

Trends Update – Issue 55 (23 February 2007)

Transport and tour operator news

- London City Airport closed for much of 20th February due to a plane bursting its tyres on landing
- BA to purchase four new Boeing 777s, with an option for a further four
- BA to introduce four daily flights between Glasgow and London City and between Zurich and London City from March
- Etihad to drop its Abu Dhabi to Gatwick service, but increase frequencies to Heathrow
- Clickair to introduce a daily flight from La Coruna to Heathrow from late March
- bmibaby to operate four flights per week from Birmingham to Jersey from May
- Air France and CityJet to launch new routes to London City from Geneva, Madrid, Milan, Nice and Zurich
- From late April bmi will introduce a daily Brussels to Aberdeen service thanks to Route Development funding from the Scottish Executive
- From October Centralwings will introduce flights from Warsaw and Krakow to Gatwick, from Warsaw to Stansted, and from Warsaw, Gdansk and Katowice to Edinburgh
- Astraeus is to offer three flights a week from St Johns (Newfoundland) to Gatwick from May
- Highland Airways will offer double daily flights between Cardiff and Anglesey from this spring courtesy of Welsh Assembly support

Domestic Economic News

- UK business investment increased at an annual rate of 11% in the fourth quarter of 2006

European Economic News

- The European Commission ups its economic growth forecast for the Eurozone area in 2007 to 2.4%

US Economic News

- The US Federal Reserve says it remains 'uncertain' about future inflation prospects, meaning that base rates may be increased in coming months

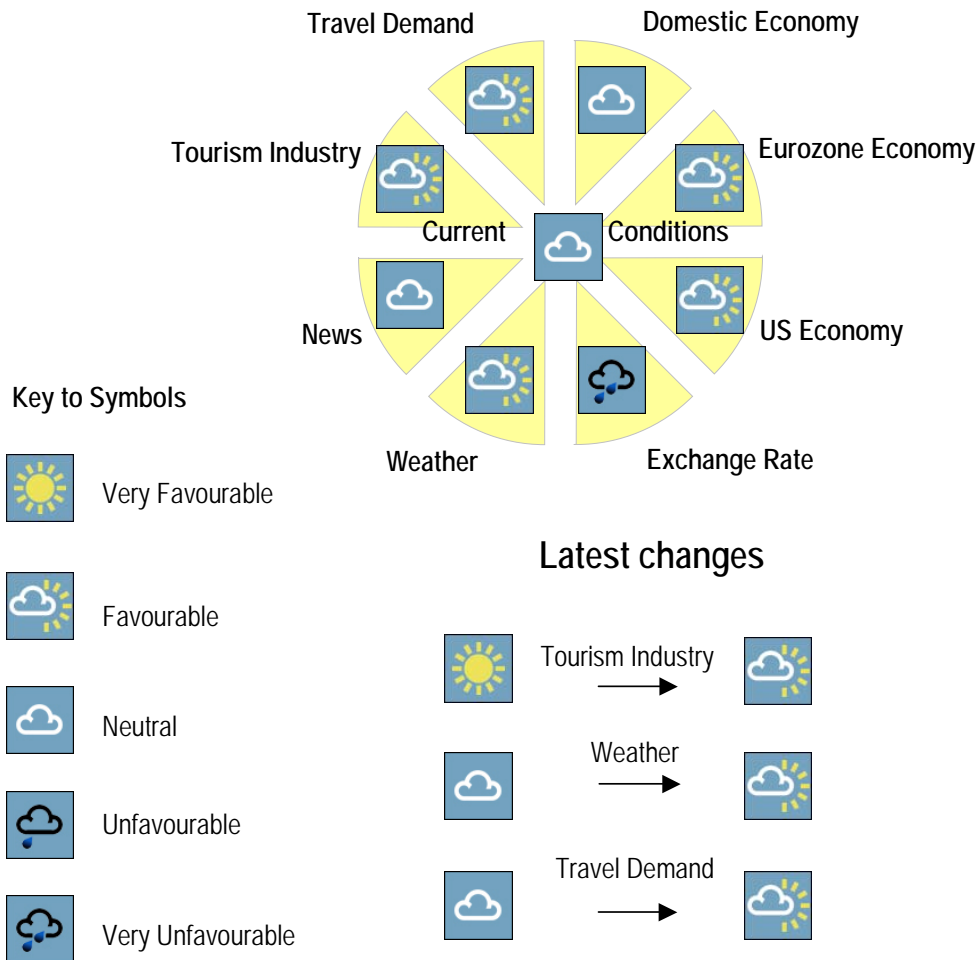
Global Economic News

- Japan increases base rates by 0.25% due to an expectation that economic growth will continue to improve

Tourism News

- The volume of car traffic on Britain's roads increased at an annual rate of 2% in the period October to December
- Some 244,710 people got married in England and Wales during 2005 - the lowest number since 1896

Factors Contributing to Current Tourism Trends in Britain February 2007



- Overall conditions are now assessed as Neutral
- Exceptionally above average temperatures in January move the Weather segment back into the Favourable zone
- With the Yen and US dollar weakening against Sterling late in December the overall exchange rate situation is still judged as 'Very Unfavourable'
- The UK economy segment has slipped into the Neutral range following a dip in consumer confidence
- A slowdown in VisitBritain enquiries is one factor that has caused the Tourism Industry segment to move back into the Favourable zone
- Travel Demand moves into the Favourable range following a pick up in air travel in January