
A Scenario of Tourism Recovery in Hawaii

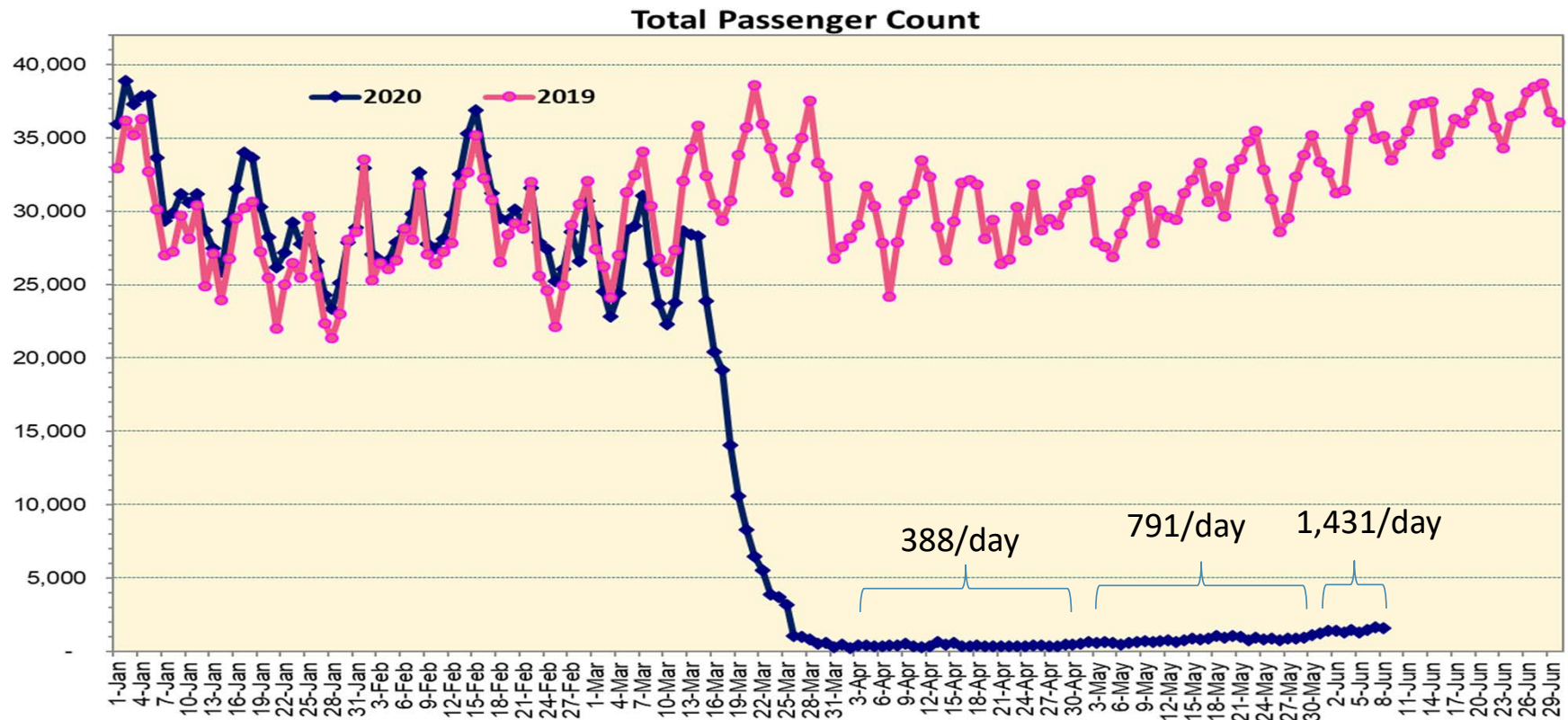
PATA Economic Outlook and Forecast Update

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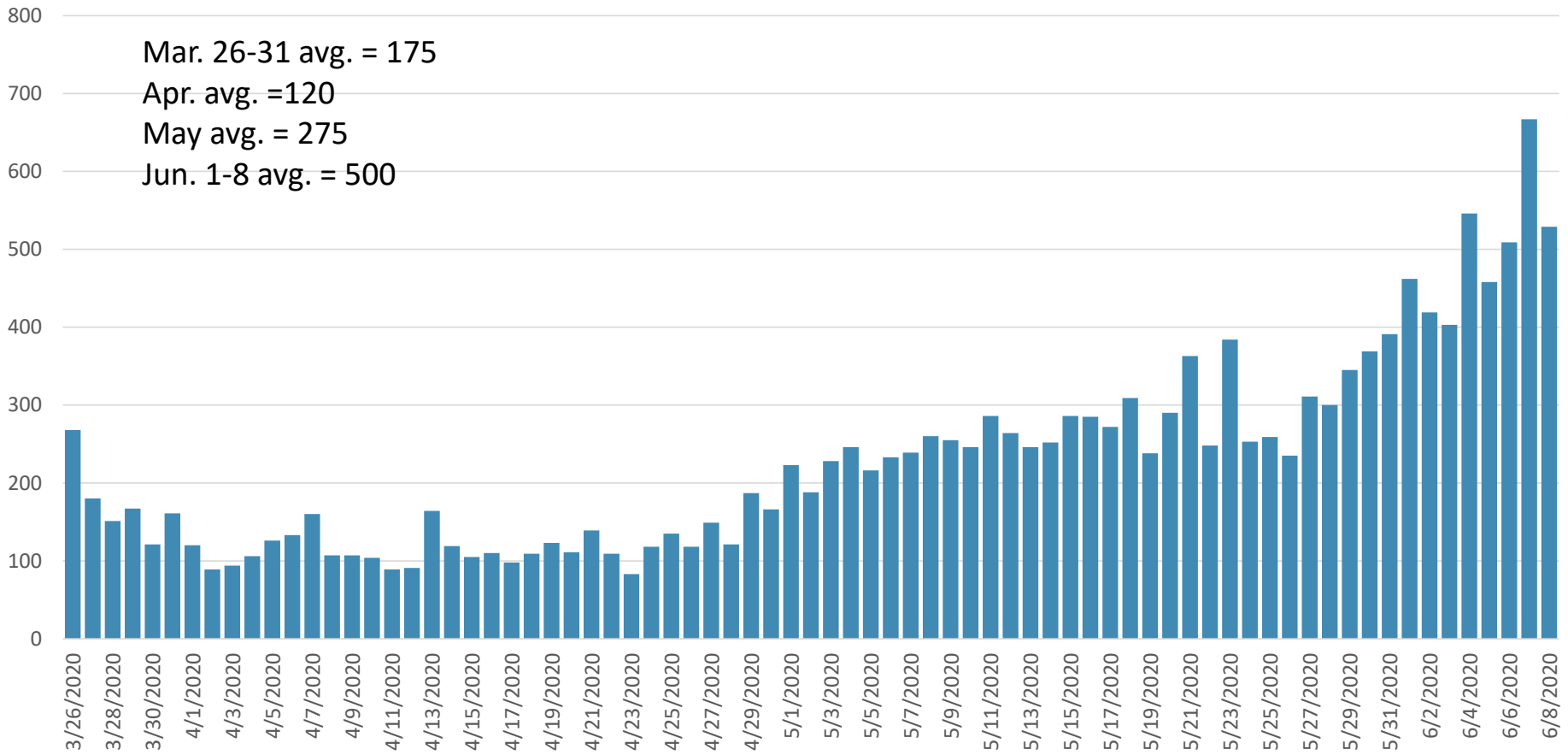
June 10, 2020

Daily passenger count is now about 4% of the 2019 level



Note: Excludes flights from Canada

Visitor arrivals now is about 1.8% of the 2019 level



Source: Hawaii Tourism Authority

Daily interisland passenger count is now about 10% of the a normal day

Date	Hawaii Residents	Out-of-state Visitors	Total
4/1-4/5 avg.	478	55	533
4/6-4/10 avg.	743	70	813
4/11-4/15 avg.	609	55	664
4/16-4/20 avg.	646	71	717
4/21-4/25 avg.	725	77	802
4/26-4/30 avg.	842	91	933
5/1-5/5 avg.	1,056	190	1,246
5/6-5/10 avg.	1,184	144	1,328
5/11-5/15 avg.	1,584	141	1,725
5/16-5/20 avg.	1,401	117	1,518
5/21/2020	1,685	154	1,839

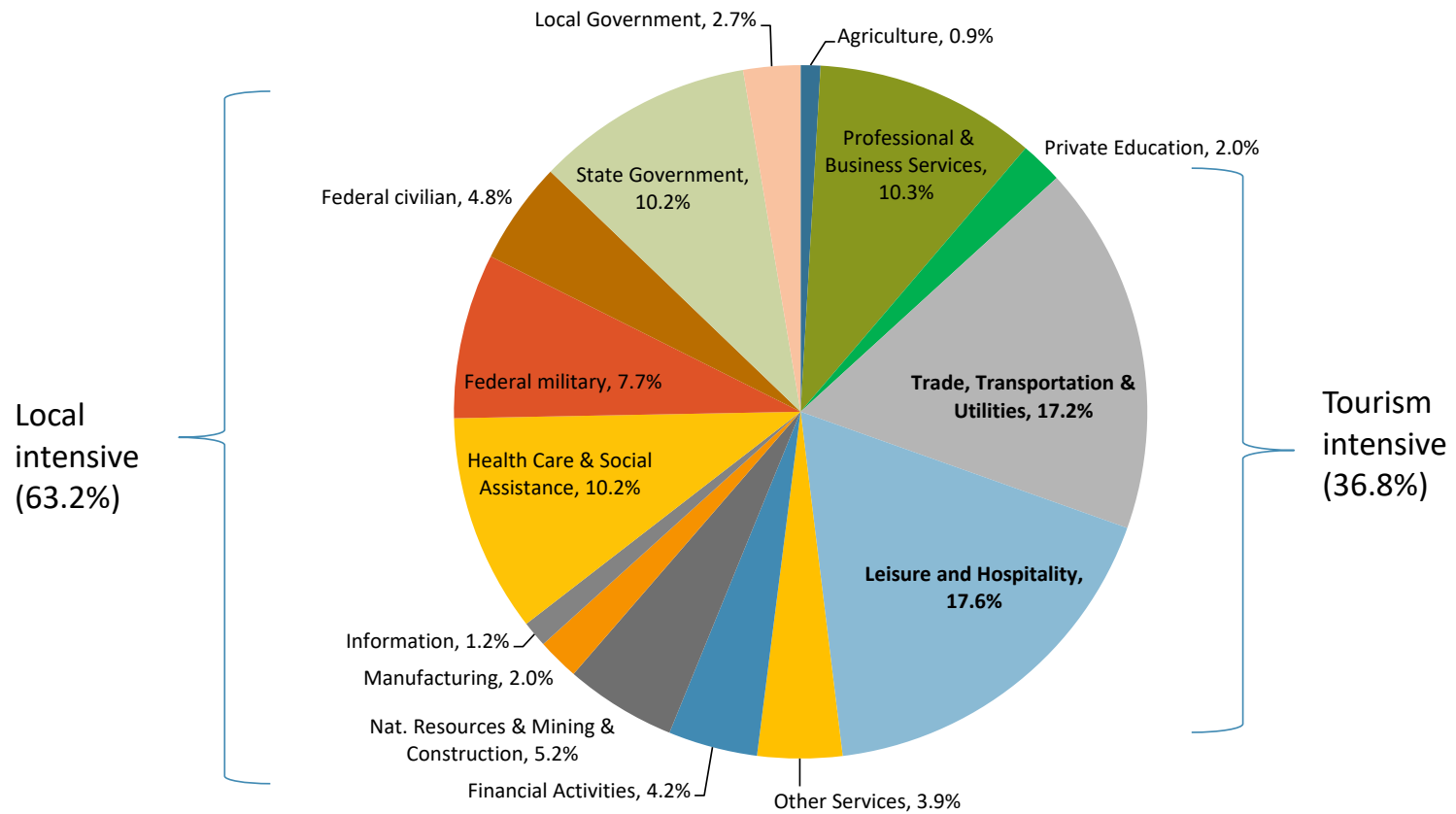
Source: DBEDT

Air seat outlook: June-August 2020

Market	June 2020	July 2020	August 2020
Total	-88.5%	-11.0%	-0.7%
USW	-86.8%	-5.8%	5.1%
USE	-88.0%	-42.6%	-32.8%
Japan	-100.0%	3.0%	6.3%
Canada	-100.0%	-21.9%	-7.1%
Other Asia	-100.0%	-25.5%	-33.0%
Oceania	-100.0%	-50.2%	-13.0%
Other	-36%	-8.7%	0.9%

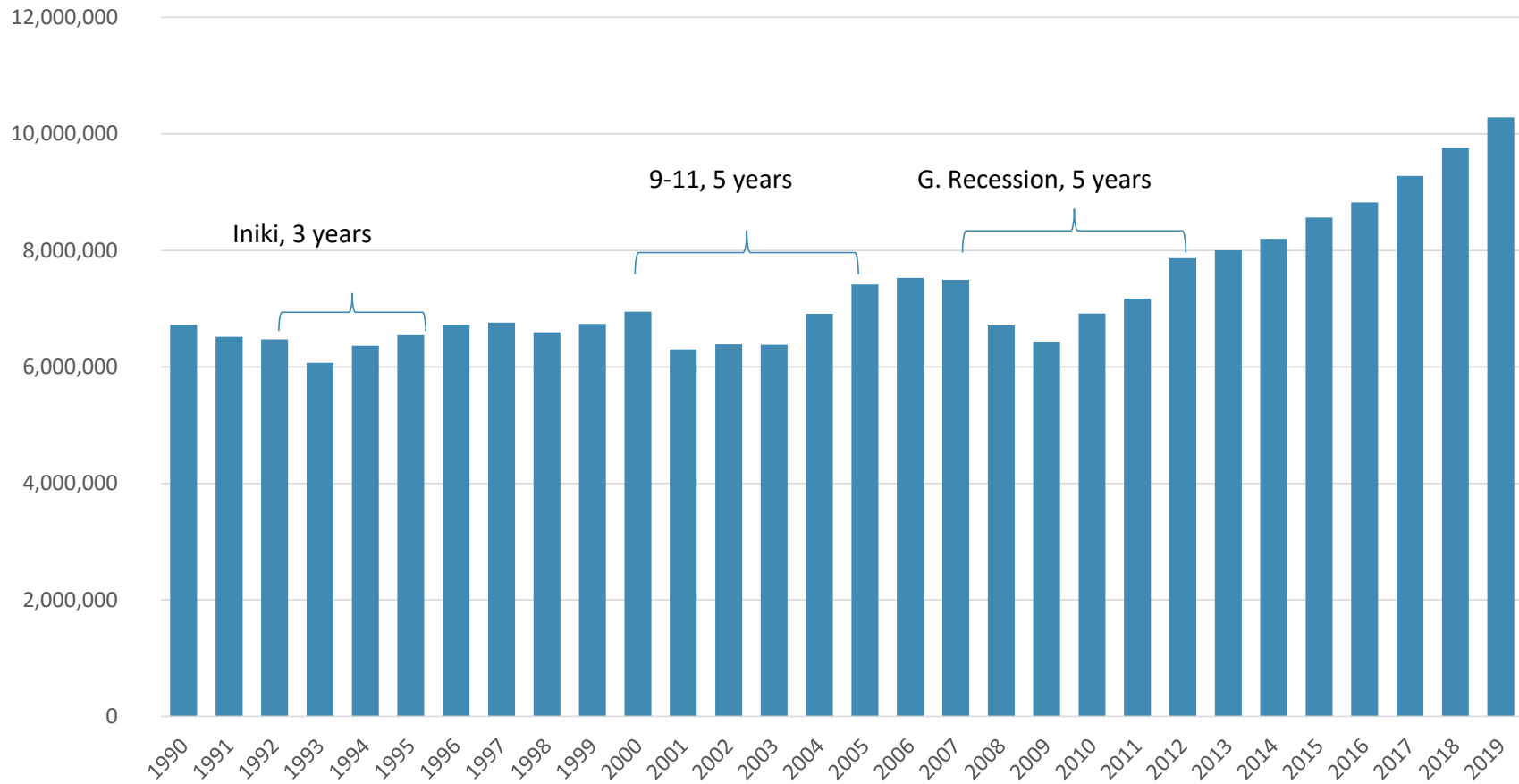
Source: Hawaii Tourism Authority

Hawaii job distribution by industry: 2019

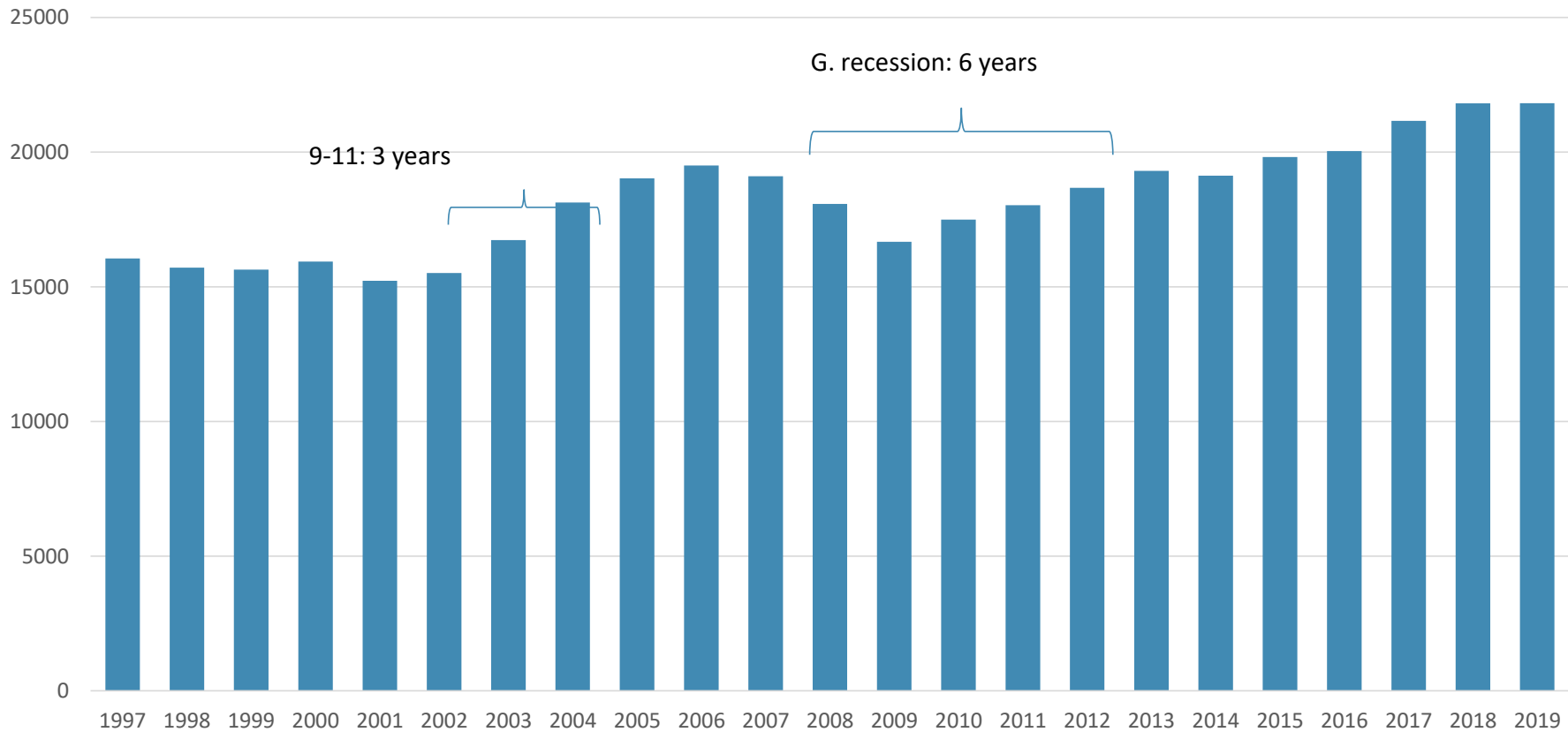


Source: Hawaii DLIR and BEA

It took 5 years for visitor arrivals to recover in the past two cycles



Real GDP for tourism intensive sector (26% of the state total real GDP)

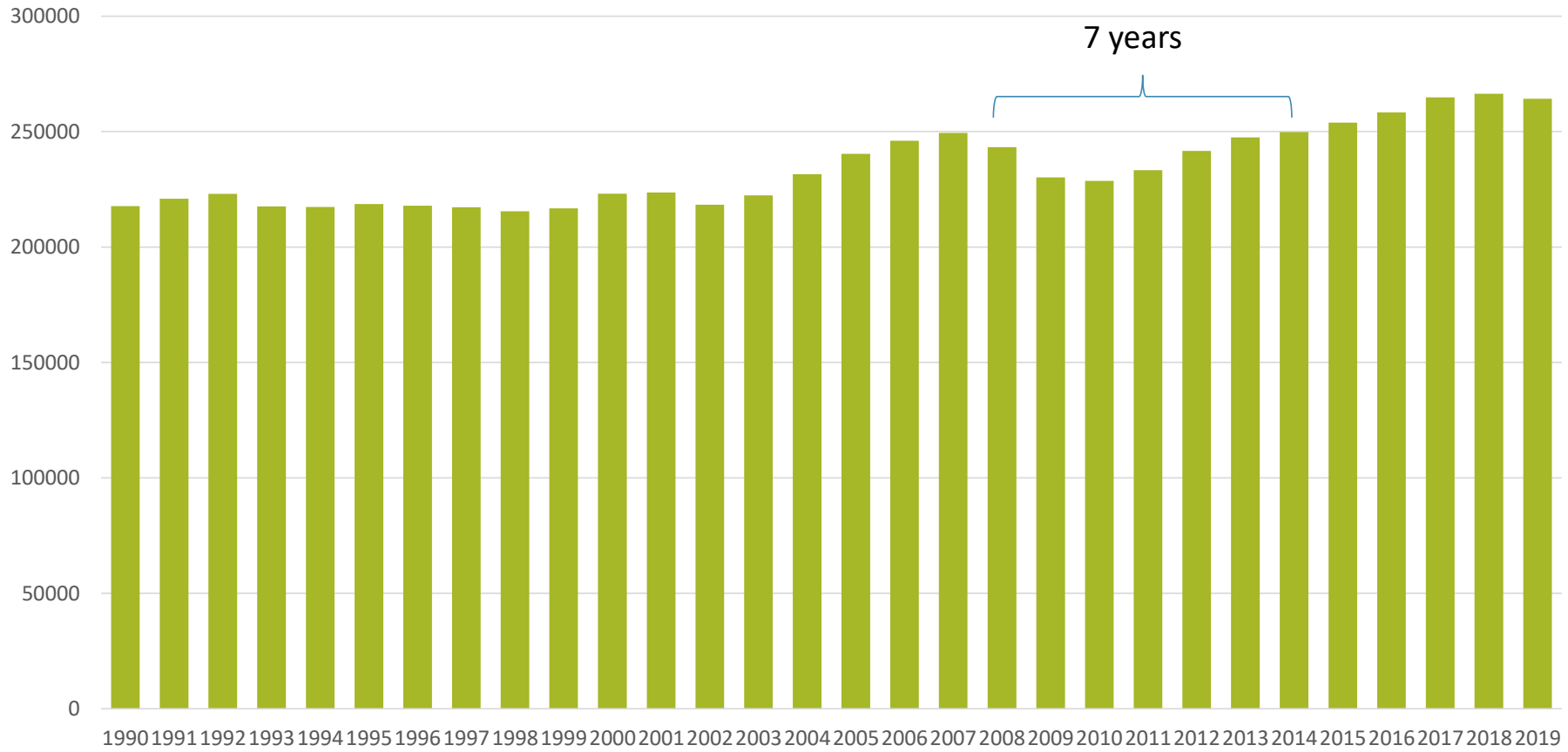


Real GDP for non-tourism intensive sector (74% of state total real GDP)

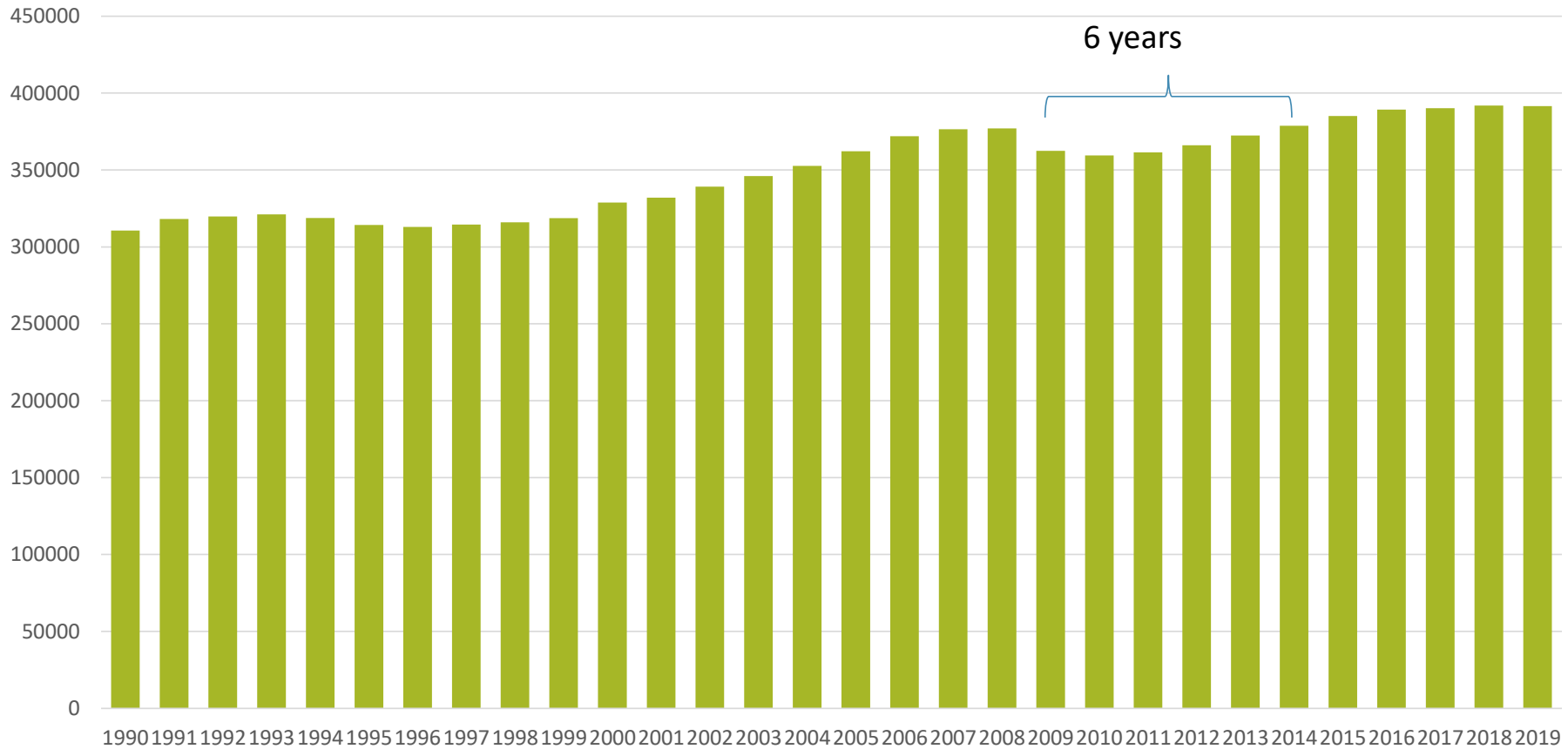


Source: U.S. Bureau of Economic Analysis

Employment in tourism intensive sector



Employment in non-tourism intensive sector



DBEDT tourism and economic forecast released on May 22, 2020

Year	Visitor arrivals		Visitor expenditures		Unemployment rate	Econ. Growth rate
	Thousand	% growth	\$ millions	% growth	%	%
2018	9,889	5.2	17,643	5.1	2.4	2.4
2019	10,425	5.4	17,890	-1.4	2.7	1.0
2020	3,392	-67.5	5,534	-68.8	8.6	-12.1
2021	6,241	84.0	10,360	87.2	7.3	0.7
2022	8,340	33.6	14,248	37.5	6.5	0.6
2023	9,397	12.7	16,348	14.7	6.2	1.1

Source: DBEDT, Quarterly Statistical and Economic Report, 2Q 2020, released on May 22, 2020

The scenario was mainly based on the following:

- **Tourism recovery trend in the past business cycles**
- **The COVID-19 pandemic will be largely under control by September 2020 for the U.S. and by December worldwide**
- **Many other countries did not open tourism two months after reporting zero cases/reopened local economy**
- **Economic recession in the U.S. and most countries in the world for 2020**
- **Very high level of uncertainty**