

Elite Moscow Hotels Profit on Ruble's Tumble

By [The Moscow Times](#)

March 30, 2015



Moscow's luxury hotels are profiting at midrange brands' expense as foreign businessmen and tourists trade up following the Russian ruble's fall, according to a recent report by real estate consultancy Jones Lang LaSalle (JLL).

High-end hotels saw occupancy rates rise 8 percent in the first two months of this year even as occupancy in the midrange segment dropped by 4 percent, the report said.

"International travelers are now able to stay in higher level hotels for the same price in their local currency as they used to stay in a mid-market hotel a year ago," JLL analyst David Jenkins said in the report.

Overall, an increase in the number of luxury rooms available pushed occupancy rates in the segment down 5 percent year-on-year to 47 percent, which was better than anticipated, according to JLL.

The ruble has fallen nearly 40 percent to the U.S. dollar and over 20 percent to the euro since the start of last year, hammered by Western sanctions over Moscow's role in the Ukraine crisis and a steep drop in the price of oil, Russia's chief export.

The average price for a luxury hotel room has risen 11 percent in ruble terms so far this year to hit 15,200 rubles (\$262), largely due to the opening of the Four Seasons Hotel Moscow last year, JLL said.

Original url:

<https://www.themoscowtimes.com/2015/03/30/elite-moscow-hotels-profit-on-rubles-tumble-a45273>