TOURISM INDUSTRY STOCKS WITH POTENTIAL IN 2023

After the last few years have been rather lukewarm for the travel industry, which is otherwise used to success, numerous companies are hoping for a return to their old strength in 2023. The forecasts look quite good, as experts expect a significant increase in travel activities. Due to the travel restrictions of previous years, many consumers have postponed their vacations. **Now, millions of people would like to make up for their vacation this year.**

This results in numerous opportunities for companies in the travel and tourism industry, which may even be somewhat undervalued at present. Suppliers that have invested heavily in the area of digitalization have particularly good prospects. This trend may also benefit tourism industry stocks in 2023.

Ryanair

The provider of low-cost flights is known throughout Europe for its rock-bottom prices and repeatedly causes a stir with provocative campaigns.

In addition, the low-price strategy may play into Ryanair's hands in 2023 because many consumers are suffering from high inflation. It is true that the share price is now at the same level as before the pandemic. But the competitive pressure is lower today due to a number of bankruptcies, and Ryanair has the best chance of dominating the market for low-cost flights in Europe even further.

Carnival Cruise Line

Hardly any other industry has suffered such heavy losses in recent years as the cruise industry. The pandemic-related restrictions hit all operators with full force, and cruise ships were long considered an ideal breeding ground for the coronavirus. After all, thousands of people often share all the facilities of everyday life in a very confined space. Consequently, for a long time, there was even a complete ban on all cruises worldwide.

It is therefore hardly surprising that the share price of cruise operator Carnival Cruise Line lost almost three-quarters of its value within a few months at the beginning of 2020. The price then recovered slightly, only to be brought down to a low of well below 10 US dollars by the Delta variant. In the meantime, however, it is once again trading at just above 10 US dollars per share. At the moment, Carnival Cruise Line still has to free itself from a growing mountain of debt. Perhaps they will succeed later in 2023 thanks to rising vacation travel.

Marriott International

The world-famous Marriott Hotel has already proved to be a safe haven in recent decades. Although the value of the prestigious hotel chain also halved after the outbreak of the pandemic, the share price rose to a new high just one year later. This shows how robust the Group is and how quickly it was able to recover after all travel was cancelled.

If more trips are now added in 2023, Marriott International could even climb to a new high. All indicators of success are already pointing upwards again, including sales and earnings per share. However, of course, we shouldn't expect sharp increases either, because the share price has already recovered on a large scale. This makes Marriott International more of a safe investment if inflation and recession fears continue to unsettle the market this year.

Trip com

As a Chinese provider, the travel portal Trip com had to suffer from the Chinese government's restrictions for a particularly long time. This is because the majority of customers understandably come from their home country, which was still completely closed off until the end of 2022. Although the share price remained quite stable and even reached new highs in the meantime, this course was certainly not the plan of the ambitious group from China.

Accordingly, the share has already gained very strongly in value in recent months because the easing of China's rigorous zero-covid policy provided new confidence in Trip com. This trend could continue in subsequent months and years, as the huge Chinese market is now looking to catch up on its well-deserved vacations. So there could be a catch-up effect, possibly even eclipsing the European travel market. Chinese suppliers have the best cards to profit from this newly awakened desire to travel.

The Walt Disney Company

Walt Disney is first known to most investors from movies and television. But with its parks and the adventure business, the group generates almost a third of its revenue thanks to tourism. Although these are mostly rather short excursions, a visit to Disney Park with the whole family can quickly cost between 500 and 1000 euros. That's why it's hardly surprising how important this mainstay is for the Walt Disney Group.

Due to its other business areas, this company is also the most difficult to assess. **It is likely to continue to celebrate successes with its parks, but on the other hand, there are setbacks in film and television.** The top-selling Marvel productions are increasingly losing quality and viewers. The in-house streaming service Disney Plus had to report a subscriber decline for the first time in Q1 2023. All of this could have a further negative impact on the group, which is accustomed to success, even if the prospects for the tourism and experience sector now look brighter than ever.

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