

TRAVEL BUSINESS ANALYST

Markets • Marketing • Strategy

EUROPE • JUNE 2012

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.

- TBA Travel Industry Index, World: 2012: Mar 6E; Feb +7E; Jan +6P. 2011: Dec +5.6; Nov +4.5; Oct +4.3; Sep +6.4; Aug +4.4; Jul +6.1; Jun +5.3; May +5.4; Apr +11.0. *TBA*.
- TBA Travel Industry Index, Europe: 2012: Mar 1E; Feb +2E; Jan +3P. 2011: Dec +4.5; Nov +0.9; Oct +4.1; Sep +5.8; Aug +4.4; Jul +5.4; Jun +7.4; May +5.2; Apr +17.5. *TBA*.
- TBA Travel Industry Index, US: 2012: Mar 5E; Feb +5E; Jan +5P. 2011: Dec +3.4; Nov +3.4; Oct +1.2; Sep +4.2. *TBA*.
- World airport passengers; ttl, intl: 2012: Feb +7.3 +8.0; Jan +4.9 +5.4. 2011: Dec +5.0 +6.8; Nov +3.8 +2.9. *ACI*.
- World air traffic, RPKs: 2012: Mar +9.6; Feb +9.3; Jan +5.5. 2011: Dec +6.4; Nov +4.0. *IATA*.
- World hotel occupancy, pts: 2012: Feb -0.2; Jan -1.6. 2011: Dec -1.4; Nov +0.7; Oct -0.5. *TBA*.
- World travel stocks index, on 100: 2012: Mar 81; Feb 82; Jan 80. 2011: Dec 74. *TBA*.
- World visitor arrivals: 2011: Dec +3.6; Nov +2.8; Oct +2.9; Sep +5.0; Aug +4.0E; Jul +3.5E. *WTO*.
- Europe airlines international seat sales: 2012: Mar +7.4; Feb +6.8; Jan +5.8. *AEA*.
- Europe airport passengers; ttl, intl: 2012: Feb +3.2 +4.7; Jan +3.1 +3.1. 2011: Dec +8.1 +8.5; Nov +2.7 +2.8; Oct +3.3 +4.2. *ACI*.
- Europe air traffic, RPKs: 2012: Mar +8.8; Feb +7.6; Jan +5.3. 2011: Dec +9.8; Nov +4.9. *IATA*.
- Europe hotel occupancy, pts: 2012: Feb -3.1; Jan -2.4. 2011: Dec -5.1; Nov +0.3; Oct +1.1. *TBA*.
- Europe hotel rooms planned: 2012: Mar +13.9; Feb +14.4; 2012: Jan +12.4. 2011: Dec +19.3. *Smith*.
- Europe travel stocks index, on 100: 2012: Mar 62; Feb 59; Jan 58. 2011: Dec 45. *TBA*.
- Europe visitor arrivals: 2011: Dec +5.8; Nov +4.0; Oct +5.3; Sep +6.0; Aug +5.5E; Jul +5.0E. *WTO*.
- Air France-KLM seat sales (ttl, Eur/dom): 2012: Mar +6.3, +6.7; Feb +5.0 +4.8; Jan +5.3 +7.3.
- American Airlines seat sales: 2012: Mar +2.4; Feb +7.2; Jan +0.9.
- Amsterdam airport passengers: 2012: Feb +8.3; Jan +5.1. 2011: Dec +9.2; Nov + 2.1. *ACI*.
- Austria visitor arrivals: 2012: Mar +4.5; Feb +13.9; Jan -2.2. 2011: Dec +4.7; Nov +6.0. *Tourmis*.
- Berlin Tegel airport passengers: 2012: Feb +6.4; Jan +8.1. 2011: Dec +17.8; Nov +6.3. *ACI*.
- British Airways traffic (RPKs): 2012: Mar +10.2; Feb +6.9; 2012:

Air France

Taking a chance

Air France KLM (AFKL), in serious financial difficulties (although more AF than KLM, see below), is trying to restructure itself. The task looks hard.

Indeed, Alexandre de Juniac, chairman and CEO, may not be the right person – in business and political terms – to make the changes. He has little experience of business (he is a government appointee; even though the state owns only 20%, it has the power of a majority owner). Also France has a new president, and De Juniac was appointed by the previous one, so he will not be supported – whatever his skills or otherwise.

AF is aiming for a turnaround by 2015, including a 20% increase in productivity and “economic efficiency” – whatever that is.

The problem is more AF, although management tends to talk of AF when news is good, and AF-KLM when news is bad. KLM’s own status is less threatening, except ironically by the fact that it is linked with AF. None of the key changes proposed are for KLM; all are for AF alone.

There are various areas of restructure, of which the main ones are based around short- and medium-haul routes - flights flown by AF, flights to some regional points, and Transavia France (TF).

AF’s flights include traffic-feed routes to connect to longhaul flights from Paris Charles de Gaulle airport, routes with a “high proportion of business travellers” in France and Europe, and flights from Marseille, Nice, Toulouse to various domestic and international points.

Most flights designated ‘regional’ are those operated by the airlines Airlinair, Britair, Regional+. These three operate flights for AF to Paris Charles de Gaulle, and flights from Paris Orly airport to regional points, except Marseille, Nice, Toulouse.

What AF calls the “leisure” operation – Transavia France – flies to some domestic and international destinations from Paris Orly and some other cities in France except, as always, Marseille, Nice, Toulouse. By 2016, AF

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MARKET OUTLOOK

Headlines

Commentary on tables

- **Inbound trends.** Forecast for next 12-month period.
- **Outbound trends.** Forecast for next 12-month period.
- **Air passenger trends.** Forecast for next 12-month period.
- **Forecasts.** New WTTC forecasts; others.

Visitor arrival trends*, next 12 months

Destination	Number,x1000	Growth,%
France	78,537	1.8
Spain	56,941	8.1
UK	29,087	2.8

Notes: *Statistical base on past performance. Source: WTO, Travel Business Analyst.

Resident departure trends*, next 12 months

Source	Number,x1000	Growth,%
France	24,297	0.0
Germany	83,411	-1.5
UK	48,746	-0.7

Notes: *Statistical base on past performance; holiday and business only. Source: Eurostat, Travel Business Analyst.

Air passenger trends*, next 12 months

Market	Number,x1000	Growth,%
France†	96,956	6.5
Germany	160,357	6.5
UK	188,259	4.6

Notes: *Statistical base on past performance; arrivals and departures. †Three Paris airports only. Source: Aeroports de Paris, Statistisches Bundesamt, Civil Aviation Authority, Travel Business Analyst.

Official* travel industry forecasts

Item	Date†	Forecast	Source
TUI online share,'15	Apr	50%,now 40%	company
US medical tourists,'12	Apr	1.6m(750k'07)	Deloitte
Eur travel business,'12-22	Apr	+2.6%/yr	WTTC
Eur in/out/dom \$,'12-22	Apr	+2.6/2.2/2.8%/yr	WTTC
Eur leisure/business \$,'12-22	Apr	+2.8/2.4%/yr	WTTC
Europe in/out/dom \$,'12	Apr	+0.4/0.9/0.6%	WTTC
Europe leisure/business \$,'12	Apr	+0.8/-0.5%	WTTC
Hungary visitors,'12/13	Apr	+4.8/5.5%	BMI
Eur/Americas visitors,'12	Mar	+2-4/2-4%	WTO
World travel business,'12	Apr	2.8%	WTTC
World travel business,'22	Apr	9.6% GDP sh	WTTC
Eur/NAm travel business,'12	Apr	+0.3/1.3%	WTTC
Melia new hotels,'12-14	Jan	38	HNN
UK arrivals, share of GDP,'12	Jan	+2.04%	BMI
Arrivals London,before Olympics	Jan	+31%	Amadeus
Movenpick hotels,'15	Jan	100	company
World/NAm outbound,'12	Jan	+2%/+1%	IPK
Europe/AsPac outbound,'12	Jan	+1%/+4%	IPK
UK in/out travel,'12	Jan	+1.4%	WTTC
Germany's longhaul S12 agency bookings	Feb	+15%	GfK
Germany's longhaul '11/12 agency bookings	Feb	+11%	GfK
Germany's longhaul '11/12 online bookings	Feb	+22%	GfK
Germany's Greece S12 agency bookings	Feb	-21%	GfK
Germany's Greece S12 online bookings	Feb	-10%	GfK
Orient Express new managed hotels	Jan	1-2/yr fm '13	company
Greece visitors,'11	Jan	-2/3%	TBA
World visitors,'12	Dec	+3-4%	WTO
Spending: leisure/biz travel,'12	Dec	+6%/5%	Econ
Estonia/Latvia/Lithuania visitors	Nov	+12/15/10%,'11	BMI
UK visitors,'12	Nov	35m	BMI
UK visitor spend,'12	Nov	\$34b,+7%	BMI
World visitors,'11	Nov	+4-5%	WTO
World outbound,'11	Nov	+3-4%	ITB
Europe outbound,'11	Nov	+2-3%	ITB
Europe outbound,'12	Nov	+2-3%	ITB
NAm outbound,'11	Nov	-1%	ITB
EMEA hotel rates,mid-range,'12	Oct	+0.5-4.5%	Amex
EMEA hotel rates,upper-range,'12	Oct	+1-5%	Amex

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

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expects TF will grow from eight aircraft now, to 20-22.

To increase productivity, AF wants to increase aircraft utilisation by one hour daily and make crews operate more flights. It says that would enable it to remove 34 aircraft from its fleet by 2014 (excluding the growth expected at TF).

It plans to add a 'Premium Eco' (for Economy) section on medium- and long-haul routes, but first will be retained. There are other plans (including freight and maintenance) not included here.

AF hopes to agree all this with the unions by the end of this month.

We believe AF's restructure plans are totally and probably fatally flawed. To begin with, to have three airline types (and five airlines, not counting KLM!) is excessive – partly because some are separate by the type of passenger they carry, some by the destination, some by the route. (There are other AF-related airlines, not included in this restructure; see end of this report.)

According to our analysis, big airline groups need three types of airline, but much different, and simpler, than the present AFKL system:

- *FSA*, full-service airline. That is the main Air France (and, because of the corporate structure, KLM) airline.*

- *LCA*, low-cost-airline. Much different to an LFA (although many commentators use "low-cost-carrier" to describe what we term a low-fare-airline) to expand where the parent airline cannot afford to (or does not want to) expand. This can operate under the same management as the parent airline. AFKL currently does not have an LCA (although if it did, its losses would be less).*

- *LFA*, low-fare-airline. This model can work only if management is independent and can, if necessary, operate on routes competing against the parent airline. AFKL's LFA should be Transavia. At present, Transavia – indeed like the whole AFKL group – is a mix of air-*

line types.

AF needs to decide which structure it wants on which routes (in some cases all three) and choose three names (plus KLM) – presumably AF, TF, and one other. The current names of its regional operations - Air-linair, Britair, Regional - are weak in marketing terms; something such as Air Blue, Fly Blue would be better. This renaming/restructuring should include the two others currently outside the restructure plans.

AFKL is an unnecessarily-complicated operation – partly because it has not changed as it has grown – it has simply added those operations rather than merging them into the group as a whole. As noted, even Transavia is two types of airline. It is a Netherlands-based sort-of LFA (its LFA named 'Basiq' was merged into Transavia), but its France-based affiliate, TF, bills itself as a leisure airline.

The whole structure needs a comprehensive reworking. The current proposal applies sticking plaster when surgery is needed.

*Definitions:

-FSA = full-service-airline. Offering first/business/economy, travel agency bookings, meals/bookings/baggage/cancellations included, etc. As its name indicates – full service.

-LCA = low-cost-airline. (Not a low-fare-airline; see next.) An FSA but with lower operating costs (cheaper longer-hours flight-deck crew, younger/new longer-hours cabin crew, tighter cost control (twinned 3-star hotel rooms, for instance), fewer fare types, which may have first and business cabins, and which allows bookings through travel agencies etc. Usually similar to the parent airline, but a different name, and competition against parent airline allowed.)

-LFA = low-fare-airline. The many essential elements that make a successful LFA include: market freedom in terms of routes and aircraft choice; single aircraft type; where relevant, competition against parent airline allowed; fares that are extremely low when booked

at least three months in advance, say US\$25; one fare at one time (no wholesale rates, travel agency commissions, etc); no refunds; no service frills; single economy-class cabin; no seat selection; two toilets for 150-seat aircraft; 20/25-minute turnaround time; cabin crew do day-time cabin cleaning; name and flight change charged at least US\$25 each; no trade shows; plenty of consumer advertising and promotion; and much more.

Amplifications:

Other facts relevant to the report above.

-AF and KLM merged in 2003/4. AF owns 81% of the combined operation, KL 19%. France government owns 20% of AFKL. AF also owns 25% of Alitalia. AFKL owns 100% of Transavia; AF owns 60% of Transavia France, with Transavia (ie AFKL) owning the remaining 40%.

-The other airlines. Air-linair – AF owns 20%. Britair – AF owns 100%. Regional – AF owns 100%. AF also owns 100% of City Jet (Irish registered; London based), and 12% of Air Corsica (the local state owns 60%).

-AFKL operating loss in 2011 was US\$375mn (at US\$1 to €0.80) but net loss was US\$1.0bn. Operating loss is getting worse; Q1 2012 was US\$750mn (US\$250mn more than in Q1 2011) but net loss was unchanged (US\$460mn). We view progress on operating finances as a better indicator of an airline's progress – which would mean negative progress for AFKL.

Europe cities

London stays top

Visitor traffic into cities in Europe, by bednights, increased 5.9% in 2011, with 8.0% growth for international bednights.

European Cities Marketing (the source of the data) says visitor travel into cities performed better than into countries – despite the fact that the logistics of that are difficult to comprehend.

ECM says international bednights into cities in-

ZERO

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

Cool air from cold water

OTEC (Ocean Thermal Energy Corporation) has signed an agreement with the Bahamas government to build a plant that will produce power as well as cool rooms. Initially, cold water will be pumped from the ocean depths to provide cooling for a holiday resort - a project that is expected to cost US\$100mn.

But eventually the plan is to turn this into a power station. Fixing cooling facilities onto an OTEC generator, and using some of the resulting power for desalination on islands that are short of fresh water, helps make the OTEC economically viable.

The first OTEC plant was built in 1930 in Cuba. That successfully produced 22kW of power, but it was eventually destroyed - by wind and waves.

(Adapted from a report in The Economist.)

Briefs

- **No shining light.** G24, a company based in the UK, has invented solar panels that get power from a room light - significant progress for the environment.

G24 has apparently sold its system to a hotel in Las Vegas, which uses it to open and close blinds in its rooms. In other words, using no electricity. Unfortunately, however, G24 will give no further detail (indeed, it has not even announced the Las Vegas development), nor name the hotel.

Perhaps it can turn its invention to shining more light on its own activities?

- San Francisco's Terminal 2 is the first **Leed** gold-certified

airport terminal in the US.

Leed (Leadership in Energy and Environmental Design) is controlled by USGBC (US Green Building Council), and is becoming respected as a genuine measure of environmentally-friendly building construction, and not just in the US.

- Some comments from **Canopy Tourism** on sustainability:

- Rwanda is more environmentally sustainable than Taman Negara in Malaysia.

- Visitation volume in itself is not a problem; it is how it is managed. For instance, people should not be walking on the ground, because that destroys it.

- If you have 400 people waiting to go on the walkway (as can happen for Taman Negara) then there is a problem of management.

- An elevated walkway in a forest zig-zagging about-500-mn would cost about US\$2mn to build and install. The one in Borneo for Borneo Lodge cost around US\$200,000.

- Shipping.

- A company called **Gamma** is developing an engine-replacement for ships that it claims will save 75% of fuel.

- **Shipping Efficiency** has created a register of ships by fuel efficiency, thus their cleanliness, from A (best) to G. The system covers all ships so also includes cruise ships.

The 10,000-tonne Costa Fascinosa, just launched by Carnival, gets only an E - not good for a new ship. The QE2, now 40-years old, gets the worst rating, G.

- From Airport World:

- **Amsterdam** airport now has 40 ground transport vehicles that are powered by biodiesel. The airport's aim is to run a CO2-neutral operation from this year.

- **Schopf**, which makes aircraft tow tractors, has produced an electric version. It performs 30 pushbacks on one charge.

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creased 1.9% compared with a 0.4% fall in arrivals in the 27 nations in the European Union.

Of the top-3 cities, see table, London lost 6% but is so far ahead that its No1 place seems unlikely to change in the next 10 years. And Paris looks safe as No2. However, there could be changes for No3, currently Berlin; at current growth rates, Rome would overtake Berlin in 2014.

That said, we question Rome's 8% growth rate in 2011, particularly vis-a-vis the just-under-8% growth for Berlin. Anecdotal evidence indicates Berlin's leisure visitor business has been good, and it also has good business and official traffic. Rome has had a weak leisure-traffic year, official has been good, but less business travel (for which it competes with Milan).

Another surprise is very fast growth for Barcelona, taking it to one place behind Spain's capital Madrid. If confirmed, this could indicate an important structural change for the country.

In travel business terms however, will Spain's (and Italy's) visitor businesses profit from their country's economic problems? There could be more leisure visitors - attracted by what would be lower prices, as long as there are no or mild social disturbances. But surely business travel will fall off?

Bednights in Europe's cities, 2011

City	Bednights,mn	Growth,%
London	46.0	-5.7
Paris	36.9	3.0
Berlin	22.4	7.5
Rome	22.0	8.0
Madrid	16.4	7.7
Barcelona	15.5	10.5
St Petersburg	14.7	7.7
Prague	13.2	9.3
Vienna	12.2	4.9
Munich	11.7	5.8
Dublin	10.7	2.3
Istanbul	9.9	-1.8
Amsterdam	9.7	0.2
Hamburg	9.6	7.7
Milan	8.1	1.0

Source: European Cities Marketing.

Jan +6.0. **2011:** Dec +19.1; Nov +5.1.
 • Cathay Pacific RPKs, Europe: **2012:** Mar +3.4; Feb +0.8; Jan -2.8.
 • Delta Airlines seat sales: **2012:** Mar +1.9; Feb +4.1.
 • Dubai airport passengers: **2012:** Mar +15.4; Feb +19; Jan +14. **2011:** Dec +10.2. *ACI*.
 • France visitor arrivals: **2011:** Dec +5.5; Nov +3.2; Oct +3.5; Sep +1.4; Aug +0.1. *WTO*.
 • Frankfurt airport passengers: **2012:** Feb +0.7; Jan +5.5. **2011:** Dec +12.2; Nov +4.3. *ACI*.
 • Germany visitor arrivals: **2011:** Dec +8.5; Nov +5.9; Oct +4.6; Sep +1.1; Aug +2.4; Jul +3.2. *Tourmis*.
 • Hawaii visitor arrivals: **2012:** Mar +13.0; Feb +5.2; Jan +7.4. **2011:** Dec +6.3; Nov +3.6. *PATA*.
 • Italy visitor arrivals: **2011:** Dec -1.7; Nov +0.0; Oct +6.8; Sep +8.2; Aug +7.3. *WTO*.
 • Japan Airlines seat sales Europe: **2012:** Mar +27.4; Feb +18.5; Jan +3.3.
 • Jet Blue Airways seat sales: **2012:** Mar +11.2; Feb +16.8.
 • London airports international passengers; Heathrow, Stansted: **2012:** Mar +7.8 -4.0; Feb +4.4 -4.3; **2012:** Jan +3.0 -5.6. *BAA*.
 • London hotels; occupancy (pts), rate: **2012:** Feb +0.5 NA; Jan +1.7 +0.7. **2011:** Dec -0.1 +3.9. *TBA*.
 • Lufthansa seat sales (ttl, Eur/dom): **2012:** Mar +4.7 +4.7; Feb +2.8 +3.5; Jan +4.0 +5.9.
 • Netherlands visitor arrivals: **2011:** Dec -16.1; Nov +6.0; Oct +6.9; Sep +7.8; Aug +0.0. *WTO*.
 • Paris CDG airport passengers: **2012:** Feb +3.6; Jan +3.3. **2011:** Dec +9.0; Nov +2.2. *ACI*.
 • Paris hotels; occupancy (pts), rate: **2012:** Feb +2.3 +1.8; Jan -0.7 +0.4. **2011:** Dec +3.7 +2.0. *TBA*.
 • Rome FCO airport passengers: **2012:** Feb -3.2; Jan +1.0. **2011:** Dec +0.4; Nov -0.4. *ACI*.
 • Ryanair seat sales: **2012:** Mar -4.0; Feb

-2.2; Jan -5.8. **2011:** Dec -5.0; Nov -7.5.
 • Southwest Airlines seat sales: **2012:** Mar -1.3; Feb +4.3; Jan -2.6.
 • Spain visitor arrivals: **2012:** Mar +2.5; Feb +0.8; Jan +4.6. **2011:** Dec +5.5; Nov +3.6. *gov*.
 • Switzerland visitor arrivals: **2012:** Jan -3.8. **2011:** Dec -2.5; Nov -1.7; Oct -2.2. *WTO*.
 • Turkey visitor arrivals: **2012:** Jan +1.3. **2011:** Dec +2.6; Nov +3.4; Oct +5.0. *WTO*.
 • UK resident departures: **2012:** Mar +0.6; Feb +4.2; Jan -5.6. **2011:** Dec +15.6; Nov -1.9. *gov*.
 • UK visitor arrivals: **2012:** Mar -0.7; Feb +2.8; Jan +10.6. **2011:** Dec +2.2; Nov -4.6. *gov*.
 • United Airlines (inc CO) seat sales: **2012:** Mar -2.2; Feb +0.5; Jan -4.9.
 • US air international passengers: **2011:** Jan-Dec +5.4E. **2010:** Dec +6.8. *gov*.
 • US hotel occupancy, pts: **2012:** Feb +1.7; Jan +1.9. **2011:** Nov +2.4. *Smith*.
 • US hotel rooms planned: **2012:** Mar -9.5; **2012:** Feb -5.6; Jan -1.6. **2011:** Dec NA; Nov +6.3. *Smith*.
 • US resident departures: **2012:** Feb +12.1; Jan +1.1. **2011:** Dec +5.5. *PATA*.
 • US travel agency sales: **2012:** Apr +5.8; Mar -0.1; Feb -0.4; Jan +10.7. **2011:** Dec +3.9. *ARC*.
 • US visitor arrivals: **2012:** Feb +8.8; Jan +7.4. **2011:** Dec +1.1. *PATA*.

Market Headlines

Full-year market results.
(none)

Main News

Corporate

Recent corporate developments - big or significant.

- Blackstone, which owns Hilton, buys Motel 6 from Accor.

Market

(none)

CURRENT ISSUES

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

Travel Business Analyst, Asia Pacific:

- ICCA meetings counts.
- China airlines beyond control?
- Fast Japan outbound?
- Plus: Market Monitor; World Travel Industry Index; ZERO; Market Headlines; Market Outlook; and 18 regular tables of market data.

Net Value:

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- Excerpts from the single-page **Net Value** report may be included in the Asia Pacific and Europe editions of Travel Business Analyst. **Net Value** is delivered only via email.

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- Excerpts from the single-page **People-in-Travel** report may be included in the Asia Pacific and Europe editions of Travel Business Analyst. **People-in-Travel** is delivered only via email.

Foxtrots /Trottings (recent):

- Qantas gets it right; Indonesia visitor business; Small Luxury Hotels.

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See back page for more offers.

Headlines

Comments on tables pages 6-12

Aviation.

T1. Airlines. Following *AEA's* shirking of its responsibilities, we continue with adjustment to our table. This month we add sub-sets for traffic for North America (preferred) or Americas if just NAM is not available – for the three main airlines, *Air France KLM* (not separated), *IAG (British and Iberia not separated)*, *Lufthansa*. Among LFAs/hybrids, *Air Berlin* in trouble (what will its new part owner, Abu Dhabi's Etihad do? It has bought a lemon). *Lufthansa* wants to hide poor performance at *Germanwings* and so has stopped separating its figures; LH shareholders should complain – this is deliberate manipulation to hide inconvenient facts. As a result, we can no longer show GW data. **T2.** First-quarter for *AEA* member airlines in Europe; seat sales up 7%. Also Q1 for *IATA* member airlines; traffic up 8%. **T3.** Airports. All-Europe total up 2% YTD, international up 5%, and 'low-fare' airports down 1%. Data supplied us by *ACI*. **T4.** Air passenger traffic. Q1 for traffic for all four. To/from *Paris* (but not total), *Germany* up 2%, *UK* +4%, *US* +11%.

Inbound.

T14. Visitor spending. Updates for *Denmark, Estonia, Finland, Iceland, Latvia, Norway, Slovakia, Sweden, courtesy WTO*. **T15.** Visitor arrivals updates for *Bosnia, Denmark, Estonia, Finland, Hungary, Malta, Norway, Poland, Portugal, Russia, Sweden, courtesy WTO*.

Outbound.

T6. Outbound travel spending. Updates for *Germany, Portugal, courtesy WTO*.

Hotels.

T10. Europe's first-quarter.

Others.

T5. Travel stock market prices. All markets down, but some travel stocks manage to increase. **T8.** *Internet*. New data from *IPK*. **T12.** *Stock price index* for Europe; still only 61, based on Dec 06.

Special.

US passenger international traffic patterns Jan-Apr.

MARKET DATA

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

Item	Europe,AEA				US,BTS			Asia Pacific,AAPA		World % growth,IATA	
	YTD	Growth,%	Jan 12	Growth,%	YTD	Growth,%	YTD	Growth,%	Mar 12	YTD	
SS,mn	58.8	6.7	19.1	5.8	14.6	2.0	33.1	8.1	NA	NA	
ASKs,mn	235,813	3.5	79,781	2.1	81,720	1.1	163,174	7.0	5.0	5.5	
RPKs,mn	178,698	7.4	59,978	5.0	60,209	1.4	125,534	6.6	9.6	8.2	
Pax LF,%	75.8	2.7	75.2	2.1	73.7	0.2	76.9	-0.4	77.7	76.4	
	Mar 12	Growth,%	Dec 11	Growth,%	Feb 12	Growth,%	Feb 12	Growth,%	Feb 12	YTD	
SS,mn	21.6	7.4	20.2	11.0	7.0	4.3	15.6	6.3	NA	NA	
ASKs,mn	82,375	3.6	80,942	10.0	39,552	3.6	77,174	6.7	7.3	5.6	
RPKs,mn	64,417	9.3	61,676	10.0	28,135	4.1	58,243	5.9	9.3	7.3	
Pax LF,%	78.2	4.1	76.2	0.1	71.1	0.4	75.5	-0.6	74.4	75.6	
	Feb 12	Growth,%	Sep 11	Growth,%	Jan 12	Growth,%	Jan 12	Growth,%	Jan 12	YTD	
SS,mn	18.1	6.8	25.4	8.0	7.6	0.0	17.4	8.9	NA	NA	
ASKs,mn	73,657	4.9	87,923	9.4	42,167	-1.1	86	7.3	4.2	4.2	
RPKs,mn	54,302	7.8	71,700	8.9	32,073	-0.8	67	7.1	5.5	5.5	
Pax LF,%	73.7	2.0	81.5	-0.3	76.1	0.2	78.2	-0.2	76.6	76.6	

Notes: International. *Points. Source: Association of European Airlines, Bureau of Transportation Statistics, Association Of Asia Pacific Airlines, International Air Transport Association.

3 Passengers in 2012 through: Europe's leading airports and city-group airports,x1000

Airport	Month	Month	Growth,%	YTD	Growth,%	Airport	Month	Month	Growth,%	YTD	Growth,%
Amsterdam	Feb	3,304	8.3	6,735	6.7	Paris ORY*	Feb	1,870	1.6	3,842	2.2
Barcelona*	Feb	2,100	0.7	4,262	4.2	Rome*,x2	Feb	2,505	-3.2	5,300	-1.4
Berlin*,x2	Feb	1,673	5.4	3,296	5.1	FCO	Feb	2,182	-3.2	4,637	-1.0
TXL	Feb	1,194	6.4	2,336	7.2	Zurich*	Feb	1,691	4.4	3,398	2.8
Brussels*	Feb	1,175	7.8	2,328	5.4	Europe total*	Feb	94,364	3.2	191,503	2.3
Copenhagen*	Feb	1,615	6.5	3,193	5.9	intl	Feb	65,586	4.7	133,579	4.5
Frankfurt*,x2	Feb	3,751	0.0	7,982	2.3						
FRA	Feb	3,599	0.7	7,676	3.2						
intl	Feb	3,142	2.2	6,713	3.9						
Istanbul	Feb	3,711	11.7	7,699	0.0						
London,x5	Feb	8,873	2.2	18,029	1.5						
LHR*	Mar	5,697	6.9	15,665	4.4						
intl	Mar	5,296	7.8	14,564	5.1						
LGW*	Feb	2,156	2.6	4,267	1.6						
Madrid*	Feb	3,145	-7.4	6,489	-6.9						
Milan*,x3	Feb	2,387	0.1	4,989	-0.1						
MXP	Feb	1,218	-3.3	2,579	-4.3						
Moscow*,x2	Feb	3,716	20.8	7,880	17.2						
Paris*,x3	Feb	6,249	2.8	12,925	2.9						
CDG*	Feb	4,143	3.6	8,601	3.4						
intl	Feb	3,762	3.4	7,812	3.3						

Europe's 'low-fare' airports†,x1000

Airport	Month	Month	Growth,%	YTD	Growth,%
Berlin Schonefeld*	Feb	480	3.0	959	0.3
Cologne*	Feb	525	-1.7	1,059	-3.3
Frankfurt Hahn*	Feb	151	-14.2	306	-16.0
Dublin*	Feb	1,167	-1.8	2,302	-3.5
Geneva*	Feb	1,164	6.6	2,345	4.2
London					
LTN*	Feb	583	1.3	1,169	1.2
STN	Feb	1,104	-4.9	2,174	-5.7
Milan Bergamo*	Feb	537	2.9	1,123	4.3
Rome Ciampino*	Feb	322	-3.6	663	-3.8
Paris Beauvais*	Feb	236	-1.7	482	-0.8
LFA total†	Feb	6,270	-0.3	12,581	-1.4

Notes: *Domestic and international; marked when international-only. †Airports with sizeable portion of LFA traffic (some are also in main city counts). ‡Of those listed here. Source: Airports Council International, except for Amsterdam and BAA London (LHR STN).

4 Air passenger traffic to/from selected countries, x1000

From/to	France†				Germany				UK				US‡			
	Mar 12	+/-* %	YTD 12	+/-* %	Mar 12	+/-* %	YTD 12	+/-* %	Mar 12	+/-* %	YTD 12	+/-* %	Mar 12	+/-* %	YTD 11	+/-* %
Belgium	7	-12.0	20	-4.7	131	4.6	347	6.2	108	1.1	296	5.2	90	na	242	7.4
France	na	na	na	na	594	-8.9	1553	-5.9	812	6.6	2158	2.3	459	na	1179	4.7
Germany	407	7.0	1077	5.9	na	na	na	na	945	1.7	2537	6.0	743	na	1919	6.1
Ireland	62	-1.1	165	-3.4	106	2.3	270	-2.2	810	-0.1	2161	-6.4	124	na	292	2.9
Italy	504	0.2	1349	1.5	820	-3.8	1999	-8.3	750	2.0	1955	7.3	155	na	385	-7.4
Netherlands	95	14.4	256	13.5	278	5.1	746	24.7	643	6.9	1775	12.8	317	na	849	8.0
Spain	486	2.5	1273	2.4	1505	-1.9	3712	-3.0	1870	2.6	4677	3.4	215	na	508	7.4
Switzerland	166	6.6	461	5.0	533	24.3	1430	27.7	663	7.8	1866	9.2	91	na	345	-12.2
UK	330	7.2	899	3.6	944	2.5	2542	1.1	na	na	na	na	1328	na	3429	18.1
US	472	5.1	1217	3.5	736	5.9	1890	-4.3	1327	14.8	3408	9.8	na	na	na	na
Total	6249	2.8	12925	2.9	11543	4.4	30274	2.3	13388	5.0	36113	4.1	14793	na	40794	11.2

Notes: *Over same period, year earlier. †(Three) Paris airports; total is Feb and Jan-Feb. Source: Aeroports de Paris, Statistisches Bundesamt, Civil Aviation Authority, Department of Transportation.

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5 Stock market last-day closing prices

Company	Market	Price, local currency*				Growth†,%	
		Dec 10	Dec 11	Mar 12	Apr 12	stock	market
Airlines							
Air France	Paris	13.6	3.97	3.92	3.71	-5.4	-3.2
Easyjet	London	440	393	487	515	5.7	-1.2
IAG (BA/IB)	London	273	147	180	177	-1.9	-1.2
Lufthansa	Frankfurt	16.4	9.19	10.2	9.40	-7.7	-3.0
Ryanair	Dublin	3.77	3.63	4.43	4.41	-0.5	-1.2
SAS	Sweden	22.5	8.00	8.25	6.90	-16.4	-1.3
Hotels							
Accor	Paris	33.3	19.6	26.0	26.0	-0.1	-3.2
InterContinental	London	1243	1157	1440	1503	4.4	-1.2
Marriott	New York	41.5	29.3	37.8	39.3	4.0	-1.6
Sol Melia	Madrid	6.95	3.90	4.83	4.48	-7.2	-7.8
Others							
Avis Budget	New York	237	10.7	14.0	16.6	18.5	-1.6
Carnival	New York	45.9	32.9	30.7	32.0	4.3	-1.6
EADS	Paris	17.4	24.2	30.7	29.7	-3.2	-3.2
Eurotunnel	London	7.0	4.88	6.06	6.07	0.2	-1.2
Expedia	New York	25.3	29.3	32.9	40.9	24.3	-1.6
Fraport	Frankfurt	47.2	38.0	46.9	45.6	-2.7	-3.0
Kuoni	Zurich	454	225	322	326	1.4	-2.0
Thomas Cook	London	190	14.8	20.5	21.0	2.4	-1.2
TUI	Frankfurt	10.5	4.80	5.43	5.44	0.3	-3.0

Notes: See Master Notes, page 6. IAG = International Airline Group (BA and IB) from Jan 11; BA before this. *Euro in Euro countries (in table includes FR, DE, IE, ES). †Latest month over month earlier. ‡Reissue means not all prices comparable; now privately-owned. Source: respective stock markets.

6 Spending on foreign travel by residents

Source	Jan*	US\$bn	+/-,%	Jan*	US\$bn	+/-,%
Austria	Sep‡	9.7	-5.1	Dec	10.2	-0.3
Belgium	Sep‡	18.7	-0.3	Dec	18.8	-3.0
Czech R	Sep‡	4.3	4.5	Dec	4.1	-0.2
Denmark	Dec‡	9.4	3.8	Dec	9.1	6.2
Finland	Dec‡	4.5	6.1	Dec	4.2	2.1
France	Dec	38.5	-1.9	Dec‡	38.4	-1.5
	Sep‡	39.3	2.1	Dec	38.5	5.7
Germany	Dec	78.1	1.3	Dec‡	81.2	-5.9
	Dec‡	80.3	2.8	Dec	78.1	1.3
Greece	Dec‡	3.1	5.4	Dec	2.9	-11.1
Hungary	Sep‡	2.4	-21.5	Dec	3.0	-15.1
Ireland	Sep‡	7.3	-5.7	Dec	7.7	-7.3
Italy	Dec‡	27.4	1.1	Dec	27.1	2.0
Luxembourg	Sep‡	3.5	1.3	Dec	3.5	3.1
Netherlands	Sep‡	19.6	-0.2	Dec	19.6	-0.2
Norway	Dec‡	15.1	10.4	Dec	13.7	9.1
Poland	Sep‡	7.1	-12.5	Dec	8.1	7.4
Portugal	Dec‡	3.9	0.7	Dec	3.9	8.9
Russia	Sep‡	32.0	20.6	Dec	26.5	26.8
Spain	Dec‡	16.6	-2.0	Dec	16.9	-12.6
Sweden	Dec‡	18.0	7.4	Dec	16.8	4.8
Switzerland	Sep‡	14.5	8.9	Dec	13.3	4.8
Turkey	Dec‡	4.9	3.1	Dec	4.8	16.4
UK	Dec	50.0	0.5	Dec‡	50.1	-13.6
	Sep‡	48.4	-3.3	Dec	50.0	0.5
Ukraine	Sep‡	4.6	24.1	Dec	3.7	12.4

Notes: Growth may not tally with previous figure shown. *2010 unless stated otherwise. †2009. ‡2011. Source: WTO.

Notes: *2010 unless stated otherwise. †2009 or ‡2011; full year, based on YTD growth rate shown.

7 Outbound travel by residents

Country	Jan thru*	Departures x1000	Growth %	Source:
Austria-BH	Jun‡	8,493	-8.2	Eurostat
Belgium-BH	Mar‡	1,927	-2.5	Eurostat
Bulgaria-BH	Jun‡	2,281	-16.2	Eurostat
Croatia-BH	Jun‡	3,555	21.1	Eurostat
Cyprus-BH	Jun‡	495	NA	Eurostat
Czech R-BH	Mar‡	7,081	33.8	Eurostat
Denmark	Mar‡	6,384	8.7	Eurostat
Estonia-BH	Dec‡	754	9.0	Eurostat
Finland-BH	Jun‡	20,126	8.4	Eurostat
France-BH	Jun‡	24,308	-0.2	Eurostat
Germany-BH	Jun‡	15,808	-6.9	Eurostat
Hungary-BH	Mar‡	895	2.5	Eurostat
Ireland-BH	Dec‡	5,806	-13.7	Eurostat
Italy	Dec‡	17,855	-0.9	Eurostat
Lithuania-BH	Jun‡	1,737	3.9	Eurostat
Luxembourg-BH	Jun‡	774	0.8	Eurostat
Malta-BH	Mar‡	98	NA	Eurostat
Norway-BH	Mar‡	1,580	17.1	Eurostat
Poland-BH	Jun‡	14,941	-0.8	Eurostat
Portugal	Mar‡	2,260	-0.9	Eurostat
Romania-BH	Jun‡	5,677	9.6	Eurostat
Spain-BH	Mar‡	28,619	-4.2	Eurostat
Sweden-BH	Mar‡	9,148	-12.8	Eurostat
Switzerland-H	Dec‡	9,704	1.2	Eurostat
UK	Mar‡	24,994	-0.7	Eurostat

Notes: *2010 unless stated otherwise. †2009. ‡2011. BH = business and holiday trips only; new data from Sep 11, little of which tallies with earlier-released data, H = holiday trips only, DMO = destination marketing organisation, Ot = Other. Source: See column.

8 Internet bookings/sales of selected companies/markets

Company/description (same)	Period	Number	Previous	Source	
Outbound Europe	online bookings	2011	55% sh	+15%	IPK
	online air	2011	79% sh	NA	IPK
	online hotel	2011	65% sh	NA	IPK
computers/mobile	2011	98/2% sh	NA	IPK	
		smartphone sh (of 5m)	2011	UK 25%	NA
Mobile bookings	same-day	current	65% sh	NA	Orbitz
TUI online	share 2015/6	current	50%	40% '12	company
Online sales	US travel agencies	Q1 '12	+2.4%	-9.7%	ARC
Expedia group	bookings,\$m	Q1 '12	8421	+15%	company
	US	bookings,\$m	Q1 '12	5160	+16%
Non-US	bookings,\$m	Q1 '12	3260	+14%	company
agency	bookings,\$m	Q1 '12	4621	+12%	company
merchant	bookings,\$m	Q1 '12	2483	-21%	company
leisure sites	bookings,\$m	Q1 '12	7666	+15%	company
business sites	bookings,\$m	Q1 '12	755	+18%	company
transactions	mn	Q1 '12	20.2	+18%	company
per transaction	bookings	Q1 '12	\$417	-2%	company
air tickets sold	% growth	Q1 '12	+24%	+18%	company
Aida Cruises	website visitors	daily	100k	NA	company
Online travel	Europe	2011	20%	NA	R&M
Multi-Gen t'vllr	sale after email	current	23%	NA	Pref
	online community	current	37%	NA	Pref
	posted blog	current	17%	NA	Pref
	decided fm social site	current	13%	NA	Pref

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

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10 Hotel results in Europe*, March

Location	Occupancy,%				Average room rate,						Revpar,			
	2012		2011		local	US\$*		2011		US\$*		2011		
	Mth	YTD	Mth	YTD	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	
Amsterdam-all	67.2	57.6	61.3	63.1	161	233.21	214.07	214.31	228.92	156.78	123.37	131.34	144.51	
U-4	62.7	55.3	53.4	56.1	158	233.01	209.84	222.02	239.22	146.00	116.13	118.48	134.17	
5-star	72.2	60.1	69.8	70.7	164	233.40	218.28	207.94	220.10	168.42	131.20	145.23	155.69	
Berlin-all	77.2	65.4	66.0	63.9	132	162.32	175.11	204.31	185.01	125.28	114.53	134.79	118.25	
L-4	64.5	57.3	69.6	64.0	108	139.51	143.18	167.45	146.51	89.99	82.09	116.54	93.71	
U-4	83.9	69.7	64.7	63.9	142	171.57	188.97	218.00	198.33	143.91	131.65	141.09	126.73	
Brussels	NA	64.0	63.7	63.4	128	NA	170.36	166.24	180.22	NA	109.04	105.96	114.31	
L-4	NA	54.2	56.0	55.5	120	NA	159.55	154.94	164.46	NA	86.51	86.74	91.27	
U-4	NA	71.7	69.9	69.7	133	NA	176.81	173.39	190.14	NA	126.84	121.14	132.52	
Copenhagen	NA	64.1	75.4	75.6	1037	NA	185.56	166.62	161.61	NA	118.94	125.57	122.10	
Frankfurt-all	71.0	64.9	67.3	64.8	136	172.38	181.46	179.46	190.02	122.38	117.69	120.79	123.10	
L-4	70.4	65.9	71.3	70.1	117	149.08	155.47	151.42	164.32	104.90	102.38	107.97	115.27	
U-4	71.2	64.5	66.0	63.0	143	179.82	190.03	189.23	199.25	128.03	122.63	124.93	125.62	
Geneva	73.4	65.0	70.3	67.5	353	455.43	389.79	356.12	494.69	334.06	253.38	250.50	334.08	
Istanbul	NA	63.2	59.1	65.2	321	NA	182.50	193.84	188.02	NA	115.28	114.56	122.59	
London-all	NA	76.8	77.5	77.1	184	NA	292.73	251.23	250.63	NA	224.74	194.62	193.26	
L-4	NA	76.8	81.6	80.9	126	NA	199.91	180.23	184.63	NA	153.55	147.06	149.36	
U-4	NA	80.0	71.9	71.6	189	NA	299.50	299.21	298.88	NA	239.59	215.12	214.12	
5-star	NA	75.4	74.6	74.9	306	NA	486.08	488.42	473.54	NA	366.29	364.40	354.67	
LHR AP	NA	75.9	76.5	76.0	68	NA	107.82	108.13	109.61	NA	81.82	82.70	83.30	
Madrid	NA	53.3	60.5	60.2	140	NA	185.64	189.88	192.69	NA	98.96	114.88	115.98	
Moscow	58.3	63.7	77.1	75.8	4177	156.30	141.32	146.63	144.46	91.06	89.98	113.13	109.50	
Paris-all	NA	69.9	61.4	69.1	266	NA	353.73	341.42	351.18	NA	247.24	209.70	242.54	
U-4	NA	62.8	47.9	59.8	165	NA	219.48	220.97	222.58	NA	137.73	105.95	133.14	
5-star	NA	73.3	67.8	73.5	307	NA	408.36	381.90	400.96	NA	299.29	259.01	294.54	
Rome	NA	52.2	41.2	47.8	198	NA	262.79	284.81	292.91	NA	137.24	117.24	140.07	
Zurich	79.4	197.1	68.2	67.7	204	235.60	225.17	221.20	235.23	187.10	443.76	150.77	159.33	
OTHERS														
Beijing	75.4	61.5	47.9	57.7	661	117.42	105.05	91.12	97.09	88.58	64.65	43.66	56.03	
Dubai*	90.7	90.7	86.3	80.1	603	157.95	164.31	137.74	139.11	143.33	149.05	118.86	111.49	
Los Angeles	75.7	71.8	72.3	69.4	72	126.94	71.80	121.14	123.32	96.12	91.62	87.62	85.60	
Miami	86.0	82.9	85.7	80.8	83	206.16	82.90	188.45	181.46	177.24	164.57	161.41	146.62	
New York	81.7	73.5	78.2	70.1	74	216.48	73.50	206.84	197.29	176.88	146.45	161.77	138.35	
Sydney	91.4	86.4	91.9	87.8	229	261.02	246.18	252.67	228.89	238.52	212.62	232.09	201.06	
Tokyo	73.2	67.1	76.3	63.8	21310	263.85	268.42	252.01	266.51	193.04	180.24	192.35	169.98	
Europe	71.2	74.5	65.8	66.3	na	246.39	231.48	226.85	242.30	178.05	173.24	147.44	159.75	
US	63.6	56.8	61.4	54.9	57	105.91	56.80	101.72	99.37	67.38	58.78	62.47	54.56	
Asia Pacific	75.0	71.2	73.4	71.9	na	161.68	159.25	153.72	151.53	123.69	115.99	116.45	110.70	
World	65.1	63.6	65.0	62.1	na	165.37	145.50	159.84	164.17	109.60	106.53	106.35	103.79	

Notes: See Master Notes, page 6. Not all categories are shown every month; all categories available at low additional cost. Source: *Travel Business Analyst Europe, Smith Travel Research, Travel Business Analyst Asia Pacific.

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11 IATA travel agencies† in Europe, 2010

Country	Locations	Growth %	Net sales US\$m*	Growth %	Per agency US\$m*	Growth %
Austria	203	-10.2	1164	3.0	5.73	14.7
Belgium‡	285	-49.7	1987	6.8	6.97	112.5
Bulgaria	191	-0.5	168	-5.6	0.88	-5.1
Croatia	84	-4.5	119	-2.8	1.42	1.8
Cyprus	146	-7.0	280	-6.5	1.92	0.5
Czech R‡	117	-47.3	620	3.6	5.30	96.5
Finland	198	-17.5	1140	2.7	5.76	24.4
France	2895	-20.3	11741	1.5	4.06	27.4
Germany	3192	-8.5	12219	7.8	3.83	17.9
Greece	812	-10.1	1436	-3.3	1.77	7.5
Hungary	215	-11.9	279	3.0	1.30	16.9
Ireland	245	-30.0	547	10.1	2.23	57.3
Italy‡	2449	-9.6	6634	0.6	2.71	11.2
Malta	73	-3.9	60	-1.7	0.82	2.3
Netherlands	329	-1.5	3229	3.0	9.81	4.5
Nordics‡	976	-26.4	6466	7.9	6.63	46.6
Poland	258	-16.8	703	14.8	2.73	38.0
Portugal	743	-17.4	1059	-1.2	1.42	19.6
Romania‡	290	1.8	420	8.8	1.45	6.9
Russia	524	1.6	2076	38.2	3.96	36.1
Serbia‡	136	-17.1	154	0.0	1.13	20.6
Slovenia	43	-10.4	91	-1.3	2.11	10.2
Spain‡	6059	-17.8	5983	-6.8	0.99	13.4
Switzerland‡	600	-29.2	3244	17.3	5.41	65.5
Turkey	590	21.9	1092	24.6	1.85	2.2
Ukraine	352	19.7	538	22.0	1.53	1.9
UK	1441	-38.4	14196	13.9	9.85	85.0
Europe	26,229	-8.7	79,909	7.3	3.05	17.6
US	14,795	-7.1	77,453	17.7	5.24	26.7
World	51,320	-5.9	208,707	15.7	4.07	22.9

Special: Following restatements of some data by IATA (which followed queries from TBA), growth may not be compared with previous year but with previously-available data. We do not expect to learn more of these corrections.

Notes: See Master Notes, page 6. World; regions listed here. IATA = International Air Transport Association. *Quoted in US\$. †Under the IATA billings and settlement plan. ‡Additional countries, in order of listing: Luxembourg, Slovakia, San Marino, (3) Baltics, Moldava, Montenegro, Andorra, Liechtenstein. Source: IATA, Airlines Reporting Corporation.

12 TBA100 travel stock indices*

Region	April 2012
Europe	61
Asia Pacific	92
World†	84

Notes: *Base is last trading day in December 2006. †Comprising Asia Pacific (10 stocks), Europe(12), US (8). Source: Travel Business Analyst.

13 Economic indicators of major markets in Europe, 2011

Country	GNP/GDP		Retail sales		Consumer prices†		Wages/earnings‡	
	1 year	3 mths*	1 year	2012	1 year	2012	1 year	year ago
France	1.3 Q4	1.2	0.5 Jan	2.3 Feb	2.3	2.7 Q4	1.8	
Germany	1.7 Q1	2.1	-3.8 Apr	1.9 May	2.1	2.2 Mar	1.5	
Italy	-0.4 Q4	-2.6	-1.4 Jan	3.3 Mar	2.8	1.4 Feb	2.1	
Netherlands	-1.1 Q1	-0.6	-2.8 Mar	2.4 Apr	2.2	1.4 May	1.1	
Spain	0.3 Q4	-1.1	-6.4 Feb	2.0 Feb	1.8	1.4 Q4	0.0	
Switzerland	2.0 Q1	2.8	0.1 Apr	-1.0 Apr	-0.4	0.8 '10	2.1	
UK	0.5 Q4	-1.2	1.0 Feb	3.4 Feb	2.8	1.5 Jan	2.3	
Euroland	0.0 Q1	0.1	-2.6 Apr	2.6 Apr	2.3	2.6 Q4	1.6	
Others								
Japan	2.7 Q1	4.1	na	0.5 Apr	0.0	0.7 Apr	-1.5	
US	2.1 Q1	2.2	4.7 Apr	2.3 Apr	2.3	1.4 May	2.2	

Notes: All figures are percentage changes, at annual rate. *Average of latest 3 months compared with average of previous 3 months, at annual rate. †Figures not seasonally adjusted. ‡Germany, hourly wages; Japan and UK, monthly earnings; USA, hourly earnings. Source: The Economist.

14 Visitor spending in Europe destinations

Destination	Jan-	US\$bn	+/-,%	Jan-	US\$bn	+/-,%
Austria	Sep‡	19.8	1.8	Dec	18.6	0.9
Belgium	Sep‡	10.8	5.4	Dec	10.3	6.0
Bulgaria	Dec‡	3.8	3.8	Dec	3.6	2.5
Cyprus	Dec‡	2.4	12.9	Dec	2.2	3.9
Denmark	Dec‡	5.9	3.2	Dec	5.7	6.5
Estonia	Dec‡	1.2	10.8	Dec	1.1	2.5
Finland	Dec‡	3.5	19.7	Dec	2.9	8.3
France	Dec	46.6	-1.1	Dec 08	56.6	-4.6
	Sep‡	47.0	1.0	Dec‡	49.4	-7.9
Germany	Dec‡	37.0	6.7	Dec	34.7	5.3
Greece	Dec‡	14.0	9.5	Dec	12.7	-7.6
Iceland	Dec‡	0.7	20.5	Dec	0.6	0.4
Ireland	Sep‡	4.6	11.7	Dec	4.1	-12.3
Italy	Dec	38.8	1.4	Dec 08	45.7	-0.1
	Dec‡	40.8	5.3	Dec‡	40.2	-7.2
Latvia	Dec‡	0.7	14.0	Dec	0.6	-7.2
Lithuania	Sep‡	1.3	23.8	Dec	1.0	6.0
Luxemburg	Sep‡	4.3	4.4	Dec	4.1	3.9
Netherl'ds	Sep‡	13.7	6.5	Dec	12.9	9.6
Norway	Dec‡	4.9	4.4	Dec	4.7	8.9
Poland	Sep‡	10.6	12.0	Dec	9.4	1.3
Portugal	Dec‡	10.8	7.2	Dec	10.1	10.0
Romania	Dec‡	1.3	18.4	Dec	1.1	-2.8
Russia	Sep‡	11.4	26.8	Dec	9.0	-4.2
Serbia	Dec‡	0.9	17.4	Dec	0.8	2.9
Slovakia	Nov‡	2.3	4.4	Dec	2.2	0.6
Slovenia	Dec‡	2.8	10.0	Dec	2.6	7.3
Spain	Dec	52.5	3.9	Dec 08	61.6	-0.4
	Dec‡	57.0	8.6	Dec‡	53.2	-9.0
Sweden	Dec‡	12.5	12.9	Dec	11.1	1.7
Switzerl'd	Sep‡	15.0	0.2	Dec	15.0	1.5
Turkey	Dec‡	23.0	10.6	Dec	20.8	-2.1
UK	Dec	32.4	8.4	Dec 08	36.0	1.6
	Sep‡	34.8	7.3	Dec‡	30.1	-1.3
Europe	Dec‡	411.0	-12.9	Dec 07	435.4	NA
	Dec	431.6	5.0	Dec 08	473.7	8.8

Notes: See Master Notes, page 6. Growth may not tally with previous figure shown. *2010 unless stated otherwise. ‡2009. †2011. Source: WTO.

Notes: *2010 unless stated otherwise. †2009 and ‡2011; full year, based on YTD growth rate shown.

15 Visitor arrivals in Europe destinations

International arrivals						
Destination	*Jan-	Arrivals x1000	Growth %	Source	Stay days	PVPD US\$-C
Austria	Dec‡	23,016	4.6	WTO	5.2-F	156.17
Belgium	Nov‡	7,466	3.9	WTO	7.0-E	231.39
Bosnia	Dec‡	408	11.9	WTO	5-E	NA
Bulgaria	Nov‡	6,319	4.5	WTO	2.8-F	48.39
Croatia	Nov‡	9,931	9	WTO	5.0-E	182.47
Cyprus	Nov‡	2,395	10.2	WTO	11.0	59.13
Czech R	Sep‡	6,872	8.5	WTO	2.8-F	48.39
Denmark	Dec‡	9,461	8.2	WTO	3.60	1928-V
Estonia	Dec‡	2,451	15.6	WTO	5.40	28.31
Finland	Dec‡	4,147	13.0	WTO	5.86	62.92
France	Dec	76,800	0.0	DMO	7.16-F	77.69
	Dec‡	78,614	1.9	WTO	7.16-F	79.23
Germany	Dec‡	28,380	5.6	WTO	6.0-E	224.53
Greece	Dec‡	16,433	9.5	WTO	14.0	20.23
Hungary	Dec‡	10,252	7.8	WTO	3.41-F	15.19
Ireland	Dec‡	7,023	7.8	WTO	11.0-F	39.06
Italy	Dec	43,626	0.9	WTO	4.36-F	178.42
	Dec‡	46,113	5.7	WTO	4.36-F	196.89
Latvia	Sep‡	1,659	20.8	WTO	5-E	61.11
Liechtenstein	Dec	50	-4.8	WTO	2.10	NA

continued on page 12

Trends

Economics, politics, and travel

Developments in economics and politics are often important for the travel business. Activity at present may or may not be more than normal, but we note some significant factors about current developments.

Unfortunately, we cannot say what will be the net result of all these developments – because if one happens, will the other happen as well – and at the same time, and to the same extent?

But we do note that travellers who may be turned away from one destination do not necessarily turn to another, or in the same way. Some might replace their car instead of taking a family holiday, or take a holiday in their own home, or go to Australia instead of Spain even if one is 10-times further away.

The WTO and others talk of travellers switching from, say, Tunisia, to Spain. We don't see that. We believe there is more of what Barrack Obama might call a 'reboot' - start thinking again from the beginning.

Our analysis:

- **Egypt.** See also North Africa. The second round of presidential elections is due this month. The choice is polarised, but we believe whoever wins, the visitor business will lose. This is because the rejectionist Islamic element (rejection of much of what is western, which includes leisure/pleasure-seeking tourists) will make its voice heard, in whatever way, and whether it follows presidential thinking or not.

In other words, we see nothing good for Egypt's visitor business until this phase is over, which could be as short as three years if we start hearing good news tomorrow, or as long as 20 – indeed, even longer.

For those travellers wanting similar destinations (which we term 'culture, soft adventure'), we believe the choice would vary from the Caribbean, Africa, to India and Thailand. Normally other parts of North Africa and Greece, but see below.

- **Greece.** This month new general elections may

indicate whether Greece will not remain in the Euro zone. Most bets seem to be on it leaving, voluntarily or otherwise. That would likely mean a substantial fall in its replacement currency – economists talk of at least 50%.

Greece's outbound market (probably about 12mn trips) would fall greatly, at least 25%, and would be directed, at least for leisure travel, to nearby destinations whose currencies have also lost value, such as Egypt.

However, inbound travel to Greece could do well – if there was social peace, meaning no more violent street protests. Unfortunately, with the pain the economic hardship would cause, there seems likely to be some public protest.

- **India.**

We have said India's outbound travel market has been longest at the top of the 'great potential' list. We have also constantly noted that its growth has been out of sync with commentary on its value. India outbound is a small market, growing at reasonable percentage rate – but its small size 'over-emphasises' those percentage growths.

Current economics – a sizeable fall in GDP growth from around 7-8% to around 5-6% - will slow outbound travel growth. However, the partly-related fall in the value of its currency could help bring good growth in inbound travel. Also, there may be some small diversion from travellers considering North Africa, and now looking elsewhere (although many other destinations, as well as other industries such as car makers, may benefit from the fall in travel to North Africa).

- **Indonesia.**

Incidents of religious intolerance are either growing, or there are more reports about them. For the visitor business, either reason is bad.

At present the violence, although shocking, has not come close to the visitor business. If it does, with some-

thing similar to a Bali bombing, then the effect will obviously be serious.

But if not, the affect would be slight, and not noticeable – say 7% growth instead of 8%. And Bali may not suffer at all – because many do not see it as part of Indonesia, not necessarily out of geographical ignorance, but culturally.

- **North Africa** - Algeria, Egypt (see separate section), Libya, Morocco, Tunisia.

We have grouped these together, and many would-be travellers will also – however unfair or unrealistic.

We believe Libya and Tunisia will be treated with caution. And if there are no violent incidents, or they are minor, and the governments make friendly comments about tourism and foreigners, they may pick up some visitor business. As Libya was not on the tourist circuit before, it may actually see quick and sizeable (in relative terms) growth.

Morocco may benefit from the turbulence in its eastern neighbours. And the fact that it has a king will bring some confidence to travellers, whether justified or not. But it has had some violent incidents, and if these are repeated then it will quickly be slotted into the same category as others in North Africa.

Algeria may also gain from losses in Egypt and Tunisia. Earlier there were attempts to develop tourism in the destination, this has not been successful. Now, like Libya but for different reasons, there could be unexpected growth, or at least not stagnation.

- **Spain.**

There has been talk of Spain losing visitors because of its economic difficulties. We cannot see the connection – as long as there are no violent public disturbances as there have been in Greece.

In fact, given economic conditions, prices in Spain will fall, making it a 'good-buy' for visitors. And if Greece does fall into a negative violent spiral, then Spain may gain from this (both destinations have a strong sun-n-sea element in their visitor business).

MARKET INTELLIGENCE

continued from page 10

15 Visitor arrivals in Europe destinations

International arrivals

Destination	*Jan-	Arrivals x1000	Growth %	Source	Stay days	PVPD US\$-C
Lithuania	Sep‡	1,810	20.1	WTO	6.00	15.93
Malta	Dec‡	1,407	5.6	WTO	8.40	52.70
Monaco	Dec	279	5.5	WTO	4-E	NA
Netherlands	Dec‡	11,264	3.5	WTO	3.67-F	221.99
Norway	Dec‡	5,206	9.2	Tourmis	7-E	445-V
Poland	Dec‡	12,734	7.1	WTO	4.7	56.32
Portugal	Dec‡	7,351	8.8	NTO	7.0	70.73
Romania	Oct‡	1,510	12.4	WTO	3.20-F	21.16
Russia	Dec‡	22,683	11.9	WTO	3.67-F	221.99
Serbia	Dec‡	764	11.9	WTO	4-E	NA
Slovakia	Oct‡	1,460	10.0	WTO	3.60	4.17
Slovenia	Nov‡	2,035	8.9	WTO	3.12	4.84
Spain	Dec	56,044	7.3	WTO	12.7	68.78
	Dec‡	56,941	8.1	WTO	12.7	68.78
Sweden	Dec‡	5,030	1.6	WTO	7-E	338.65
Switzerland	Dec‡	8,531	-1.1	Tourmis	3.8-F	200.17
Turkey	Dec	27,000	5.9	WTO	8.0	111.68
	Dec‡	29,349	8.7	WTO	10.1	110.11

Destination	*Jan-	Arrivals x1000	Growth %	Source	Stay days	PVPD US\$-C
UK	Dec	30,135	7.5	WTO	10.1	69.41
	Dec‡	29,059	2.7	WTO	10.1	110.11
Ukraine	Mar‡	20,800	-1.9	WTO	5-E	NA
Europe	Dec	472,745	3.4	WTO	5-E	200-E
	Dec‡	502,826	6.0	WTO	5-E	200-E

International arrivals

City/region	Period	Number,mn	Growth,%	Stay,days	Comment	Source
Berlin	J-Jun 11	4.1	9.7	2.5	overnights	DMO
Brussels	J-Jun 11	2.6	-0.1	NA	bednights	Tourmis
Paris	J-May 11	3.1	3.0	NA	bednights	Tourmis
Vienna	J-Jun 11	5.5	5.3	NA	bednights	Tourmis

Domestic arrivals

Destination	Period	Arrivals, x1000	Growth,%	Bednights ,x1000	Growth,%	Source
Austria	J-Aug 11	8,066	2.0	25,806	0.8	Tourmis
Croatia	J-Aug 11	1,118	1.7	4,535	2.4	Tourmis
Slovenia	J-Aug 11	823	3.0	2,843	-0.2	Tourmis
Switzerland	J-Aug 11	NA	NA	10,939	-0.2	Tourmis

Notes: See Master Notes, page 6. WTO changes data, so its data should always be considered provisional. Growth may not tally with previous figure shown. *2010 unless stated otherwise. †2009. ‡2011. B = Bednights. H = Nights at hotels. Source: NTO = national tourist office (or equivalent), Ot = Other, WTO = World Tourism Organization.

Notes: See Master Notes, page 6. Latest figures; ‡full year at YTD growth rate. E = Travel Business Analyst estimate (some based on statistically-incompatible measures), PVPD = per visitor per day. C = Quoted in US\$. F = In hotels. V = Per visitor. Source: As 'Source' above.

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