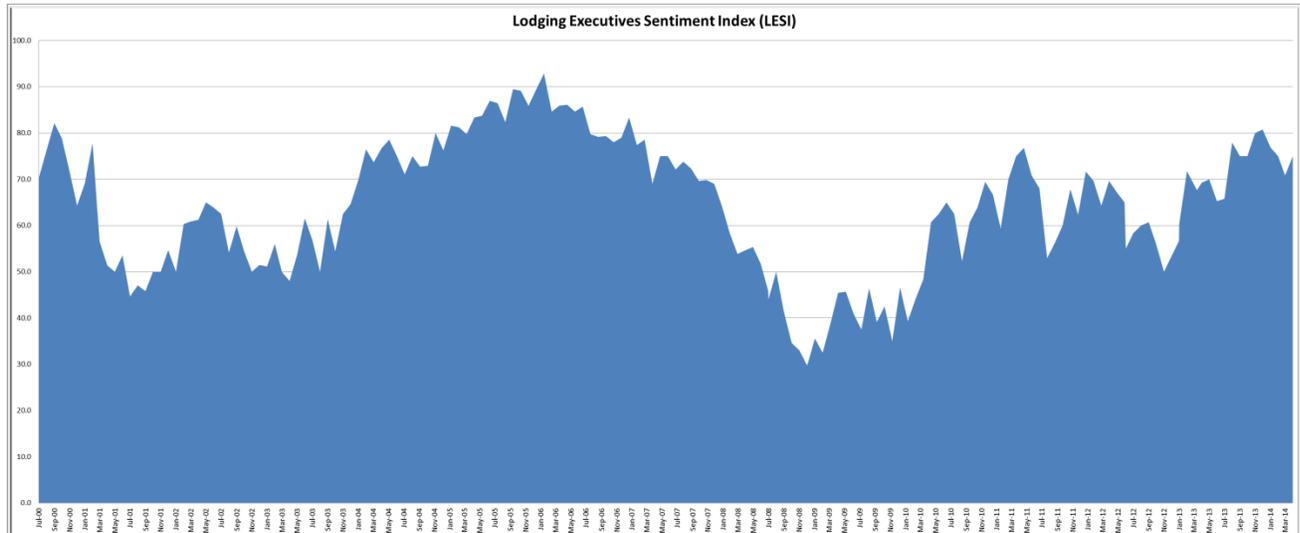


LESI Continues an Upward Move on Strong Future Business Expectations

The Lodging Executives Sentiment Index for the current period ending May 2014 increased slightly to 76.8 from April's 75.0 reading. Overall the lodging executives' sentiment for Business Conditions 12 months in the future improved during this current period.

"Despite the slight decline in expectations for present business conditions, executive sentiment for Business Conditions 12 months in the future improved significantly," said Nelson Barber, associate professor of hospitality management, who manages the index.



Seventy-one percent of lodging executives indicated current business conditions were good, a decrease from seventy-eight percent last period, while twenty-two percent indicated conditions were normal and at par or flatlined with the same period last month. During the current period, seven percent of executives indicated present conditions were bad, compared to no executives expressing this sentiment in the prior period.

Looking forward, forty-three percent of the executives thought business conditions will be better in the next 12 months, an increase from twenty-two percent last period while fifty-seven percent indicated they will be the same; down from seventy-eight percent last month. During the two periods, no executives indicated future conditions were bad.

Looking forward twelve months, lodging executives future employment sentiment regarding hiring of non-managerial employees decreased from 66.7 in April 2014 to 64.3 in May 2014, in line with May's unemployment rate, published by the Bureau of Labor Statistics (BLS), which remained at 6.3 and the ISM Employment Index which also declined compared to last period to 52.8 from 54.7, suggesting manufacturing is anticipating a hiring slow down.

The LESI indices follow the Institute of Supply Management's Index (ISM) method of tracking leading indicators. A LESI survey reading of greater than 50 indicates expansion whereas a reading below 50 indicates decline and the distance from 50 in either direction is indicating the

strength of the expansion or decline. During the May period of time, the ISM Index increased to 55.4 from 54.9 in April 2014.

Lodging Executive Sentiment at a Glance					
Sentiment Indicator	Current Period	Last Period	Change	Direction of Business Activity	Speed of Change in Business Activity
ISM Index	55.4	54.9	0.5	Expanding	Slightly Faster
LESI Index	76.8	75	1.8	Expanding	Slightly Faster
Present Business Sentiment	82.1	88.9	-6.8	Expanding	Very Slowly
Future Business Sentiment	71.4	61.1	10.3	Expanding	Faster
Future Rooms Reservation Sentiment	71.4	77.8	-6.4	Expanding	Very Slowly
Future Employment Sentiment	64.3	66.7	-2.4	Expanding	Slowly
Source: Department of Hospitality Management, Peter T. Paul College of Business and Economics					

The Lodging Executive Sentiment Index (LESI) is based on a monthly survey of lodging executives representing companies with more than 2.5 million hotel rooms across lodging segments and geographic regions in the United States represents more than 55 percent of all U.S. sleeping rooms.