

Trends Update – Issue 59 (23 April 2007)

Weather

- The latest seasonal forecast from the Met Office says there is a high probability that summer temperatures will exceed the long-term average

Transport and tour operator news

- UKInbound report visitor arrivals in February up 4.1% compared with last year, with forward bookings 2.2% higher
- Eurostar passenger numbers were up by 5.4% in the first three months of 2007 compared with the same period of last year
- Air Traffic Control delays anticipated at Heathrow as the new control tower becomes operational
- Ryanair says it may launch a Trans-Atlantic low cost airline within three or four years
- SAS to launch a twice-weekly service from Aalesund in Norway to Gatwick from early June
- From 7 May Ryanair flights between Tampere and Liverpool and between Santiago and East Midlands will cease to operate
- Ryanair will introduce 3 flights per week from Marseille to Bournemouth from 7 May
- From June 21 Zoom Airlines will offer five flights per week from New York to Gatwick (subject to being granted an Air Operators Certificate by the CAA)
- Jetstream Express to operate flights to Blackpool from Belfast, Aberdeen and Southampton
- Jet2.com to suspend flights to Blackpool from both Amsterdam and Prague

Domestic Economic News

- UK unemployment registers a small increase in the three months to February
- UK consumer price inflation reaches 3.1%, almost certainly triggering a base rate rise in May
- The volume of retail sales in the three months to March were up 4.5% compared with the same period of last year, the highest figure since November 2004
- Ernst and Young's Item Club spring forecast suggests that the UK economy is 'skating on thin ice'

European Economic News

- The Russian economy grew at a healthy rate of 7.9% in the first quarter of the year

US Economic News

- The US Dollar now at a 26-year low against the pound, trading at around \$2.01

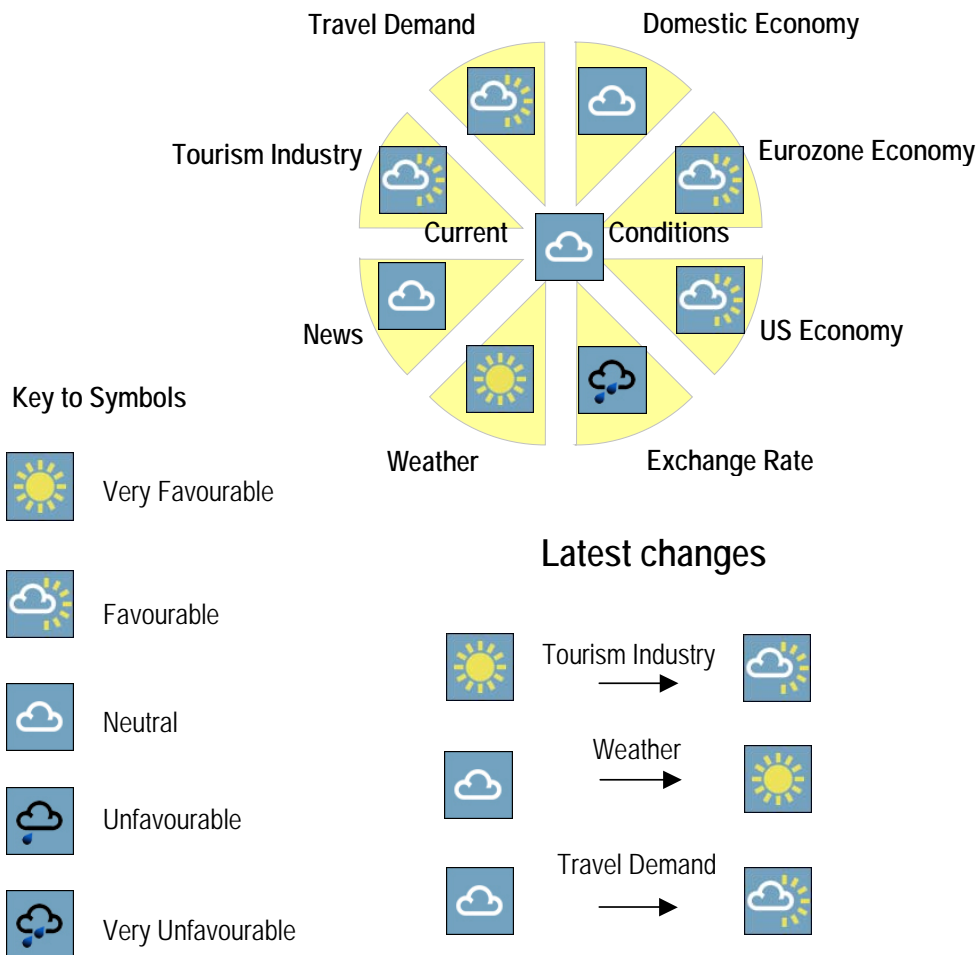
Global Economic News

- New figures show that the Chinese economy grew at an annual rate of 11.1% in the first quarter of 2007, ahead of expectation

Tourism News

- Global Refund report a 33% annual rise in March for sales to overseas visitors to the UK reclaiming tax
- Eurostar says it will cut carbon dioxide emissions per passenger journey 25% by 2012
- Indian airlines currently have orders for more than 500 new passenger aircraft
- According to the Marine Conservation Society's annual 'Beachwatch' survey there are two items of litter per metre of beach in Britain, representing a 90% increase since 1994
- A pumping station failure results in raw sewage flowing into the Forth estuary for more than two days

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 moves above \$2, reaching its strongest level for 26 years on the back of increased inflationary pressure
- The UK economy segment remains in the Neutral range despite a small rise in unemployment
- Of note in the Tourism Industry segment is strong growth in UKinbound figures on visitor arrivals and forward bookings
- Travel Demand has been bolstered by a healthy first quarter for Eurostar, with passenger journeys up 5.4% compared with last year