



Business Services



INTERCONTINENTAL HOTELS (SELL, FV 4100p) | Q3 IMS-Slower RevPAR growth environment remains

- In fact, again in Q3 RevPAR was negative down 0.8% after Q2 down 0.2% and Q1 slightly positive at 0.3%. Q3 YTD, IHG comparable RevPAR is flat. By geography, RevPAR in Americas (60% of total number of rooms) was again negative down 0.6% after -0.5% in Q2 and +0.8% in Q1 while in EMEA (25% of the group offer) RevPAR remains slightly positive in Q3 at 0.2% after Q2 up 0.7% and Q1 down 0.7%. Greater China (15%) remains really challenging with RevPAR down 6.1% in Q3 after -0.3% in Q2 and flat in Q1, largely affected by ongoing unrest in HK where RevPAR was down 36%. RevPAR in Mainland China was down 2%.
- More positive news from new openings with a 4.7% increase in net system size despite strong comps. After Q3, Management confirmed that the group is on track to exceed 5% increase in net system size for FY19.
- Conference call today at 9.00am London time

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Distribution of stock ratings

BUY ratings 49.4%

NEUTRAL ratings 42.9%

SELL ratings 7.7%

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