Inn Resort Penang
Tenure: Freehold
No. of Rooms: 361 keys



Loop on Leith, Georgetown
Tenure: Freehold
No. of Rooms: 140 keys



Sheraton Imperial Kuala Lumpur
Tenure: Freehold
No. of Rooms: 398 keys



KLEight, Kuala Lumpur
Tenure: Freehold
No. of Rooms: 33 keys



Confidential 5-star Resort, Pahang
Tenure: Leasehold
No. of Rooms: 305 keys



Confidential, Kuala Lumpur
Tenure: Freehold
No. of Rooms: 210 keys



Confidential 5-star Hotel, Penang
Tenure: Freehold
No. of Rooms: 316 keys



Award Winning Lifestyle Hotel, Melaka
Tenure: Freehold
No. of Rooms: 60 keys



Confidential, Kuala Lumpur
Tenure: Freehold
No. of Rooms: 103 keys



Confidential, Kuala Lumpur
Tenure: Freehold
No. of Rooms: 253 keys

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