

Trends Update – Issue 4 (26 January 2005)

Transport operator news

- P&O have now operated their final service from Cherbourg to Portsmouth
- Ryanair is to reduce frequency from Milan to Stansted from February
- Heavy falls of snow in the east of North America leads to the cancellation of dozens of UK bound flights
- Bristol will be served by direct BA flights from Milan and Zurich from April
- In 2004 Eurotunnel's Le Shuttle service carried 8% fewer cars and 12% fewer coaches than in 2003
- From June BA will increase weekly flights to Hong Kong from 17 to 21, with the number of flights to Beijing rising from 4 to 6. The airline hopes to operate a new service to Shanghai five times a week
- CAA data shows that the fastest growing international air routes in December were those to/from Eastern Europe

Domestic Economic Trends

- Preliminary GDP figures for 2004 suggest annual growth of 3.1% - meanwhile Deloitte have forecast that a weaker housing market will constrain growth in 2005 to around 2%
- Consumer prices rose by 1.6% in the year to December, but the price of accommodation services rose 4.8%
- Retail sales in December were weaker than expected

US Economic News

- Bush has warned that tough choices will need to be made in relation to pension provision – the key reason being the scale of the US budget deficit which according to the White House will reach \$427bn in 2005
- The US economy continues to perform strongly at present with healthy retail sales figures for December

Global Economic News

- The IMF estimate that the tsunami will reduce economic growth in Sri Lanka by 1% during 2005

Domestic Tourism News

- UK inbound report visitor arrivals up 2.6% in November compared to a year ago, but forward bookings were 0.2% down
- JD Wetherspoon is to ban smoking in all its pubs by May 2006

Global Tourism News

- Reflecting the rapid expansion in low-cost air services in Asia a dedicated, no-frills, terminal is to be built at Singapore Changi airport
- In the year to October inbound visits to the USA increased by 12%, similar to the rate of growth in Britain

Other Tourism News

- Britain has finally been granted Approved Destination Status by China – this should unlock huge growth potential in the medium to long term
- Airbus unveil the new A380 plane which will seat 555 passengers in a 3-class configuration – the first passenger carrying flights to London will be operated by Singapore Airlines in the summer of 2006
- The World Health Organisation expresses its concern at the re-emergence of bird-flu in Asia and the possibility that the flu might mutate, allowing human-to-human transmission

Summary of Prevailing Conditions for British Tourism

http://vbnet/Images/Communications/pie%200312_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

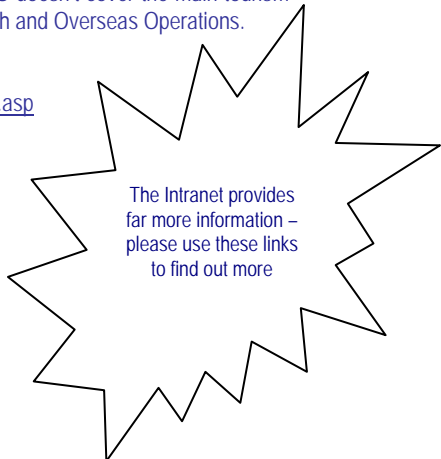
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