

## Trends Update – Issue 58 (10 April 2007)

### Weather

- March weather across the UK brought temperatures and sunshine totals that were exceptionally above average, with rainfall totals close to average

### Transport and tour operator news

- UKInbound report visitor arrivals up 17.4% in January compared with a year ago, with forward bookings up 6.7%
- BAA's seven airports handled 0.5% fewer domestic passengers in March compared with last year, but passengers on European scheduled routes jumped 4.7%, North Atlantic traffic rose 2.2% and other long-haul traffic was up 10% (including a 14% rise in passengers to/from India)
- BA carried 3.3% more passengers in March 2007 than in the same month of last year
- From October Thomsonfly will introduce new routes to Manchester from cities including Naples, Lisbon and Venice, with Jersey being served from both Cardiff and Luton
- Jet2 will offer a route from Avignon to Edinburgh from early June
- bmi will restore a daily schedule of flights from Lyon to Manchester in late May following the withdrawal from the route by BA Connect/flybe
- Jet2 to operate three return flights per day between Newcastle and Gatwick
- SAS to introduce a double-daily service from Oslo to London City from end August
- Blue Islands has been granted permission to fly from Guernsey to Southampton from early summer in competition with flybe
- flybe to up frequencies on its Edinburgh to Newquay route to five per week
- The number of passengers using international ferry services to/from the UK dropped by an annual 1.6% in the final quarter of 2006
- The number of long distance rail journeys increased by an annual 7.2% in the final quarter of 2006
- The Department for Transport confirms that it no longer plans to scrap the dedicated Gatwick Express rail service

### Domestic Economic News

- UK consumer confidence rises in March
- UK base rates kept steady at 5.25% in April

### European Economic News

- French unemployment falls to 8.4%, its lowest for 24 years
- Eurozone unemployment at its lowest since the adoption of the common currency (7.3%)
- Further improvement in Eurozone consumer confidence in March

### US Economic News

- US consumer confidence drops back in March following recent turmoil on financial markets
- Unemployment drops slightly in March to 4.4% of the workforce

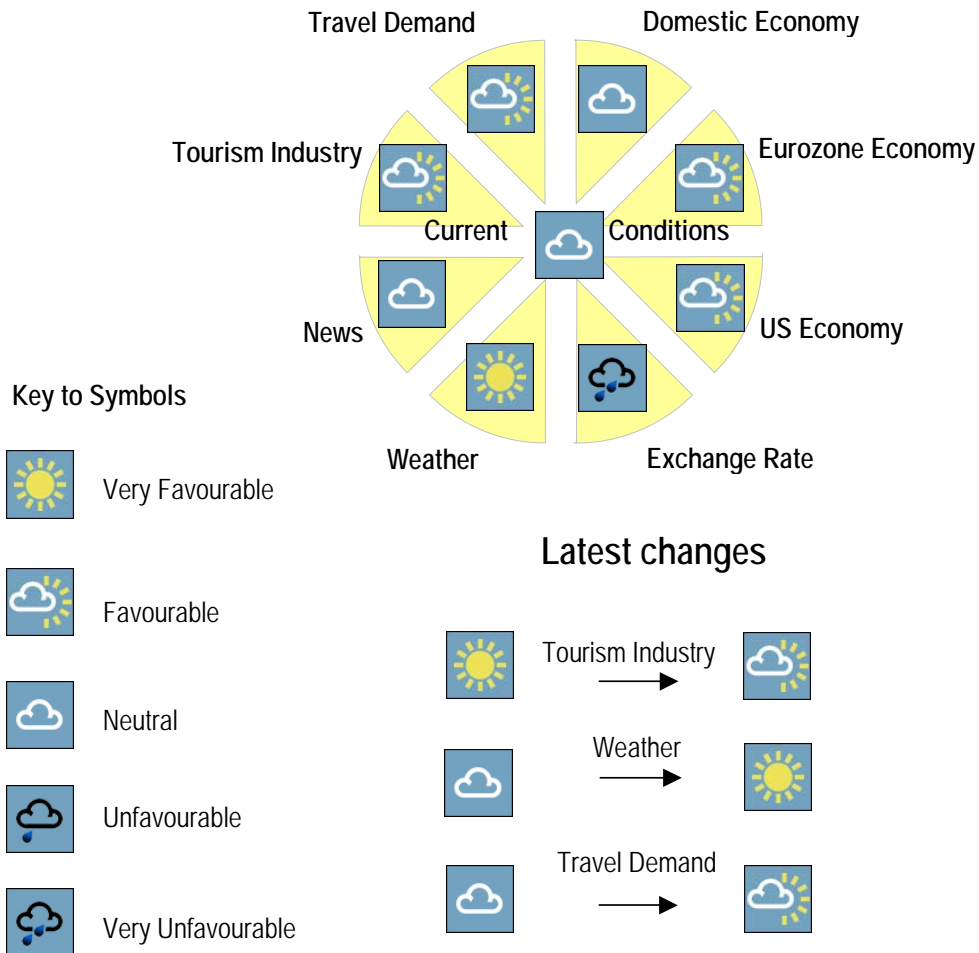
### Global Economic News

- The IMF forecast that the global economy should be able to withstand any economic slowdown in the US

### Tourism News

- BAA announces a £40m investment plan to recruit 1,400 additional security staff and open 22 new security lanes across its seven airports
- The Office of Fair Trading confirm that they are referring the supply of airport services delivered by BAA to the UK Competition Commission
- PKF figures show a modest annual increase in London and regional hotel occupancy in February (London 77.4%, regional 70.0%)

## Factors Contributing to Current Tourism Trends in Britain April 2007



- Overall conditions are assessed as Neutral
- Exceptionally above average temperatures and sunshine totals in March are responsible for moving the Weather segment into the 'Very Favourable' range
- Sterling regains much of the value it lost in early March as stock markets also rebound
- The UK economy segment remains in the Neutral range despite a small recovery in consumer confidence in March
- Of note in the Tourism Industry segment is strong growth in UKinbound figures on visitor arrivals and forward bookings
- With a resolution now found to the crisis over fifteen UK personnel held in Iran oil prices have started to ease