

# HCITY (BUY, T.P. MXN\$11.00)

Slightly higher-than-expected ADR and occupancy levels in August

NORTE 19 (BMV: HCITY \*) released its hotel indicators for August, which show that the company continued to follow a strategy focused on increasing its ADRs above inflation in order to support its profitability. The average daily rate of the 152 hotels in operation (consolidated and under management) rose 9.5% YoY in August to MXN\$1,330 (vs. our MXN\$1,313 projection). Despite this rate adjustment, occupancy improved slightly to 57.3% (vs. 57.1% estimated). As a result, RevPar increased 10.0% YoY to MXN\$763 (vs. MXN\$750 E). We consider this to be a satisfactory performance. We reiterate our BUY recommendation with a MXN\$11.00/share target price.

## August 2024 Hotel Indicators

	Aug-24	Aug-23	YoY Change
Occupancy	57.3%	57.1%	0.2 PP
ADR (MXN\$)	\$ 1,330.0	\$ 1,215.0	9.5%
RevPar (MXN\$)	\$ 762.1	\$ 693.0	10.0%

Source: Norte 19

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