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City Lodge is set to report a decline of 17% to 22% in normalised headline earnings for the year ending June 30, it was revealed in a trading statement.

This saw its share price fall over 8% on Thursday last week to below the key R100-a-share level for the first time in seven years.

City Lodge is the latest JSE-listed company to alert the market to lower earnings for the current reporting season.

The accommodation sector and broader tourism industry has hit headwinds in the face of SA's poor economic growth and stagnant overseas tourism arrivals.

City Lodge advised shareholders that it expects to report normalised headline earnings of R274.8 million to R258.2 million, compared with 2018's R331.1 million. Normalised diluted headline earnings per share (EPS) are expected at 631.3 cents to 593.3 cents.

Basic EPS is to drop 24-29%, while basic headline EPS will decrease 20-25%.

City Lodge's results are due on August 15.

The Tourism Business Index (TBI), released by the Tourism Business Council of SA (TBCSA) in April, warned of "the industry's woes" continuing in 2019.

"With the lowest recorded index results, 2018 proved to be the most challenging trading year for the tourism sector since the inception of the TBI in 2010."

TBCSA chief executive Tshifhiwa Tshivhengwa said the hotel and broader tourism sector is being negatively impacted by SA's economic woes.

"The City Lodge group relies on government and corporate business. With both cutting spending, this is having a negative impact on hotel occupancies and, ultimately, earnings."

He adds that overseas tourist arrivals to SA are stagnating.

"We need to fast-track the moves towards easing visa restrictions and implementing online visa applications.

"This will go some way towards stimulating inbound tourism and hopefully result in some sort of fast turnaround."

He added the issue of unabridged birth certificates for travelling minors must also be addressed.