

Travel Business Analyst

Markets + Marketing + Strategy

ASIA PACIFIC • MAY 2009

Crisis Market Monitor

Data shown here may also be elsewhere in this newsletter. Not all sources shown, for reasons of brevity; not shown are usually relevant principals. Percentage change unless noted otherwise.

- World Travel Industry Index: Sep -2.5; Oct -2.0; Nov -5.6; Dec -6.3; Jan -6-E. TBA.
- World airport passengers: Sep -4.2 intl -2.7; Oct -3.4 -1.4; Nov -7.8 -5.8; Dec -5.8 -5.7; Jan -6.2 -6.7. ACI.
- World air traffic (RPKs): Sep -2.9; Oct -1.3; Nov -4.6; Dec -4.6; Jan -5.6; Feb -10.1. IATA.
- World travel stocks index: Sep 57 (on 100); Oct 47; Nov 43; Dec 44; Jan 40; Feb 35; Mar 35. TBA.
- World visitor arrivals: Sep -2.8; Oct -0.8; Nov -3.0; Dec -2.3. WTO.
- AsPac airlines intl seat sales: Sep -8.4; Oct -4.7; Nov -11.6; Dec -11.5; Jan -7.8; Feb -12.8. AAPA.
- AsPac airport passengers: Sep ttl -3.4, intl -6.6; Oct -0.6 -3.0; Nov -3.5 -10.6; Dec -4.8 -9.9; Jan -0.4 -6.6. ACI.
- AsPac air traffic (RPKs): Sep -6.8; Oct -6.1; Nov -9.7; Dec -9.7; Jan -8.4; Feb -12.8. IATA.
- AsPac hotel occupancy: Sep -8.0pts; Oct -5.3p; Nov -0.1p; Dec -10.8p; Jan -13.1p; Feb -8.6. TBA.
- AsPac travel stocks index: Sep 73 (on 100); Oct 57; Nov 53; Dec 54; Jan 51; Feb 46; Mar 49. TBA.
- AsPac visitor arrivals: Sep -4.5; Oct -1.6; Nov -5.2; Dec -4.1. WTO.
- Air France Asia seat sales: Sep +0.9; Oct +6.5; Nov -1.2; Dec -0.6; Jan -4.3; Feb -8.8; Mar -11.1.
- Australia resident departures: Sep +2.7; Oct +5.3; Nov +0.8; Dec +1.5; Jan -2.0. PATA.
- Australia visitor arrivals: Sep -7.6; Oct -2.1; Nov -5.1; Dec -0.6; Jan +2.7; Feb -2.8. NTO.
- Bali visitor arrivals: Sep +18.7; Oct +23.8; Nov +0.1; Dec +13.5; Jan +17.7. PATA.
- Bangkok airport visitor arrivals: Sep -20.7; Oct -11.1; Nov -30.8; Dec -38.8; Jan -19.7; Feb -25.7. PATA.
- British Airways AsPac seat sales: Sep -5.3; Oct -3.8; Nov -7.3; Dec -12.8; Jan -10.2; Feb -19.3; Mar -11.9.
- Cathay Pacific seat sales: Sep -0.7; Oct +2.6; Nov -2.2; Dec -0.3; Jan +2.4; Feb -7.4; Mar -3.2.
- China foreign visitor arrivals: Sep -15.1; Oct -11.5; Nov -17.0; Dec -19.4; Jan -2.1. PATA.
- China citizen departures: Sep +7.9-E; Oct +6.0-E; Nov +3.5-E; Dec +0.3-E; Jan +13.9-E; Feb -14.2-E. TBA.
- China Southern seat sales: Sep -0.9; Oct +8.3; Nov +5.0; Dec +6.2; Jan +16.2; Feb +7.6; Mar +6.8.
- Dubai airport passengers: Sep -4.6; Oct +10.8; Nov +6.3; Dec +4.8; Jan +6.1. ACI.
- Eva Air seat sales: Sep -14.3; Oct -3.0; Nov -9.0; Dec -11.7; Jan -7.1; Feb -12.7; Mar -1.7.
- Hawaii visitor arrivals: Sep -18.5; Oct -12.3; Nov -13.9; Dec -15.2; Jan -12.4; Feb -13.4. PATA.
- Hong Kong airport passengers: Sep -4.7; Oct -1.4; Nov -5.7; Dec -5.3; Jan +0.2; Feb -13.7.
- Hong Kong visitor arrivals: Sep +3.5; Oct -1.4; Nov -1.1; Dec -0.2; Jan +11.0; Feb -8.1. NTO.
- India visitor arrivals: Sep +1.5; Oct +2.7; Nov +2.0; Dec -9.2; Jan -17.6; Feb -10.6. PATA.
- Indonesia visitor arrivals: Sep +8.0; Oct +21.3; Nov +9.9; Dec +17.7; Jan +8.0; Feb -9.4. PATA.
- Japan Airlines seat sales: Sep ttl -17.1, transPacific -15.3, Southeast Asia -14.9; Oct -12.8 -9.3 -10.6; Nov -17.6 -17.4 -14.7; Dec -17.2 -14.3 -22.1; Jan -16.9 -12.9 -18.8; Feb -15.9 -10.3 20.4.
- Japan citizen departures: Sep -9.7; Oct -8.8; Nov -12.9; Dec -7.0; Jan -12.9; Feb -1.0. PATA.
- Japan travel agencies, top-63: Sep -8.4; Oct -7.9; Nov -15.2; Dec -10.3;

contd on p3

Hotels

Group growth

- **Accor** plans to open 80 hotels in Asia Pacific through 2010. These include:
 - Indochina. 10 hotels (no date) in Vietnam. Having lost hotels in Cambodia, Accor hopes to open a Sofitel in Phnom Penh this year.
 - Indonesia. Plans to add 13 hotels to its current 40 through 2010.
 - Thailand. Signed with Thailand real estate and textile company Fico to add three in Bangkok (under M-Gallery and Novotel brands) and a Mercure in Samui, through 2011. Seven more (under All Seasons, Ibis, Mercure, and Novotel brands) are planned for other destinations, including Phuket.
- **Outrigger**, a family-owned 60-year old Hawaii-based company, plans resort expansion in Asia, after opening a 78-unit resort in April in Phuket. Others announced:
 - Bali. The oddly-named O-CE-N opened; a second planned.
 - Hainan, China. A 550-unit resort as part of a development with six other hotels. *The island, a tawdry sex-driven leisure attraction, may be transformed if developers including Kempinski and Mandarin-Oriental can start to change the negative image. Or will these merely upgrade the sex standard to 5-star?*
 - Koh Samui. Outrigger had a letter of intent in 2008; since abandoned?
 - Phuket. Second planned.
- Others:
 - Outrigger has written off some destinations - Bangkok, Hong Kong, Singapore.
 - Designating its resorts at 5-star level (*we would assign 4 stars*), it planned to launch a second brand in January, but this has been postponed.
 - Outrigger expects Japan will be an important market for these resorts. *Because of its wide coverage in Hawaii, it has good brand recognition in that market - but the Japan market is so weak Outrigger will need other market support, probably China.*
- **Sol Melia** is making another push in Asia. It opened its first hotel in the region in 1985, but after losing hotels in Ho Chi Minh City and Singapore it currently has only eight, of which five are in Indonesia.
 - Now, it hopes to have 4/5 more hotels open or under construction in the next 2/3 years, newbuilds, not takeovers. It says it is ready to invest up to around 40%.
 - SM will concentrate on its Gran Melia brand, and in big cities, with China a priority. Although its hotel in Shanghai, due in February, still has no revised opening

contd on p3

Main News...5; Market News...5; Crisis Market Monitor...1; Market Intelligence...1; Market Outlook Tables...2; ZERO...4; Extracts (Net Value or People-in-Travel)...5; Trends...11; Market Data Tables (Airline results; Air passenger traffic; Visitor arrivals; Resident departures; Hotel results; Airport traffic; Travel stock prices/indexes; Agency sales; GDS or Internet Sales; Arrivals standardisation indicators; Economics)...6

MARKET OUTLOOK

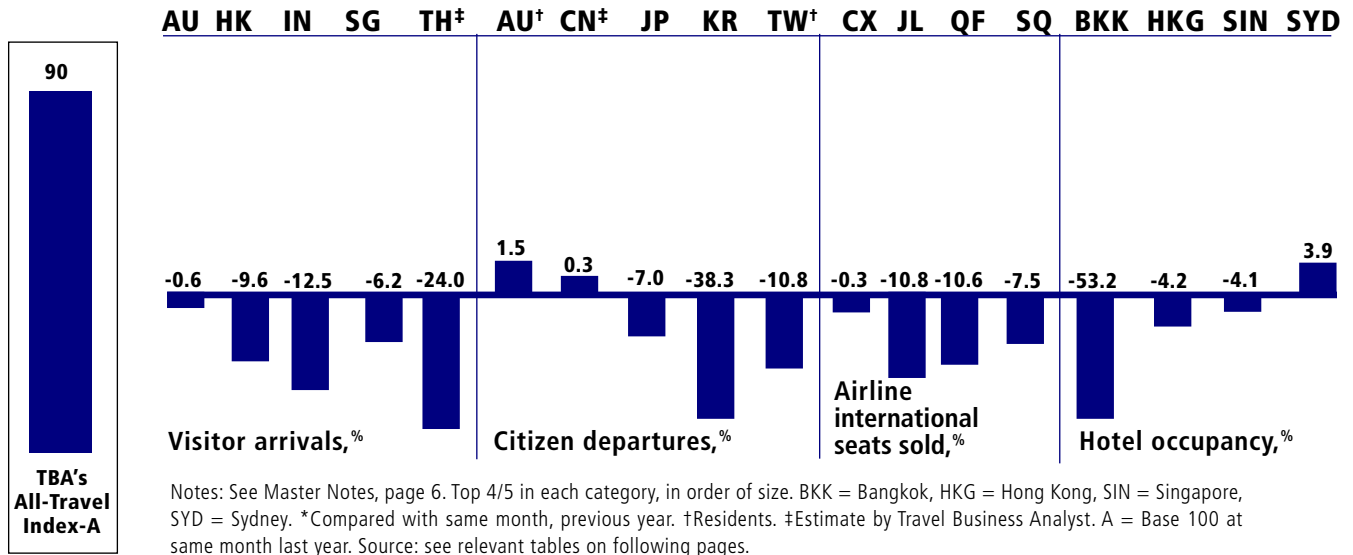
Headlines

Commentary on tables

- **Barometer.** Overall travel index at 8% below same month in 2007; not as bad as expected? And this was the month that included the special cases of terrorist attacks in Mumbai, and people-power closure of Bangkok's airports.
- **Inbound trends.** Forecast for next 12-month period. All down, but *China* falls below 23mn, *Hong Kong* not so bad, *Singapore* falls below 9mn, and *Thailand* falls below 14mn.
- **Outbound trends.** Forecast for next 12-month period – *China* (our estimates) is the only one to increase. Based on current data, it will top 50mn in the next 12-month period. Of others, *Japan* drops below 15mn, *Korea* little changed, and *Taiwan* down below 8mn.
- **Forecasts.** The WTO says visitor arrivals growth this year will be flat or fall 2%. (But it also hedges those bets, with cop-out caveats.)

Barometer

Percentage growth in latest matching month* available; December 2008



Visitor arrival trends*, next 12 months

Source	Number, x1000
China	21,702
Hong Kong	10,830
Singapore	9,119
Thailand	13,249

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 [‡]	46,705
Japan	14,477
Korea	8,432
Taiwan	7,601

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
Singapore cruise visitors, '15	Jan	1.6m (943k '07)	NTO
Singapore hotel rooms, '10	Jan	+10k (now 33k)	NTO
Singapore Flyer seat sales, no date	Jan	2.5m	NTO
Abacus passenger bookings, '09	Jan	-7-9%	company
Singapore AL capacity, '09-10	Jan	-11%	company
Etiihad seats sold, '09	Mar	7m +15%	company
Etiihad revenue, '09	Mar	\$3b +20%	company
Qatar AW 'growth', '09	Mar	35%	company
Malaysia visitor arrivals, '09	Dec	23m, +8%	NTO
World visitor arrivals, '09	Jan	0% to -2%	WTO
Indonesia visitor arrivals, '09	Dec	8m, +19%	NTO
Korea visitor arrivals, '10	Dec	10m; 6.5m '07	NTO
US visitor arrivals, '09	Jan	down 2%	NTO
Kuching hotels	Dec	5 by '10	STO
Best Western hotels, '10	Dec	200; 133 '08	TTG
US leisure travel, '09	Jan	down 1.3%	TIA
US business travel, '09	Jan	down 1.3%	TIA
US hotels, occ/ARR/revpar gwth, '09	Jan	-4/+1-3	Smith
US hotels, occ/ARR/revpar % gwth, '10	Jan	-1/+2/+2	Smith
Singapore AL capacity, '09/10	Jan	down 11%	company
Singapore medical tourists, '12	Nov	1m (.41m '07)	NTO
Asia medical tourists, '12	Nov	6m (.75m '07)	STB
Asia medical tourists, '07-12	Nov	18% AAGR	R&M
Korea medical tourists, '11	Nov	0.1m	NTO
World visitor arrivals, '08&09	Nov	2%/0-2%	WTO
AsPac visitor arrivals, '09&09	Nov	2-3%/0-2%	WTO

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

Volume 22 Number 5

ISSN-1011-7768

Email annual subscription rate is €800 for the monthly 12-page Asia Pacific edition, €800 for the monthly 12-page Europe edition, €100 for the monthly single-page Net Value, and €100 for the monthly single-page People-in-Travel. There are linked rates for these four products, plus ZERO; see back page for more details and subscription form. Airmailed print-copy subscriptions are also available.

Asia: GPO Box 12761, Hong Kong, China. Tel: (852)-2507-2310, Fax: (33-4)-9449-0949, Email: TBAoffice@gmail.com

Europe: 46 Blvd des Arbousiers, 83120 Ste Maxime, France. Tel: (33-4)-9443-8160, Fax: (33-4)-9449-0949, Email: TBAoffice@gmail.com

Editor: Murray Bailey. Business Development Managers: Raymonde Perpignani, Simmey Wong.

Design by Context Design & Publishing. Printed by Image Press. Copyright © Travel Business Analyst Ltd, 2009. www.travelbusinessanalyst.com

contd from p1 – Hotels

date, it is also in talks for hotels in Beijing, Hainan, Suzhou, Xiamen. It is also talking with a developer for Thailand.

SM may move its regional office again. It started in Singapore, then Jakarta, and currently Shanghai, but it may move back to Singapore depending on development.

Thailand

Lead lost

Thailand's political dysfunction may spread to the country's visitor-promotion-office, the Tourism Authority of Thailand.

Its head, Phornsiri Manoharn, left end-March (on reaching retirement age at 60), and a successor may not be in place until September. TAT's chairman was minister of tourism in the discredited recent government (which recent government, hardly matters any more), and the current minister is, by definition, also a politician.

It could be argued that perhaps the TAT does not need a leader at present. The destination's image is so muddled that it is probably impossible to change until there is some appearance of political stability in the country. Basic promotions (variations of 'Amazing Thailand') may have little credibility at present with the travelling public - *apart from a cynical interpretation of that slogan.*

The main reason to have a head of TAT now would be to monitor the big (US\$30mn, B1bn) additional marketing budget. If not, there seems a good chance that much will be wasted - simply spending more on current strategies.

The TAT expects visitor arrivals to stop falling by the second half of this year, then start growing from Q3, reaching 14mn; the 2008 total was 14.3mn. Thailand's central

bank, however, forecasts that visitor arrivals this year will drop 8.8%.

Some measures - all funded by that additional marketing budget - designed to boost visitation:

- More promotions for domestic and regional markets with special packages, a new worldwide campaign called 'Amazing Thailand, Amazing Value', media familiarisation trips, packages for Thais resident overseas, and additional incentives for MICE organisers.
- No fee (but only until this June) for a 3-month visa. No visa fee for Chinese and Indian visitors for 0-8 hours in transit.

Briefs

- PhoCusWright has ventured outside its considerable internet expertise and into the **China outbound** market. *Perhaps that explains what appears to be misinterpretation of its own data.*

PCW says residents of Guangzhou take an average of 5.2 'holiday trips' (no further definition given) per year, see table, compared with an average 3.3 for all China.

PCW notes that Guangzhou's proximity to Hong Kong and Macau boosts its frequency rate, *but the main reason is visa-liberalisation in China for travel to those two places.* This allows individuals to travel for leisure; to all other destinations, leisure travel-

Annual holiday trip* frequency from selected markets in China

Location	Notes
Beijing	1- 2%; 2- 49%; 3+ 48%. Average 2.60
Chengdu	1- 0%; 2- 11%; 3+ 89%. Average 3.58
Guangzhou	1- 0%; 2- 1%; 3+ 99%. Average 5.18
Shanghai	1- 0%; 2- 71%; 3+ 29%. Average 2.37
Xian	1- 0%; 2- 48%; 3+ 52%. Average 2.92
Total	Average 3.32

Notes: *No further definition. Source: PhoCusWright.

lers must travel in groups.

- **Japan**, which launched its 'Yokoso Japan' campaign in 2003 targeting 10mn arrivals in 2010, now thinks it may not reach this, following a flat 2008 (up 0.05%).

A problem is that the currency of Korea, the main market source for Japan, fell 30% in 2008 (against the US\$). The monthly fall in arrivals in Japan from Korea since November has been around 50%. Worse, Japan's currency increased in value 25% in 2008.

Annual average growth required to reach 10mn visitors in 2010 from the 4.76mn in 2000 was 7.7%; annual growth through 2008 was close to target, up 7.3%. But despite its concern that it might not reach its targets (10mn in 2010, then 20mn in 2020), Japan's visitor-promotion-office has decided not to change them.

- The planned US\$6bn **Disneyland** in Pudong, Shanghai, is now expected to open in 2013. This park breaks the spirit, but not the law, of the agreement between Hong Kong and Disney for the construction of Disneyland Hong Kong.

Shanghai is expected to be eight times bigger than HK. That means it will probably also attract some of HK's China market, even from Guangdong, the China province neighbouring HK.

In addition, we have earlier said that Macau's V-factor (the opening of the 3000-room Venetian casino-hotel) has trumped HK's D-factor (the Disney resort). Both rely greatly on the China market.

- Although **Australia** arrivals fell 1% in 2008, spending increased 8% to US\$17bn (A\$25bn).

contd from p1 – Crisis market monitor

Jan -20.6. *TJI.*

- Japan visitor arrivals: Sep -7.0; Oct -5.9; Nov -19.4; Dec -24.1; Jan -18.4; Feb -41.3. *PATA.*
- Jet Airways seat sales: Sep +2.2; Oct -1.7; Nov -15.3; Dec -20.8; Jan -19.5; Feb -19.1.
- Jetstar intl seat sales: Sep +26.8; Oct +81.3; Nov +35.2; Dec +67.6; Jan +34.9; Feb +24.6.
- Korea resident departures: Sep -12.1; Oct -5.8; Nov -28.5; Dec -32.8; Jan -38.6; Feb -33.5. *PATA.*
- Korea visitor arrivals: Sep +5.4; Oct +0.7; Nov +3.0; Dec +14.9; Jan +25.3; Feb +25.7. *PATA.*
- Kuala Lumpur airport passengers: Sep -4.4; Oct +3.6; Nov -1.6; Dec +3.1.
- Lufthansa AsPac seat sales: Sep +8.8; Oct +6.0; Nov +2.3; Dec -4.5; Jan -5.8; Feb -8.8; Mar -4.9.
- Macau visitor arrivals: Sep +2.1; Oct +8.0; Nov +3.0; Dec -2.7; Jan +0.8; Feb -17.3. *NTO.*
- Malaysia Airlines seat sales: Sep -19.4; Oct -9.9; Nov -16.6; Dec -19.6.
- Malaysia visitor arrivals: Sep -0.1; Oct +8.6;

- Nov +4.6; Dec +9.2; Jan +5.1; Feb -7.4. *PATA.*
- Maldives visitor arrivals: Sep +4.6; Oct -4.0; Nov -11.2; Dec +10.2; Jan -4.8; Feb -13.9. *PATA.*
- New Zealand visitor arrivals: Sep -6.6; Oct -3.3; Nov -4.2; Dec +1.6; Jan -3.7; Feb -8.5. *PATA.*
- Qantas intl seat sales: Sep -9.3; Oct -6.4; Nov -8.4; Dec -10.6; Jan -11.4; Feb -16.8.
- Singapore Airlines seat sales: Sep -1.6; Oct +1.3; Nov -6.1; Dec -7.5; Jan -10.4; Feb -20.2; Mar -23.0.
- Singapore airport passengers: Sep -0.4; Oct +1.8; Nov -3.2; Dec -0.6; Jan -1.3; Feb -13.0.
- Singapore visitor arrivals: Sep -4.1; Oct -8.1; Nov -9.7; Dec -6.9; Jan -12.9; Feb -15.2. *NTO.*
- Singapore visitor arrivals: Sep -3.3; Oct -7.4; Nov -8.8; Dec -6.2; Jan -12.8; Feb -15.2. *PATA.*
- Tahiti visitor arrivals: Sep -4.3; Oct -13.3; Nov -13.5; Dec -18.9; Jan -23.7; Feb -29.8. *PATA.*
- Taiwan resident departures: Sep -13.3; Oct -4.9; Nov -11.7; Dec -10.8; Jan +1.8; Feb -20.3. *PATA.*

- Thai Airways seat sales: Sep -20.9; Oct -12.2; Nov -27.0; Dec -36.6; Jan -13.3.
- Thailand visitor arrivals: Sep -16.0; Oct -6.5; Nov -21.2; Dec -24.0. *PATA.*
- Tokyo Narita airport passengers: Sep -10.1; Oct -6.4; Nov -11.2; Dec -10.5; Jan -9.6.
- Vietnam visitor arrivals: Sep -20.0; Oct -10.8; Nov -17.7; Dec +6.2; Dec +1.1; Jan -17.7; Feb -22.2. *PATA.*
- US air international passengers: Sep -0.3; Oct -7.7; Nov -4.6; Dec -3.3. *gov.*
- US hotels occupancy: Sep -5.9; Oct -6.5; Nov -10.6; Dec -6.8; Jan -10.7; Feb -10.1; Mar -11.6. *Smith.*
- US hotel rooms planned: Nov -6.8; Dec -0.4; Jan -7.3; Feb -2.5; Mar -17.1. *Smith.*
- US resident departures: Sep -7.2; Oct -7.1; Nov -4.7. *PATA.*
- US travel agency sales: Sep +4.2; Oct -11.6; Nov -20.6; Dec -7.0; Jan -24.7; Feb -26.1; Mar -22.8. *ARC.*

contd on p5

ZERO

An occasional column/section/report
on the travel business and the
environment

Another biofuelled flight

Japan Airlines operated a 90-minute test flight out of Tokyo Haneda in late January, using a sustainable biofuel refined from the energy crop, camelina. The 50/50 blend - biofuel plus traditional A1 jet-fuel (kerosene) - was used in one engine of its B747-300s powered with Pratt & Whitney engines.

There were no passengers or freight. *We think it is now time for airlines to start operating these test flights in cargo aircraft with commercial loads to real destinations. That is more environmentally-friendly than the current empty test flights.*

The biofuel was to be a mixture of camelina (84%), jatropha (near 16%), and algae (near 1%). Camelina is an energy crop, given its high oil content and ability to grow in rotation with wheat and other cereal crops.

The camelina for the flight was provided by Sustainable Oils, the jatropha oil by Terasol Energy, and the algae by Sapphire Energy. Also supporting the test with JAL were Boeing, Pratt & Whitney, and Honeywell's UOP.

These are considered 'second-generation' biofuel feedstocks, meaning they do not compete with natural food or water resources and do not contribute to deforestation practices.

Camelina has high oil content and can grow in rotation with wheat and other cereal crops. The crop is mostly grown in Canada and the US, but is originally from northern Europe and Central Asia. Test plots are also underway in Korea, Latvia, Malaysia, and Ukraine.

We estimate there are currently 4000-ha under management, growing to as much as 200,000-ha within three years. Sustainable Oils says there could be 400-800mn litres of camelina-based sustainable jet fuel within five years.

(An aircraft uses about 3.5L per 100 passenger-km. Each 1L of non-bio fuel produces 3.2L of CO₂.)

Boeing hopes that within 3-5 years commercial aircraft using biofuels will be flying passengers. UOP says current technology could make an impact on aviation fuel supply within three years.

Not green enough

- 2/10. **Fitur**. Some improvement with rubbish bins in its halls, but some still have separated tops (for bottles, paper, etc) leading into one plastic bag.

- 7/10. At ITB Berlin 2008 the head of **Qatar Airways**, whose home country has a surplus of gas, said his airline planned to use GTL (gas to liquid) fuel in its fleet starting 2009.

At ITB 2009, he said the project had not been delayed, and had always been planned for end-2009, subject to regulatory approvals - from FAA, IATA, etc. *To us, this is a delay (although that in itself would not affect our scoring), and the addition of "subject to" conditions appears to be a preparation for explaining further delays - which can then be blamed on external, not Qatari, bodies.*

- 5/10. **Marriott** aims to reduce emissions by 20% in 10 years. *Just not enough; 20% in four years, 50% in 10 would be hard, but that should be the target.*

- 7/10. **New Zealand** wants to become a fully sustainable, carbon neutral, visitor destination by 2015. *Well, yes, nice. But with today's technology impossible unless NZ means carbon offset - now surely seen as a cop-out to avoid doing something? Carbon offset is good, but not when presented as a policy or boast.*

- 2/10. **World Tourism Organization**. WTO again included in this section, and again with low scores. It calls on all of us to help and do something about

climate change. It even asks (others again) to "replace talk and lofty statements with action" - *precisely our call to the WTO.*

This time, however, one WTO proposal would help - to link Tourism Satellite Accounting [an all-travel accounting measure promoted these days mainly by WTO's rival WTTC] with "mainstream green economic and carbon impact measurement".

But why is WTO not doing this? Why does it not publish statistics showing these measurements? Reference, for instance, our report on Imex last month - is train travel better for the environment than car or bus or plane? Is a resort hotel bad?

Briefs

- The (18-month late) new airport for Doha, Qatar, now due 2012, is planned to have sensors that will monitor the number of people in the terminal, in order to better control heating, cooling, and lighting.

- **Six Senses Resorts & Spas** invests 0.5% of gross income from each hotel into SERF (sustainable, environmental, and responsible fund), which averages US\$100,000 per resort per year.

Six's carbon-offset program now replaces all carbon emissions from guests' flights as well as emissions from hotel operations. The company offsets emissions from coal-fired power plants in South India by replacing them with wind turbines.

- Singapore's **Banyan Tree** resort group has a corporate goal to cut carbon emissions 10-30% per property and 20% across the group within 12 months.

- US-based **Beyond Vacations** offsets its customers' trip carbon footprint and donates 20% of its profits to charities.

- US visitor arrivals: Sep 0.0; Oct -2.0; Nov -8.8; Dec -7.1. *PATA/WTO*.

Market Headlines

Full-year market results.

Aviation

- AsPac airports 2008; see P7 T6.
- Cathay Pacific; revenue 2008; \$11b +15%.
- China Southern; revenue 2008; \$8b +2%.
- Korean Air; revenue 2008; \$11b +16%.
- Malaysia AL; revenue 2008; \$4b +4%.
- Thai AW; revenue 2008; \$6b +2%.
- US; international seats sold 2008; 131m +4%.
- US airlines; international seats sold 2008; 95m +1%.

Inbound

- AsPac visitor arrivals 2008; see P8 T8.
- Bali visitor arrivals 2008; 2.0m +18%.
- Thailand visitor arrivals 2008; 14m -1%.

Outbound

- AsPac outbound travel 2008; see P9 T11.
- China outbound travel 2008; 45m +9%. (*E-TBA*)
- Germany; outbound 2008; 86m +5%.
- UK; outbound 2008; 69m -2%.
- Economies. All Q4 GDPs shown (P9 Ts16-17); growth forecast this year only for China, India, Pakistan.
- Hotel occupancies down 13-points in Jan.
- Japan travel agencies fall 21% in Jan (-6% for all-2008). We have been saying this for 2/3 years, but when will a big one fail?
- Singapore Airlines seat sales fall a jaw-dropping 20% in Feb. (Malaysia in Jan also fell 20%, and China Southern international in Feb 24% – but they were not unexpected.)

Main News

Corporate

- Recent corporate developments - big or significant.
- Starwood sues Hilton over Hilton's new Denizen brand, lead by two ex-S 'W' executives. H suspends D development.
- Trip Advisor, the hotel-review site, now also offers travel booking.
- Golden Tulip - a hotel franchise operator abandoned by KLM and taken over by Hans Kennedie in 2002 - has stopped operations. It planned Asia expansion, starting in Thailand.

Market

- Recent market developments - big or significant.
- We estimate that Asia's largest outbound travel market, China, increased 9% in 2008.
- Singapore air traffic down 'only' 6% Jan-Feb, meaning SIA (-20%) is under-performing its market.



People-in-Travel

Tracking Travel's Leaders

Choosing WTO's new chief

There are reports/rumours that Francesco Frangialli, former head of the World Tourism Organization, does not support the bid by **Taleb Rifai**, acting head, to succeed him.

We do not think the issue (support or not) is worthy of rumour-mongering. But we note that FF's statement could be interpreted as support, may also have been just a bland neutral statement typical of FF. After all, he was little more than a bureaucrat; even the half-change of name to UNWTO is a botched compromise.

Other applicants for FF's former post:

-**Arab Hoballah**, 55, Lebanon. No travel industry (TI) experience. International bureaucrat.

-**Khalid Malik**, 55, Pakistan. No TI experience. International bureaucrat.

-**Jee-chul Oh**, 60, Korea. Politician. First TI experience in 2001. Since 2007 has headed his country's visitor-promotion-office (VPO).

-**Rifai**, 60, Jordan. Politician. First TI experience in 2001, when he was named tourism minister, thus also chairman of his country's VPO.

- There is insufficient space here to show the rest of this report. Subscribers wishing to see the full report, please email TBAoffice@gmail.com.

This is an extract from **People-in-Travel**, a monthly report tracking travel's leaders. A combination subscription to PinT costs €35 for one year; full price is €100. For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@gmail.com

HEADLINES

Commentary on tables pages 6-10

Aviation. T1. City-pair results. First 2009 data for *Sydney* (down 3%). *Singapore* gets worse. **T2.** Country-pair results. First 2009 data for *Australia* (up! 2%), *Germany* (down 9%), *UK* (down 7%). Full-year YTD for *France* (up 1%; China and Japan down; Hong Kong, India, Singapore up), and *US* (up 4%; Japan down 7%). **T3.** Airlines traffic. Q1 for *Cathay* (with *Dragonair*; down 3%), *China Southern* (growth systemwide, but near-25% drop international), *Eva* (down 7%), *Royal Brunei*. **T4.** New annual financial results for *China Southern*, *Korean*, *Malaysia*, *Thai*. **T5.** Airline results by region. First 2009 data for airline members of *AAPA*. **T6.** Airport passenger traffic. Full-year for *all-Asia Pacific* and those whose data is supplied to us by Airports Council International, which is most. Total passengers flat, but international passengers down 1%. Puzzling counts for Shanghai; ACI shows 24% decline for year, but on actual data we have been given, the decline calculates to a 32% fall. Either figure is a shock.

Inbound. T8. Visitor arrivals. *India* data looks suspect; see Market Outlook, page 2. Full-year for *Australia* (-1%), *Bali* (+18%), *China* (total -1%, foreigners -7%), *Cooks*, *Fiji*, *Indonesia*, *Japan*, *Korea*, *Laos*, *Macau* (+10%), *New Caledonia*, *New Zealand*, *Palau*, *PNG*, *Philippines*, *Sri Lanka*, *Tahiti* (-10%), *Taiwan*, *Thailand* (-1%), most courtesy *PATA*. **T9.** Running 12-month totals for *China*, *Hong Kong*, *Singapore*, *Thailand* through December.

Outbound. T10. Running 12-month totals for *China*, *Japan*, *Korea*, *Taiwan* through December. **T11.** Outbound travel. Full-year for *Australia* (+6%), *China* (our estimates, +9%), *Japan* (-8%), *Korea* (-10%), *Macau*, *New Zealand*, *Singapore* (+13%), *Taiwan* (-6%). Outside the region, full-year for *UK* (-2%).

Hotels. T18. For YTD 2009, Asia Pacific occupancy down 11 points to 62%, average rate down US\$30 to US\$133, resulting in shocking fall in yield of near-US\$40 to US\$83.

Others. T12. Stock indices and prices; at end of Q1. **T16 & T17.** Q4 economic indicators.

Special. Aircraft orders, at Airbus and Boeing.

CURRENT ISSUES

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

Travel Business Analyst, Europe:

- UK inbound/outbound.
- IPK outbound.
- Hotel reports.
- Plus: Crisis Market Monitor; ZERO; Extracts from Net Value and People-in-Travel; Market Headlines; and 15 regular tables of market data.

Net Value:

- Iberia.com slows; PhoCusWright conference; Trip Advisor; 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:

- Gabriele Burgio; WTO's new chief; Andrew Cosslett; others.
- Excerpts from the single-page **People-in-Travel** report are included in the Asia Pacific and Europe editions of Travel Business Analyst.

People-in-Travel is delivered only via email.

Foxtrots (recent):

- Rocco Forte's rocky road; Eurotunnel - no light; Air Asia hides data.

ZERO (recent):

- Another biofuelled flight; Not green enough; Beyond Vacations.

Please contact us with your order or queries, at TBAoffice@gmail.com

Link-up annual subscription rates for current subscribers:

- Travel Business Analyst Europe, with
- A Travel Business Analyst Asia Pacific €500 (full price €800)
- V Net Value €35 (full price €100)
- P People-in-Travel €35 (full price €100)
- A + V €535 (full price €1335)
- A + P €535 (full price €1335)
- A + P + V €570 (full price €1370)

- Travel Business Analyst Asia Pacific, with
- E Travel Business Analyst Europe €500 (full price €800)
- V Net Value €35 (full price €100)
- P People-in-Travel €35 (full price €100)
- E + V €535 (full price €1335)
- E + P €535 (full price €1335)
- E + P + V €570 (full price €1370)

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

Aircraft orders

Although bad news on aircraft orders abounds, order books for Airbus and Boeing, the two main aircraft manufacturers, does not yet reflect this.

Airbus, the troubled multi-national part-state-owned company based in France, has a backlog of 3631 aircraft, compared with 3650 just over a year ago. For US-based Boeing it is 3633, compared with 3645.

In terms of models, current figures indicate that Airbus has not run away with the big jet market. It has 187 still to deliver of its double-deck A380 - on which Airbus probably loses money for each one sold. Yet Boeing's B747 still has 112 orders.

For future aircraft, Boeing's B787 Dreamliner has nearly 900 orders, well ahead of the near-500 for the competing A350 from Airbus. But Airbus has increased orders on this model by 32%, whereas Boeing has lost 2%.

Boeing is also ahead in the A320/B737-series category - although that comparison is not quite fair as Boeing had a 20-year start. Airbus has more to deliver, 2522 against Boeing's 2237, but the Airbus total has fallen 5% and Boeing's has increased 2%. The B737 is considered an old aircraft, but its current models are as technically advanced as the Airbus series.

Aircraft* orders

Manufacturer/model	2009		2008		Ordered	Backlog
	Ordered	Growth,%	Ordered	Growth,%		
Airbus						
A318/319/320/321	6311	2	2522	-5	6161	2657
A330	1012	7	416	4	943	401
A340	385	-1	23	-38	389	37
A350	483	32	483	32	367	367
A380	200	4	187	-1	192	188
Total	8391	4	3631	-1	8052	3650
Boeing						
B737	8179	3	2237	1	7972	2222
B747	1524	0	112	-6	1523	119
B767	1039	3	68	42	1011	48
B777	1101	2	338	-6	1080	360
B787	878	-2	878	-2	896	896
Total	12721	2	3633	0	12482	3645

Notes: *In production. Source: Avmark.

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

From:	Kuala Lumpur			Singapore			Sydney			Tokyo*					
	Nov 08	YTD		Feb 09	YTD		Jan 09	J-D		Jan 09	J-D				
To:	+/-,%	08	+/-,%	To:	+/-,%	09	+/-,%	To:	+/-,%	08	+/-,%	To:	+/-,%	08	+/-,%
Bangkok	-37.2	1199	-0.5	Australia	-5.4	687	0.9	Auckland	7.1	1221	-0.8	China	0.4	27787	2.2
Chennai	-13.0	379	2.6	China	-21.3	449	-14.2	Bangkok	-4.9	638	0.8	Hong Kong	0.9	8253	-4.6
Hong Kong	2.6	827	3.4	Hong Kong	-16.4	344	-6.0	Beijing	15.2	138	19.6	Korea	10.3	13830	5.1
Jakarta	-1.7	1014	1.3	India	-20.8	349	-17.3	Denpasar	-6.0	226	37.1	Taiwan	9.4	9608	-0.3
London	-18.5	370	-6.1	Indonesia	-11.2	576	-6.9	Hong Kong	17.7	915	1.2	Asia-other	-0.7	26799	2.6
Los Angeles	-51.2	77	-27.5	Japan	-20.5	238	-16.2	Kuala Lumpur	-37.9	274	-11.9	Guam	19.5	7157	7.3
Shanghai	-22.8	260	-18.3	Malaysia	5.1	477	18.2	London	-8.4	540	-3.5	Pacific	-5.0	33438	-1.5
Singapore	6.8	1689	8.3	Thailand	-27.8	442	-25.7	Los Angeles	-13.6	535	-10.5	Oceania	-16.0	6118	-8.2
Sydney	-39.1	301	-10.9	UK	-6.9	224	-3.8	Singapore	13.0	1085	8.6	Europe	-6.1	17779	-1.0
Tokyo	-13.4	316	-9.2	US	-33.3	78	-30.5	Tokyo	-33.0	418	-10.3				
TOTAL	-1.6	16096	5.2	TOTAL	-12.3	5442	-6.4	TOTAL	-2.7	10510	1.3	TOTAL	-0.1	151838	0.5

Notes: See Master Notes, this page. Routes are selected; may not be largest. *Flights from Tokyo Narita, not passengers; 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 09	J-D	+/-t, %	Jan 09	J-D	+/-t, %	Jan 09	J-D	+/-t, %	Jan 09	J-D	+/-t, %	Jan 09	J-D	+/-t, %
To	+/-t, %	08	%	+/-t, %	08	%	+/-t, %	08	%	+/-t, %	08	%	+/-t, %	08	%
Australia	na	na	na	na	na	na	-8.2	125	12.3	-21.1	1272	5.7	-0.6	1351	-11.7
China	9.5	651	6.3	-6.4	1054	-3.3	-4.8	1556	-0.1	-0.8	571	-8.2	2.5	2095	4.0
Hong Kong	18.4	1969	10.4	4.7	652	13.3	-5.2	704	7.5	-6.2	1554	-5.3	-8.3	2203	9.5
India	-30.1	59	-9.1	-13.1	670	3.1	-4.5	1339	2.5	4.3	2363	-5.0	0.2	950	50.8
Indonesia	35.1	821	30.4	na	na	na	0.1	31	2.0	na	na	na	-99.8	16	-24.4
Japan	-26.9	1253	-14.7	-5.9	1268	-4.2	-15.5	1015	-4.0	-24.2	963	-6.7	-11.3	10816	-7.0
Korea	-6.3	484	6.5	26.5	419	12.6	-11.4	618	7.0	-5.9	285	0.0	6.7	3161	3.4
Malaysia	-2.4	1145	-0.1	-29.1	145	-8.7	-24.8	132	-3.7	-12.1	400	-6.9	-49.7	86	-29.0
New Zealand	3.3	5127	-0.5	na	na	na	na	na	na	14.7	365	5.4	-5.0	738	-4.1
Philippines	17.1	190	18.9	na	na	na	na	na	na	na	na	na	9.1	864	5.7
Singapore	6.3	4095	6.1	3.8	460	15.7	2.7	749	5.3	10.6	1248	1.6	-36.8	350	-14.6
Taiwan	6.3	226	1.0	na	na	na	10.6	137	5.2	1.5	116	14.9	-22.2	2159	-5.1
Thailand	-4.6	1364	-0.1	-27.7	367	-6.4	-13.1	1174	1.5	-8.9	594	-12.8	-60.9	140	-28.8
TOTAL	2.2	23382	3.1	-2.6	89544	1.2	-9.1	140912	1.0	-7.4	189852	-0.1	-3.3	131158	3.6

Notes: *Paris airports only. †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\$1.44, Y6.83, HK\$7.75, IRp50.74, ¥98.8, W1383, MR3.65, NZ\$1.75, S\$1.52, NT\$33.9, B35.5.

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, 2008/9†

Regular airlines	Mth	Mth		YTD		ASK	RPK	+/-
		SS	RPK	SS	+/-			
		+/-,%	+/-,%	1000	%	mn	%	%
-Systemwide								
All Nippon AW	Jan†	-8.9	-13.9	4129	-1.8	27839	3.4	19546 -2.7
Asiana	Jan†	-9.7	-1.8	8128	-0.3	31646	8.0	22722 4.5
Cathay Pacific AW*	Mar	-3.2	-4.5	5998	-2.7	28179	0.1	22120 -2.7
China AL	Jan†	3.3	-7.9	9403	-4.7	41128	-5.6	31587 -6.5
China Southern AL	Mar	6.8	4.9	15387	10.1	28913	3.6	21993 6.4
Eva Air	Mar	-1.7	-9.2	1400	-7.1	7031	-5.9	5410 -10.7
Garuda	Jan†	-4.9	-13.7	2387	5.9	11798	11.1	8756 10.6
Japan AL	Feb	-12.4	-13.8	6599	-8.6	19112	-3.9	11754 -12.7
Jet AW	Feb	-19.1	-11.1	1714	-19.3	4655	-7.7	3382 -6.8
Korean Air	Jan†	-3.6	-1.2	12583	-1.7	71647	4.5	51266 0.0
Malaysia AL	Dec	-19.6	-20.1	12631	-9.5	49497	-11.8	35868 -10.5
Philippine AL	Jan†	2.2	-3.4	3611	5.7	19345	4.8	14913 1.9
Qantas AW*	Feb	-8.4	-10.1	5998	-4.4	19976	-4.3	16020 -6.9
Royal Brunei AL	Mar	-4.3	-2.0	294	-3.1	1337	1.0	921 0.2
Silk Air	Jan†	15.4	3.0	1935	10.5	4449	6.4	3228 8.9
Singapore AL	Feb	-20.2	-17.1	2626	-15.1	18395	-3.6	13217 -11.9
Thai AW	Jan†	-13.3	-20.9	18710	-5.9	75391	-3.4	56377 -8.5
Vietnam AL	Jan†	-5.1	-5.7	3475	5.6	14972	-1.5	10408 4.7
-International								
China Southern AL	Feb	-24.1	-28.9	595	-20.0	2554	-21.7	1660 -23.7
Japan AL	Feb	-7.5	-13.6	1819	-8.1	12519	-3.4	7892 -14.4
Jet AW	Feb	17.9	0.8	520	27.1	3116	1.8	2356 -1.9
Jetstar	Feb	24.6	12.5	363	30.1	1945	20.2	1484 16.0
Malaysia AL	Dec	-20.8	-21.1	7600	-11.3	48167	-6.0	32645 -11.4
Qantas AW*	Feb	-16.8	-13.2	1202	-14.0	10940	-7.6	9040 -11.0

Low-fare-airlines

-Systemwide	Mth	SS,x1000	Growth,%	SF,%	Jan-	SS,x1000	Growth,%	SF,%	+/-,pts
Air Asia-all	Dec	NA	NA	NA	Dec	22798	21.3	NA	NA
-Malaysia	Dec	NA	NA	NA	Dec	14407	21.3	72.0	-4.6
Jetstar,AU	Feb	556	-3.3	78.8	Feb	1299	3.5	82.2	3.1
Ryanair	Feb	4128	7.4	78.0	Feb	8208	9.1	NA	NA
Southwest	Feb	6098	-9.9	69.1	Feb	12090	-9.8	65.8	-0.5

Notes: See Master Notes, page 6. pts = points. Air Asia issues varying data; shown are our estimates. Jetstar estimates from June onwards (actual data due later). *Includes in previous periods, Dragonair with Cathay, and Australian with Qantas. †When January shown, YTD figures shown are J-D. 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	CZ	KE	MH	QF group	TG
	Y-Dec 08	Y-Dec 08	Y-Dec 08	Y-Dec 08	Y-Jun 08	Y-Dec 08
Revenue,mn	11100	8095	10853	4486	13722	5637
Op Profit,mn	-957	-949	-106	81	1165	-188
Revenue per						
ASK,USc*	9.61	7.18	14.1	8.48	10.8	7.48
RPK,USc*	12.2	9.73	19.7	12.5	13.4	10.0
Pax,US\$*	445	139	NA	355	355	301
Profit per						
ASK,USc*	-0.83	-0.84	-0.1	0.15	0.9	-0.25
RPK,USc*	-1.05	-1.14	-0.2	0.22	1.1	-0.33
Pax,US\$*	-38.3	-16.3	NA	6.38	30.2	-10.0

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 09	+/- %	J-D 08	+/- %	Jan- Dec 08	+/- %	Jan- Feb 09	+/- %
SS,mn	11.4	-8.3	140.9	-2.4	94.8	0.9	30.6	-7.9
ASKs,bn	66.2	-2.5	789.3	1.1	516.8	3.2	135.5	-4.3
RPKs,bn	48.3	-9.3	591.9	-1.9	404.4	2.6	97.2	-5.7
Pax LF,%	73.0	-7.0	75.0	-2.9	78.3	-0.4	71.7	-1.1

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

City	Month*	Number	Growth %	Jan thru month shown	Growth %
Auckland	Dec	700,185	-0.6	6,576,838	0.2
Bali	Dec	312,610	6.6	4,102,265	13.6
Bangkok	Dec†	2,984,064	5.2	31,702,277	4.9
	Dec	1,756,346	-41.1	30,108,861	-5.0
Beijing	Dec†	1,011,648	17.5	12,717,950	8.6
	Dec	814,593	-3.2	12,500,599	6.9
Brisbane	Jan‡	368,932	2.7	4,010,924	2.3
Chennai	Dec	327,218	1.6	3,667,992	11.6
Colombo	Dec	395,909	-14.0	4,642,831	-5.2
Delhi	Dec	683,346	5.1	7,523,151	9.1
Guangzhou	Dec	296,028	-19.4	3,886,995	-0.9
Hong Kong	Dec	4,041,000	-5.3	48,595,000	1.7
	Feb‡	3,356,000	-13.7	7,355,000	-6.7
Jakarta	Dec	605,739	-5.2	7,038,983	5.4
Kuala Lumpur	Dec	1,713,121	4.9	17,858,138	4.6
Macau	Dec	354,253	-23.9	5,097,817	-7.3
Male	Dec	167,006	3.4	1,689,977	1.9
Manila	Dec	966,106	1.0	11,273,367	5.1
Melbourne	Jan‡	463,824	7.0	4,730,231	3.6
Mumbai	Dec†	724,268	5.8	7,495,085	9.1
	Dec	680,506	-6.0	7,841,037	4.6
Nooumea	Dec	43,812	-1.2	456,535	2.6
Osaka KIX	Jan‡	775,510	-12.3	10,434,695	-5.6
Papeete	Dec	48,292	-12.9	627,312	-5.7
Perth	Jan‡	260,880	8.2	2,521,574	6.2
Phnom Penh	Dec	122,703	-11.0	1,437,845	7.7
Phuket	Dec	273,984	-0.6	2,400,103	10.4
Seoul	Dec	2,367,195	-12.1	31,533,594	-2.7
Shanghai	Dec†	1,390,944	3.4	17,518,790	4.9
	Dec	818,686	-41.1	11,979,179	-31.6
Singapore	Dec	3,493,890	-0.6	37,694,824	2.7
	Feb‡	2,558,953	-13.0	5,632,630	-7.0
Sydney	Dec	961,587	-2.1	10,509,893	1.3
	Jan	995,147	-3.1	10,509,893	1.3
Taipei	Dec	1,454,140	-12.9	19,753,590	-5.3
Tokyo Narita	Dec	2,493,760	-10.5	32,388,365	-5.6
	Jan‡	2,521,451	-9.8	32,388,365	-5.6
ASIA PACIFIC-A	Dec†	89,019,883	6.6	1,017,015,643	8.8
	Dec	85,252,897	-4.8	1,002,698,816	0.4
Intl	Dec†	35,048,771	7.1	392,066,534	7.9
	Dec	31,853,560	-10.0	384,023,938	-0.7

Notes: See Master Notes, page 6. When January shown, YTD figure is for all-2008. *2008 unless stated otherwise. †2007. ‡2009. A = Domestic and international; data as supplied. Source: civil aviation departments, airports, Airports Council International.

MARKET DATA

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
	Jan†	458,300	2.7	30.0	150.60
Bhutan	Dec	27,673	31.2	8.0	200.00
Cambodia	Jan†	207,081	-3.8	6.5	95.00
China	Dec	130,027,401	-1.4	7.0	100E
foreigners	Dec†	26,109,690	17.7	6.5	100E
	Dec	24,325,225	-6.8	7.0	100E
Cook Islands	Dec	94,183	-2.4	10.5	115.84
Fiji	Dec	582,602	8.0	8.7	124.58
Guam	Dec	1,135,459	-7.3	3.1	302.93
Hawaii	Dec	6,699,424	-9.1	9.18	179.88
	Feb†	1,025,418	-12.9	9.19	179.88
Hong Kong	Dec	11,947,784	-0.9	3.28	200.10
	Feb†	11,676,747	-4.9	3.28	200.10
India	Dec	5,366,729	6.1	16.0	92.68
	Feb†	989,000	-14.2	16.0	92.68
Indonesia	Dec	6,234,497	13.2	9.09	107.70
Japan	Dec	8,350,835	0.0	7.2	160.42
	Feb†	989,600	-29.7	6.5	160.42
Korea	Dec	6,890,841	6.9	6.9	163
	Feb†	1,274,587	25.5	6.9	163
Laos	Dec	1,736,786	6.9	4.5	23.03
Macau	Dec	14,241,649	10.0	1.36	181.80
Malaysia	Dec	22,052,488	5.1	6.2	105.67
	Feb†	3,484,408	-1.1	6.2	105.67
Maldives	Feb†	120,051	-9.5	8.5	56.00
Marianas	Dec	397,274	2.1	3.52	100.00E
Myanmar	Dec	193,319	-22.1	7.0	70.00
Nepal	Feb†	47,125	-16.0	9.1	14.09
New Caledonia	Dec	103,672	0.3	19.1	87.09
New Zealand	Dec	2,458,503	-0.3	20.22	115.33
Pakistan	Dec†	839,117	-6.6	25.0	13.20
Palau	Dec	80,303	-8.9	E4	NA
PNG	Dec	120,139	15.4	17.3	28.24
Philippines	Dec	3,139,422	1.5	11.94	82.96
Singapore	Dec	10,074,534	-2.0	4.6	161.07
	Feb†	9,835,902	-5.3	4.6	161.07
Sri Lanka	Dec	438,475	-11.2	10.0	79.10
Tahiti	Dec	196,496	-10.0	13.21	150.88
Taiwan	Dec	3,845,187	3.5	6.52	180.52
Thailand	Dec†	14,464,228	4.6	8.75	95.57
	Dec	14,316,815	-1.0	9.19	119.38
	May†	6,557,186	10.7	9.2	95.57

International arrivals

Destination	Months*	Arrivals	Growth	Stay	PVPD
	Jan thru:		%	days‡	US\$-A
Tonga	Sep	34,600	14.1	5.0	56.87
Vanuatu	Dec	196,787	22.4	9.7	146.17
Vietnam	Dec	4,179,369	-0.2	9.6	64.04
	Feb†	688,753	-20.0	9.6	64.04
Asia Pacific	latest-E	6,025,251	-17.2	NA	NA

International arrivals

City/region	Period	Number	Growth,%	Source	Comment
Bali	Jan-Dec 08	1,968,892	18.3	PATA	direct arrivals
Sabah	Jan-Dec 08	701,198	-29.0	PATA	direct arrivals
Sarawak	Jan-Sep 08	1,630,710	-2.9	PATA	direct arrivals

Domestic arrivals

Destination	Period	Number,mn	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 B\$380b

Notes: See Master Notes, page 6. *2008 unless stated otherwise. †2007. ‡2009. E = Indicative selected totals only; approx Jan/Feb 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
Dec 08	24,325	-6.8	29,507	4.7	10,072	-2.0	14,317	-1.0

Notes: See Master Notes, page 6. 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
Dec 08	44,936	9.2	15,987	-7.6	11,996	-10.0	8,465	-5.6

Notes: See Master Notes, page 6. †Estimates by Travel Business Analyst for 2008 data. Source: NTOs, Travel Business Analyst.

MARKET DATA

11 Overseas travel by Asia Pacific residents

Market	Jan* thru:	Departures	Growth,%	Source	Spend,US\$m
Australia	Dec	5,808,000	6.3	PATA	14,200
	Jan‡	409,600	-2.0	PATA	14,200
China	Dec†	40,954,027	18.6	PATA	24,300
	Dec	44,936,310	9.2	TBA-E	29,800
Hong Kong	Dec	81,910,703	1.5	PATA	14,000
	Jan‡	7,067,102	8.1	PATA	15,100
India	Dec†	9,783,232	17.3	PATA	8,200
Indonesia	Dec†	4,594,582	-8.8	PATA	4,900
Japan-B	Dec	15,987,250	-7.6	NTO	26,900
	Feb‡	2,538,000	-6.9	NTO	26,500
Korea-B	Dec	11,996,093	-10.0	NTO	18,200
	Feb‡	1,566,543	-36.2	NTO	20,900
Macau	Dec	606,417	1.2	PATA	71
New Zealand	Dec	1,967,126	-0.7	PATA	3,100
Philippines	Dec 06	2,745,191	29.1	PATA	632
Singapore-D	Dec†	6,024,130	8.9	PATA	10,400
	Dec	6,828,362	13.4	PATA	11,800
Taiwan-B	Dec	8,465,209	-5.6	NTO	8,700
	Feb‡	1,293,501	-10.1	NTO	9,100
Thailand	Dec†	4,020,713	18.9	PATA	5,200
Asia Pacific	latest-E	125,456,869	-0.5	various	NA
UK	Dec	68,815,000	-1.7	gov	72,300
US	Nov‡	36,578,380	-1.2	PATA	76,200

Notes: See Master Notes, page 6. *2008 unless stated otherwise. †2007. ‡2009. A = Excludes travel to China and Macau. B = Citizens. D = Excludes departures by land. E = Indicative selected totals only; approx Jan-Feb 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‡		
	Mar 09	Growth†,%	stock	TBA 100 All	Region	March 2009
Air China	2.50	18.5	6.0	83	143	Asia Pacific 49
Air NZ	0.90	9.8	2.7	1	1	
All Nppn AW	386	10.3	7.1	99	170	
Cathay P AW	7.70	-5.2	6.0	53	92	
China AL	8.65	34.1	14.3	44	76	Europe 33
Japan AL	197	5.9	7.1	38	65	
Malysn AL	2.87	7.1	-2.0	80	137	
Qantas AW	1.75	11.5	7.1	49	85	
Singpre AL	10.2	0.6	6.6	60	102	World 35
Thai AW	9.85	28.8	0.0	31	53	
Mndrn-Orntl	0.82	25.2	6.6	na	na	
Shangri-La	8.8	5.4	6.0	104	179	

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, 2007

Country	Locations	Growth %	Net sales US\$m	Growth %	Per agency US\$m	Growth %
Australia†	1,856	0.0	9,499	26.6	5.12	26.6
China	4,232	-2.8	15,220	33.4	3.60	37.3
Hong Kong	251	4.1	2,886	16.2	11.50	11.5
India	2,605	6.2	6,331	63.1	2.43	53.6
Indonesia	474	0.0	1,296	16.4	2.73	16.4
Japan	944	-0.3	16,027	5.5	16.98	5.8
Korea	908	0.7	6,007	16.8	6.62	16.0
Malaysia	661	0.5	1,703	37.0	2.58	36.4
New Zealand†	559	-4.1	1,787	26.5	3.20	31.9
Philippines	248	0.0	967	11.4	3.90	11.4
Singapore	224	1.4	2,626	25.2	11.72	23.5
Taiwan	411	1.7	2,037	4.8	4.96	3.0
Thailand†	408	-1.7	1,486	20.9	3.64	23.0
Asia Pacific	13,781	0.2	67,874	22.2	4.93	38.0
US‡	18,261	-12.2	79,885	2.6	4.37	36.7
Europe	31,691	-0.2	87,080	18.2	2.75	28.3
World	63,733	-3.9	234,839	13.4	3.68	33.0

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

14 International outbound sales of leading out bound travel agencies in Japan, US\$m

Agency	Dec 08	+/-†,%	Jan 09	+/-†,%	J-D 08	+/-†,%
JTB	392	-6.3	246	-22.6	4940	-4.9
HIS	287	3.6	199	-7.1	3225	1.3
Hankyu	147	-24.8	145	-14.3	2342	-10.9
KNT	129	-19.0	96	-11.1	1735	-7.0
NTA	98	-13.0	74	-33.8	1481	-12.5
NEC	50	-37.0	64	-10.8	966	-12.1
Jalpak	84	-20.0	59	-30.0	930	-14.0
Travel Plaza	41	-3.2	30	-14.0	569	3.2
Club Tourism	39	-1.1	27	-20.5	500	-8.0
Nissin	29	-14.5	24	-33.2	498	1.1
Top 63	2082	-10.3	1506	-20.6	26878	-5.5

Notes: JTB = (originally Japan Travel Bureau; all 14 companies; estimates starting Mar 08). HIS = (originally Hideo's International Services), KNT = Kinki Nippon Tour-ist, NEC = Nippon Express Company, NTA = Nippon Travel Agency. *Converted at US\$1 to ¥103. †Over same period, year earlier. Source: Travel Journal International.

15 Internet bookings/sales of selected companies/ markets

Company	Item	Period	Number	Previous	Source
AsPac online bookings	average annual	'09-12	11%	NA	Abacus
Expedia group	transactions,m	2008	49	2%	company
Air NZ	record sales weeks,2	Jan	\$17/20m	na	company
Ctrip air tickets	annual sales	current	1m	NA	company
US online travel	share	2010	39%	37%	PCW
Priceline growth	bookings \$	2008	53%	23% Q4	company
Priceline growth	outside-US bookings \$	2008	61%	17% Q4	company
InterContinental	internet revenues	2008	\$8b	10%	company

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 growth*†,%	GDP 2010	Actual GDP growth*†,%	Period 2008	GDP per person,US\$	Inflation period	Growth*†,%
Australia	-0.8	1.6	Q4:	0.3	38,260	Q4:	3.7
China	6.0	7.0	Q4:	6.8	2,000	Feb:	-1.6
Hong Kong	-5.9	-0.2	Q4:	-2.5	26,750	Feb:	0.8
India	5.0	6.4	Q4:	5.3	810	Jan:	10.4
Indonesia	-1.3	0.6	Q4:	5.2	1,620	Mar:	7.9
Japan	-5.3	0.5	Q4:	-4.3	34,080	Jan:	0.0
Korea	-5.9	0.3	Q4:	-3.4	18,500	Mar:	3.9
Malaysia	-0.3	2.8	Q4:	0.1	5,840	Jan:	3.9
Pakistan	1.2	3.2	'08:	5.8	790	Feb:	21.1
Singapore	-7.5	1.9	Q4:	-4.2	30,040	Jan:	2.9
Taiwan	-6.5	0.1	Q4:	-8.4	15,990	Mar:	-0.1
Thailand	-4.4	1.8	Q4:	-4.3	3,180	Feb:	-0.1

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, 2008

Country	GNP/ GDP	Retail sales	Consumer prices	Wages/ earnings
Australia	0.3 Q4	1.0 Q4	3.7 Q4	3.3 Q4
Germany	-1.7 Q4	1.3 Jan	2.8 Feb	1.5 Dec
Japan	-4.3 Q4	-2.4 Jan	0.7 Jan	-0.4 Dec
UK	-2.0 Q4	0.4 Feb	2.5 Feb	4.0 Jan
US	-0.2 Q4	-6.4 Jan	4.0 Feb	3.8 Jan
Euroland	-1.3 Q4	-2.2 Jan	3.3 Feb	2.6 Q3

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

MARKET DATA

18 Hotels measures in Asia Pacific, February

Location	Occupancy, %				Average room rate, local				Revpar, US\$*				
	2009		2008		2009		2008		2009		2008		
	Mth	YTD	Mth	YTD	YTD	Mth	YTD	Mth	YTD	Mth	YTD		
Auckland-all	87.2	79.4	90.7	82.6	135	68.80	68.75	151.26	136.75	59.99	54.56	137.23	112.91
U-4	86.3	77.2	NA	NA	151	78.48	77.15	NA	NA	67.70	59.57	NA	NA
Bali-all	63.3	68.9	77.2	78.4	1222601	84.48	104.97	94.76	101.63	53.49	72.30	73.17	79.66
U-4	69.6	73.8	81.6	82.0	893964	63.52	76.75	75.14	83.62	44.22	56.65	61.32	68.55
Bangalore	67.8	56.6	90.7	84.7	14800	326.17	295.62	402.97	371.67	221.24	167.40	365.29	314.65
Bangkok-all	54.3	52.6	79.5	77.8	4317	114.65	121.44	141.62	136.41	62.31	63.83	112.65	106.10
L-4	50.9	49.0	76.3	76.0	2335	66.87	65.68	78.06	73.10	34.01	32.16	59.54	55.54
U-4	60.2	55.2	81.3	79.0	3154	86.79	88.72	112.37	108.83	52.23	48.96	91.40	85.99
Beijing-all	44.4	41.0	49.4	55.6	756	109.58	110.55	126.58	127.86	48.66	45.30	62.59	71.10
L-4	50.9	46.8	50.8	58.0	533	78.07	77.97	83.61	81.62	39.70	36.46	42.45	47.37
U-4	44.1	42.0	52.1	55.9	728	112.53	106.45	124.50	124.48	49.65	44.66	64.80	69.62
Colombo	19.3	34.1	50.0	60.6	8115	72.85	70.75	77.68	79.73	14.03	24.15	38.83	48.29
Delhi	80.6	71.2	91.7	86.4	12377	258.16	247.21	373.16	329.52	208.20	176.00	342.02	284.70
Fiji	37.1	38.0	54.5	58.4	204	96.87	110.08	123.16	122.43	35.90	41.79	67.16	71.48
Goa	77.3	72.4	88.2	82.1	9495	145.80	189.64	253.44	268.81	112.67	137.36	223.57	220.83
Hanoi	52.6	49.9	66.4	68.2	2528914	143.47	144.69	167.51	169.69	75.50	72.14	111.20	115.76
Ho Chi Minh City	53.6	48.2	64.7	66.4	2574435	149.43	147.30	141.56	141.18	80.16	70.95	91.57	93.69
Hong Kong-all	71.1	73.2	77.3	80.8	1238	139.77	159.67	178.04	184.75	99.40	116.84	137.67	149.20
L-4	75.8	78.1	83.9	86.6	943	115.68	121.55	127.83	132.61	87.65	94.94	107.24	114.83
U-4	67.7	73.4	70.5	75.7	1261	131.68	162.52	164.79	174.57	89.20	119.29	116.25	132.18
Jakarta-all	65.6	56.5	63.9	63.2	852154	68.04	73.16	95.13	94.63	44.62	41.37	60.79	59.78
U-4	64.7	56.3	59.4	59.0	576707	47.94	49.51	68.52	67.66	31.02	27.86	40.68	39.90
Kuala Lumpur-all	57.5	53.9	63.0	63.7	338	86.89	92.42	116.94	111.48	50.00	49.83	73.67	71.00
L-4	54.1	54.0	59.7	61.1	217	59.48	59.51	66.21	61.70	32.18	32.14	39.54	37.72
U-4	58.5	53.9	63.9	64.4	371	93.82	101.43	129.58	124.08	54.86	54.67	82.77	79.86
Macau-all	72.8	72.8	69.5	70.4	1510	180.50	184.71	146.51	147.63	131.49	134.44	101.78	103.92
casino hotels	72.3	72.8	66.7	67.0	1677	202.93	205.14	165.66	176.04	146.67	149.32	110.47	117.94
Maldives-5-S	78.7	76.0	57.8	88.4	16719	1056.87	1290.50	949.18	1040.81	831.68	980.97	882.76	920.18
Manila-all	76.3	70.4	82.8	80.1	4972	103.65	103.60	128.08	113.92	79.04	72.89	106.01	91.23
L-4	72.7	68.3	83.9	85.5	3257	69.24	67.86	74.74	64.49	50.32	46.33	62.69	55.16
U-4	77.6	71.1	82.5	79.0	5568	115.59	116.02	138.98	124.70	89.68	82.50	114.73	98.49
Melbourne-all	75.2	73.2	81.2	78.6	218	131.02	141.30	210.59	196.52	98.56	103.49	171.01	154.47
U-4	74.5	71.9	75.7	73.6	223	134.72	144.93	207.24	194.95	100.40	104.20	156.83	143.45
Mumbai	79.1	69.8	81.6	78.7	10912	224.88	217.96	357.77	330.78	177.78	152.18	291.90	260.21
Penang	52.3	51.4	61.7	59.0	310	74.05	84.73	104.31	103.11	38.70	43.59	64.35	60.82
Phuket-all	71.5	72.4	89.9	89.6	4887	115.71	137.49	164.34	163.56	82.70	99.59	147.81	146.63
L-4	70.4	72.2	89.9	89.7	4824	114.39	135.73	159.83	157.00	80.52	97.98	143.65	140.76
U-4	81.9	74.8	90.5	89.6	5463	126.49	153.69	205.59	224.13	103.55	115.00	186.15	200.71
Seoul-all	88.2	78.0	64.1	64.0	169667	109.38	116.52	199.20	194.90	96.47	90.87	127.65	124.79
U-4	86.8	81.7	60.2	71.3	146243	98.03	100.43	150.94	151.37	85.13	82.08	105.03	107.89
Shanghai-all	47.0	41.8	48.2	54.4	838	115.28	122.59	138.04	133.18	54.24	51.27	66.51	72.47
L-4	43.6	38.7	47.8	57.1	493	72.58	72.06	71.96	70.14	31.65	27.86	34.40	40.05
U-4	53.0	48.5	54.0	58.5	815	121.62	119.24	127.99	126.27	64.50	57.79	69.10	73.86
Shenzhen	49.1	45.8	50.4	58.4	765	111.34	111.90	115.59	110.60	54.71	51.24	58.26	64.58
Singapore-all	74.7	69.6	75.4	76.9	242	153.89	158.59	249.65	225.11	114.99	110.33	188.19	173.12
L-4	76.6	72.8	82.2	84.6	183	120.83	119.96	166.87	150.29	92.55	87.28	137.15	127.21
U-4	74.1	69.2	72.9	73.8	245	161.36	160.29	249.82	225.36	119.60	110.90	182.13	166.41
Sydney-all	82.8	79.7	88.7	84.3	220	140.24	142.81	248.89	218.51	116.12	113.75	220.73	184.29
L-4	83.6	81.5	89.7	86.5	181	116.15	117.24	202.70	174.46	97.15	95.53	181.87	150.95
U-4	83.6	80.2	87.2	83.3	241	158.71	156.01	269.32	238.15	132.63	125.04	234.94	198.44
Taipei	64.2	59.2	67.9	67.8	4382	128.27	127.91	141.18	140.89	82.36	75.76	95.79	95.53
Tokyo-all	65.6	61.7	76.7	72.8	22084	212.86	235.24	251.58	231.76	139.73	145.10	192.91	168.73
U-4	62.1	58.3	NA	NA	22436	214.02	238.98	NA	NA	132.99	139.26	NA	NA
OTHERS													
Dubai	82.5	77.2	NA	NA	660	153.44	179.74	NA	NA	126.51	138.75	NA	NA
London	77.7	72.1	77.5	74.2	122	174.64	174.10	337.65	324.01	135.75	125.45	261.82	240.55
New York	64.3	61.8	76.5	73.9	196	193.31	196.30	235.46	232.22	124.38	121.24	180.21	171.62
Asia Pacific-total	64.6	61.5	72.1	72.1	na	125.17	132.66	168.79	162.92	83.10	83.44	126.70	120.71
Europe-total	58.6	55.3	69.1	65.8	na	199.09	196.35	280.74	253.24	115.19	108.45	193.56	166.65
US-total	53.2	49.4	59.3	55.3	101	100.41	100.54	108.46	107.09	53.42	49.63	64.32	59.17

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 (YTD data starts July) - Travel Business Analyst Europe; US - Smith Travel Research.

Trends

Commentaries

Thoughts from recent conferences:

- From **Reed's** luxury exhibitions:
 - Good service is no longer a competitive advantage; relationships will take its place. Larry Hochman, business speaker.
 - Biggest competitor for many travel agencies is their view of the future. LH.
 - Luxury travel has been growing at 10% annually, but now all has to change because it has stopped growing. Christina Wood, ILTM.
- Miscellaneous, at ITB Berlin:
 - More airlines may be sold from the start of 2010 because share prices will start to increase, and so the gap between what buyers are willing to pay, and what selling-airlines are willing to accept, will be closer. Buyers will still be able to say that prices are going up, so they still made a good deal. At present, the gap between buyers and sellers is too great.
 - Consolidation will come from airlines going out of business rather than mergers.
 - I have no idea why Air France is buying into Alitalia, and particularly taking a minority stake. The incentive may be to keep the airline in the alliance. (AF, KLM, and Alitalia are in Sky World.)
 - Cologne airport says passenger loads on Lufthansa flights have fallen more than loads on LFAs such as Germanwings and TUI.
 - There is too much mixing of airline business models - charter in the morning, low-fare in the evening.
- The **TEAL** consultancy group, at ITB Berlin, said:
 - Air traffic is dropping faster than GDP (which it interprets as meaning the worst is yet to come).
 - Of the 7500 aircraft on order, maybe 50% will be cancelled or deferred. Even Emirates has talked of doing something about its (50) A380 orders. (And it has taken the A380 off its first route, Dubai-New York.)
 - There will be more government money to support aircraft purchases. We are all socialists now. Everyone is subsidising, so there will probably be no problem with claims of illegal subsidies. There will be more state credit guarantees for aircraft orders.
 - China's plans to build an aircraft

is the worst way to do it. Best way is to build parts of aircraft, like Japan is doing.

- Lowering prices helped in the 2002/3 crises, but probably it will not help this time; fares are already low.

Six Senses senses

We usually write about the environmental activities of the Six Senses resort group. Here are some other product- and marketing-value aspects of the group, from its CEO:

- Our guests love the 'slowlife' - sustainable local wholesome learning inspiring fun experiences. Our guests are sophisticated escapists.
- As one example of 'learning', we have an observatory on Maldives - with a telescope for star gazing.
- One of the transport arrival options for our Oman resort is parasailing with a monitor from the hillside overlooking the resort. He can also point out picnic spots on the way down.
- One resort has a den for children. They have a code to get in, and a sign outside says 'Adults Must Be Accompanied By Children'.
- (On the market:) The market will stabilise this spring 2009, and then some places will pick up. At our level of property, will still be doing quite well. In the Maldives, we are about 10% ahead of budget, and budget is about 10% above previous year.

Air Asia X

More market data, from its CEO:

- On our Australia routes, 67% of our outbound passengers had never been to Australia. And 47% of our inbound passengers did not even have a passport before that trip. (We find that hard to believe for such a market as Australia; we presume AAX has missed some key qualification.)
- On our Gold Coast route, 45% stay there, 35% go to nearby Brisbane, and 20% go to other places. (Earlier, AAX said 45% of its travellers to Gold Coast use it has a hub.)
- On our first flight from London, 10% were Malaysians, 43% British, and 48% from the rest of Europe.
- We forecast an average one-way fare this year on London of US\$278 (£175).
- Our aircraft utilisation is 18.9 hours a day, including downtime.

• We have been told that we beat Ryanair in terms of sales in one day. (We don't know who told AAX, but this cannot be true; Ryan sells about 150,000 seats daily; AAX about 1000.)

• Based on current bookings for this year, systemwide traffic is up 4% (loads were 78% in 2008), and yields up 20%. Load factor on our Gold Coast route is 82%. (AAX presents this as good; we reckon it needs 85% if not 90%.)

• Ancillary revenue is "small but important to us, because it is our net profit".

• We spend 4% on marketing. (This is probably the same as regular airlines, who generally spend 2-3%, because LFAs get lower revenues.)

Briefs

• **Wyndham** Hotels says it currently has three priorities - cost efficiencies (such as getting away from print media); a customised approach for owners; and keeping customers and getting new ones.

In brands, its Encore sub-brand is no longer Ramada Encore but Encore, with small 'By Ramada'. It wants to place its new-and-still-struggling Wyndham brand in about 15 markets in Europe, and then in other regions; one has just opened in Xiamen. Days Inn is considered good for conversions.

Wyndham expects it will take 2-5 years to get what it needs in Europe. It says there have already been expressions of interest - some hotels on which work has been started, and some existing hotels.

• **Carlson Wagonlit** Travel (CWT) sales in 2008 were US\$29bn, up 7%, with new business accounting for US\$2.4bn.

• **Armani's** first hotel, initially due with 160 rooms in Q1 2008 in Dubai, is now reset for this autumn. Developer is Dubai's government-linked Emaar Hotels.

• Budgets for **meetings** and events are expected to fall this year, according to a survey by Meeting Professionals International (MPI) and American Express. Corporate meeting planners anticipate a 17% drop, and association meeting planners 12%.

The Power of TWO

OAG
BACK Aviation Solutions

Combining our expertise and experience to serve the commercial aviation industry.

- Airline Fleets •
- Schedules & Operations •
- Traffic Data •
- Financials & Operational Performance •
- Strategic & Technical Consulting •

OAGback
Aviation Solutions

WWW.OAGBACK.COM

Singapore / Other Regions
e: custsvcpac@oag.com
t: +65 6395 5868
f: +65 6293 6566

China
e: custsvchina@oag.com
t: +86 10 6590 6215
f: +86 10 6590 6217

Hong Kong
e: custsvcpac@oag.com
t: +852 2965 1700
f: +852 2965 1777

Japan
e: custsvjpn@oag.com
t: +81 3 6402 7301
f: +81 3 6402 7302

Travel Business Analyst Markets + Marketing + Strategy

SUBSCRIPTION FORM

New Subscription; 12 issues

- A: Asia Pacific edition €800 PDF copy *email* delivery (12 pages; Jan and Aug 8 pages).
- A: Asia Pacific edition €825 printed copy *airmail* delivery (12 pages; Jan and Aug 8 pages).
- E: Europe edition €800 PDF copy *email* delivery (12 pages; Jan and Aug 8 pages).
- E: Europe edition €825 printed copy *airmail* delivery (12 pages; Jan and Aug 8 pages).
- P: People-in-Travel report €100 (1 page; PDF copy *email* delivery only).
- V: Net Value report €100 (1 page; PDF copy *email* delivery only).

Combination Subscription; 12 issues

- A plus E: €1300 email delivery; €1300 printed copy delivery by airmail.
- A or E plus P or V: €835 email delivery; €850 printed copy (of A or E) delivery by airmail; P and V via email.
- A or E plus P plus V: €870 email delivery; €870 printed copy (of A or E) delivery by airmail; P and V via email.
- A plus E plus P or V: €1335 email delivery; €1400 printed copy (of A plus E) delivery by airmail; P and V via email.
- A plus E plus P plus V: €1370 email delivery; €1450 printed copy (of A plus E) delivery by airmail; P and V via email.
- P plus V: €135 email delivery.

'No-Frills' Subscription; 12 issues

(*details on application; no agency commission; no renewal discount; email delivery only*)

- NF: A plus E: €999 email delivery only.
- NF: A plus E plus P plus V: €1000 email delivery only.

Start from.....issue.

Renewal Subscription; 12 issues

- A: €725 email delivery; €750 printed copy delivery by airmail.
- E: €725 email delivery; €750 printed copy delivery by airmail.
- P: €75; email delivery only.
- V: €75; email delivery only.
- NF: A plus E: €999 email delivery only.
- NF: A plus E plus P plus V: €1000 email delivery only.

Combination Renewal Subscription; 12 issues

- A plus E: €1200 email delivery; €1200 printed copy delivery by airmail.
- A or E plus P or V: €750 email delivery; €750 printed copy (of A or E) delivery by airmail; P and V via email.
- A or E plus P and V: €780 email delivery; €780 printed copy (of A or E) delivery by airmail; P and V via email.
- A plus E plus P or V: €1270 email delivery; €1270 printed copy (of A plus E) delivery by airmail; P and V via email.
- P plus V: €125 email delivery.

Renew from.....issue.

Restart subscription (not following directly from earlier subscription). *Rates on application.*

Bulk subscription, number.....

Rates on application.

Single and Back issues, months.....

Rates on application.

Tick items required, and complete form below.

(Prices valid for month of issue and following month only.) For orders as above, mail to Travel Business Analyst, GPO Box 12761, Hong Kong, China. Fax (33-4)-9449-0949.

METHOD OF PAYMENT

Cheque made out to Travel Business Analyst Ltd.
Amount enclosed: _____

American Express Your Name (Name of cardholder): _____

Address (or attach business card):

Phone: _____

Email: _____

Credit Card No: _____

Expiry Date: _____

Signature: _____