



Monthly Tourism Review

September 2026

Monthly demand stabilised, but the annual target runway became exceptionally steep

Structure

Demand performance

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Accommodation & capacity

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Fiscal and macro relevance

Strategic implications

Watchlist: Oct-Nov

September brought the annual tourist series almost back to its 2025 monthly level, but it did not close the cumulative deficit. The latest detailed accommodation data, which lag to August, show that utilisation recovered materially from the June trough but remained uneven across segments. Before October-November, the priority is to convert high-season access into occupied nights and yield, while planning against a target runway that has become exceptionally steep.

Table 1. September 2026 Headline Tourism Indicators

148,801	1,571,977	4,960/day	10,087/day	1.70x	
September arrivals	tourist Jan-Sep arrivals	tourist September average monthly stabilisation	daily Required to reach 2.5m	Oct-Dec Latest August, lagged	CPI
-0.5% y/y	-3.9% y/y				

KPI notes: September tourist arrivals are the leisure-tourist series. Some Ministry summaries also report broader international visitors, including business and cruise arrivals. Occupancy, bed nights and CPI use the latest detailed MMA series, currently available through August 2026.

BOTTOM LINE

September was stabilisation, not yet recovery. Monthly tourists were only 0.5% below September 2025, but the January-September total remained 3.9% lower and the required October-December pace rose to 10,087 tourists per day. August utilisation was much healthier than June, yet a CPI of 1.70x still means the system carried roughly 872 thousand unsold bed nights.

1. EXECUTIVE READOUT

SEPTEMBER NEARLY CLOSED THE MONTHLY DEMAND GAP, BUT THE STRUCTURAL TEST MOVED TO CONVERSION AND TARGET REALISM

September 2026 recorded 148,801 tourists, just 0.5% below September 2025. That is a much stronger year-on-year signal than the deep declines recorded in March and April. Yet cumulative arrivals remained -3.9% below 2025, leaving a deficit of 64,512 tourists after nine months.

The latest accommodation layer tells a more nuanced story. August occupancy was 58.9%, bed nights were 1.252 million and CPI was 1.70x. Pressure eased sharply from June's 2.50x, but August did not improve on July: occupancy slipped from 59.7% and shadow inventory edged up from 854k to 872k bed nights. The system is stabilising, but it is not yet fully converting additional arrivals into stronger utilisation.

ANALYTICAL SIGNAL

September reduced the immediate demand concern but made the annual arithmetic more demanding. The next test is whether October-November can lift occupied nights, average stay and taxable value without relying on broad discounting or treating the 2.5 million target as the sole operating metric.

2. DEMAND PERFORMANCE

SEPTEMBER STABILISED MONTHLY ARRIVALS, BUT THE 2.5 MILLION RUNWAY IS NOW OUTSIDE NORMAL SEASONAL PACING

September arrivals reached 148,801, compared with 149,563 in September 2025, a year-on-year decline of 0.5%. Cumulative January-September arrivals were 1,571,977, compared with 1,636,489 a year earlier, leaving 2026 3.9% behind the 2025 run-rate.

The Government target remains 2.5 million tourists in 2026. After September, 928,023 additional tourists are required over 92 days from October to December. That implies 10,087 tourists per day, or about 309,341 per month. For perspective, the entire fourth quarter of 2025 produced 610,027 tourists; the 2026 target now requires 52.1% more Q4 volume than that record-year benchmark.

Table 2. Tourism Demand Performance, September 2026

Indicator		Transparent calculation	Result
September y/y change		(148,801 / 149,563) - 1	-0.5%
Jan-Sep y/y change		(1,571,977 / 1,636,489) - 1	-3.9%
Remaining arrivals to target		2,500,000 - 1,571,977	928,023
Required average	Oct-Dec daily	928,023 / 92 days	10,087/day

Demand Pulse: September stabilised, but the target pace is above every 2026 month

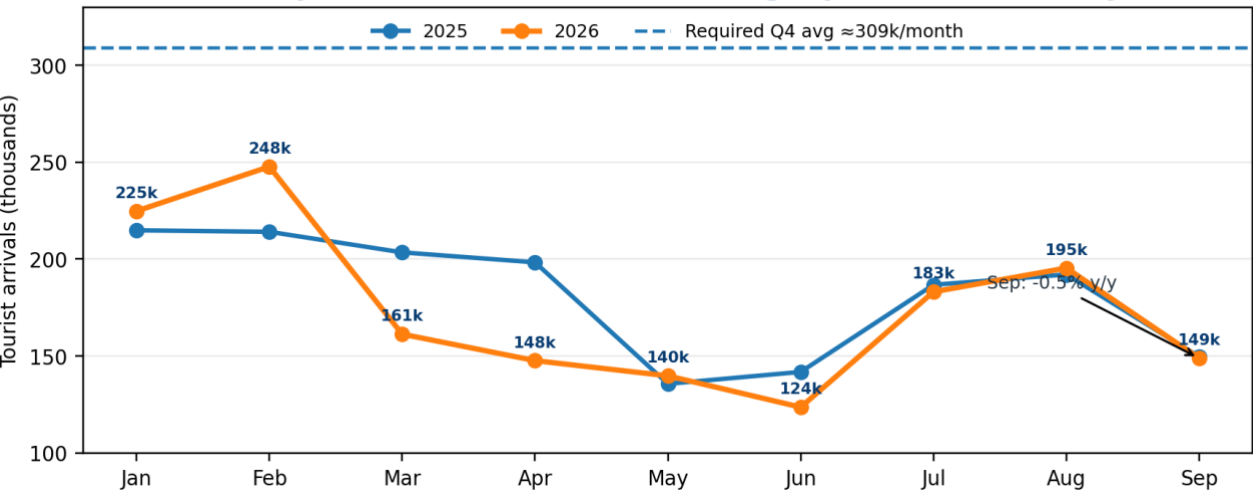


Figure 1. Unit: tourist arrivals. Sources: Ministry/MMA monthly tourist series for 2025-Jan-Aug 2026; Ministry September 2026 daily-update reporting; MTO calculations.

Takeaway: The month-level gap is almost closed, but the required Q4 average is far above every monthly outcome recorded in 2026.

Target Runway: 62.9% of the 2.5m target achieved with three months remaining

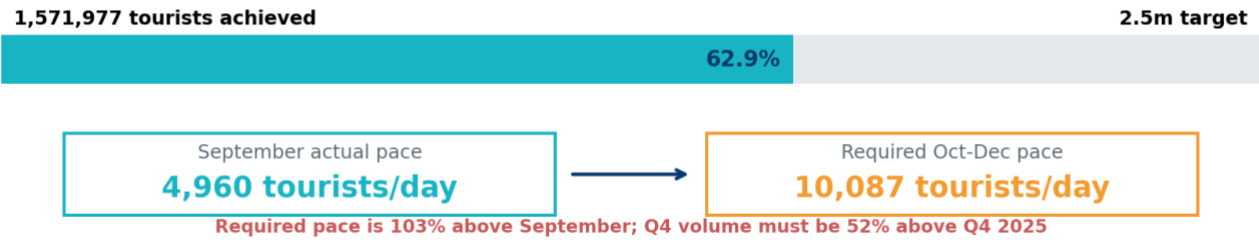


Figure 2. Formula: required daily pace = remaining arrivals to 2.5m / remaining calendar days. Sources: President's Office target; Ministry tourist series; MTO calculations.

Takeaway: The target requires a daily pace 103% above September and a Q4 volume 52% above Q4 2025.

3. SOURCE-MARKET PORTFOLIO

CHINA AND RUSSIA ARE CARRYING SCALE; THE EUROPEAN PORTFOLIO REMAINS WEAKER THAN 2025

By end-September, China was the largest market with 300,977 tourists, followed by Russia with 229,236, the United Kingdom with 119,968, Germany with 99,062 and Italy with 98,039. Together, those five markets account for about 53.9% of Jan-Sep 2026 tourist arrivals, up from roughly 51.1% for the same five markets in Jan-Sep 2025. Concentration has therefore increased even though the destination's total arrivals remain lower.

The momentum is asymmetric. China and Russia are above their 2025 run-rates, while the U.K., Germany and Italy are materially weaker. India remains sixth: the latest structured Ministry import reported 90,392 arrivals through 29 September, still below the 94,814 recorded for the full January-September 2025 period. This mix can support volume, but it increases exposure to a narrower set of routes, outbound conditions and geopolitical risks.

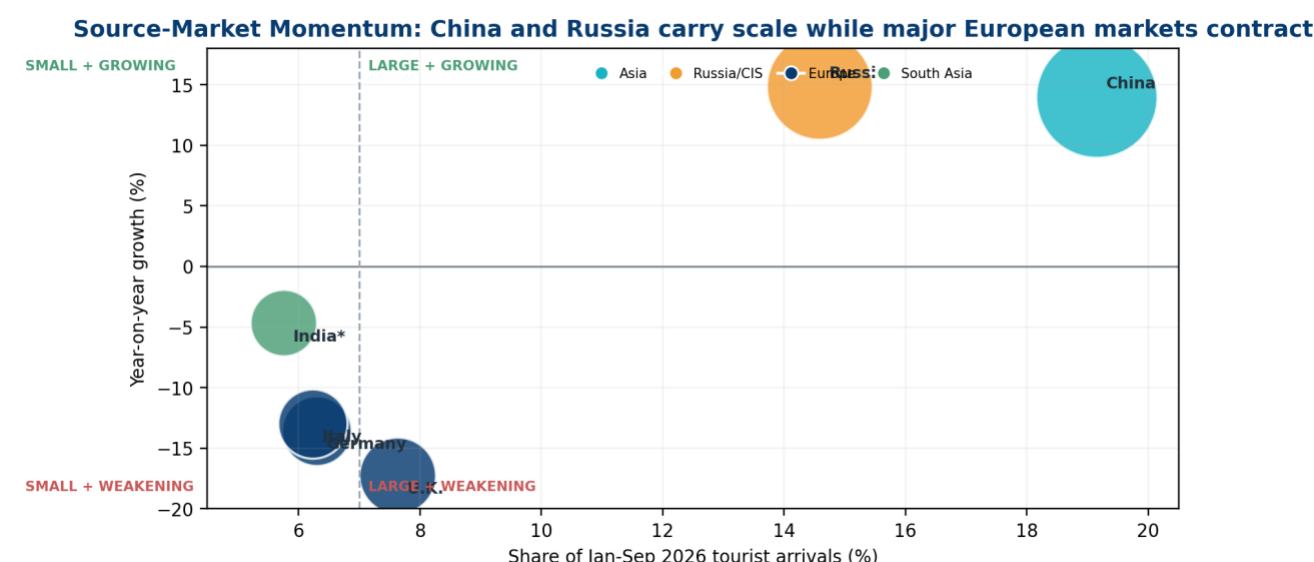


Figure 3. X-axis: share of Jan-Sep 2026 tourist arrivals. Y-axis: y/y change. Bubble size: arrivals. China growth uses the latest Ministry-reported rounded comparison; Russia/U.K./Germany/Italy compare end-Sep 2026 with official Jan-Aug 2025 plus Sep 2025; India is through 29 Sep 2026 and is therefore a conservative comparison. Sources: Ministry daily updates; MMA Table 3.2; MTO calculations.

Takeaway: Scale and growth are concentrated in China and Russia; major European markets remain in the weakening half of the portfolio.

Table 3. Source-Market Momentum, Jan-Sep position

Market	2026 arrivals	Y/Y signal	Portfolio reading
China	300,977	about +14%	Large + growing
Russia	229,236	+14.9%	Large + growing
U.K.	119,968	-17.2%	Large + weakening
Germany	99,062	-13.6%	Weakening
Italy	98,039	-13.0%	Weakening
India*	90,392*	-4.7%*	Near-stable / weaker

*India 2026 figure is through 29 September; one day is missing from the structured daily-update import, so the y/y comparison is slightly understated. No estimate has been added.

DECISION IMPLICATION

Protect the two scale markets, but do not allow the Q4 recovery plan to become a China-Russia strategy. High-season campaigns should rebuild the U.K., Germany and Italy pipeline, continue India conversion work, and align market promotion with verified airline capacity and product segments rather than headline arrival volume.

4. ACCOMMODATION, YIELD AND CAPACITY PRESSURE SIGNALS

AUGUST UTILISATION RECOVERED FROM THE JUNE TROUGH, BUT PRESSURE REMAINED ABOVE A HEALTHY ABSORPTION RANGE

Detailed accommodation statistics lag the September arrival series. At the time of preparation, September tourist arrivals were available, but official bed-night, bed-night capacity, occupancy and average-stay indicators extended only through August 2026. The two layers should not be treated as contemporaneous.

August recorded 1.252 million bed nights against 2.124 million bed-night capacity. Overall occupancy was 58.9%, producing a Capacity Pressure Index of 1.70x and shadow inventory of about 872 thousand bed nights. This is far better than June's serious-warning CPI of 2.50x, but slightly weaker than July's 1.68x.

Table 4. Capacity Pressure Index Table: Tourist Arrivals, Utilisation and Shadow Inventory

Month	Tourist arrivals	Bed sold	nights	Bed-night capacity	Shadow inventory	CPI
Jan 2026	224,788	1,463k		2,071k	608k	1.42x
Feb 2026	247,722	1,440k		1,881k	441k	1.31x
Mar 2026	161,259	1,157k		2,094k	937k	1.81x
Apr 2026	147,600	993k		2,040k	1,047k	2.05x
May 2026	139,746	895k		2,094k	1,199k	2.34x
Jun 2026	123,552	816k		2,039k	1,223k	2.50x
Jul 2026	183,119	1,263k		2,117k	854k	1.68x
Aug 2026	195,390	1,252k		2,124k	872k	1.70x
Sep 2026	148,801	Not available		Not available	Not available	Not available

Definitions: shadow inventory = bed-night capacity - bed nights sold. CPI = bed-night capacity / bed nights sold. 1.00x = full utilisation; 1.25x = moderate spare capacity; 1.50x+ = rising pressure; 2.00x+ = serious warning. Bed-night values rounded to the nearest thousand. Latest MMA data revise June 2026 to 816k bed nights and 2.039m capacity; this issue recalculates June CPI accordingly.

Capacity Pressure: the June warning eased, but August still carried substantial spare capacity

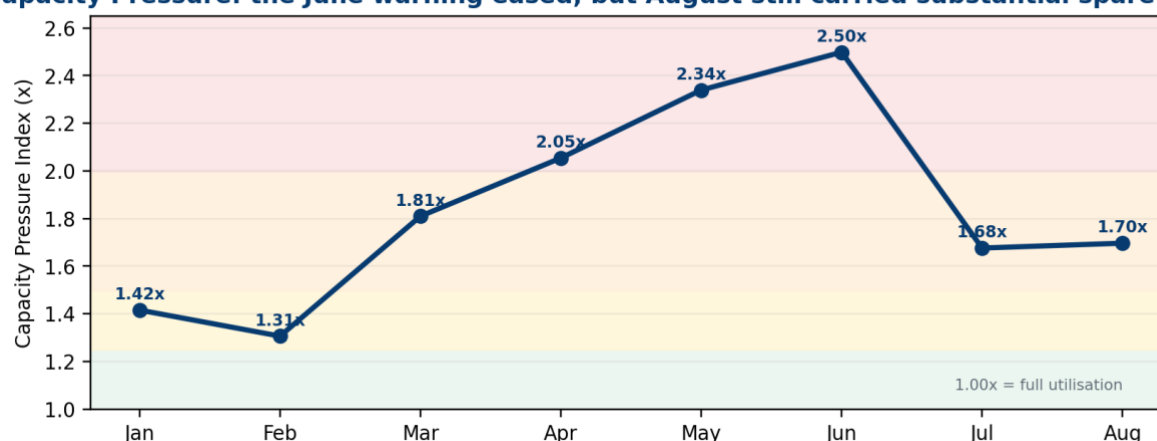


Figure 4. Formula: CPI = bed-night capacity / bed nights sold. Source: MMA Table 3.1; calculations by Maldives Tourism Observatory.

Takeaway: The low-season capacity shock eased rapidly in July, but August's CPI rose slightly rather than continuing to improve.

Shadow inventory is not simply empty rooms. It is the unsold bed-night capacity carried by the system. At high levels it weakens pricing power, raises the temptation to discount, reduces staff and asset productivity, softens supplier demand, and limits the conversion of visitor volume into tax revenue and foreign exchange.

4. ACCOMMODATION, YIELD AND CAPACITY PRESSURE SIGNALS — CONTINUED

Shadow Inventory: July-August improved sharply from June, but unsold capacity remained near 0.87m nights

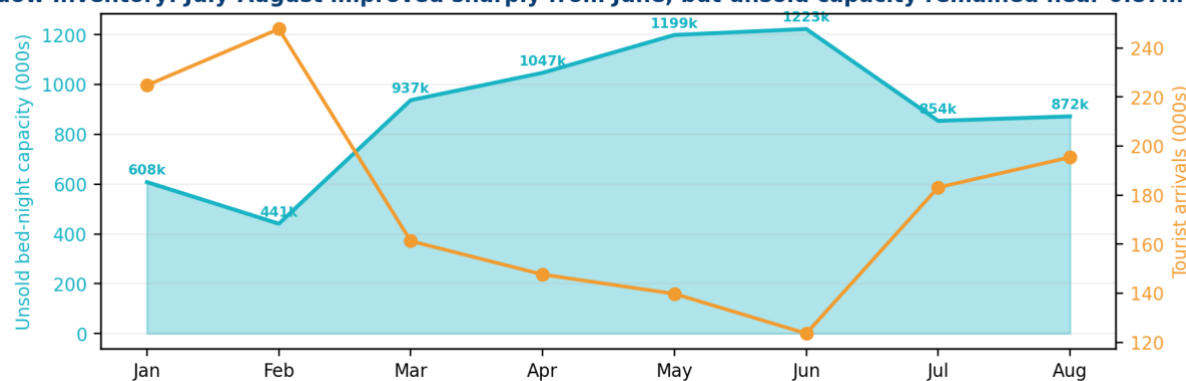


Figure 5. Units: thousands of bed nights; tourist arrivals on secondary axis. Sources: MMA Table 3.1; Ministry tourist series; MTO calculations.

Takeaway: August retained roughly 0.87 million unsold bed nights: much lower than June, but still a large pricing, staffing and cash-flow burden.

Occupancy Heatmap: the recovery is uneven across accommodation types

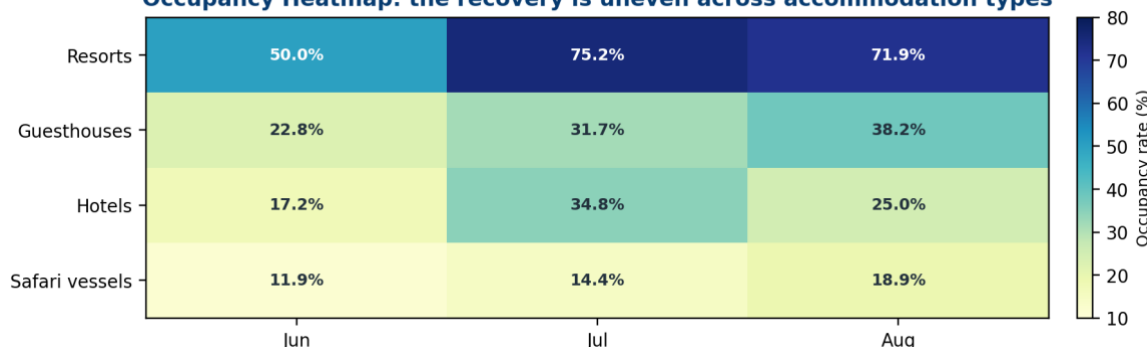


Figure 6. Unit: occupancy rate. Source: MMA Table 3.3. August 2026 is the latest available detailed month.

Takeaway: Resorts returned to above 70% occupancy, while guesthouses improved but remained at 38.2%; hotels and safari vessels stayed weaker.

Tourism Conversion Chain: volume matters only when it becomes occupied nights, spending and public value



Decision question: is the system improving each conversion step, or only maintaining the first number?

Figure 7. Sources: Ministry tourist arrivals; MMA Tables 3.1/3.3; MIRA August collections. Latest MMA travel receipts available through July 2026.

Takeaway: The statistical chain is asynchronous: September arrivals are current, but accommodation, tax and travel-receipt data arrive with different lags.

5. EXTERNAL ENVIRONMENT

THE GLOBAL BACKDROP IS RESILIENT, BUT ENERGY, GEOPOLITICS AND AIR-ROUTE DEPENDENCE REMAIN MATERIAL RISKS

ADB's September 2026 outlook forecasts developing Asia and the Pacific to grow 5.0% in 2026, but identifies prolonged Middle East conflict, the re-escalation of the war in Ukraine, elevated energy prices and a strong El Niño as major downside risks. For Maldives specifically, ADB retained its 2026 growth forecast at 1.0% and noted that resilient construction is offsetting weaker tourist arrivals and fish exports.

The World Bank's June Maldives Development Update projects only 0.7% real GDP growth in 2026 and a wider current-account deficit as weaker tourism receipts and higher import costs weigh on the economy. IMF staff likewise expected growth of about 1% in 2026. For tourism operators, the practical transmission is through airfare, hub reliability, energy and transfer costs, consumer confidence and foreign-exchange conditions. August scheduled flights at Velana rose 1.3% y/y, an improvement from June's 17.7% decline, suggesting access constraints have eased even though demand conversion remains incomplete.

6. FISCAL AND MACRO RELEVANCE

TOURISM VALUE REACHES THE PUBLIC BALANCE SHEET THROUGH OCCUPIED NIGHTS, SPENDING, TAXES AND FOREIGN EXCHANGE

MIRA collected MVR 2.42 billion in August 2026, 14% more than in August 2025 and 24% above forecast. GST was the largest category at MVR 1.25 billion; Green Tax generated MVR 200 million, Airport Development Fee MVR 146 million and Departure Tax MVR 144 million. USD collections totalled USD 98.08 million.

The headline should not be read as a pure measure of current tourism demand. MIRA reported that 14.8% of August revenue came from payments relating to past deadlines and 3.01% was secured through targeted recovery initiatives; one-off and deadline-timing effects also supported collections. September also marked an important policy transition: MIRA published guidance and regulatory amendments for GST on inbound tourism products and related booking or agency services supplied by overseas providers. This broadens the fiscal interface with the tourism distribution chain, but implementation effects should be monitored separately from demand effects.

Fiscal Transmission: current collections are strong, but part of the headline reflects arrears and one-off timing

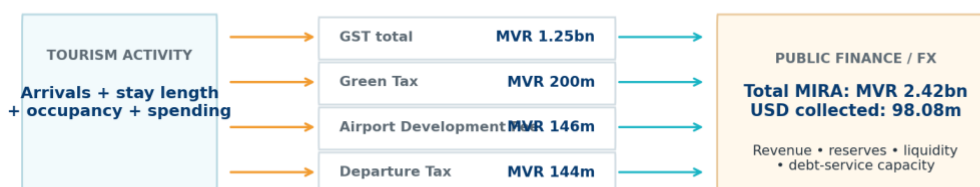


Figure 8. Unit: MVR unless stated. Source: MIRA, "MIRA Collects MVR 2.42 Billion in August 2026", 10 September 2026. GST total includes TGST and other GST; components shown should not be added together as an independent total.

Takeaway: Strong collections are positive for liquidity, but current-month tourism performance cannot be inferred directly from collection-month totals.

7. STRATEGIC IMPLICATIONS

Table 5. Strategic Implications for Government and Industry

Priority	Government action	Industry action
Q4 air-access conversion	Publish a weekly route-and-seat dashboard by source market and gateway; distinguish restored capacity from actual load conversion.	Share forward bookings and cancellations by route; align promotions with seats and high-value segments that can convert.
Target realism	Publish base, upside and stretch arrival scenarios alongside the 2.5m target; manage policy on bed nights and value as well as arrivals.	Plan staffing, procurement and cash flow against realistic occupancy and revenue scenarios, not the stretch arrival target alone.
Market diversification	Protect China/Russia while rebuilding U.K., Germany and Italy and accelerating India conversion activity.	Use segment-specific products, channels and booking windows; avoid uniform market offers.
Yield & utilisation	Publish monthly bed nights, occupancy, average stay, CPI and shadow inventory by accommodation type.	Use fenced value-adds and stay-length incentives before broad ADR discounting; manage RevPAR and labour against utilisation.
Guesthouse resilience	Prioritise island transport reliability, destination services and market access where guesthouse occupancy remains weak.	Pool island marketing, package transfers/activities and strengthen direct conversion beyond room-only pricing.
Capacity & data	Phase new capacity against route growth and regional absorption; use MGIS and official data systems to close utilisation-data gaps.	Treat new inventory releases and renovations as capacity decisions; share anonymised occupancy and booking data for system monitoring.

8. WATCHLIST FOR OCTOBER-NOVEMBER

THE NEXT REVIEW SHOULD TEST WHETHER HIGH-SEASON DEMAND IMPROVES CONVERSION, NOT MERELY HEADLINE ARRIVALS

Table 6. Watchlist Risk Matrix

Indicator	Latest signal	Risk direction	Action required
Arrivals	Sep 148,801; -0.5% y/y	Watch	Test whether Oct-Nov move toward the 10,087/day target pace.
Bed nights	1.252m in Aug; +0.9% y/y	Watch	Confirm whether Sep-Oct arrivals lift occupied nights faster than capacity.
Overall occupancy	58.9% in Aug	Watch	Look for a sustained move above low-season levels as high season begins.
Capacity Pressure Index	1.70x in Aug	Elevated	Test whether Sep-Oct moves CPI toward the moderate-pressure range.
Shadow inventory	872k bed nights in Aug	Elevated	Track whether unsold capacity falls materially below 0.8m.
Market mix	China/Russia growing; U.K./Germany/Italy weaker	Watch	Monitor concentration and high-value European recovery; follow India conversion.
Air access	Aug scheduled flights +1.3% y/y	Improving	Check Q4 seat reliability, hub disruptions and route-level load conversion.
Fiscal signal	Aug revenue strong but partly recovery/timing-driven	Mixed	Separate current tourism taxes from arrears, one-offs and new overseas-supplier GST effects.
Booking / stay	No official forward-booking series; Aug average stay 7.4 days	Data gap	Build privacy-protected booking, cancellation, ADR and stay-length indicators.

9. DATA NOTES AND SOURCES

Data are current as of 4 October 2026. September 2026 uses the tourist-only series: 148,801 leisure tourists and 1,571,977 tourists for January-September. Some Ministry communications also report 150,764 total international visitors in September and 1,603,021 year-to-date because those broader totals include business and cruise arrivals. This review does not mix those categories into the tourist series.

Accommodation indicators lag arrivals: August 2026 is the latest detailed MMA month for bed nights, capacity, occupancy and average stay. CPI and shadow inventory are MTO calculations from those official series. The current MMA database revises June bed nights and capacity slightly relative to earlier releases, and the historical CPI series has therefore been recalculated in this issue. MIRA data are collection-month figures and include arrears/recovery effects. External forecasts are institutional scenarios and may be revised.

Table 7. Source Register

Source	Use in brief
Ministry of Tourism and Civil Aviation	September 2026 daily updates and month-end reporting; official statistics portal. https://www.tourism.gov.mv/en/downloads/reports
Maldives Monetary Authority	Tables 3.1, 3.2 and 3.3, latest series through August 2026. https://database.mma.gov.mv/mosac/latest/3.1.html
President's Office	Presidential Address 2026: annual target of 2.5 million tourist arrivals. https://presidency.gov.mv/Press/Article/36141
Maldives Inland Revenue Authority	MIRA Collects MVR 2.42 Billion in August 2026; September GST implementation guidance. https://mira.gov.mv/ContentItems/View/septembermonthlycollection
Asian Development Bank	Asian Development Outlook, September 2026: Maldives growth 1.0%; regional energy/geopolitical risks. https://www.adb.org/outlook/editions/september-2026
World Bank	Maldives Development Update, June 2026: tourism disruption, 0.7% growth outlook and external pressures. https://www.worldbank.org/en/country/maldives/publication/maldives-development-update-2026
International Monetary Fund	2026 Article IV mission statement, 17 June 2026: growth about 1%, downside risks and external/fiscal pressures. https://www.imf.org/en/news/articles/2026/06/16/pr-26208-maldives-imf-staff-completes-2026-article-iv-mission
UN Tourism	Latest public 2026 global context used in the series; Q1 international tourism update. https://www.untourism.int/news/international-tourism-up-2-in-q1-2026-amid-growing-uncertainty
MTO calculation register	Records added: Sep-26 tourist total; Jan-Sep market snapshot; Aug-26 CPI/shadow inventory; target runway; Aug-26 fiscal signal. Calculations are reproducible from the sources above.