

October restored year-on-year stability: 190,774 tourists, up 0.2% from October 2025 and 28.2% from September. Yet January-October remained 3.5% below 2025, while the original 2.5 million target now requires 12,086 tourists per day. The Budget's 2.17 million projection is the more realistic runway. September accommodation data show occupancy at 44.1%, CPI at 2.27x and about 1.14 million shadow bed nights. Q4 priority: convert demand into occupied nights, yield and cash flow.

Table 1. October 2026 Headline Tourism Indicators

190,774	**1,762,751**	**6,154/day**	**12,086/day**	**2.27x**
October arrivals	Jan-Oct arrivals	October daily average	Original 2.5m pace	Latest CPI
+0.2% y/y	-3.5% y/y	+28.2% m/m volume	6,676/day to 2.17m	September, lagged

KPI notes: October arrivals are complete month-end daily-update data and remain provisional until integrated monthly statistics. Accommodation data lag: bed nights/occupancy extend through September; direct capacity and average stay through August. September capacity is implied from official bed nights and occupancy.

BOTTOM LINE

October achieved stabilisation, not catch-up. Monthly arrivals edged 0.2% above last year, but year-to-date remained 3.5% behind and the original 2.5 million target now requires almost double October's daily pace. The latest utilisation data are also weaker: September CPI rose to 2.27x, so Q4 success should be judged by occupancy, bed nights, yield and cash conversion - not arrivals alone.

1. EXECUTIVE READOUT

October stopped the monthly decline, but it did not repair the annual or utilisation gap

October recorded 190,774 tourists, just 329 more than October 2025 and 41,973 more than September. Yet January-October remained 64,183 below the 2025 run-rate. This is stabilisation of monthly demand, not catch-up.

The planning benchmark has changed. The original 2.5 million target requires 737,249 more tourists in 61 days, or 12,086 per day. The Budget projection of about 2.17 million requires 6,676 per day, only 8.5% above October's pace. With September occupancy at 44.1% and CPI at 2.27x, the Q4 test is whether peak demand restores utilisation and value.

ANALYTICAL SIGNAL

October confirms demand stabilisation, not full system recovery. November-December should be managed against a realistic demand range, with utilisation and yield as the main operating tests.

2. DEMAND PERFORMANCE

OCTOBER MATCHED LAST YEAR; THE ORIGINAL TARGET RUNWAY DID NOT

October arrivals reached 190,774, compared with 190,445 in October 2025, a year-on-year increase of 0.2%. Cumulative arrivals for January-October were 1,762,751, compared with 1,826,934 a year earlier, leaving the year 3.5% behind the 2025 run-rate.

The original Government target remains 2.5 million tourists for 2026. After October, that would require 737,249 arrivals during November and December, or 12,086 tourists per day - 96% above October's actual pace and 76% above the combined November-December 2025 volume. The 2027 Budget Statement, however, now projects about 2.17 million tourists for 2026. That projection requires 6,676 per day over the final 61 days, a substantially more realistic runway.

Table 2. Tourism Demand Performance, October 2026

Indicator	Transparent calculation	Result
October y/y change	(190,774 / 190,445) - 1	+0.2%
Jan-Oct y/y change	(1,762,751 / 1,826,934) - 1	-3.5%
Required pace: original 2.5m	(2,500,000 - 1,762,751) / 61 days	12,086/day
Required pace: 2.17m projection	(2,170,000 - 1,762,751) / 61 days	6,676/day

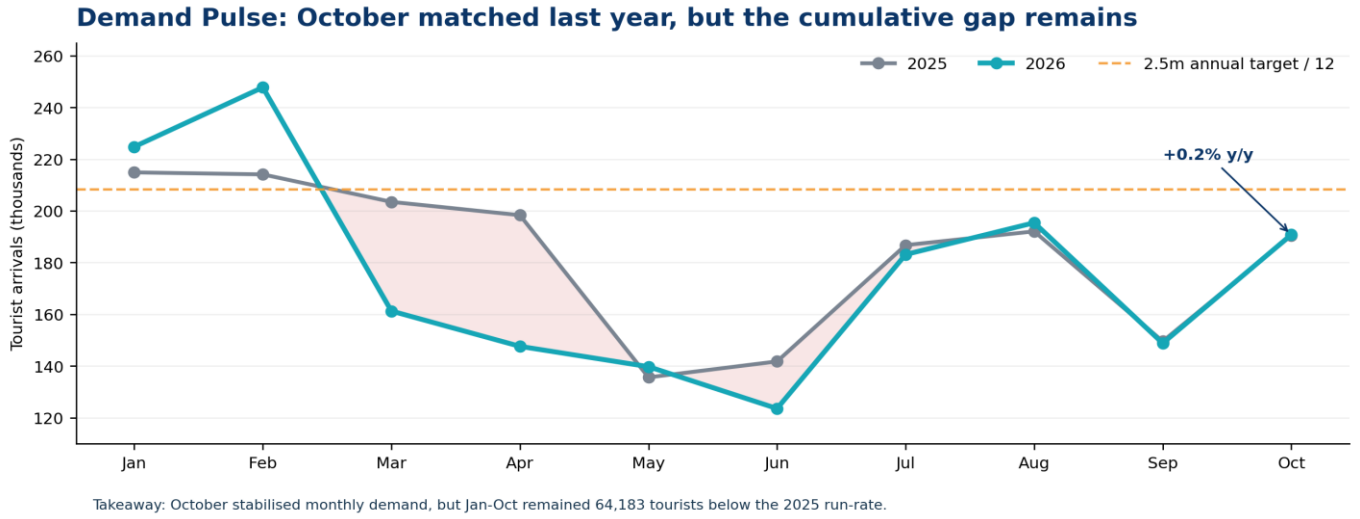


Figure 1. Demand Pulse Chart. Unit: tourist arrivals. Source: Ministry of Tourism and Civil Aviation daily updates; MMA 2025 statistics; calculations by Maldives Tourism Observatory.

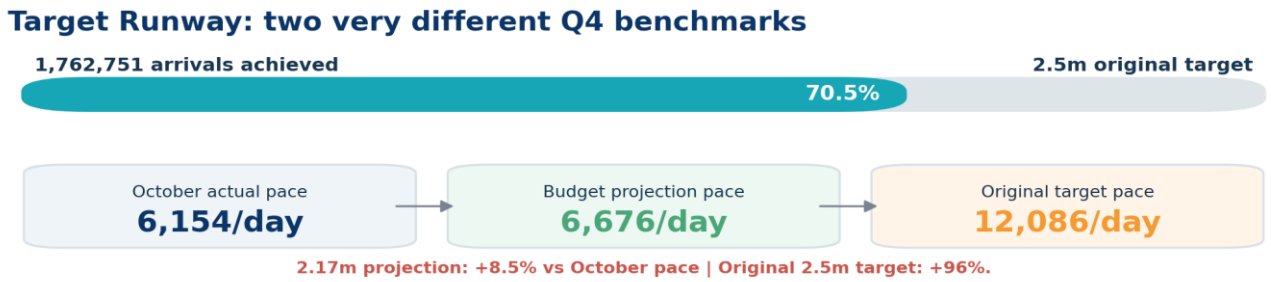


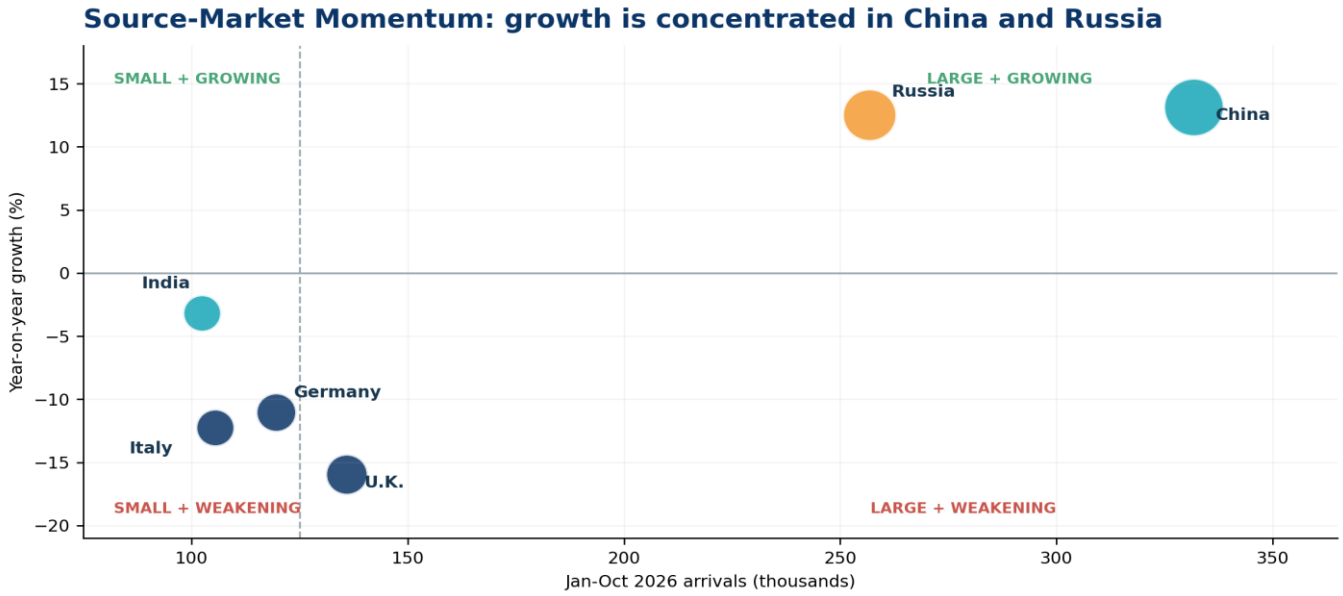
Figure 2. Target Runway Graphic. Formula: required daily pace = remaining arrivals to benchmark / remaining calendar days. Sources: President's Office 2.5m target; 2027 Budget Statement 2.17m projection; Ministry arrivals; MTO calculations.

3. SOURCE-MARKET PORTFOLIO

CHINA AND RUSSIA ARE CARRYING GROWTH; EUROPE'S LARGE MARKETS REMAIN BELOW LAST YEAR

By the end of October, China had supplied 331,817 tourists and Russia 256,822, up 13.1% and 12.5% respectively from January-October 2025. In contrast, the United Kingdom was down 16.0%, Germany 11.1%, Italy 12.3% and India 3.2%. Europe still accounted for 56.9% of total arrivals regionally, but growth at individual-market level is concentrated elsewhere.

The portfolio is therefore more concentrated at the top. China and Russia together accounted for 33.4% of January-October arrivals, while the five largest markets represented 53.9%, up from 51.3% for the same five markets a year earlier. This supports volume, but increases exposure to route availability, outbound confidence and geopolitical disruption. Q4 strategy should protect China and Russia while restoring Western resort demand and improving short-haul conversion from India.



Takeaway: China and Russia together supplied 33.4% of Jan-Oct arrivals; the U.K., Germany and Italy remained below 2025.

Figure 3. Source-Market Momentum Quadrant. X-axis: Jan-Oct 2026 arrivals. Y-axis: year-on-year growth against Jan-Oct 2025. Bubble size: 2026 arrivals. Sources: Ministry/Visit Maldives 2026 statistics; MMA/Ministry 2025 statistics; MTO calculations.

Table 3. Source-Market Momentum, January-October 2026 versus 2025

Market	2026 arrivals	Y/Y change	Signal
China	331,817	+13.1%	Large + growing
Russia	256,822	+12.5%	Large + growing
U.K.	135,897	-16.0%	Large + weakening
Germany	119,589	-11.1%	Weakening
Italy	105,485	-12.3%	Weakening
India	102,442	-3.2%	Near stable

DECISION IMPLICATION

Protect China and Russia, but do not let Q4 recovery become a two-market strategy. Rebuild the U.K., Germany and Italy pipeline through seat-aligned, segment-specific campaigns; use India as a short-haul diversification opportunity; and judge campaigns by occupied nights and yield, not arrival counts alone.

4. ACCOMMODATION, YIELD AND CAPACITY PRESSURE SIGNALS

SEPTEMBER REOPENED THE UTILISATION WARNING AFTER JULY-AUGUST IMPROVEMENT

Detailed accommodation statistics lag behind arrivals. At the time of preparation, October tourist arrivals were available, but the latest overall bed-night and occupancy series extended through September 2026. The direct overall bed-night-capacity series and average-stay series currently extend only through August. September capacity is therefore transparently implied from official bed nights and occupancy; safari-vessel occupancy also remains available only through August.

September recorded 898,640 tourist bed nights and overall occupancy of 44.1%, down 14.8 percentage points from August. This produces a Capacity Pressure Index of 2.27x and an implied shadow inventory of about 1.14 million bed nights. Resort occupancy fell to 53.0%, guesthouse occupancy to 28.0%, and hotel occupancy was 25.1%. The August average stay - the latest published figure - was 7.4 days. September therefore reversed much of the July-August utilisation recovery even before October's stronger arrivals could appear in accommodation data.

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

Month	Tourist arrivals	Bed nights sold	Bed-night capacity	Shadow inventory	CPI
Jan 2026	224,788	1,460k	2,070k	610k	1.41x
Feb 2026	247,722	1,440k	1,880k	440k	1.31x
Mar 2026	161,259	1,160k	2,090k	930k	1.81x
Apr 2026	147,600	990k	2,040k	1,050k	2.05x
May 2026	139,746	890k	2,090k	1,200k	2.34x
Jun 2026	123,552	820k	2,040k	1,220k	2.50x
Jul 2026	183,119	1,260k	2,120k	860k	1.68x
Aug 2026	195,390	1,250k	2,120k	870k	1.70x
Sep 2026	148,801	899k	2,038k*	1,139k*	2.27x

Definitions: shadow inventory = bed-night capacity - bed nights sold. CPI = bed-night capacity / bed nights sold = inverse of occupancy. 1.00x = full utilisation; 1.25x = moderate spare capacity; 1.50x+ = rising pressure; 2.00x+ = serious warning. Values are rounded. *September capacity and shadow inventory are implied from official September bed nights and occupancy because the direct overall capacity series currently ends in August.

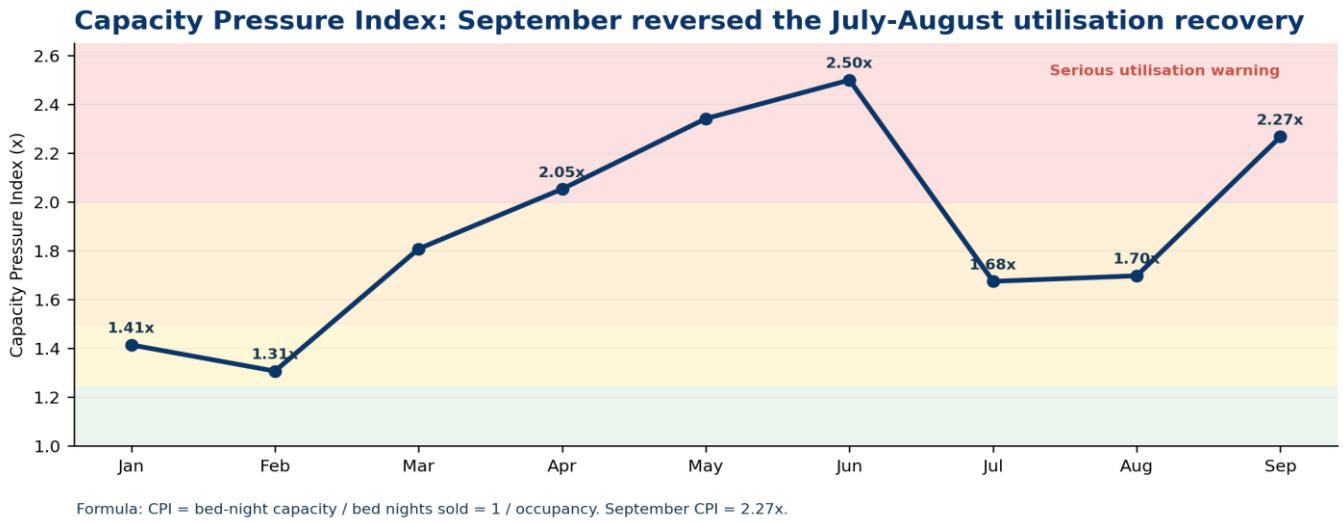
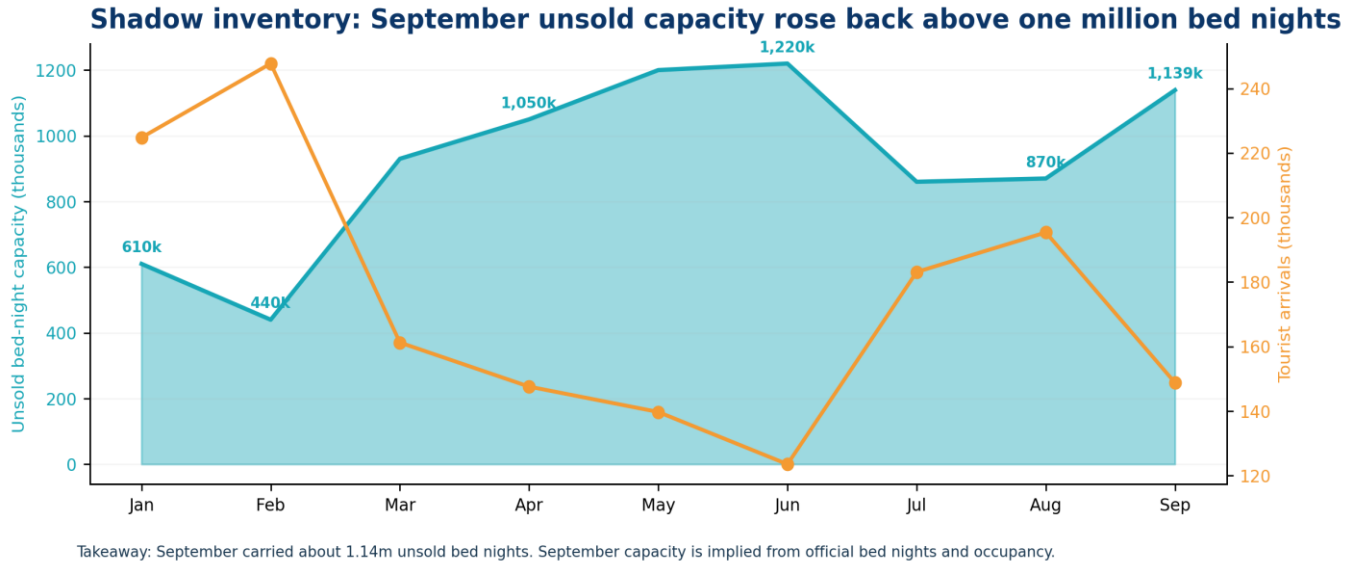


Figure 4. Capacity Pressure Index Trend. Source: MMA Statistics Database bed nights and occupancy series; calculations by Maldives Tourism Observatory.

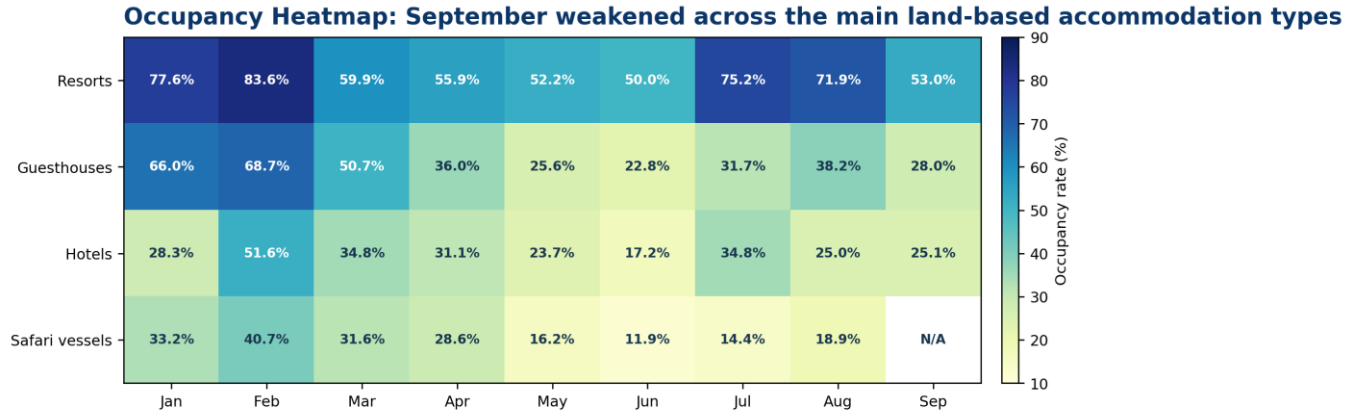
Shadow inventory is not simply empty rooms. It is the unsold bed-night capacity carried by the tourism system. When it rises, pricing power weakens, discount pressure increases, staff and asset productivity fall, supplier demand softens, and fewer arrivals are converted into taxable revenue and foreign exchange. September's return above one million unsold bed nights is therefore a commercial and macroeconomic signal, not merely an occupancy statistic.

4. ACCOMMODATION, YIELD AND CAPACITY PRESSURE SIGNALS — CONTINUED



Takeaway: September carried about 1.14m unsold bed nights. September capacity is implied from official bed nights and occupancy.

Figure 5. Shadow Inventory Area Chart. Unit: thousands of bed nights; tourist arrivals shown on the secondary axis. Source: MMA Statistics Database; Ministry arrivals; MTO calculations. September capacity is implied from official bed nights and occupancy.



Note: safari-vessel occupancy is currently published only through August 2026; September is shown as N/A.

Figure 6. Occupancy Heatmap by Accommodation Type. Unit: occupancy rate. Source: MMA Statistics Database. Safari-vessel occupancy is available through August; September is shown as N/A.



Figure 7. Tourism Conversion Chain. October arrivals are current month-end data; bed nights and occupancy are lagged to September; September fiscal collections are collection-month data. Sources: Ministry, MMA and MIRA.

5. EXTERNAL ENVIRONMENT

GLOBAL TOURISM IS STABLE, NOT BOOMING; ROUTE AND COST RISK STILL MATTER

UN Tourism reported that international tourist arrivals grew only 0.4% in the first half of 2026: Q1 increased 2%, Q2 declined 1%, and June fell 3%. Middle East conflict, higher oil prices, inflation and air-traffic disruption have weakened the global tailwind. For the Maldives, late-October Ministry reporting put the arrival-seat load factor at about 74.6%, making seat availability, hub reliability and conversion of existing capacity central high-season variables.

The latest World Bank Macro Poverty Outlook says the Middle East conflict continues to dampen Maldives tourism and raise the import bill, while large debt service and high public expenditure keep buffers thin. ADB's September outlook retains Maldives growth at about 1.0% for 2026. The Government's 2027 Budget Statement places 2026 growth in a 0.6-1.8% range and projects about 2.17 million tourists. These forecasts differ in method, but point in the same direction: tourism conversion, energy costs and foreign-exchange liquidity remain macro-critical.

6. FISCAL AND MACRO RELEVANCE

TAX COLLECTIONS ARE HOLDING UP BETTER THAN UTILISATION - BUT RECOVERY ACTIVITY MATTERS

MIRA collected MVR 2.69 billion in September 2026, 12.7% above the monthly forecast but 10.7% below September 2025. Cumulative collections through September were 8.9% higher year-on-year. Total GST contributed MVR 1.30 billion, Tourism Land Rent MVR 424 million, Green Tax MVR 202 million, Airport Development Fee MVR 177 million and Departure Tax MVR 173 million. USD collections totalled USD 126.81 million.

The September revenue headline is not a pure contemporaneous measure of tourism strength. MIRA reported that 15.8% of revenue related to previous deadlines and 17.4% was collected through recovery efforts; MVR 623 million was recovered during the month. At the same time, MIRA explicitly linked stronger-than-forecast Tourism Sector GST to August tourist arrivals exceeding projections. The transmission remains clear: arrivals matter only insofar as they become nights, spending, taxable transactions and foreign-exchange receipts.

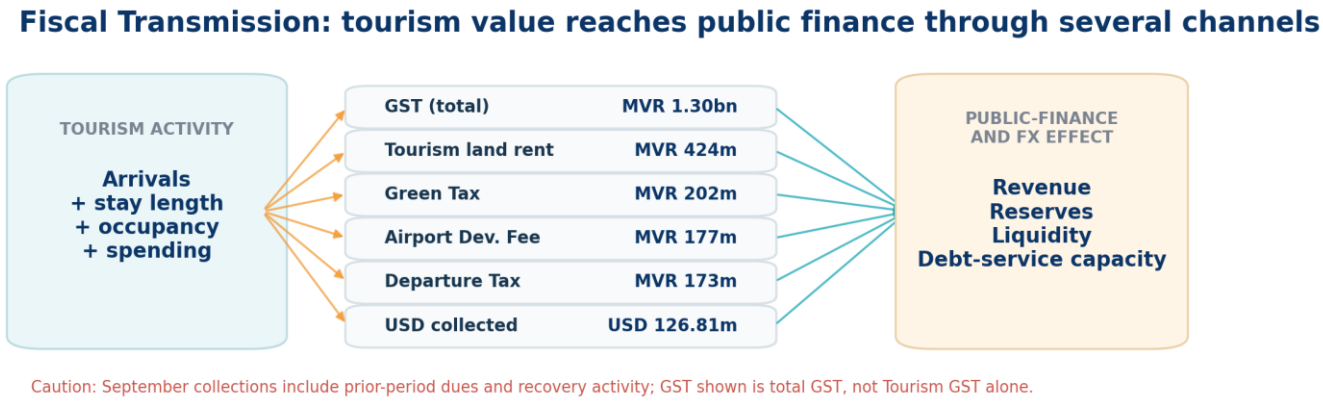


Figure 8. Fiscal Transmission Visual. Unit: MVR unless otherwise stated. Source: MIRA September 2026 revenue collection update. GST shown is total GST; MIRA separately reported Tourism Sector GST as one reason collections exceeded forecast.

7. STRATEGIC IMPLICATIONS

Table 5. Strategic Implications for Government and Industry

Priority	Government action	Industry action
Target realism	Publish the original 2.5m target and revised 2.17m projection as separate scenarios, with a monthly runway and assumptions.	Plan staffing, inventory, procurement and cash flow around realistic demand ranges rather than target-chasing.
High-season air access	Publish a weekly route-seat-load risk dashboard linking tourism, aviation, airport and promotion data.	Share forward bookings and cancellations by route; align promotions and distribution with seats that can convert.
Market diversification	Protect China and Russia while rebuilding the U.K., Germany and Italy and strengthening India.	Use market-specific product, channel and length-of-stay offers instead of one broad Q4 campaign.
Yield and utilisation	Publish bed nights, occupancy, average stay, CPI and shadow inventory by accommodation type every month.	Manage ADR, RevPAR, staffing and procurement against utilisation; avoid broad discounting simply to fill capacity.
Guesthouse resilience	Improve island transport reliability and destination services during shoulder periods.	Pool island marketing, strengthen direct booking and package activities to lift stay length and non-room spend.
Capacity management	Phase new capacity against route growth, market mix and demonstrated demand absorption.	Time openings, renovations and inventory releases so added supply does not deepen utilisation pressure.

8. WATCHLIST FOR NOVEMBER-DECEMBER

THE NEXT BRIEF SHOULD TEST WHETHER OCTOBER STABILISATION BECAME HIGH-SEASON VALUE

Table 6. Watchlist Risk Matrix

Indicator	Latest signal	Risk direction	Action required
Arrivals	October +0.2% y/y; Jan-Oct -3.5%	Watch	Test whether Nov-Dec can outperform 2025 without broad price damage.
Target runway	12,086/day to 2.5m; 6,676/day to 2.17m	High risk	Operate to a realistic scenario and keep the two benchmarks separate.
Bed nights	September 898.64k; -28.2% m/m	High risk	Confirm whether October volume restored occupied nights.
Overall occupancy	44.1% in September	High risk	Look for decisive high-season recovery in October-November data.
Capacity Pressure Index	2.27x in September	High risk	Target a move below 1.50x as peak demand strengthens.
Shadow inventory	About 1.14m bed nights in September	High risk	Track whether unsold capacity returns below one million.
Average stay	7.4 days in August; latest available	Watch	Monitor whether Q4 volume is accompanied by longer stays.
Market mix	China/Russia growing; major Western markets weaker	Watch	Track concentration and Western high-yield recovery.
Air/fiscal signal	Late-Oct seat load ~74.6%; Sep MIRA above forecast	Mixed	Monitor seats, cancellations, current tourism taxes and recovery receipts separately.

9. DATA NOTES AND SOURCES

Data are current as of 5 November 2026. October 2026 tourist arrivals use complete month-end Ministry daily-update data and are corroborated by Visit Maldives; they should be treated as provisional until the integrated monthly statistical report is published. The review uses the tourist series, not the broader international-visitor series. October total international visitors were 194,039 when business and cruise arrivals are included; these are excluded from the tourist KPI calculations.

Source-market totals are January-October figures. Accommodation series do not all update at the same speed: overall bed nights and occupancy extend through September; direct overall bed-night capacity and average stay extend through August; safari-vessel occupancy also extends through August. September CPI uses official September occupancy. September bed-night capacity and shadow inventory are implied from official bed nights and occupancy and are therefore approximate.

The original 2.5 million arrival figure is the Government target announced in the February 2026 Presidential Address. The approximately 2.17 million figure is a later full-year projection presented with the 2027 Budget and is not a replacement target in this review. MIRA figures are collection-month data and include prior-period and recovery receipts. External forecasts are institutional scenarios and may be revised.

Table 7. Source Register

Source	Use in brief
Ministry of Tourism and Civil Aviation	Daily Updates through 4 Nov 2026; October month-end arrivals and late-Oct operating indicators. https://www.tourism.gov.mv/en/downloads/reports/year-2026
Visit Maldives Corporation	Jan-Oct 2026 total and leading source markets. https://visitmaldives.com/en/news/maldives-unveils-visit-maldives-year-2027-at-wtm-london
Maldives Monetary Authority	Tourism Indicators: bed nights, bed-night capacity, occupancy and average stay. https://database.mma.gov.mv/
President's Office	Presidential Address 2026: original target of 2.5m tourist arrivals. https://presidency.gov.mv/Press/Article/36321
Ministry of Finance / 2027 Budget	2026 year-end projection of ~2.17m tourists and 13.9m bed nights; 2026 growth range. https://www.finance.gov.mv/budget/
Maldives Inland Revenue Authority	MIRA Collects MVR 2.69 Billion in September 2026. https://mira.gov.mv/ContentItems/View/sepmonthlycollection
UN Tourism	International tourism +0.4% in H1 2026 amid Middle East conflict and rising costs. https://www.untourism.int/news/international-tourism-holds-steady-with-04-growth-in-first-half-of-2026-as-middle-east-conflict-and-rising-costs-weigh-on-momentum
World Bank / ADB	World Bank Macro Poverty Outlook, Oct 2026; ADB September 2026 outlook. https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099555110162630020 | https://www.adb.org/where-we-work/maldives/economy