

Weather

- The Met Office forecast that the remainder of spring is likely to bring precipitation close to or below average, with temperatures either close to or below average

Transport and tour operator news

- IATA now forecast that global demand for air travel will fall by 5.7%, but more rapid falls in premium traffic will lead to a 12% drop in airline revenue
- IATA says that global air travel declined at an annual rate of 10.1% in February
- Premium class global air travel declined at an annual rate of 16.7% in January – in Asia premium traffic dropped 23.4%
- Civil Aviation Authority data reveals that the number of passengers using UK airports in 2008 was 1.9% down on 2007, the first decline since 1991
- The Competition Commission confirms that BAA must sell Gatwick, Stansted and either Glasgow or Edinburgh airports within the next three years
- The European Parliament backs plans for a Single European Sky that would see improved integration of air space and air traffic control among member states, thereby reducing flight times, lowering costs and reducing emissions; the scheme could be operational by 2012
- From July Ryanair will cease to fly from Dublin to Doncaster and Teeside, with flight frequencies from Dublin to Aberdeen, East Midlands and Bournemouth being reduced
- Ryanair to axe flights from Paris Beauvais to East Midlands but introduce flights from Barcelona Reus in July
- Flights from Tokyo to London disrupted due to a cargo plane crash at Narita Airport
- From early April Akal Air will operate twice weekly flights from Amritsar to Birmingham

Domestic Economic News

- The IMF warns that the UK will be in recession longer than any other developed economy, contracting 3.8% in 2009 and by a further 0.2% in 2010
- Revised figures indicate UK GDP contracted at an annual rate of 2.0% in the final quarter of 2008, slightly worse than previously estimated
- UK headline consumer price inflation surprises analysts by increasing to an annual rate of 3.2% in February

European Economic News

- Serbia receives an emergency loan from the IMF
- The Swiss government now forecast that the economy will contract by 2.2% in 2009
- Romania is set to receive €20bn in emergency loans from the International Monetary Fund
- The Irish economy shrank at an annual rate of 7.5% in the final three months of 2008

US Economic News

- US announces plans to buy up \$1trillion worth of 'toxic assets' to help repair bank balance sheets

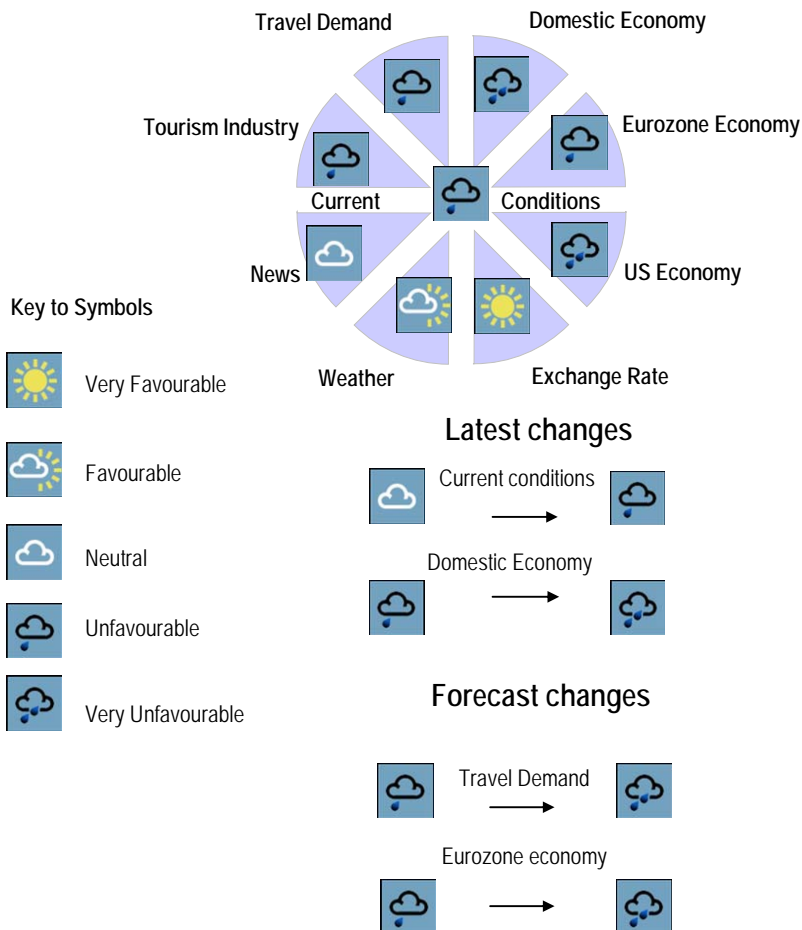
Global Economic News

- World Bank forecast China's economic growth to slow to 6.5% in 2009, a rate that many analysts believe threatens social stability
- Industrial output in Mexico plummets in January
- Retail sales in Japan decline at their steepest rate for seven years
- The New Zealand economy shrank at an annual rate of 1.9% in the final three months of 2008, the worst performance for 17 years

Tourism News

- Figures from tri Hospitality Consulting reveal that in February London hotel occupancy was 3.2% down on a year earlier, with occupancy in provincial hotels down 4.6%
- The 2010 British International Motor Show has been cancelled in light of the economic downturn and slump in car sales
- The Dutch government announces that it is to scrap its air passenger tax
- Further cases of H5N1 infection in humans in Egypt

Factors contributing to tourism trends in Britain, March 2009



- Overall conditions remain in the Unfavourable range
- The weather in February was favourable despite the cold start to the month
- The exchange rate remains very favourable, but not for visitors from every country
- UK retail sales weak in February
- Many Asian countries report rapidly weakening economies
- Airlines struggle as revenue, in particular that from premium class travel, declines
- International Motor Show for 2010 cancelled