

#### Transport news

- In June BAA's seven UK airports 5.9% fewer passengers than a year earlier; domestic traffic was down 8.1%, European scheduled 2.8%, North Atlantic 9.4% and other long-haul traffic by 0.2%
- Figures from the Civil Aviation Authority reveal that the number of passengers travelling to and from the UK during May was 7.3% lower than a year earlier
- London City Airport granted permission to increase the annual number of flights from 80,000 to 120,000
- Premium class global air travel declined at an annual rate of 23.6% in May according to IATA
- Hopes of BAA reaching an early deal to sell Gatwick Airport remain remote due to lack of credit available to possible buyers and falling passenger numbers
- Ryanair will operate four fewer aircraft out of Stansted this winter than a year ago
- Italian low cost carrier MyAir.com has its operating licence revoked due to financial problems, the airline did not fly to Britain
- No agreement reached in talks between BA and its main unions aimed at securing cost reductions
- BA to make a number of flight cancellations on the Singapore to Heathrow route during the coming winter
- From October Ryanair will fly 14 times per week from Oslo (Rygge) to London Stansted
- From end October BA will operate an additional two flights per week from Entebbe to Heathrow
- Aer Lingus will add a third daily flight from Shannon to Heathrow from October
- Hellenic Imperial Airways introduce a weekly flight from Jeddah to Birmingham
- Eurostar passenger numbers in the period April to Jun were 1.6% down on the same period of 2008
- Government announces the electrification of the railway from London to Oxford, Newbury, Bristol and Swansea, and between Manchester and Liverpool

#### Domestic Economic News

- UK unemployment increased by 281,000 in the three months to May to stand at 2.38 million
- Ernst & Young Item Club forecast that the UK economy will contract 4.5% this year, and in the worst case scenario swine 'flu could drag this down to a 7.5% decline in activity
- The UK economy contracted by 0.8% during the second quarter of 2008, representing an annual decline of 5.6%, with this being worse than many analysts had expected

#### European Economic News

- An EU survey reveals that 32% of Europeans currently in work were 'very concerned' that they may lose their job due to the economic downturn

#### US Economic News

- The number of new house sales in the US increased by 11% in June suggesting that the market has stabilised, though prices are still 12% down on a year ago

#### Global Economic News

- In the period April to June the Singaporean economy contracted by 3.7% compared with the same three months of 2008, a stronger performance than expected
- China's economy grew at an annual rate of 7.9% in the second quarter of 2009, slightly ahead of expectation
- Signs that Asian economies may rebound faster than anticipated helps push the price of oil back towards \$70 per barrel
- South Korea's economy performs better than expected in the second quarter thanks to a weak won and large fiscal stimulus boosting exports and domestic demand respectively

#### Tourism News

- UK immigration officials vote to strike for 48 hours from 5th August
- Global Refund report that in June sales to overseas visitors able to reclaim tax increased by 51% compared with a year ago
- TRI Hospitality Consulting report that chain hotel occupancy in London during June stood at 84.1%, only slightly down on June 2008, however rates were 8.8% down on an annual basis; occupancy fell slightly more in the provinces than in London, with rates down 7.8%

# Factors contributing to tourism trends in Britain, July 2009

