

TRAVEL BUSINESS ANALYST

Markets • Marketing • Strategy

ASIA PACIFIC • MAY 2010

Market Monitor

Percentage change unless noted otherwise. Latest months listed first. Sources not shown are usually relevant principals. E=estimate, P=provisional, TBA=Travel Business Analyst.

- World Travel Industry Index: Feb +7E; Jan +6E; Dec +5P; Nov +2.4; Oct +0.7; Sep +0.7; Aug -1.5; Jul -2.4; Jun -6.3; May -8.4; Apr -2.4; Mar -10.3; Feb -11.2. TBA.
- World airport passengers; ttl, intl: Jan +5.1 +5.8; Dec +5.0 +5.1; Nov +4.4 +2.8; Oct +1.4 -0.7; Sep +1.3 -1.8; Aug -0.7 -3.0; Jul -1.4 -3.7; Jun -5.0 -7.8; May -7.7 -9.5; Apr -3.0 -1.8; Mar -8.3 -10.7; Feb -10.3 -11.3; Jan -6.2 -6.7. ACI.
- World air traffic, RPKs: Feb +9.5; Jan +6.4; Dec +4.5; Nov +2.1; Oct +0.5; Sep +0.3; Aug -1.1; Jul -2.9; Jun -7.2; May -9.3; Apr -3.1; Mar -11.1. IATA.
- World hotel occupancy, pts: Feb +2.2; Jan +4.9; Dec +2.7; Nov +1.2; Oct -2.0; Sep +0.6; Aug -3.3; Jul -3.4; Jun -6.9; May -8.6; Apr -9.4. TBA.
- World travel stocks index, on 100: Mar 75; Feb 66; Jan 66; Dec 65; Nov 60; Oct 57; Sep 58; Aug 58; Jul 53; Jun 46; May 48; Apr 43; Mar 35; Feb 35. TBA.
- World visitor arrivals: Jan +7.2; Dec +2.0; Nov +2.1; Oct +1.4; Sep -1.0; Aug -2.4; Jul -3.2; Jun -7.6; May -10.7; Apr -1.6; Mar -12.8; Feb -10.1; Jan -7.6. WTO.
- AsPac airlines seat sales: Jan +9.2; Dec +12.4; Nov +8.3; Oct +1.9; Sep +4.6; Aug +3.0; Jul -3.1; Jun -13.5; May -12.4; Apr -4.0; Mar -8.7; Feb -13.3. AAPA.
- AsPac airport passengers; ttl, intl: Jan +8.8 +11.1; Dec +13.2 +14.6; Nov +9.2 +9.5; Oct +6.7 +3.8; Sep +9.0 +5.8; Aug +9.5 +3.2; Jul +4.6 -3.1; Jun -0.1 -11.3; May -2.0 -10.9; Apr +1.4 -2.7; Mar -2.1 -8.8; Feb -5.0 -13.1; Jan -0.4 -6.6. ACI.
- AsPac air traffic, RPKs: Feb +13.5; Jan +6.5; Dec +8.0; Nov +5.1; Oct +0.9; Sep +2.1; Aug -1.6; Jul -7.6; Jun -14.5; May -14.3; Apr -8.6; Mar -14.5; Feb -12.8. IATA.
- AsPac hotel occupancy, pts: Feb +4.9; Jan +8.5; Dec +8.4; Nov +5.1; Oct +0.2; Sep -2.9; Aug -2.8; Jul -3.8; Jun -9.4; May -10.4; Apr -9.8; Mar -11.7. TBA.
- AsPac travel stocks index, on 100: Mar 92; Feb 83; Jan 85; Dec 82; Nov 76; Oct 74; Sep 74; Aug 73; Jul 73; Jun 65; May 68; Apr 56; Mar 49; Feb 46; Jan 51. TBA.
- AsPac visitor arrivals: Jan +8.0; Dec +5.7; Nov +6.6; Oct +3.4; Sep +4.4; Aug +3.3; Jul -5.5; Jun -7.7; May -10.1; Apr -0.8; Mar -6.7; Feb -10.4; Jan -4.8. WTO.
- Air France seat sales, Asia: Feb +2.6; Jan +1.0; Dec -0.7; Nov -1.6; Oct -4.3; Sep -3.9; Aug -3.5; Jul -5.8; Jun -10.2; May -10.9.
- Australia resident departures: Dec +13.8; Nov +20.0; Oct +19.6; Sep +9.2; Aug +8.5; Jul +17.0; Jun +4.9; May +2.4; Apr +8.0; Mar -6.3. PATA.
- Australia visitor arrivals: Dec +6.0; Nov +2.5; Oct +6.4; Sep +9.0; Aug -0.9; Jul -12.8; Jun -4.7; May -1.6; Apr +7.4; Mar -4.9; Feb -2.8; Jan +2.7. NTO.
- Bali visitor arrivals: Nov +15.3; Oct +16.6; Sep +15.0; Aug +18.6; Jul +21.1; Jun +11.5; May +13.8; Apr +21.9; Mar +5.2; Feb -9.2; Jan +17.7; Dec +13.5. PATA.
- Bangkok airport visitor arrivals: Nov +39.5; Oct +15.0; Sep +16.6; Aug -5.8; Jul -15.8; Jun -22.9; May -26.2; Apr -15.7; Mar -16.9. PATA.
- British Airways seat sales, AsPac: Feb -4.2; Jan -8.6; Dec -7.7; Nov -23.2; Oct -21.8; Sep -17.7; Aug -13.1; Jul -11.4; Jun -16.8; May -19.2; Apr -9.1.
- Cathay Pacific seat sales: Feb +14.0; Jan +0.4; Dec +5.0; Nov +1.5; Oct -3.9; Sep -2.0; Aug +3.8; Jul -9.9; Jun -18.1; May -7.5; Apr +8.8; Mar -3.2.
- China citizen departures, estimates: Jan +5.7; Dec +15.6; Nov +13.8; Oct +20.6; Sep +9.4; Aug +8.6; Jul -16.4; Jun -16.8; May -18.2; Apr -3.1; Mar +1.8. TBA.
- China foreign visitor arrivals: Jan +30.9; Dec +9.9; Nov -1.0; Oct -7.6; Sep -1.4; Aug +5.5; Jul -0.5; Jun -10.2; May -17.0; Apr -19.2; Mar -22.9. PATA.
- China Southern seat sales: Mar +21.2; Feb +17.6; Jan +7.0; Dec +18.0; Nov +13.9; Oct +11.6; Sep +10.6; Aug +32.9; Jul +14.1; Jun +19.7; May +10.6.
- Dubai airport passengers: Jan +17.0; Dec +14.5; Nov +12.6; Oct +11.7; Sep +19.5. ACI.
- Eva Air seat sales: Feb +20.4; Jan +16.1; Dec +21.9; Nov +17.4; Oct +5.6; Sep +9.7; Aug +11.2; Jul +6.6; Jun -2.8; May -0.6; Apr +3.3; Mar -1.7; Feb -12.7.
- Fiji visitor arrivals: Dec -1.4; Nov -0.2; Oct +7.2; Sep +4.5; Aug -6.3; Jul -1.4; Jun -13.3; May -16.1; Apr -7.4; Mar -22.7; Feb -20.6; Jan -27.6. WTO.
- Hawaii visitor arrivals: Feb +0.8; Jan +2.2; Dec +3.2; Nov -1.4; Oct -0.3; Sep +7.7; Aug +0.3. STO.
- Hong Kong airport passengers: Feb +17.0; Jan -1.5; Dec +3.4; Nov -0.3; Oct -3.7;

contd on p5

US/AsPac

Air traffic 2009

Data does not always support market sentiment. So it is with air traffic patterns to-and-from the US in 2009.

Overall, the fall - 2.8% - was not as heavy as expected, see table; after all, the worldwide visitor count dropped 4% in 2009. Also, AsPac and Europe falls were both more than that, and not far apart - although market sentiment is still that AsPac recovered very quickly from a less-severe downturn. And on average since 2000, there has been a slight decline for AsPac, and a slight increase for Europe.

Of the major AsPac country-pairs, only two grew - Australia, due primarily to the start of a new airline ('V Australia') over Australia-Los Angeles with low start-up fares. And Korea. Still the biggest market - by far; as big as the next four combined - is Japan, despite a heavy 8% fall. Its decline this past decade is the highest with an average 3.7% annual fall. Its share has thus fallen from 12% in 2000 to 8% at the end of the decade.

Perhaps another shock will be the fast fall of the India-US country-pair. However, despite constant talking-up, this is still a tiny market - the same size as the Philippines, for example. But traffic was boosted by new airlines offering low promotional air fares. Those have gone, and so have some of the flights, so the fall is exacerbated; growth over the decade is still an impressive average annual 16%.

Of our selected list of country-pairs outside AsPac, the biggest fell furthest - to-and-from UK down 7%, to-and-from Mexico down 11%.

Air passengers to/from US

To/from	2009	2000			
	No,mn	Growth, %	AAGR, %	Share, %	Share, %
Australia	1.8	29.6	0.9	1.4	1.4
China	2.0	-2.3	11.3	1.6	0.7
Hong Kong	2.1	-5.8	4.0	1.6	1.2
India	0.9	-7.1	16.0	0.7	0.2
Japan	10.0	-8.2	-3.7	7.8	11.9
Korea	3.3	4.4	2.0	2.6	2.4
New Zealand	0.7	-6.6	-1.2	0.5	0.7
Philippines	0.8	-8.7	0.5	0.6	0.6
Taiwan	1.9	-14.1	-1.9	1.5	1.9
Others					
Brazil	2.9	8.1	1.7	2.2	2.1
France	5.9	-5.9	-0.3	4.7	5.2
Germany	9.4	-4.0	2.7	7.4	6.3
Mexico	15.1	-10.9	8.3	11.8	6.3
Russia	0.6	27.2	7.2	0.5	0.3
UAE	1.3	67.6	44.0	1.0	0.04
UK	16.0	-7.4	-1.5	12.5	15.6
Asia Pacific	24.4	-5.3	-0.7	19.2	22.2
Europe	49.8	-6.2	0.2	39.0	43.3
TOTAL	127.5	-2.8	1.0	100	100

Notes: AAGR = annual average growth rate, 2000-9. Source: (US) Department of Transportation.

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MARKET OUTLOOK

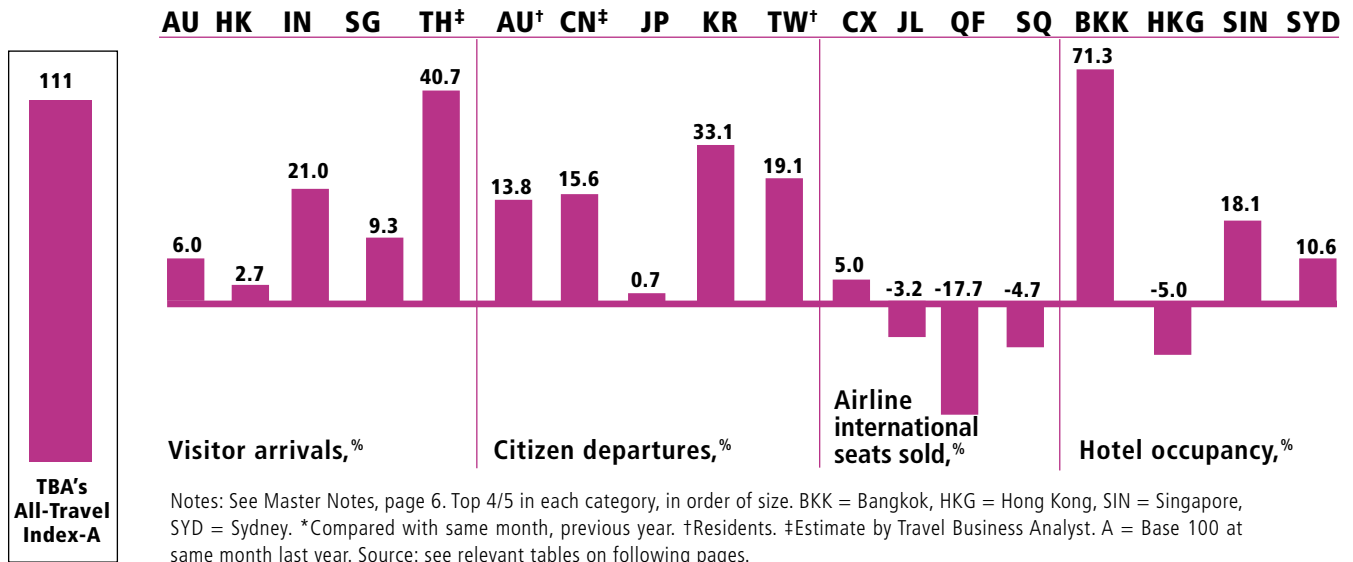
Headlines

Commentary on tables

- **Barometer.** Woo-hoo! Overall travel index at 11% above same month in 2008! Spoiling the fun somewhat, though, is the fact that Bangkok and Thailand data were boosted as they were compared with the month after the airports closure in 2008 - so an artificial boost. (Bangkok's hotel occupancy, for instance, was up from 34% to 64% in 2009, and even the improved 64% is not good for normal times - should be 20-points higher). But who cares? Sentiment is crucial, and positive sentiment will push the business forwards again.
- **Inbound trends.** Forecast for next 12-month period - *Thailand* gets back above 15mn, but street disturbances last month will send this tumbling again.
- **Outbound trends.** Forecast for next 12-month period - New figures for *China* (our estimates) puts the total above 40mn.
- **Forecasts.** Outlook for most of the 10 Asean-member destinations. And others.

Barometer

Percentage growth in latest matching month* available; December 2009



Visitor arrival trends*, next 12 months

Source	Number, x1000
China	20,703
Hong Kong	10,355
Singapore	9,708
Thailand	15,061

Notes: *Statistical base on past performance; aggregates for latest 3 and 6 months, and full calendar year. Source: NTOs, Travel Business Analyst.

Citizen departure trends*, next 12 months

Source	Number, x1000
China [‡]	40,897
Japan	15,297
Korea	8,105
Taiwan	8,169

Notes: *Statistical base on past performance; aggregates for latest 3 and 6 months, and full calendar year. †By residence. ‡Estimate. Source: NTOs, Travel Business Analyst.

Official* travel industry forecasts

Item	Date†	Forecast	Source
China outbound travel, '10	Mar	54m, +11%	ETN
Asia outbound travel, '10	Mar	+4%	IPK
North America outbound travel, '10	Mar	-5%	IPK
Europe outbound travel, '10	Mar	+1%	IPK
Maldives visitors, '14-5	Mar	1m	gov
Brunei visitors, '10	Mar	+14%	TTG/TBA
Cambodia visitors, '10	Mar	2.3m	TTG/TBA
Indonesia visitors, '10	Mar	6.8-7m, +5-8%	TTG/TBA
Lao visitors, '10	Mar	2.1m, +11%	TTG/TBA
Myanmar visitors, '10	Mar	0.8m, +10%	TTG/TBA
Philippines visitors, '10	Mar	3.1m, +3%	TTG/TBA
Singapore visitors, '10	Mar	12-12.5m, +19-29%	TTG/TBA
Thailand visitors, '10	Mar	15-15.5m, +7-10%	TTG/TBA
Vietnam visitors, '10	Mar	4.2m, +11%	TTG/TBA
Starwood hotels in India, by '13	Mar	add 16	company
India visitors, '10-5	Mar	AAGR 7.9%	R&M
India medical visitors, '9-13	Mar	AAGR 24.6%	R&M
India outbound travel, '15	Mar	20.5m	R&M
World visitor arrivals, '10	Jan	+3-4%	WTO
Lombok visitors, '12	Jan	438k	STO
Japan visitors, '10	Jan	8m, +19%	JTBF
US hotel occ/rate, '10	Jan	55%/\$94	Smith
US hotel occ/rate, '11	Jan	56%/\$96	Smith
Bangkok airport pax, '19	Jan	73m	AOT
Airlines loss, '10	Jan	\$2.8b	IATA
Airlines traffic (RPK), '10	Jan	+5.6%	IATA

Notes: All \$s are US\$. †When forecast made. Source: *Management statements or documentation from relevant authority.

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China 1

Mice plus Expo

Last month the IT&CM China MICE exhibition took place in Shanghai. This month, the World Expo 2010, also in Shanghai, is due to open for a 6-month period. Round-up developments on these two:

- The MICE (meetings incentives conferences/congress exhibitions) business in China is not well documented. We have taken some ICCA data (and added our estimates for 2009), see Table 1.

Our analysis is based on multi-year results. Inspired by the oft-repeated statement in the MICE segment of the travel business that annual figures can be misleading, we calculate average-annual totals based on five-year periods - to balance out distortions caused by unusually-big or -small events in one year.

This shows a slowdown for China in the latest 5-year period. There was still growth but Beijing slipped, and Shanghai showed still-fast growth.

Making a basic comparison with all-visitor-arrivals, MICE seems to have comfortably outperformed the overall visitor market.

Not all measures for IT&CM China (incentive travel and conventions, meetings) have been released, see Table 2. There was no change in delegates and buyers, but exhibitors increased 14% and sellers 19%.

That level of growth would indicate a success, but a key is always buyers. To maintain number of buyers, or to increase, is relatively easy. The arguments are always the quality (and sometimes quantity), whether new or existing markets or buyers, and whether they produce. And in the current economic/business climate, it is not clear even if a buyer was 'perfect', whether he could generate business or business growth.

- The Economist has called Shanghai's World Expo a mix of "a trade fair, a funfair and a template for global domination". Perhaps it is something of a surprise that WEs (World Expos; a name owned by Paris-based Bureau International des Expositions) such as this are still being staged, in view of their uncertain economics.

The last, in Zaragoza, Spain, in 2008, counted around 5.5mn visitors; Aichi, Japan, in 2005, counted almost 25mn. Shanghai's target is almost 3-times that, 70mn. Local ID card-holders

Table 1

Composite number of meetings in China, annual average

Period	China +/-, %	Beijing +/-, %	Shanghai +/-, %	VA* +/-, %
2005-09	192 4.3	77 -2.3	49 10.8	-9.8
2004-08	184 19.9	79 13.9	44 23.3	-6.8
2003-07	154 12.0	69 10.9	36 9.1	17.7
2002-06	137 12.6	62 8.7	33 17.9	9.6
2001-05	122 17.6	57 11.7	28 27.3	19.6
2000-04	104 29.8	51 34.0	22 42.9	48.6
1999-03	80 4.2	38 -1.5	15 11.6	-17.6
1998-02	77 22.4	39 19.0	14 46.8	23.3
1997-01	63 NA	33 NA	9 NA	NA
AAGR	15.1 na	11.3 na	23.0 na	8.8

Notes: Based on TBA estimates for 2009; rest of MICE counts are TBA manipulations of ICCA data. ICCA criteria changed in 2002 but back numbers changed by ICCA only to 1998, so that causes slight distortion with TBA composite calculations. AAGR = annual average growth rate over each 5-year period, 1997-01 and 2005-09. *Visitor arrivals; in last year of period shown, ie 2009 for 1st line. Source: ICCA, PATA, Travel Business Analyst.

(those registered as 'urban residents', not the migrant 'rural residents') get a free entry ticket - which could account for 16mn. Just 5% (3.5mn) of the total are expected to be foreigners, but that may still be high even if local foreign residents are included in that estimate.

But at least Shanghai is a primary city, unlike the hardly-known Aichi and Zaragoza. (Next WEs scheduled are Yeosu (Korea) in 2012 and Milan in 2015.) Also, Shanghai has China's great population numbers to support a bigger target, and the development itself is much larger than the two previous ones. Its 5sq km site is twice as large as Aichi's, and 20-times Zaragoza's.

Shanghai spent big - US\$4.2bn (quoted in US\$) on the event alone - which compares with about US\$2bn that China spent on the Summer Olympics in Beijing in 2008.

The original idea for WEs was to display a nation's economic or manufacturing output. They still have that element, but now can also be considered a costly and soft tourism-sell and, as The Economist noted, a theme park. Many assume WEs are like other exhibitions - where visitors can talk and negotiate trade with the exhibitors - but this is not their aim.

Shanghai moves further away

from the idea, and it is closer to a theme park than a country exhibition. There are 189 country pavilions, including the biggest, China's, which is 63m-high. Some countries have tried to build eco-friendly themes but China - matching its destructive performance in Copenhagen last December - has chosen a more basic theme, of impressing by bigger size.

The visitor target averages to what would be an impressive 390,000 daily. But we would expect the monthly breakdowns, on the 70mn target, to be 13mn in this opening month, 14mn in the last month, with others at between 10-13mn. But there will likely be people-management problems, exacerbated by

Shanghai's hot and humid summers.

The China pavilion, almost certain to be the most visited, can handle only around 50,000 daily. And so long waits of an hour or more are expected, and many visitors will be disappointed.

After China, we expect the interest will match people's travel- and general-interest. That means the US will be the next largest, followed by France, Germany, Italy, Japan. And probably Australia, which holds a lot of interest for China. Trials before opening resulted in long queues at the main pavilions. Tickets cost US\$23-30 (¥160-200).

Separately, Shanghai is also building a Disneyland 15km from the Expo. The expo required 55,000 people to be rehoused; Disney will require about 5000 to move.

China 2

Round-up

Some other China news from the IT&CM China MICE exhibition in Shanghai last month:

- **Beijing** wants to build a second airport on a site in Daxing, a district in the southern part of the city. If approved, it could open in 2015.

The current Beijing Capital airport handled 65mn passengers in 2009 on a theoretical design capacity of 78mn. At the 17% growth it counted in 2009, that level would be reached in just over one year.

- **Hainan** wants to be a major international leisure destination by 2020 - no definition of that target has been announced. The main current shortcomings are few international flights, and China's arbitrary visa policy - which

Table 2

Results at IT&CM China

Item	2010	Growth, %
Attendees	1900	-5.0
Exhibitors	230	13.9
Buyers	300	0.0
countries	39	21.9
Sellers	250	19.0

Notes: Some 2010 data are TBA estimates. Source: TTG Asia, Travel Business Analyst.

makes planning difficult.

However, there are already some major international hotel brands operating or building – including Crowne Plaza, Hilton, Holiday Inn, Inter-Continental, Mandarin Oriental, Marriott, Ritz-Carlton, Shangri-La. Many of these are up-market brands, and resorts, which should improve the image of Hainan, which so far has been a tawdry sex resort, similar to Pattaya in Thailand. Another, a 398-room Sofitel Haikou is due in early 2014, but in the capital, Haikou.

What could become a problem - for Hainan's 'international' aspiration, not success of the destination - is that sometimes parts of the island are already overwhelmed by domestic and low-cost international holiday-makers groups. For instance, domestic visitors over this Lunar New Year increased 30%.

More hotels are expected. The island currently has some 260 hotels, with 20 classified as 5-star. One official said 40 more 5-star hotels will be built over the next 10 years. Another project is to develop the existing cruise line port by 2014 to attract cruise companies to use Hainan as a home port.

• New hotels in **Shanghai**, many built for the expo, include:

- Refurbished Peace Hotel on Nanjing Road (under Fairmont management rather than the group's better-known-name in Asia, Raffles).

- Peninsula (on the site of the former UK Embassy on the Bund), and enabling the group to once more live up to its formal name - Hong Kong & Shanghai Hotels.

- The Ritz Carlton Pudong.
- The Gran (sic) Melia.

Meanwhile, a second terminal at Hongqiao airport has opened. Originally, this airport was expected to close when Pudong airport opened - but now it is being expanded. Also due is a second runway, of 3300m. When completed in 2015, it should have a passenger capacity of 40mn; it handled 25mn in 2009.

- **Club Med** plans to franchise its name to a ski village in China's northeastern province of Heilongjiang in Sun Mountain Yabuli Resort. The Club Med will be created out of two existing hotels (of 133 and 155 rooms).

Unusually, CM will be responsible only for sales and marketing; the resort will be managed by the owner, Canada-listed company Melco China Resorts. Melco owns other ski re-

sorts in China: Star Mountain, Beijing; Sky Mountain, Beidahu; Adventure Mountain, Changchun; Lotus Mountain Club.

China's Ski Association forecasts there will be 10mn domestic ski trips this year; growth is not known.

Briefs

- **Carlson and Rezidor** have agreed to sell **Regent Hotels to Taiwan's Formosa International**. See Trends, page 11, for details.

- At Taj's **Ginger** budget hotel division, 70% of its occupancy is corporate, and the group's average room rate is US\$33 (quoted in US\$). 10% of its customers are foreign visitors.

- **Vietnam**, following an 11% fall of visitors in 2009, targets an almost-corrective 11% growth this year, to 4.2mn. Following that, targets are 8mn in 2015, then 13mn in 2020.

- **Singapore update:**

-In 2008 the national-marketing-organisation expected 100k attendance for the first Formula 1 car race, with 40% visitors to Singapore. Because of the crisis, the 2009 target was lowered to 80k, still with 40% from overseas. It also added three 'F1 Rocks' concert-days.

Outcome is not known, but the F1 seems to helping to boost arrivals*. Arrivals increased 8% in Sep 09 (compared with flat in Aug, and +0.3% in Oct), and -4% in Sep 08 (-8% Aug, -8% Oct).

-Resorts World, on Sentosa island, opened this year, expects 8mn visitors by 2015 – including local.

-New cruise terminal, due 2011, will increase capacity from two to four cruise ships at a time.

-Other visitor categories: Singapore hopes to have 200,000sqm of MICE space by 2015; Connexion, a hospital centre due 2011, will include a hotel; there are about 90,000 foreign students.

-The visitor business represents a 5% share of Singapore's GDP. The government hopes to get it back to 6-7% by 2015.

(*This is contrary to our Big Event Blues, a semi-serious theory suggesting that momentous international events actually reduce visitor arrival totals. Although these events attract international visitors, many traditional travellers (such as business travellers and even holidaymakers) will stay away from that destination just before, during, and just after the event. They assume that there will be too much disruption to normal movement in the destination. In general, they are right - not only is movement cur-

tailed, but many prices are higher.)

- The new **Gran Melia** in Shanghai expects to operate at 80% occupancy during the Expo.

- Average room rate in 2009 at the **Concorde Inn** at Kuala Lumpur airport was US\$37.17 (at US\$1 to MR3.39). Occupancy was 71%, considered low because one race at the nearby Sepang race track (A1, not F1) was cancelled, as well as the economic crisis.

Another factor is because an F1 car race has been operating in Singapore starting September 2008, there was a loss of visitors travelling from Singapore to attend Malaysia's F1.

Occupancy in 2008 was over 80%. Target for this year is still not a full recovery – only 74% at US\$37.76. As well as regular airport-related traffic, the Concorde targets the corporate and incentive travellers, even if only for overnights.

- **Air Asia** has established its fourth geographical division, in Vietnam, following the original Malaysia, then Thailand and Indonesia. (It also has a medium-/long-haul division, Air Asia X.)

AA has bought 30% of Viet Jet, a private airline established in December 2007. VJ has about 7% share of Vietnam's domestic market - Vietnam Airlines has 70% and Jetstar Pacific (also a joint-venture, between Qantas-owned Jetstar Asia and Vietnam's Pacific Air) has 23%.

This is AA's second attempt to open in the country; in 2007 it tried to form a JV with local shipbuilding company, Vinashin. In fact, the link with VJ also looks uncertain; although no dates were given, the launch of the joint airline appears to have been delayed.

The new company's name - Air Asia Viet Jet - indicates poor marketing. It should have been closer to its other brands, so either Air Asia Vietnam, or Vietnam Air Asia.

In addition, Vietnam's domestic market is not only over-served but it is a weak market. AA seems unconcerned (or perhaps driven by competition with Jetstar). Indeed, it is trying to expand into a fifth market, and yet another weak economy – Philippines.

AA has been unable to establish operations in stronger economies or mature travel markets, such as China, Hong Kong, India, Japan, Korea, Taiwan.

Sep -3.5; Aug +2.8; Jul -9.5; Jun -18.9; May -12.7; Apr +4.1; Mar -8.0.

- Hong Kong visitor arrivals: Feb +32.5; Jan +5.9; Dec +10.0; Nov +7.6; Oct +9.0; Sep +2.5; Aug +5.8; Jul -12.2; Jun -15.0; May -13.4. NTO.

- India visitor arrivals: Feb +9.9; Jan +16.4; Dec +21.0; Nov -0.6; Oct -0.9; Sep -4.2; Aug -8.5; Jul 0.6; Jun +0.2; May -1.9; Apr -3.5; Mar -12.9; Feb -10.6. WTO.

- Indonesia visitor arrivals: Nov +1.4; Oct +3.4; Sep -1.4; Aug -5.5; Jul +4.6; Jun +8.0; May +2.5; Apr +6.1; Mar +1.8; Feb -9.4; Jan +8.0. WTO.

- Japan Airlines intl seat sales, total/transPacific/Southeast Asia: Feb -10.3 +1.2 -9.1; Jan -10.7 +2.9 -8.1; Dec -3.2 +0.2 +3.7; Nov -5.8 +2.9 -8.1; Oct -4.5 +0.6 -9.4; Sep +6.0 +8.1 +1.9; -4.3 -10.1 -5.3; Jul -9.7 -11.0 -12.3.

- Japan citizen departures: Feb -5.1; Jan +7.8; Dec +0.5; Nov +1.2; Oct +0.8; Sep +16.0; Aug +2.1; Jul -4.2; Jun -25.5. PATA.

- Japan travel agencies, top-62 (sic) outbound sales: Jan -8.3; Dec NA; Nov -18.6; Oct -18.7; Sep -7.3; Aug NA; Jul NA; Jun -43.9; May -33.8. TJI.

- Japan visitor arrivals: Feb +62.9; Jan +10.3; Dec +22.2; Nov +2.1; Oct -11.3; Sep -16.4; Aug -8.4; Jul -23.3; Jun -37.7; May -34.0; Apr -19.7. WTO.

- Jet Airways seat sales: Feb +24.2; Jan +27.1; Dec +44.8; Nov +28.8; Oct +26.2; Sep -5.5; Aug +1.0; Jul +0.4; Jun -11.1; May -18.9; Apr -22.9.

- Jetstar Intl seat sales: Jan +78.1; Dec +89.0; Nov +129.5; Oct -115.9; Sep -110.3; Aug +107.0; Jul +96.8; Jun +74.6; May +51.1; Apr +36.9.

- Korea resident departures: Dec +33.1; Nov +2.1; Oct -23.4; Sep -19.6; Aug -10.5; Jul -12.3; Jun -27.2; May 33.0; Apr -28.4; Mar -28.6. PATA.

- Korea visitor arrivals: Dec +4.0; Nov +11.0; Oct +13.4; Sep +15.5; Aug +19.8; Jul +7.2; Jun -1.7; May +0.8; Apr +20.8; Mar +22.2. WTO.

- Kuala Lumpur airport passengers: Dec +21.1; Nov +22.2; Oct +17.6; Sep +23.1; Aug +8.6; Jul +8.7.

- Lufthansa seat sales, AsPac: Mar +5.4; Feb -7.6; Jan +1.0; Dec +4.5; Nov -1.4; Oct -5.1; Sep -6.3; Aug -0.5; Jul -0.3; Jun -10.0; May -7.8; Apr -5.4.

- Macau visitor arrivals: Dec +6.7; Jun +2.7; Oct +5.2; Sep +3.8; Aug +6.4; Jul -14.9; Jun -15.9; May -20.4; Apr -3.5; Mar -11.8; Feb -17.3. NTO.

- Malaysia Airlines seat sales: Jan -20.8; Dec +16.6; Nov +9.9; Oct +12.3; Sep +17.1; Aug -2.8; Jul -2.6 Jun -4.7; May -14.9; Apr -15.0.

- Malaysia visitor arrivals: Jan +1.4; Dec +4.0; Nov +11.0; Oct +14.3; Sep +24.9; Aug +10.4; Jul +3.9; Jun +7.5; May -0.3; Apr +7.0; Mar +8.6. WTO.

- Maldives visitor arrivals: Feb +31.7; Jan +9.7; Dec +4.8; Nov +6.9; Oct +10.8; Sep -0.6; Aug +1.1; Jul -7.0; Jun -10.1; May -11.5; Apr -8.8. PATA.

- New Zealand visitor arrivals: Feb +4.4; Jan +5.2; Dec +5.9; Nov +0.3; Oct +7.7; Sep +9.3; Aug -0.9; Jul 0.3; Jun -5.1; May +1.0; Apr +9.2. WTO.

- Qantas intl seat sales: Jan -16.4; Dec -17.7; Nov -22.6; Oct -20.9; Sep -20.8; Aug -25.9; Jul -24.2; Jun -19.2; May -13.5; Apr -10.1; Mar -15.8.

- Singapore Airlines seat sales: Mar +9.4; Feb +7.1; Jan -3.3; Dec -4.7; Nov -7.3; Oct -9.6; Sep -10.0; Aug -16.0; Jul -14.3; Jun -19.2.

- Singapore airport passengers: Jan +10.1; Dec +9.7; Nov +9.2; Oct +6.0; Sep +6.0; Aug +0.5; Jul -1.1; Jun -5.0; May -11.1; Apr -4.4; Mar -11.1; Feb -13.0.

- Singapore visitor arrivals: Feb +24.2; Jan +17.7; Dec +9.4; Nov +8.4; Oct -0.5; Sep +7.1; Aug -0.7; Jul -3.9; Jun -8.9; May -13.0; Apr -6.1. NTO.

- Tahiti visitor arrivals: Jan -9.9; Dec -7.0; Nov +8.2; Oct -11.9; Sep -17.2; Aug -15.0; Jul -11.8; Jun -16.5; May -25.5; Apr -29.6; Mar -26.2. WTO.

- Taiwan resident departures: Feb +35.4; Jan +8.5; Dec +19.1; Nov +13.2; Oct +1.4; Sep -4.9; Aug +7.4; Jul -5.3; Jun -18.6; May -13.3; Apr -9.7. NTO.

- Thai Airways seat sales: Feb +13.3; Jan +16.2; Dec +56.7; Nov +27.2; Oct +10.0; Sep +14.8; Aug +0.7.

- Thailand visitor arrivals: Dec +40.8; Nov +26.3; Oct +10.5; Sep +16.9; Aug -5.4; Jul -14.2; Jun -17.3; May -21.2; Apr -11.2; Mar -12.1; Feb -23.2. WTO.

- Tokyo Narita intl airport passengers: Feb +7.1; Jan +3.9; Dec +7.0; Nov +3.7; Oct +0.6; Sep +5.3; Aug +1.3; Jul -3.5; Jun -15.7; May -13.8; Apr -4.4.

- United Airlines RPKs, Pacific: Mar +6.3; Feb +8.0; Jan

-0.9; Dec +0.1; Nov +0.5; Oct -1.4; Sep +5.5; Aug -4.9.

- US air international passengers: Dec +0.8; Nov -0.9; Oct +4.9; Sep +0.2; Aug -2.1; Jul -1.9; Jun -8.7. gov.

- US hotel rooms planned: Mar -35.7; Feb -35.9; Jan -35.9; Dec -34.6. Smith.

- US hotels occupancy: Feb +2.0; Jan -0.4; Dec -1.9; Nov -4.3; Oct -3.5; Sep -6.3; Aug -9.9; Jul -7.3. Smith.

- US resident departures: Dec +1.1; Nov -0.4; Oct +1.3; Sep +2.3; Aug +1.1; Jul +1.2. PATA.

- US travel agency sales: Mar +29.2; Feb +16.8; Jan +10.7; Dec +8.6; Nov +6.9; Oct -3.5. ARC.

- US visitor arrivals: Dec +5.1; Nov +1.5; Oct +0.6; Sep -1.2; Aug -3.7; Jul -6.1; Jun -10.6; May -11.8; Apr +2.9. WTO.

- Vietnam visitor arrivals: Feb +30.2; Jan +24.7; Dec +5.1; Nov +38.6; Oct -24.6; Sep -6.6. WTO.

Market Headlines

Full-year market results.

Aviation

- Air Asia; seats sold 2009; 22.7m +24%.

Inbound

- Tahiti; visitors 2009; 160k -18%.

- US; visitors 2009; 55m -5%.

- Travellers, various; 2009; see P9 T11. PATA.

Others

- Choice Hotels; frequent-guest members 2009; 9m +25%.

- TBA All-Travel Index; Dec 09; 111.

Main News

Corporate

Recent corporate developments - big or significant.

- Regent Hotels due to be sold by Carlson to Taiwan's Formosa International. Founded in 1970, Regent has regressed under its three owners (others were EIE and Four Seasons) since being sold by its founders.

- Shanghai Expo due to open this month. Despite the hype, expos usually attract few international visitors. Will this one be different, because it is China?

Market

Recent market developments - big or significant.

- Singapore Airlines back to growth - its preferred 7%.

- World hotel occupancy recovers in Jan, but rate still under; see P10 T18.

- Our travel index shows industry in Dec 09 was 11% above previous year.

CURRENT ISSUES

Main contents in current issues of other Travel Business Analyst newsletters and reports:

Travel Business Analyst, Europe:

- US-Europe air traffic.
- Carlson gives Regent away.
- Meetings.
- Plus: Market Monitor; World Travel Industry Index; ZERO; Extracts from Net Value or People-in-Travel; Market Headlines; and 15 regular tables of market data.

Net Value:

- Less travel advice; Go no FURTHER; Lost searching; others.

Excerpts from the single-page Net Value report are included in the Asia Pacific and Europe editions of Travel Business Analyst.

Net Value is delivered only via email.

People-in-Travel:

- Hotelplan shoots the messenger; David Roche; New King for Regent; others.
- Excerpts from the single-page People-in-Travel report are included in the Asia Pacific and Europe editions of Travel Business Analyst.

HEADLINES

Commentary on tables pages 6-10

Aviation. T1. City-pair results. First 2010 data for Tokyo; still down. **T2.** Country-pair results. First 2010 data for France (except total), and Germany (up 4%). **T3.** Airlines traffic. Q1 for Cathay (seat sales up 6%), China Southern (+15%! international +30%!), Singapore (+4%). First 2010 results for regular airlines whose data supplied us by AANA. **T4.** New annual financial results for China Southern; revenue-per-seat-sold down from \$139. **T5.** Airline results by region. First 2010 data for airline associations in Asia Pacific (AANA) and the US (BTS). **T6.** Airport passenger traffic. Q1 for Hong Kong (up 7%). First 2010 data for Tokyo Narita.

Inbound. T8. Visitor arrivals. First 2010 data for Cambodia, China (foreigners up 31%), Guam, Hong Kong (+12%), Japan, Malaysia, Maldives, Myanmar, Nepal, New Zealand, Singapore (+21%), Sri Lanka, Taiwan, Vietnam, courtesy PATA. **T9.** Running 12-month totals. We change our measures for Hong Kong to exclude arrivals from China and Macau, to make them more comparable with those from Singapore (which does not count arrivals from Thailand. Still out of kilter is Thailand, which does not separate the large land arrivals from Malaysia. China's data is the closest comparable (arrivals by foreigners).

Outbound. T10. Running 12-month totals for China now larger than next three combined - Japan, Korea, Taiwan. **T11.** Outbound travel. First 2010 data for China (our estimates; up 6%), Japan (+1%), New Zealand, Taiwan, courtesy PATA.

Hotels. T18. Results start to show the climb back. Asia Pacific occupancy was up 7 points YTD to 68%, although average rate was still down slightly, US\$1 to US\$137.

Others. T12. Stock indices and prices; Index for Asia Pacific stocks still under 100. **T14.** Top-62 (yes) travel agency groups in Japan. First 2010 data shows continued decline. Even if 'only' 8%, how much longer can the decline go on? **T15.** Internet bookings; Priceline results.

People-in-Travel is delivered only via email.

Foxtrots (recent):

- Ho Kwon Ping's travel race; Differences - ITB Asia and Singapore; Tourism in Thailand - shirtless.

ZERO (recent):

- Meetings - Adelaide, Bangkok, Berlin, Copenhagen.

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See back page for more offers.

MARKET DATA

For a copy of a document showing how to get the best out of these tables, subscribers should circle this paragraph and mail to us, and separately send a cheque for "International Committee of the Red Cross" for a token amount in any currency to ICRC, 19 Ave de la Paix, CH-1202 Geneva, Switzerland.

Special

Hotels in Hong Kong and Macau

Three years ago we noted that in some months, Macau was getting the same number of arrivals from China as its big-neighbour Hong Kong, or more. We also noted that HK had always regarded Macau as a small country-cousin, ie, backward. Our sentiments might have been correct, but the numbers were not. Macau later adjusted its figures by substantial amounts, putting its arrivals China at about two-thirds those of HK, and demolishing our presumptuous analysis. But now it is the turn of the hotels. In some measures, hotels in Macau are performing above those in the big-sophisticated international town of Hong Kong. These results would seem to validate Macau's bold plan to become the Las Vegas of the east. (The pre-2008 Las Vegas, that is; business in the entertainment capital of the world has been bad over the past two years.)

In fact, Macau's hotels overtook HK in some measures in 2009, but with so much turbulence in 2009 that could have been a statistical blip.

There is a risk with comparing data in this way, not least because gambling hotels may have marketing practices that distort comparisons with other hotels. Nevertheless, our measures indicate occupancy in Macau over the first two months was 10 points higher than in Hong Kong. Average rates rounded up to the same, but thanks to that occupancy superiority, Macau was ahead in yield. The riposte is that Macau's results are boosted by hotels in a category we have created - 'casino hotels'.

A study on comparison between these two should be more comprehensive. But our report indicates at least a significant move in the push for Macau to attain international status. However, we must comment on a third element - aviation. Macau is poorly served - no intercontinental flights, for instance. The shutdown of Viva Macau is not significant - it was a tiny player with a bad business plan - but it does highlight Macau's problem. Unless, that is, Macau is happy to be China's leisure capital rather than Asia's leisure capital.

Hotel measures in Hong Kong and Macau, Jan-Feb

Location	Occupancy,%		Average room rate,US\$*		Revpar,US\$*	
	2010	2009	2010	2009	2010	2009
Hong Kong-all	73	72	180	168	132	122
U-4	74	72	168	174	125	125
5-star	62	60	263	324	162	193
Macau-all	84	73	180	185	152	134
U-4	80	73	121	104	97	76
casino hotels	85	73	198	205	169	149

Notes/Source: See P10, T18.

1 Air passenger* traffic to and from major Asia Pacific centres, x1000

From:	Kuala Lumpur				Sydney				Tokyo*					
	Dec 09	+/-,%	YTD 09	+/-,%	To: Jan 10	+/-,%	J-D 09	+/-,%	To: Dec 09	+/-,%	YTD 09	+/-,%		
Bangkok	138	99	1259	-1	Auckland	146	12.9	1300	6.5	China	1729	-14.0	3672	-15.6
Chennai	39	5	359	-14	Bangkok	59	7.3	592	-7.2	Hong Kong	647	3.0	1361	2.6
Hong Kong	108	-1	955	2	Beijing	15	-10.4	123	-19.2	Korea	1086	-1.5	2260	-2.8
Jakarta	116	10	1214	8	Denpasar	24	26.8	216	-4.3	Taiwan	742	-6.4	1550	-8.0
London	54	74	525	31	Hong Kong	92	-2.6	917	0.2	Asia-other	1925	-2.7	4084	-3.4
Los Angeles	4	-26	40	-52	Kuala Lumpur	26	11.6	250	-19.8	Guam	660	7.1	1396	7.2
Shanghai	32	14	268	-7	London	40	-14.1	506	-6.4	Pacific	2404	-2.0	5106	-1.4
Singapore	257	19	2485	30	Los Angeles	82	71.6	720	34.5	Oceania	422	-0.7	893	-1.2
Sydney	24	11	260	-20	Singapore	104	2.5	1032	-4.9	Europe	1259	0.7	2609	0.3
Tokyo	34	13	312	-10	Tokyo	31	-4.1	299	-28.5					
TOTAL	2075	21	19387	9	TOTAL	1106	11.1	10514	0.0	TOTAL	11117	-2.0	23444	-2.6

Notes: See Master Notes, this page. Routes are selected; may not be largest. *Flights from Tokyo Narita (and actual numbers, not 1000s); double for approximate city-pair total. Source: Malaysia Airports Holdings, Civil Aviation Authority of Singapore, Department of Transport and Communications (Australia), Travel Journal International.

2 Air passengers to and from Asia Pacific, x1000

From	Australia			France*			Germany			UK			US		
	Jan 10	J-D	+/-,†	Feb 10	YTD	+/-,†	Jan 10	J-D	+/-,†	Feb 10	YTD	+/-,†	Dec 09	YTD	+/-,†
To	+/-,†,%	09	%	+/-,†,%	10	%	+/-,†,%	09	%	+/-,†,%	10	%	+/-,†,%	09	%
Australia	na	na	na	na	na	na	2.3	113	-10.0	5.7	175	2.0	39.0	1750	29.5
China	1.3	668	2.5	4.7	150	5.5	8.4	1530	-1.7	6.2	76	-5.1	6.7	2036	-2.9
Hong Kong	-3.8	2025	2.9	-10.9	89	-10.0	-8.2	646	-8.3	2.7	234	-5.3	1.1	2074	-5.8
India	-72.1	27	-53.8	-19.6	90	-17.0	17.0	1363	1.8	-9.9	440	-10.1	-5.7	879	-7.4
Indonesia	49.7	1227	49.5	na	na	na	na	45	45.0	na	na	na	NA	NA	NA
Japan	-5.5	937	-25.2	-16.2	150	-14.7	8.1	966	-4.8	-6.2	101	-8.0	4.0	9952	-8.0
Korea	5.0	465	-3.9	5.5	70	7.3	8.4	587	-5.0	20.0	47	13.6	23.5	3300	4.4
Malaysia	38.8	1391	21.5	17.9	19	18.7	43.6	118	-10.2	98.3	92	84.9	-73.3	35	-58.6
New Zealand	4.7	5292	3.2	na	na	na	na	na	na	-3.8	63	-6.6	4.4	690	-6.6
Philippines	-1.2	212	11.1	na	na	na	na	na	na	na	na	na	-9.8	791	-8.5
Singapore	-1.7	3921	-4.2	14.0	73	10.6	-1.1	736	-1.7	-10.5	185	-9.6	5.2	259	-26.0
Taiwan	7.7	264	16.7	25.5	12	66.5	-45.1	127	-7.8	4.5	18	-2.9	15.3	1781	-17.5
Thailand	20.7	1310	-4.0	13.2	90	14.3	11.8	1099	-6.4	15.7	120	15.3	85.6	87	-37.9
TOTAL	10.8	24344	4.1	-2.1	85534	-4.5	3.5	134422	-4.6	0.3	21845	-2.2	0.8	126866	-3.3

Notes: *Paris airports only; total is Jan-Dec 09. †Over same period, year earlier. Source: Department of Transport and Communications (Australia), Aeroports de Paris (France), Statistisches Bundesamt (Germany), Civil Aviation Authority (UK), US Department of Commerce (US). Contacts: Germany - fax (49-0611)-724000, luftverkehr@destatis.de, www.statistik-bund.de; US (for International Trade Administration, Tourism Industries), www.tinet.it.doc.gov

Master Notes: Exchange rates (start of previous month) - US\$1 to A\$1.09, Y6.83, HK\$7.77, IRp44.9, ¥94.0, W1126, MR3.26, NZ\$1.41, S\$1.40, NT\$31.8, Bt32.4.

AL = Airlines, ASK = available seat kilometre, AW = Airways, BI = Royal Brunei AL, BR = Eva AW, CI = China AL, CN = China, CX = Cathay Pacific AW, E = TBA estimate, GA = Garuda, HK = Hong Kong, ID = Indonesia, IN = India, J-D = Jan-Dec, JL = Japan AL, JP = Japan, KE = Korean Air, KR = Korea, LF = load factor, MH = Malaysia AL, MI = Silk Air, MY = Malaysia, NA = not available, na = not applicable/nil, NH = All Nippon AW, NZ = New Zealand, OZ = Asiana, P = provisional, Pax = passenger, PH = Philippines, PR = Philippine AL, RPK = revenue passenger kilometre, Q = quarter (of year), QF = Qantas AW, SF = seat factor, SG = Singapore, SQ = Singapore AL, SS = seats sold, TG = Thai AW, TH = Thailand, TW = Taiwan, VN = Vietnam AL, YTD = year-to-date.

MARKET DATA

3 Traffic on selected Asia Pacific airlines, 2009/10

Regular airlines -Systemwide	Mth	Mth		YTD		ASK mn	+/- %	RPK mn	+/- %
		SS +/-,%	RPK +/-,%	SS 1000	+/- %				
Air New Zealand	Dec	-9.5	-10.7	4288	-10.7	27735	-12.9	21829	-11.3
All Nippon AW	Jan	13.6	16.3	3976	-3.7	25757	-7.5	18748	-4.1
Asiana	Jan	22.4	19.7	8124	0.0	32261	1.9	22849	0.6
Cathay Pacific AW*	Mar	6.0	6.6	6384	6.4	27727	-1.6	23444	6.0
China AL	Jan	11.0	5.5	9713	3.3	40629	-1.2	30785	-2.5
China Southern AL	Mar	21.3	25.8	17735	15.3	33588	16.2	26230	19.3
Eva Air	Jan	16.2	11.0	6021	4.0	29340	1.6	22711	-1.1
Garuda	Jan	0.1	4.7	2282	-4.4	12177	3.2	8465	-3.3
Japan AL	Feb	-4.2	-5.8	6146	-6.9	16214	-15.2	10918	-7.1
Jet AW	Feb	24.2	20.4	2154	25.7	5060	8.7	4049	19.7
Korean Air	Jan	13.7	12.3	12803	1.7	73995	3.3	51939	1.3
Malaysia AL	Jan	-20.8	13.9	11786	-6.7	47538	-10.1	32531	-9.3
Philippine AL	Jan	-1.5	-0.8	3379	-6.4	18756	-3.0	13854	-7.1
Qantas AW*	Jan	5.7	-0.2	39837	3.5	123218	-3.2	99781	-1.3
Royal Brunei AL	Jan	-21.4	-28.6	1056	-11.5	4889	-10.1	3372	-10.5
Silk Air	Jan	19.6	13.9	2211	14.3	4408	-0.9	3295	2.1
Singapore AL	Mar	9.4	13.6	4066	4.0	26105	-4.8	20802	6.8
Thai AW	Feb	13.3	18.8	3502	14.8	12550	11.3	10308	20.1
Vietnam AL	Jan	10.4	15.5	3130	-9.9	13753	-8.1	9664	-7.2

-International

China Southern AL	Mar	33.6	46.7	1169	29.5	4833	25.9	3558	42.1
Japan AL	Feb	-10.3	-8.3	1629	-10.5	9868	-21.2	7230	-8.4
Jet AW	Feb	30.5	20.5	677	30.0	3357	7.7	2785	18.2
Jetstar	Jan	78.1	27.8	3144	77.6	11936	15.3	9013	18.4
Malaysia AL	Dec	18.6	14.1	7019	-7.6	42534	-11.7	29031	-11.1
Qantas AW*	Jan	-16.4	-9.0	6393	-18.2	62419	-11.4	51809	-9.3
Thai AW	Feb	18.2	19.8	2298	-12.3	11717	-8.4	9598	-13.2
Virgin Blue	Jan	36.7	177.7	2549	43.9	10040	180.4	7234	174.2

Low-fare-airlines

-Systemwide	Period	SS,x 1000	Growth, %	Period	SS,x 1000	Growth, %	Period	SS,x 1000	Growth, %
Air Asia-ID	Jan-Dec	3462	40	Oct-Dec	940	49	Jul-Sep	996	50
Air Asia-MY	Jan-Dec	14253	20.7	Oct-Dec	3995	19.5	Jul-Sep	3591	14.1
Air Asia-TH	Jan-Dec	4988	23	Oct-Dec	1433	68	Jul-Sep	1254	6
Air Asia-all	Jan-Dec	22703	23.7	Oct-Dec	6368	32.0	Jul-Sep	5841	23.8
Jetstar Asia†	Jul-Dec	1046	NA	Jan	193	-25.8	Dec	260	37.6

Notes: See Master Notes, page 6. pts = points. Air Asia issues varying data; shown are our estimates. 'Periods' are standard (ie Q1 is Jan-Mar), not airline's; when Jan is month, 'YTD' is actually J-D 2009. *Includes in previous periods, Dragonair with Cathay. †Growth is compared with previous period. Virgin is booked loads, including free passengers; Jetstar paid travelled passengers only (add 4-5 points for others); Air Asia does not specify. Source: companies, Association of Asia Pacific Airlines.

4 Airline financial results, US\$*

Item	CX Y-Dec 09	CZ Y-Dec 09	JL Y-Mar 09	KE Y-Dec 09	QF Y-Jun 09	SQ Y-Mar 09
Revenue,mn	8587	8024	19511	8313	12332	10956
Op Profit,mn	574	-80	-508	1251	172	619
Revenue per						
ASK,USc*	7.72	6.5	15.2	11.2	9.90	9.3
RPK,USc*	9.60	8.6	23.4	16.0	12.4	12.2
Pax,US\$*	350	121	369	649	321	599
Profit per						
ASK,USc*	0.52	-0.07	-0.39	1.69	0.14	0.53
RPK,USc*	0.64	-0.09	-0.61	2.41	0.17	0.69
Pax,US\$*	23.4	-1.21	-9.6	97.7	4.48	33.8

Notes: See Master Notes, page 6. Although these figures show indicative comparisons between airlines, they do not provide precise comparisons because of different definitions. Op = Operating, USc = US cents, Y = year. *See Master Notes for approximate conversion rate. Source: companies.

5 Operating results of airline groups in Asia Pacific, US, and Europe

Item	Asia Pacific,AAPA				US,BTS		Europe,AEA	
	Jan 10	+/- %	J-D 09	+/- %	Jan- Jan 10	+/- %	Jan- Dec 09	+/- %
SS,mn	15.1	9.2	163.5	-2.9	7.3	1.3	235.8	-5.1
ASKs,bn	74.8	-0.8	855.4	-4.8	40.0	-3.1	902.4	-4.0
RPKs,bn	59.3	7.8	637.1	-4.7	30.6	1.5	695.2	-4.4
Pax LF,%	79.3	6.3	74.5	0.1	76.5	3.5	77.0	-0.3

Notes: See Master Notes, page 6. *Points. Source: Association of European Airlines, Bureau of Transportation Statistics, Association Of Asia Pacific Airlines.

6 Asia Pacific international airport passengers, 2009

City	Month*	Number	Growth %	Jan thru month shown	Growth %
Auckland	Dec	702,118	0.3	6,603,770	0.4
Bali	Dec	263,037	-15.9	4,199,423	2.4
Bangkok	Dec†	1,756,346	-41.1	30,108,861	-5.0
	Dec	2,948,193	67.9	28,836,442	-4.2
Beijing	Dec†	814,593	-3.2	12,500,599	6.9
	Dec	954,017	17.1	11,758,934	-5.9
Brisbane	Jan‡	374,421	-0.9	4,096,262	1.5
Chennai	Dec	360,902	10.3	3,716,056	1.3
Colombo	Dec	434,443	9.7	4,242,362	-8.6
Delhi	Dec	746,014	9.2	7,899,801	5.0
Guangzhou	Dec	385,726	30.3	4,063,118	4.5
Hong Kong	Dec	4,178,000	3.4	46,133,000	-5.1
	Mar‡	4,159,000	6.4	12,024,000	6.7
Jakarta	Dec	801,764	32.4	7,512,465	6.7
Kuala Lumpur	Dec	2,074,897	21.1	19,401,672	8.6
Macau	Dec	388,573	9.7	4,249,745	-16.6
Male	Dec	174,803	4.7	1,676,245	-0.8
Manila	Dec	1,018,056	5.4	11,203,029	-0.6
Melbourne	Jan‡	527,727	13.6	5,114,036	8.1
Mumbai	Dec†	680,506	-6.0	7,841,037	4.6
	Dec	783,568	15.1	7,628,771	-2.7
Noumea	Dec	45,014	2.7	463,097	1.4
Osaka KIX	Feb‡	826,794	9.7	1,636,746	6.8
Papeete	Dec	42,711	-11.6	526,193	-16.1
Perth	Jan‡	295,671	13.3	2,769,450	9.3
Phnom Penh	Dec	139,785	13.9	1,411,756	-1.8
Phuket	Dec	308,340	12.5	2,274,179	-5.2
Seoul	Dec	2,747,401	16.1	30,576,304	-3.0
Shanghai	Dec†	818,686	-41.1	11,979,179	-31.6
	Dec	958,746	17.1	11,600,405	-3.2
Singapore	Dec	3,832,328	9.7	37,203,978	-1.0
	Jan‡	3,384,473	10	37,203,978	-1.0
Sydney	Dec†	961,587	-2.1	10,509,893	1.3
	Jan‡	1,105,633	11.0	10,621,486	0.6
Taipei	Dec	1,795,616	23.5	19,563,298	-1.0
Tokyo Narita	Dec-E	2,583,514	3.6	30,893,031	-4.6
	Feb‡	2,490,827	7.1	5,109,698	5.4
ASIA PACIFIC-A	Dec	85,252,897	-4.8	1,002,698,816	0.4
	Dec	96,227,773	13.2	1,065,908,197	4.2
Intl	Dec†	31,853,560	-10.0	384,023,938	-0.7
	Dec	36,622,507	14.6	379,985,404	-1.5

Notes: See Master Notes, page 6. *2009 unless stated otherwise; when Jan is month, 'YTD' is actually J-D 2009. †2008. ‡2010. A = Domestic and international; data as supplied. Source: civil aviation departments, airports, Airports Council International.

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7 Comparison* of visitor arrival measurements

Destination	Ratio*	Destination	Ratio*
Australia	61	Malaysia†	22
China	204	New Zealand	26
Hong Kong	100	Philippines	33
India	49	Singapore	78
Indonesia	36	Taiwan	39
Japan	91	Thailand	130
Korea	59	Vietnam	40

Notes: *Air arrivals in latest 12-month period in comparison with Hong Kong (100); no account taken of length of stay or spending. †Excludes Sabah and Sarawak. Source: Travel Business Analyst.

8 Visitor arrivals in Asia Pacific destinations

International arrivals

Destination	Months*	Arrivals	Growth	Stay	PVPD
	Jan thru:		%	days‡	US\$-A
Australia	Dec†	5,586,092	-1.0	30.0	150.60
	Dec	5,584,342	0.0	30.0	150.60
Bhutan	Dec	23,485	-15.1	8.0	200.00
Cambodia	Jan‡	216,540	4.6	6.5	95.00
China	Jan‡	10,697,100	3.5	7.0	100E
foreigners	Dec	21,937,400	-9.8	7.0	100E
	Jan‡	1,894,100	30.9	7.0	100E
Cook Islands	Dec	100,444	6.6	10.5	115.84
Fiji	Oct	442,625	-9.6	8.7	124.58
Guam	Jan‡	103,162	4.9	3.1	302.93
Hawaii	Dec†	6,699,424	-9.1	9.18	179.88
	Dec	6,419,138	-4.2	9.19	179.88
Hong Kong	Dec	10,962,534	-8.2	3.28	200.10
	Feb‡	1,796,545	11.5	3.28	200.10
India	Dec†	5,282,603	4.0	16.0	92.68
	Dec	5,108,579	-3.3	16.0	92.68
Indonesia	Dec	6,459,000	0.4	9.09	107.70
Japan	Dec	6,789,952	-18.7	7.2	160.42
	Feb‡	1,306,100	32.0	6.5	160.42
Korea	Dec†	6,890,841	6.9	6.9	163
	Dec	7,817,533	13.4	6.9	163
Lao	Dec	1,986,833	-8.6	4.5	23.03
Macau	Dec	21,752,751	-5.1	1.36	181.80
Malaysia	Dec	23,646,191	7.2	6.2	105.67
	Jan‡	1,896,918	1.4	6.2	105.67
Maldives	Feb‡	144,541	20.4	8.5	56.00
Marianas	Dec	353,890	-10.9	3.52	100.00E
Myanmar	Feb‡	59,352	41.2	7.0	70.00
Nepal	Mar‡	103,994	29.8	9.1	14.09
New Caledonia	Dec	99,379	-4.1	19.1	87.09
New Zealand	Feb‡	524,507	4.8	20.22	115.33
Pakistan	Dec†	822,828	-2.0	25.0	13.20
Palau	Nov	71,887	-10.5	E4	NA
PNG	Nov	107,212	3.5	17.3	28.24
Philippines	Dec	3,139,422	1.5	11.94	82.96
Singapore	Dec	9,703,174	-3.7	4.6	161.07
	Feb‡	1,765,564	20.8	4.6	161.07
Sri Lanka	Feb‡	108,057	48.8	10.0	79.10
Tahiti	Dec	160,447	-18.3	13.21	150.88
Taiwan	Feb‡	733,124	26.4	6.52	180.52
Thailand	Dec†	14,316,815	-1.0	9.19	119.38
	Dec	14,090,000	-3.4	9.19	119.38

International arrivals

Destination	Months*	Arrivals	Growth	Stay	PVPD
	Jan thru:		%	days‡	US\$-A
Tonga	Sep	37,209	7.5	5.0	56.87
Vanuatu	Sep	172,507	29.6	9.7	146.17
Vietnam	Dec	3,742,131	-10.5	9.6	64.04
	Feb‡	877,715	27.4	9.6	64.04
Asia Pacific	latest-E	18,182,573	5.5	NA	NA

International arrivals

City/region	Period	Number	Growth,%	Source	Comment
Bali	Jan-Nov 09	2,047,389	13.6	PATA	direct arrivals
Sabah	Jan-Nov 09	518,341	-19.0	PATA	direct arrivals
Sarawak	Jan-May 09	863,064	-2.6	PATA	direct arrivals

Domestic arrivals

Destination	Period	Number,m	Growth,%	Source	Comment
Australia	2007	73.8	0.3	PATA	spend A\$55b
China	2007	1600.0	14.8	PATA	spend Y623b '06
India	2006	461.2	18.1	PATA	(none)
Indonesia	2007	219.8	1.5	PATA	spend \$87b
New Zealand	2006	44.9	1.9	PATA	spend NZ\$7b
Taiwan	2006	107.5	16.1	PATA	spend \$6b
Thailand	2007	83.2	2.1	PATA	spend B380b

Notes: See Master Notes, page 6. *2009 unless stated otherwise. †2008. ‡2010. E = Indicative selected totals only; approx Jan-Jan data; % growth has more validity than total; criteria varies. Source: national tourist offices, PATA.

Notes: See Master Notes, page 6. Latest figures; may not tally with period. PVPD-per visitor per day. *Figure for period as shown. †In nights for Australia, Bangladesh, Guam, Hong Kong, Korea, Macau, Maldives, Philippines, Sri Lanka, Switzerland, Taiwan and UK. A = Converted at current rates. Source: national tourist offices, PATA, WTO.

9 Running 12-month total visitor arrivals, x1000

12 mths through	CN	+/- %	HK	+/- %	SG	+/- %	TH	+/- %
Dec 90	1,747	19.6	5,933	10.7	5,313	10.0	5,299	10.2
Dec 00	10,160	20.5	13,059	16.5	7,686	10.5	9,579	10.7
Dec 05	20,255	19.6	23,359	7.1	8,933	7.3	11,567	-1.4
Jan 10	22,385	-5.4	29,755	-0.1	9,840	-1.2	14,113†	-0.2†

Notes: See Master Notes, page 6. †Estimate by Travel Business Analyst. Source: NTOs, Travel Business Analyst.

10 Running 12-month total citizen departures, x1000

12 mths through	CN†	+/- %	JP	+/- %	KR	+/- %	TW	+/- %
Dec 90	620	24.0	10,997	13.8	1,561	28.7	2,942	39.6
Dec 00	10,473	13.4	17,812	8.9	5,508	27.0	7,329	11.7
Dec 05	31,067	9.0	17,401	3.5	10,078	14.2	8,208	5.5
Jan 10	38,903	0.5	15,537	-1.7	9,657	-15.9	8,200†	-3.3†

Notes: See Master Notes, page 6. †Estimates by Travel Business Analyst for 2009 data. Source: NTOs, Travel Business Analyst.

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11 Overseas travel by Asia Pacific residents

Market	Jan* thru:	Departures	Growth,%	Source	Spend,US\$mnn*
Australia	Dec†	5,808,000	6.3	PATA	14,200
	Dec	6,284,900	8.2	PATA	18,400
China	Dec	45,430,609	1.1	TBA-E	29,800
	Jan‡	3,288,069	5.8	TBA-E	36,200
Hong Kong	Dec†	81,910,703	1.5	PATA	15,100
	Jun	40,288,403	-0.3	PATA	16,100
India	Dec 07	9,783,232	17.3	PATA	9,600
Indonesia	Dec 07	4,594,582	-8.8	PATA	5,400
Japan-B	Dec	15,448,294	-3.4	NTO	26,500
	Feb‡	2,554,000	0.9	NTO	27,900
Korea-B	Dec†	11,996,093	-10.0	NTO	20,900
	Dec	9,494,111	-20.9	NTO	19,100
Macau	Jun	288,265	-0.4	PATA	71
Malaysia	Dec 03	32,200,550	7.8	PATA	6,700
New Zealand	Feb‡	210,796	4.5	PATA	3,000
Philippines	Dec 06	2,745,191	29.1	PATA	632
Singapore-D	Jun	3,183,891	-4.9	PATA	14,200
Taiwan-B	Dec	8,142,946	-3.8	NTO	9,100
	Feb‡	1,569,555	21.3	NTO	9,100
Thailand	Jun†	2,176,465	10.1	PATA	5,000
Asia Pacific	latest-E	120,349,845	-2.5	various	NA

Notes: See Master Notes, page 6. *2009 unless stated otherwise. †2008. ‡2010. A = Excludes travel to China and Macau. B = Citizens. D = Excludes departures by land. E = Indicative selected totals only; approx Jan-Nov/Dec data; % growth has more validity than total; criteria varies. Source: NTO-national tourist office, Ot-Other, PATA-Pacific Asia Travel Association.

Notes: *Quoted in US dollars for latest whole year; may not match period in other columns. Source: World Tourism Organization.

12 Stock market last-day airline and hotel closing prices

Airline/ Hotel	Price, local currency			Indices‡		
	Feb 10	Growth†,%	stock market	TBA 100 index* AL/HO All	Region	March 2010
Air China	8.05	18.9	5.6	268	265	Asia Pacific 92
Air NZ	1.31	1.6	4.0	1	1	
All Nppn AW	269	0.0	11.7	69	68	
Cathay P AW	16.5	16.6	5.6	114	113	
China AL	11.8	13.7	7.9	60	60	Europe 60
Japan AL	NA	NA	11.7	NA	NA	
Malysn AL	2.18	4.8	4.6	61	60	
Qantas AW	2.84	8.0	6.8	80	79	
Singpre AL	15.5	4.2	7.1	90	89	World 75
Thai AW	27.3	19.5	11.7	85	84	
Mndrn-Orntl	1.40	-1.4	7.1	na	na	
Shangri-La	15.5	20.6	5.6	183	181	

Notes: See Master Notes, page 6. *100 base on Dec 00 prices except Dec 04 for CA. †Latest month over month earlier. ‡Base is last trading day in December 2006; 'World' comprises Asia Pacific (10 stocks), Europe(12), US (8). Source: various.

13 IATA travel agencies in Asia Pacific, 2008

Country	Locations	Growth %	Net sales US\$mnn*	Growth %	Per agency US\$mnn*	Growth %
Australia†	1,852	-0.2	10,073	6.0	5.44	6.3
China	4,335	2.4	17,459	14.7	4.03	12.0
Hong Kong	237	-5.6	3,013	4.4	12.71	10.5
India	2,605	0.0	6,908	9.1	2.65	9.1
Indonesia	474	0.0	1,483	14.5	3.13	14.5
Japan	942	-0.2	17,753	10.8	18.85	11.0
Korea	835	-8.0	5,458	-9.1	6.54	-1.2
Malaysia	641	-3.0	1,727	1.4	2.69	4.6
New Zealand†	549	-1.8	1,735	-2.9	3.16	-1.2
Philippines	248	0.0	1,074	11.0	4.33	11.0
Singapore	197	-12.1	3,004	14.4	15.25	30.1
Taiwan	380	-7.5	2,242	10.1	5.90	19.0
Thailand†	409	0.2	1,517	2.1	3.71	1.8
Asia Pacific	13,704	-0.6	73,446	8.2	5.36	32.8
US‡	17,673	-3.2	79,566	-0.4	4.50	20.2
Europe	28,934	-8.7	96,316	10.6	3.33	43.5
World	60,311	-5.4	249,328	6.2	4.13	32.4

Notes: IATA = International Air Transport Association. *Quoted in US\$. †Includes, in order as shown: Kiribati, Fiji, Cambodia. Source: IATA Billing & Settlement Plan, ‡Airlines Reporting Corporation.

14 International outbound sales of leading outbound travel agencies in Japan, US\$mnn*

Agency	Dec 09	+/-†,%	Jan 10	+/-†,%	J-D 09‡	+/-†,%
JTB	NA	NA	221	-10.1	NA	NA
HIS	238	-16.9	181	-9.2	2920	-2.9
Hankyu	162	9.9	150	3.1	2171	1.7
KNT	107	-17.1	86	-10.2	1370	-4.4
NTA	85	-12.8	75	1.6	1098	-2.9
Jalpak	71	-15.8	53	-11.1	768	-3.1
NEC	46	-8.9	42	-33.5	627	-3.2
Club Tourism	39	-1.2	33	20.0	459	-0.2
Travel Plaza	1	-53.1	25	-21.5	392	-2.9
Nissin	23	-20.3	25	2.8	335	-4.5
Top 62	NA	NA	1382	-8.3	NA	NA

Notes: JTB = (originally Japan Travel Bureau; all 14 companies), HIS = (originally Hideo's International Services), KNT = Kinki Nippon Tourist, NEC = Nippon Express Company, NTA = Nippon Travel Agency. *Converted at US\$1 to ¥95. †Over same period, year earlier. ‡TBA estimates, as data missing for some months. Source: Travel Journal International.

15 Internet bookings/sales of selected companies/markets

Company	Item	Period	Number	Previous	Source
www.southeast.org	pages-tgt/now	2009	20k	1k	Aseanta
Priceline	bookings	2009	\$9.3b	+26%	co/NV
Priceline sales	air tickets	2009	5.9m	4.9m	co/NV
Priceline sales	roomnights	2009	61m	41m	co/NV
Expedia transactions	mn	2009	58	+18%	company
Expedia roomnights	mn	2009	70	+23%	company
Priceline bookings	outside-US share	2009	61%	58%	co/NV
Priceline growth	outside-US bookings \$	2009	31%	61%	co/NV

Notes: See Master Notes, page 6, and Net Value. All \$s are US\$. Source: various.

16 Economic indicators of major countries in Asia Pacific

Country	Forecast GDP growth*†,%		Actual GDP growth*,%	GDP per person,US\$	Inflation period	Growth*,%
	2010	2011				
Australia	3.1	34.0	Q4: 2.7	52,290	Q4: 2.1	
China	9.7	8.2	Q1: 11.9	4,170	Mar: 2.4	
Hong Kong	4.6	3.4	Q4: 2.6	30,720	Feb: 2.8	
India	7.7	8.0	Q4: 6.0	1,240	Feb: 14.8	
Indonesia	5.6	5.9	Q4: 5.4	2,440	Mar: 3.4	
Japan	1.9	1.6	Q4: -1.0	40,440	Feb: -1.1	
Korea	5.0	4.0	Q4: 6.0	17,810	Mar: 2.3	
Malaysia	5.4	4.0	Q4: 4.5	7,630	Feb: 1.2	
Pakistan	2.8	4.2	'09: 2.0	910	Mar: 12.9	
Singapore	5.1	5.0	Q1: 13.1	35,630	Feb: 1.0	
Taiwan	4.9	4.6	Q4: 9.2	16,430	Mar: 1.3	
Thailand	3.8	4.4	Q4: 5.8	4,060	Mar: 3.4	

Notes: See Master Notes, page 6. GDP = gross domestic product. *Over period year earlier. †Official and other estimates. Source: The Economist.

17 Economic indicators of major visitor-producing countries for Asia, 2009

Country	GNP/GDP	Retail sales	Consumer prices	Wages/earnings
Australia	2.7 Q4	3.7 Q4	3.7 Q4	4.0 Q4
Germany	-2.4 Q4	-0.9 Feb	0.5 Mar	3.7 Jan
Japan	-1.0 Q4	4.5 Feb	-0.1 Feb	-2.4 Feb
UK	-3.1 Q4	2.8 Feb	2.9 Mar	0.1 Feb
US	0.1 Q4	1.0 Feb	-0.4 Mar	3.5 Mar
Euroland	-2.2 Q4	-1.1 Feb	0.6 Mar	4.3 Q4

Notes: All figures are percentage changes, compared with one year earlier. Source: The Economist.

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18 Hotelt measures in Asia Pacific, February

Location	Occupancy, %				Average room rate, local				Revpar, US\$*				
	2010		2009		2010		2009		2010		2009		2008
	Mth	YTD	Mth	YTD	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD
Auckland-all	89.9	79.9	86.8	78.7	151	110.30	89.93	82.75	82.53	99.19	71.82	71.84	64.98
L-4	91.8	85.8	88.8	84.0	101	75.75	59.97	52.89	52.21	69.51	51.44	46.95	43.83
U-4	89.4	78.2	86.2	77.2	167	120.50	99.39	91.58	92.01	107.73	77.68	78.99	71.06
Bali-all	73.3	68.8	57.1	63.6	1150408	110.26	111.66	95.29	112.52	80.81	76.81	54.45	71.62
U-4	73.3	68.6	64.3	68.5	759501	75.43	73.72	69.22	79.23	55.27	50.59	44.48	54.31
Bangalore	51.4	53.5	67.8	56.6	10273	218.91	215.73	326.17	295.62	112.51	115.46	221.24	167.40
Bangkok-all	73.5	70.0	56.7	54.4	3996	116.25	117.55	115.84	121.02	85.44	82.25	65.67	65.83
L-4	68.5	65.5	59.0	55.5	2055	62.98	60.43	65.62	65.78	43.16	39.57	38.73	36.52
Beijing-all	41.2	48.3	43.2	40.5	678	87.33	99.22	118.39	115.20	35.94	47.93	51.14	46.70
L-4	43.8	52.8	50.9	46.8	425	57.66	62.18	78.07	77.97	25.27	32.84	39.70	36.46
Colombo	67.0	63.3	52.3	49.9	9534	88.22	83.30	70.87	72.09	59.13	52.77	37.09	35.99
Delhi	81.2	77.8	75.7	70.2	10301	235.23	216.32	250.88	245.68	190.96	168.35	189.89	172.58
Fiji	46.7	52.0	37.1	38.0	203	92.99	106.66	96.87	110.08	43.45	55.45	35.90	41.79
Goa	78.1	78.1	71.4	70.6	10206	202.86	214.34	168.58	192.83	158.42	167.38	120.44	136.19
Guangzhou	31.8	42.7	48.6	44.3	544	78.85	79.59	77.65	73.96	25.04	34.01	37.71	32.79
Hanoi	51.6	56.7	52.6	49.9	2380422	127.57	130.28	143.47	144.69	65.80	73.84	75.50	72.14
Ho Chi Minh City	54.9	60.8	53.6	48.2	2105953	108.09	115.26	149.43	147.30	59.31	70.12	80.16	70.95
Hong Kong-all	71.9	73.4	70.4	72.4	1397	177.40	180.10	159.35	168.46	127.58	132.20	112.17	121.98
3-star	80.0	84.0	80.0	80.1	807	108.12	103.94	73.22	82.18	86.49	87.34	58.58	65.87
L-4	79.2	83.7	75.8	78.1	1126	141.88	145.09	115.68	121.55	112.43	121.42	87.65	94.94
Jakarta-all	59.9	57.1	65.4	57.5	846384	92.04	82.15	77.90	78.97	55.17	46.91	50.96	45.39
U-4	61.1	56.5	66.1	57.8	488299	53.66	47.40	43.42	44.67	32.81	26.79	28.69	25.84
Kuala Lumpur-all	68.1	63.4	57.6	53.3	367	104.50	105.03	104.60	104.06	71.14	66.58	60.21	55.41
L-4	53.4	57.1	52.4	49.6	214	64.29	61.21	60.24	60.03	34.32	34.95	31.58	29.78
U-4	69.7	64.0	58.5	53.9	380	107.79	108.67	111.66	111.26	75.08	69.52	65.30	59.96
Macau-all	80.9	84.1	72.8	72.8	1474	195.3	180.42	180.50	184.71	158.0	151.77	131.49	134.44
U-4	76.2	79.8	75.1	72.8	989	141.7	121.14	95.54	104.29	108.0	96.69	71.72	75.90
casino hotels	82.6	85.5	72.3	72.8	1615	213.7	197.79	202.93	205.14	176.6	169.04	146.67	149.32
Maldives-all	74.8	70.7	71.3	70.0	10146	706.88	782.43	1356.12	1477.03	528.93	553.03	966.32	1034.44
Manila-all	78.6	74.3	76.2	70.4	4645	95.05	99.62	104.25	103.96	74.75	74.05	79.39	73.18
L-4	80.2	75.4	72.7	68.3	3198	72.11	68.60	69.24	67.86	57.80	51.70	50.32	46.33
U-4	78.0	73.9	77.4	71.1	5197	104.66	111.46	115.90	116.23	81.66	82.41	89.69	82.69
Melbourne-all	82.4	76.9	73.8	72.4	214	184.30	162.70	136.43	146.19	151.77	125.14	100.72	105.89
L-4	82.6	77.5	76.2	75.9	170	151.32	128.72	109.49	113.06	124.99	99.73	83.44	85.78
Mumbai	73.2	70.2	74.1	69.5	8839	198.41	185.63	221.61	218.82	145.16	130.33	164.26	152.00
Pattaya	85.1	79.1	79.4	77.1	3034	90.22	89.23	82.26	76.93	76.77	70.59	65.28	59.31
Penang	64.0	60.5	59.2	59.2	283	59.06	81.06	75.68	87.52	37.80	49.04	44.78	51.80
Phuket-all	83.7	84.5	70.3	71.4	5456	146.49	160.49	121.44	143.32	122.56	135.54	85.36	102.35
L-4	84.7	85.8	69.8	71.4	5163	139.38	151.85	117.82	140.87	118.06	130.30	82.21	100.59
U-4	75.0	73.1	74.6	71.5	8343	213.75	245.41	149.75	165.79	160.30	179.38	111.75	118.62
Seoul-all	75.4	71.4	81.3	75.7	196156	168.29	155.26	123.16	127.40	126.93	110.85	100.16	96.47
U-4	82.3	77.9	68.3	82.5	158609	134.39	125.54	69.22	105.06	110.61	97.82	44.48	86.63
Shanghai-all	38.2	45.5	45.3	41.4	795	101.84	116.36	137.83	134.41	38.87	52.95	62.41	55.60
L-4	34.6	41.9	43.6	38.7	348	30.41	50.93	72.58	72.06	10.51	21.34	31.65	27.86
Shenzhen	44.3	50.8	49.1	45.8	759	118.61	111.12	111.34	111.90	52.56	56.39	54.71	51.24
Singapore-all	81.7	82.0	73.7	69.3	227	166.03	155.96	159.90	161.73	135.60	127.87	117.90	112.06
L-4	86.4	86.1	76.6	72.8	162	119.52	111.05	120.83	119.96	103.23	95.61	92.55	87.28
Sydney-all	93.5	87.3	82.8	79.7	227	219.05	172.43	146.03	145.85	204.71	150.49	120.89	116.24
L-4	90.7	85.8	83.6	81.5	181	168.79	137.58	116.15	117.24	153.06	118.06	97.15	95.53
Taipei	66.3	65.8	64.2	59.2	4366	131.38	133.06	128.27	127.91	87.16	87.57	82.36	75.76
Tokyo-all	71.7	67.3	61.7	58.3	22094	247.00	245.33	252.36	267.11	177.09	165.07	155.76	155.63
L-4	74.5	67.0	74.5	67.5	15847	164.61	175.97	95.47	100.34	122.64	117.81	71.16	67.69
OTHERS													
Dubai	88.8	83.6	78.8	76.5	682	189.96	185.66	201.05	198.34	168.62	155.17	158.40	151.81
London	76.6	72.6	75.1	71.0	136	216.42	201.86	194.15	188.01	165.85	146.59	145.89	133.41
New York	70.6	67.1	64.3	61.8	184	184.28	183.95	193.31	196.30	130.16	123.37	124.38	121.24
Asia Pacific-total	69.5	68.5	64.6	61.8	na	139.78	137.05	133.90	138.27	100.82	96.30	87.81	86.80
US-total	53.0	48.8	53.2	49.4	95	96.40	95.23	100.41	100.54	51.09	46.49	53.42	49.63
Europe-total	64.2	60.6	58.8	55.8	na	206.22	197.72	198.28	198.79	132.02	119.68	116.15	110.91
World	60.5	63.0	58.2	62.1	na	121.31	121.96	124.72	131.72	75.70	79.46	73.58	84.57

Notes: See Master Notes, page 6. Asia Pacific total excludes Maldives. Totals may be adjusted later as final figures are filed. Not all categories are shown every month; all categories available at low additional cost. L = lower 4-star, Revpar = revenue per available room, U = upper 4-star. *At exchange rate for relevant month, YTD at same month; exchange rate can be calculated by taking the ARR YTD in local currency and US\$. †4-star unless marked. ‡Unrepresentative sample for this month's figures; guide only. Source: Asia Pacific, Europe, Dubai - Travel Business Analyst Europe; US - Smith Travel Research.

Regent; another try

Regent Hotels is being sold by US-based Carlson Hotels and Carlson's Europe-based master franchise owner, Rezidor Hotels. The buyer is Taiwan-based Formosa International Hotels, which said the deal was worth US\$56mn, a low price. (Rezidor says the deal will bring it cash of US\$13mn, €9.5mn.) The sale is expected to close by end-June.

Regent was started in 1970 by Bob Burns and Japan's Tokyu group. When they split, Tokyu started Pan Pacific to develop its outside-Japan hotel plans. In 1986, Burns' partners (Adrian Zecha, who later started Aman Resorts, and Georg Rafael, who later started Rafael Hotels, subsequently bought by Mandarin Oriental) sold their combined 60% for about US\$60mn.

In 1987, Burns sold 30% to Japanese investment company EIE. Despite going through a bank rescue in 1991, EIE was still able to buy out Burns that year. Quickly though, EIE essentially sold out to Canada's Four Seasons Hotels.

Whether deliberate policy or not, Regent faded under FSH – which understandably seemed to be interested in developing only its FS brand. Some key-location Regents, including those under development, were lost or switched to the FS brand – including Bali, London, Milan, New York, Sydney. Surprisingly, FSH did not let Regent vanish, but sold it to Carlson in 1996.

But in its 10+ years with Carlson, progress at Regent was hardly better than with FSH. Growth was slow and often in tertiary locations – such as Croatia and Kazakhstan. Currently there are only seven Regents – fewer than when Burns sold to EIE/FSH!

Carlson's lack of will/interest/capability in expanding Regent was confirmed when it appointed a part-time president in early-2008. At the time we wondered if "Carlson is looking sell Regent".

Carlson and Rezidor would seem to have the necessary managerial talent to expand Regent – but perhaps not. They are good at the 4-star level (their Radisson brand), but perhaps not at Regent's 5-star level. Carlson seems to be out of 5-star (Rezidor is dabbling) but talks of "upgrading" Radisson. If there becomes something like a 'Radisson Grand' brand, then Regent might be a

competitor.

New Regent owner Formosa owns the franchised Regent hotel in Taipei. Ironically, Formosa says it will sign only management contracts for Regent, not franchises.

Formosa believes it is the best company to run Regent because of this long (20-year) one-hotel link. We would challenge that, and wonder if Carlson sold to an untried would-be international hotel company that would not challenge its own planned development.

Formosa's head, Steven Pan, said the core team (president and development director) for the Regent group would come out of the Taipei Regent. In theory, that seems a major error, but obviously remains to be seen.

A key will be who becomes president, although he may not have much power at Formosa, tightly controlled by Pan. Another question-mark is Formosa's strategy. It has already opened two other non-Regent hotels in Taiwan, so its commitment to Regent has not been as total as its statements indicate. Also, Pan says new Regents will have a large retail shopping outlet attached. In Taipei, it has a large DFS Galleria department store, and it sometimes talks of the 'Regent/Galleria' concept.

Formosa inherits a motley development program at Regent. The only key city is Beijing; others are Boston, three in Florida, and Ningbo. The company says it wants to return to cities where Regent had hotels – listing Bali, Hong Kong, Sydney, New York (although Bali never had a Regent). It names other locations, but at this stage this can be considered little more than a wish-list.

Cruise outlook

CLIA (Cruise Lines International Association) forecasts 14.3mn cruise passengers worldwide, up 6.4%, this year. That compares with a 3.1% increase in 2009 to 13.4mn; growth in 2008 was similar, 3.2%.

This seems good, in view of the high North America share, 80%; overall US outbound travel fell 3% in 2009, and Canada outbound grew 1.5%.

But many cruise companies had to buy growth. The world's largest line, Carnival Cruises, recorded a 10% drop

in revenues in 2009, and the second largest, Royal Caribbean, a 14% drop.

Despite this, CLIA members invested US\$4.7bn in 14 new ships in 2009, and 12 ships are due to be launched this year, including: RC's Oasis of the Seas, 5400 berths, launched;

RC's Allure of the Seas, 5000 berths, due end-2010; Norwegian Cruises' Epic, 4200 berths; Celebrity Cruises' Celebrity Eclipse (2850); Costa Cruises' Deliziosa (2260); MSC's Magnifica (2550); Holland America's Nieuw Amsterdam (2100); Cunard's Queen Elizabeth (2092).

CLIA members have 26 ocean-cruise ships on order for 2010-12, with 54,000 berths, up 18%.

Encouraging for this year is a longer booking time (five months before departure, compared with 4.6 months in 2009).

More falls in 2010

WTTC (World Travel & Tourism Council) calculates that world travel GDP fell 4.8% in 2009. In theory, this measure includes all travel activity – not just inbound and outbound, but indirect revenue as well.

For this year, WTTC forecasts travel spending (not the same as the GDP measure) will increase 1%, but business-travel spend will fall 2%. Travel investment is also expected to fall again, by 1.7%. As a result, travel GDP is forecast to grow 0.5%, then 3.2% in 2011.

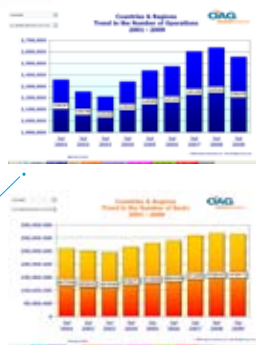
Other comment:

- Over 2010-20, travel GDP is forecast to grow 4.4% annually.
- 6mn jobs are expected to be lost in the travel business over 2009-10; recovery starting 2011. [WTTC does not clarify if this is jobs not created, or actual layoffs.]

- Travel is bigger than finance in Germany and the US, and the same size in the UK. Yet governments supported the finance industry, but did nothing to help the falling travel industry.

- France. Travel is 10% of GDP, yet it still does not warrant minister status. Sport does, however.

- The US has gone from 9% of world travel share 10 years ago, to 6% now. The country's new destination promotion office ran ads saying "if you want to lose 1mn more jobs, keep talking".



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