

## Trends Update – Issue 12 (18 May 2005)

### Transport and tour operator news

- BA report revenue passenger kms were up 0.1% in April, but both Ryanair and easyJet report passenger numbers up 25% on last year
- United Airlines announces a first quarter loss of \$1.1bn, meanwhile BA announced it made a profit of £5m in the first three months of 2005
- BAA airports handled 0.8% more passengers in April compared with a year ago. Easter having fallen in April 2004 but March this year is the reason for lower than average growth
- Compared with April 2004 domestic traffic at BAA airports rose 1%, European scheduled 1.8%, there was no change in North Atlantic traffic but other long-haul traffic increased by 6.9%
- CAA provisional data show that overall international traffic at UK airports fell 2% in April compared with 2004
- A transport strike in Italy causes the cancellation of some flights to the UK on 13 May with a strike in France causing disruption on 16 May
- P&O say they carried 26% fewer passengers on their short-sea routes in the first quarter of 2005 compared with a year ago, primarily due to difficulties with berthing facilities at Calais
- UKInbound report that in March visitor arrivals were up 9.5% compared with 2004, with forward bookings up 4.8% - although arrivals figures may be distorted by Easter falling in March this year and April last year

### Domestic Economic News

- In the year to April overall consumer prices increased by 1.9%, by contrast the cost of Accommodation Services rose 5.8% and prices in restaurants and cafes increased by 2.8%
- UK unemployment has fallen slightly compared with this time last year, and the number of people in employment has risen

### European Economic News

- The Italian economy has contracted for two successive quarters, meaning that it is technically in recession

### US Economic News

- The employed labour force grew by 1.9% in April compared with the same time last year

### Global Economic News

- Rumours that the Chinese authorities might be about to allow a revaluation of the Yuan are quashed by the Central Bank
- Japan's economy grew by 1.3% in the first quarter of 2005 following improved consumer spending
- A Merrill Lynch survey of fund managers in several global investment markets has found that expectations for future economic growth have taken a sharp downturn in the past three months

### Domestic Tourism News

- European Parliament votes to abolish the UK 48 hour working week opt-out, but this decision has yet to be approved by the European Commission
- The volume of car traffic on Britain's roads fell 1.2% in the first three months of 2005 compared with 2004

### Global Tourism News

- Lastminute.com has agreed a takeover bid from the Travelocity owners Sabre Holdings

### Summary of Prevailing Conditions for British Tourism

[http://vbnet/Images/Communications/pie%20180505\\_tcm17-8615.doc](http://vbnet/Images/Communications/pie%20180505_tcm17-8615.doc)

#### About "Trends Update"

Issued fortnightly TU highlights the latest facts, figures and trends that impact on tourism. TU doesn't cover the main tourism surveys or Market Intelligence Reports circulated separately by International/England Research and Overseas Operations.

Trends and Forecast (Tourism, Economic, Demographic)

<http://vbnet/Communications/PartnershipsPlanning/ForecastingTrends/ForecastingAndTrends.asp>

International Marketing Research

[http://vbnet/InternationalMarketing/international\\_research/default.asp](http://vbnet/InternationalMarketing/international_research/default.asp)

England Marketing Research

<http://vbnet/EnglandMarketing/EnglandResearch/default.asp>

Market Intelligence Reports

<http://vbnet/OverseasOperations/MarketIntelligenceReports/default.asp>