

Trends Update – Issue 44 (13 September 2006)

Weather

- August weather across England, Wales and Scotland brought above average temperatures, close to average rainfall and below average sunshine
- According to new Met Office research by 2100 heatwaves similar to that experienced in the UK during July are likely almost every year, and could even occur several times each summer – at present they occur around once every twenty years

Transport and tour operator news

- UKInbound report visitor arrivals in July up 3.7% compared with a year ago and forward bookings rose 8.4%, however last July included the 7th July London bombings and failed attacks of 21 July
- BAA traffic figures for August show that domestic air travel to/from the seven BAA airports dropped 7.5%, whereas European scheduled traffic increased by 4.5%, on North Atlantic routes passenger numbers dropped by 3.3% but in line with recent months other long-haul routes witnessed increasing traffic, up 8.8%. Overall around 2% of the scheduled 116,000 flights from BAA airports were cancelled in August
- BA carried 1.5% more passengers in August 2006 than in 2005, this August includes the impact of the enhanced security measures put in place by the Department for Transport, whereas last August figures were distorted by industrial action
- Jet2 to fly four times a week from Valencia to Leeds Bradford from May 2007
- Ryanair to launch thrice-weekly flights from Salzburg and Grenoble to Liverpool from December, and from Perugia to Stansted, but is to suspend its service from Dublin to Humberside
- Flybe will start operating four flights a week from Belfast to Inverness from December, however easyJet will be withdrawing its flights on this route from October
- In a reversal of recent trends the number of international passengers on sea routes to/from the UK increased by 4% in the period April to June 2006 compared with the same three months of 2005, however Easter falling in March last year and April this year will have influenced the figures

Domestic Economic News

- Consumer confidence in the UK dipped slightly in August
- UK unemployment continues to increase and now stands at 5.5%, and the annual increase in job creation continues to slow

European Economic News

- Consumer confidence in the Eurozone area dipped slightly in August
- Eurozone unemployment remains stable at 7.8% in July

US Economic News

- Consumer confidence in the US falls to its lowest level since Hurricane Katrina last August
- US unemployment remains stable at 4.7% in August

Global Economic News

- Japan's economic growth revised upwards to an annual rate of 1% in the three months to June
- The International Monetary Fund (IMF) has warned that a global slowdown is looking more likely because of high oil prices and a cooler US housing market

Domestic Tourism News

- PKF consulting figures show regional hotel occupancy in July up slightly on an annual basis to 77.5%, its best performance for more than six years, with London hotel occupancy rebounding sharply from 77.8% last July (following the 7 July attacks), to 88.6% this July, the best ever recorded figure

About "Trends Update"

Issued bimonthly TU highlights the latest facts, figures and trends that impact on tourism. TU doesn't cover the main tourism surveys or Market Intelligence Reports – more information is available on the following topics:

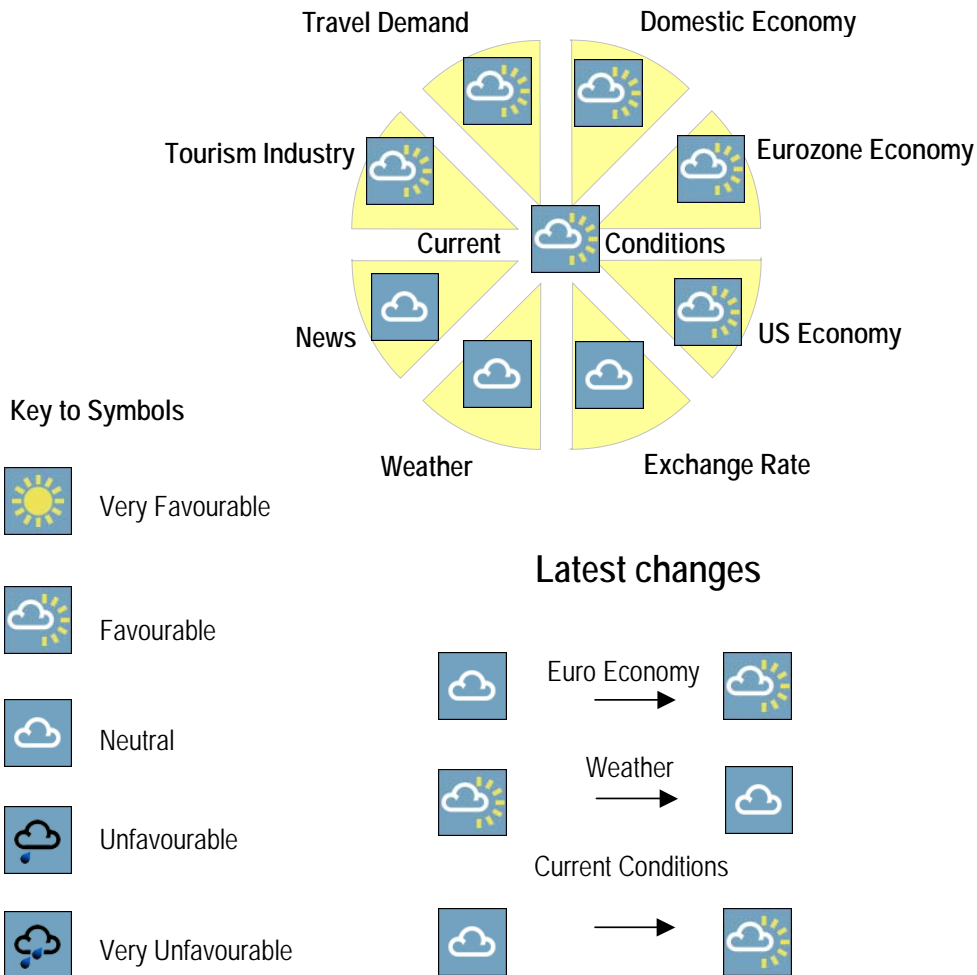
Trends and Forecasts: <http://vbnet/Communications/PartnershipsPlanning/ForecastingTrends/ForecastingAndTrends.asp>

International Marketing Research: http://vbnet/BritainInternational/InternationalMarketing/international_research/default.asp

England Marketing Research: <http://vbnet/EnglandMarketing/EnglandResearch/default.asp>

Market Intelligence Reports: <http://vbnet/BritainInternational/OverseasOperations/MarketIntelligenceReports/default.asp>

Factors Contributing to Current Tourism Trends in Britain September 2006



- Overall conditions continue to be assessed as 'Favourable'
- After two successive months of good weather in June and July, data for August shows the month to have been in line with the norm for this time of year
- There are increased signs of weakness in both the UK and US economy, but at present both continue to be assessed as 'Favourable'
- Strong hotel occupancy figures and improved figures from UKInbound for July have helped to keep the Tourism Industry segment in the 'Favourable' range
- Travel Demand has narrowly moved back into the 'Favourable' range, helped by strong demand for UK visas and a year-on-year jump in the number of passengers on international ferry routes to/from the UK