TRAVEL BUSINESS ANALYST

Markets • Marketing • Strategy

ASIA PACIFIC • FEBRUARY 2010

Market Monitor

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

- World Travel Industry Index: Nov +3E; Oct -1E; Sep +0.5P; Aug -1.5; Jul -2.4; Jun -6.2; May -7.3; Apr -2.3; Mar -10.3; Feb -11.2; Jan -6.7; Dec -6.3; Nov -5.6. *TBA*.
- World airport passengers; ttl, intl: Sep +1.3 -1.8; Aug -0.7 -3.0; Jul -1.4 -3.7; Jun -5.0 -7.8; May -7.7 -9.5; Apr -3.0 -1.8; Mar -8.3 -10.7; Feb -10.3 -11.3; Jan -6.2 -6.7; Dec -5.8 -5.7; Nov -7.8 -5.8; Oct -3.4 -1.4; Sep -4.2 -2.7. *ACI*.
- World air traffic, RPKs: Nov +2.1; Oct +0.5; Sep +0.3; Aug -1.1; Jul -2.9; Jun -7.2; May -9.3; Apr -3.1; Mar -11.1; Feb -10.1; Jan -5.6; Dec -4.6. *IATA*.
- World hotel occupancy, pts: Nov +1.2; Oct -2.0; Sep +0.6; Aug -3.3; Jul -3.4; Jun -6.9; May -8.6; Apr -9.4. *TBA*.
- World travel stocks index (on 100): Dec 65; Nov 60; Oct 57; Sep 58; Aug 58; Jul 53; Jun 46; May 48; Apr 43; Mar 35; Feb 35; Jan 40; Dec 44. *TBA*.
- World visitor arrivals: Dec +2.0; Nov +2.1; Oct +1.4; Sep -1.0; Aug -2.4; Jul -3.2; Jun -7.6; May -10.7; Apr -1.6; Mar -12.8; Feb -10.1; Jan -7.6. *WTO*.
- AsPac airlines seat sales: Nov +5.3; Oct -1.5; Sep +1.1; Aug -1.2; Jul -6.7; Jun -16.8; May -14.9; Apr -5.4; Mar -10.8; Feb -14.0; Jan -8.6; Dec -12.0. *AAPA*.
- AsPac airport passengers; ttl, intl: Sep +9.0 +5.8; Aug +9.5 +3.2; Jul +4.6 -3.1; Jun -0.1 -11.3; May -2.0 -10.9; Apr +1.4 -2.7; Mar -2.1 -8.8; Feb -5.0 -13.1; Jan -0.4 -6.6; Dec -4.8 -9.9; Nov -3.5 -10.6; Oct -0.6 -3.0; Sep -3.4, -6.6. *ACI*.
- AsPac air traffic, RPKs: Dec +8.0; Nov +5.1; Oct +0.9; Sep +2.1; Aug -1.6; Jul -7.6; Jun -14.5; May -14.3; Apr -8.6; Mar -14.5; Feb -12.8; Jan -8.4; Dec -9.7. *IATA*.
- AsPac hotel occupancy, pts: Nov +5.1; Oct +0.2; Sep -2.9; Aug -2.8; Jul -3.8; Jun -9.4; May -10.4; Apr -9.8; Mar -11.7; Feb -7.5; Jan -13.1. *TBA*.
- AsPac travel stocks index (on 100): Dec 82; Nov 76; Oct 74; Sep 74; Aug 73; Jul 73; Jun 65; May 68; Apr 56; Mar 49; Feb 46; Jan 51; Dec 54; Nov 53. *TBA*
- AsPac visitor arrivals: Dec +5.7; Nov +6.6; Oct +3.4; Sep +4.4; Aug +3.3; Jul -5.5; Jun -7.7; May -10.1; Apr -0.8; Mar -6.7; Feb -10.4; Jan -4.8. *WTO*.
- Air France seat sales, Asia: Nov -1.6; Oct -4.3; Sep -3.9; Aug -3.5; Jul -5.8; Jun -10.2; May -10.9; Apr -7.0; Mar -11.1; Feb -8.8.
- Australia resident departures: Aug +8.5; Jul +17.0; Jun +4.9; May +2.4; Apr +8.0; Mar -6.3; Feb -0.7; Jan -2.0; Dec +1.5; Nov +0.8. *PATA*.
- Australia visitor arrivals: Dec +6.0; Nov +2.5; Oct +6.4; Sep +9.0; Aug -0.9; Jul -12.8; Jun -4.7; May -1.6; Apr +7.4; Mar -4.9; Feb -2.8; Jan +2.7. *NTO*.
- Bali visitor arrivals: Jul +21.1; Jun +11.5; May +13.8; Apr +21.9; Mar +5.2; Feb -9.2; Jan +17.7; Dec +13.5; Nov +0.1; Oct +23.8; Sep +18.7. *PATA*.
- Bangkok airport visitor arrivals: Jul -15.8; Jun -22.9; May -26.2; Apr -15.7; Mar -16.9; Feb -25.7; Jan -19.7; Dec -38.8; Nov -30.8. *PATA*.
- British Airways seat sales, AsPac: Oct -21.8; Sep -17.7; Aug -13.1; Jul -11.4; Jun -16.8; May -19.2; Apr -9.1; Mar -11.9; Feb -19.3; Jan -10.2; Dec -12.8.
- Cathay Pacific seat sales: Nov +1.5; Oct -3.9; Sep -2.0; Aug +3.8; Jul -9.9; Jun -18.1; May -7.5; Apr +8.8; Mar -3.2; Feb -7.4; Jan +2.4; Dec -0.3.
- China citizen departures, estimates: Nov +13.8; Oct +20.6; Sep +9.4; Aug +8.6; Jul -16.4; Jun -16.8; May -18.2; Apr -3.1; Mar +1.8; Feb -14.2; Jan +13.9. *TBA*.
- China foreign visitor arrivals: Nov -0.7; Oct -1.6; Sep -4.7; Aug +3.1; Jul -0.5; Jun -10.2; May -17.0; Apr -19.2; Mar -22.9; Feb -12.9; Jan -31.2. *WTO*.
- China Southern seat sales: Dec +18.0; Nov +13.9; Oct +11.6; Sep +10.6; Aug +32.9; Jul +14.1; Jun +19.7; May +10.6; Apr +5.0; Mar +6.8; Feb +7.6.
- Dubai airport passengers: Jul +12.6; Jun +10.3; May +7.1; Apr +6.4; Mar +0.1. *ACI*.
- Eva Air seat sales: Nov +17.4; Oct +5.6; Sep +9.7; Aug +11.2; Jul +6.6; Jun -2.8; May -0.6; Apr +3.3; Mar -1.7; Feb -12.7; Jan -7.1; Dec -11.7; Nov -9.0.
- Fiji visitor arrivals: Oct +7.2; Sep +4.5; Aug -6.3; Jul -1.4; Jun -13.3; May

contd on p5

Travel stocks

Phew!

After two years with the heading 'Ouch!', our annual review of all travel stocks we track in Asia Pacific indicates some relief. In fact, the improvement is relative; growth in regional stocks in 2009 still did not return to levels in 2006, our base year, see Table 1. Results may be better than those for travel stocks in Europe and around the world, but that is poor compensation for those who invested $100 in 2006, and can count on cashing in only $82 now.

2008 was bad; even the 'best performer' declined 15%. But in 2009 only three of the 14 airlines tracked fell, and none of the six other categories. *Is this the time to invest in travel?*

Table 1

TBA world travel stocks index

	2009	2008	2007
Asia Pacific	82	54	111
Europe	50	43	71
World	65	44	87

Notes: Base - prices end-2006. Source: Travel Business Analyst.

Most of the following analysis covers the period 2000-9.

We have tracked most of the 14 **airline** stocks, see Table 2, for the past 15 years. Most are still below their prices in 2000; only the four China airlines were above (Air China, Cathay just, China Eastern, and China Southern). Even that darling of the media, Air Asia, was down. Perhaps more shocking is that investors in some, in Air New Zealand for example, would today have only US$1 for each US$100 they invested in 2000!

Of the four **hotel** groups from the seven that we track, all grew in 2009, see Table 3, and all are ahead of 2003, when we started our tracking. Even though the comparison is not direct, hotels are a better investment than airlines. *Which prompts a diversionary question: why do airlines sell their hotel interests when times are tough?*

The '**other**' travel companies' category comprises just two – China Travel Service (which deals mainly with travel to/from Hong Kong/China, and which also owns companies in China). And Genting (the parent company of the stock that was Star Cruises and which also owns the NCL cruise line as well as gambling resorts in Malaysia and Singapore). Both are above their prices in 2003, and Genting (now associated with gambling rather than the more difficult cruising business) seems likely to grow.

Prices of some stocks seem to be on a roller coaster - up

contd on p3

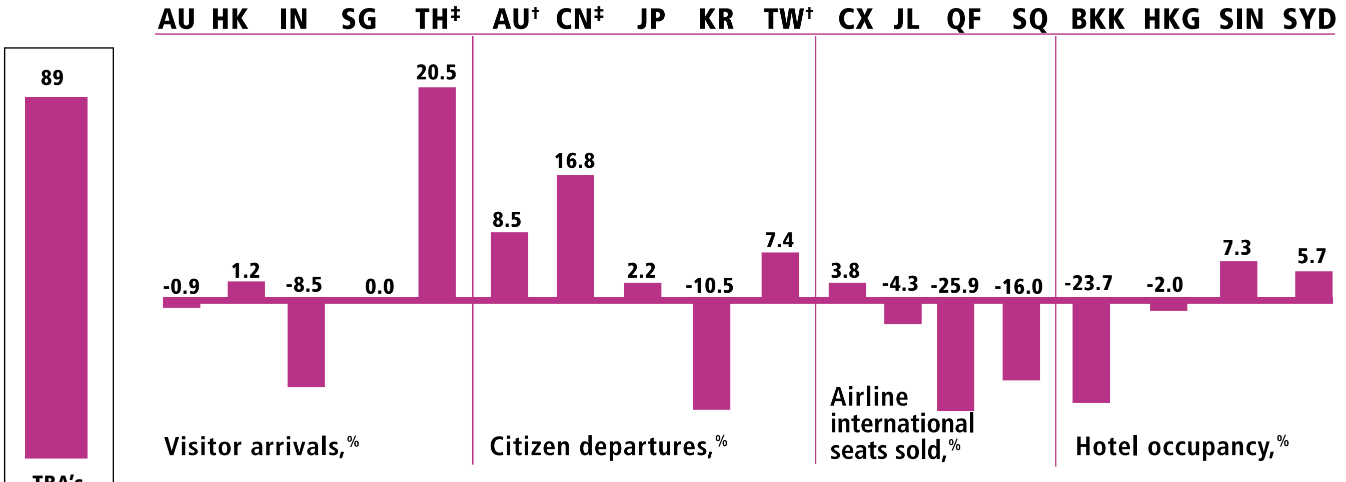
Headlines

Commentary on tables

- **Barometer**. Overall travel index still below at 11%, and no improvement over previous month. Is this an indicator of the dreaded 'W' economic recovery instead of a 'V'? In Arrivals, *Australia* and *India* down. In Outbound, *China* and *Korea* down – but *Japan* up! With Airlines, all down except Cathay Pacific. For Hotels, down in *Bangkok* and *Hong Kong*.
- **Inbound trends**. No change.
- **Outbound trends**. No change.
- **Forecasts.** Hotel growth plans from Centara, Dusit, Park.

Barometer

Percentage growth in latest matching month* available; August 2009



Notes: See Master Notes, page 6. Top 4/5 in each category, in order of size. BKK = Bangkok, HKG = Hong Kong, SIN = Singapore, SYD = Sydney. *Compared with same month, previous year. †Residents. ‡Estimate by Travel Business Analyst. A = Base 100 at same month last year. Source: see relevant tables on following pages.

Visitor arrival trends*, next 12 months

Source	Number,x1000
China	19,749
Hong Kong	10,047
Singapore	9,030
Thailand	12,385

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‡	33,548
Japan	14,776
Korea	7,258
Taiwan	7,408

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
Centara hotels,by '15	Nov	65,now 23	company
Dusit hotels in India,by '13	Nov	add 5	company
Park Hotels, Singapore,by '13	Nov	add 10-12	company
Taiwan-China flights,by Jun	Nov	600/wk	industry
China arrivals in Taiwan,'10	Nov	1mn	industry
World visitor arrivals,'09	Oct	-5%	WTO
World visitor arrivals,'10	Oct	+1-3%	WTO
World visitor spending,'09	Oct	-6/8%	WTO
Sri Lanka visitor arrivals,'09	Oct	393-500k	DMO
Sri Lanka visitor arrivals,'09	Nov	465k	TBA
Sri Lanka visitor arrivals,'10	Oct	500k	DMO
Sri Lanka visitor arrivals,11	Oct	800-1000k	DMO
Sri Lanka visitor arrivals,'16	Oct	2.5m	DMO
Amari,(undated) hotels	Oct	40 (now 11)	company
Frasers,(undated) apartments,end-'10	Oct	10k (now 5k)	company
GHM,(undated) hotels	Oct	23 (now 14)	company
Thailand MICE visitors,'09	Oct	500k,-31%	TCEC
Thailand MICE spend,'09	Oct	$1.20b,-22%	TCEC
Thailand MICE visitors,'10	Oct	636k,+27%	TCEC
Thailand MICE spend,'10	Oct	$1.33b,+10%	TCEC
US tour operator sales,'09	Oct	-17%	PCW
US corporate travel,'09	Oct	$85b,-15%	PCW
US travel market,'09	Oct	-11%	PCW
Australia visitor arrivals,'09	Jun	-4%;5.6m'08	DMO
World visitor arrivals,09	Jun	-4-6%	WTO
Hongkong Disneyland,'15	Jun	8.4m	company

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

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contd from p1 – Travel stocks

one year, down the next, see Table 4. Japan Airlines went from being the best performer in 2000 to one of the three worst in 2001, 2002, and 2006. Shangri-La appeared as one of the worst three in 2002, then one of the best three in 2003. Then Mandarin repeated that trick in 2003 and 2004, and both China Eastern and China Southern in 2007 and 2008.

Table 2

Growth pattern of airline stocks in Asia Pacific

Airline	Stock growth,%			Market growth,%			A/B	
	2009	2009/00	2008	2009	2009/00	2008	2009	2009/00
Air Asia	59.5	-15.3	-46.9	45.2	87.3	-39.3	A	B
Air China	152.9	102.3	-79.3	52.0	44.9	-48.3	A	A
Air NZ	26.0	-99.2	-48.9	18.9	69.9	-32.8	A	B
All Nippon AW	-28.8	-35.4	-14.9	19.0	-23.5	-42.1	B	B
Cthy Pcfc AW	66.1	0.6	-57.3	52.0	44.9	-48.3	A	B
China AL	45.1	-42.1	-46.6	78.4	72.6	-46.0	B	B
China Estrn AL	136.8	125.2	-84.8	52.0	44.9	-48.3	A	A
China Sthrn AL	98.4	1.9	-88.1	52.0	44.9	-48.3	A	B
Japan AL	-68.4	-87.2	-16.9	19.0	-23.5	-42.1	B	B
Jet AW	167.2	-10.1	-79.4	81.0	26.7	-52.4	A	B
Malaysia AL	-11.1	-24.4	-36.3	45.2	87.3	-39.3	B	B
Qantas AW	13.7	-15.5	-51.7	30.8	54.4	-41.3	B	B
Singapre AL	32.7	-13.1	-35.2	64.5	50.4	-49.4	B	B
Thai AW	140.0	-41.9	-79.9	63.2	172.9	-47.6	A	B

Notes: All figures based on last trading day in relevant year. A = Air, A/B = Stock growth Above or Below market growth. AL = Airlines, H = Hotels, AW = Airways, S = Service. *2009/04.†2009/06. Source: relevant companies or markets.

The outlook for this year is difficult to predict – as the industry faces continued change, as always, as does each company, plus the question of whether recovery from 'The Crisis' will be V- or W-shaped. The following is a brief review of corporate and market circumstances which could affect prices:

-**Air Asia**. Malaysia-based. The market seems to believe the hype. We see three structural problems: 1, longhaul low-fare has not been proven successful (or, rather, all examples so far show it fails). 2, AA's subsidiary airlines, in Indonesia and Thailand, are not growing as fast as the main airline - even though they are smaller and newer. 3, AA needs to start big-strong-economy subsidiaries, say in Hong Kong, Japan, Korea, Taiwan, not minnows like Indonesia, Thailand, Vietnam. And its link-up proposal with another troubled discount airline Jetstar Asia indicates trouble - see Trends, page 11.

-**Air China**. Beijing-based, Hong Kong-quoted. Partly owned by Cathay Pacific. Prospects should be good, but aviation liberalisation threatened for China, and no real clues on how AC will respond.

-**Air New Zealand**. In 2009 we said ANZ needed to resolve problems of small local market, geographically isolated, and fierce competition on its main routes, to Australia, remarking "something has to give". Despite the increase in 2009 it is still almost 100% down on its price in 2000; the market seems to agree with us.

Table 3

Progress of hotel and 'other travel' stocks in Asia Pacific

Airline	Stock growth,%			Market growth,%			A/B	
	2009	2009/03	2008	2009	2009/03	2008	2009	2009/03
HOTELS								
Hngkng & Shnghi	93.9	151.0	-57.2	52.0	44.9	-48.3	A	A
Mandarin Oriental	52.0	207.2	-58.3	64.5	50.4	-49.4	B	A
Regal	1407	1741	-66.4	52.0	44.9	-48.3	A	A
Shangri-La Asia	63.9	100.0	-63.6	52.0	44.9	-48.3	A	A
OTHERS								
China Travel S	53.6	57.8	-70.6	52.0	44.9	-48.3	A	A
Genting	223.3	7.8	-77.8	52.0	44.9	-48.3	A	B

Notes/Source: As Table 2.

-**All Nippon.** Hampered by a falling economy, and citizens' apparent fear of stepping out abroad. Perhaps tainted with the Japan Airlines edge-of-disaster brush, but that could be a great opportunity to expand as well. Given its dull record, it will probably miss this opportunity.

-**Cathay Pacific.** Hong Kong-based. Should have been boosted by its purchase in 2006 of Dragonair – which has strong HK-China routes. Strong sensible management. But will lose out now Taiwan-China direct flights have been started.

-**China Airlines.** Taiwan-based. Direct flights Taiwan-China will be a big boost, but this is a political as well as commercial matter, so progress is difficult to predict.

-**China Eastern Airlines.** Shanghai-based, Hong Kong-quoted. Taking over Shanghai Airlines, but this was a small bother rather than a significant competitor. And, as with Air China, what will aviation liberalisation in China bring?

-**China Southern Airlines.** Guangzhou-based, Hong Kong-quoted. Fast international expansion, then frantic withdrawal, and now steadier expansion again on the back of fast domestic growth. Plus, will it be the subject of a takeover bid this year, and what will aviation liberalisation in China bring?

-**China Travel Service.** Hong Kong-based but China-owned. Not linked to all the CTS offices in China (which most think is a single operation), but with some good China corporate links in travel in China nevertheless.

-**Genting** (was Star Cruises), Hong Kong-quoted. Disappointing results in its cruise division, but its gambling operation may now drive the stock. Its new Singapore operation will encourage investors to buy before seeing results.

-**Hongkong & Shanghai Hotels.** Hong Kong-based property-company owner of the Peninsula hotel group. Insignificant portfolio but in prominent cities, and strong brandname but fading in face of the competing cacophony. A minor player that surely one day will be bought?

-**Japan Airlines.** As for ANA - hampered by a falling economy, and citizens' apparent fear of stepping out abroad. Share trading now suspended following its move into bankruptcy protection. Can it be reformed? Partly depends on whether local rival ANA takes advantage.

-**Jet Airways**. Mumbai-based. Big decline in 2008 for what was an over-confident airline. But a good recovery in 2009, surprising us. We thought it would fall further, but helped by a still inefficient Air India.

-**Mandarin Oriental.** Hong Kong-based, Singapore-quoted. Like Peninsula, but greater coverage, and getting better. But harder hit by the crisis because of its high business share and its faster move into the recession-hit US.

-**Malaysia Airlines.** Has down-sized, which should have put it into better shape to face the crisis. But progress still tough, because it cannot out-market its local

LFA competitor, Air Asia. Perhaps the only way is the Qantas way, and hand over as many routes as possible to a lower-cost subsidiary. It has one, Firefly, but is not yet tackling the big problem.

-Qantas. Australia-based**.** New CEO with self-caused dysfunctioning to resolve, including rationalising its three lower-cost uncoordinated subsidiaries that use the Jetstar name. If possible, Jetstar should then help the group through the crisis. Confusion about future following outlined cooperation between its Singapore-based Jetstar and rival Air Asia.

-Regal Hotels, Hong Kong-quoted**.** Hotels primarily in Hong Kong and Shanghai. Not brilliant business, but the market thinks prospects are brilliant. Wrong, because although Regal is (still) awaiting portfolio growth, their results will not be as good as those in HK and Shanghai.

-Shangri-La Asia, Hong Kong-quoted**.** Now expanding outside Asia – into Middle East, Europe, and North America - and this will not bring the same profits as Asia.

-Singapore Airlines. The magic goes with a capacity cut and performance below Singapore's air traffic market growth. And held back by profitless growth of its mindlessly-run low-fare-subsidiary Tiger. SIA should follow the Qantas-formula - using a subsidiary (Tiger or Silk Air) to lower its costs in certain markets. But Singapore may be too proud to realise that its revered airline may be in trouble.

Table 4

Percentage growth in travel stock movements, top and bottom

Year	Best	Worst
2009	Regal H	Japan AL
2008	All Nippon AW	China Sthrn
2007	China Estrn	Thai AW
2006	Mndrn Orntl	Japan AL
2005	Korean A	Malaysia AL
2004	Regal H	Malaysia AL
2003	China Sthrn	Qantas AW

Notes: *Starting 2009, calculation on biggest negative and positive difference between stock- and market-price. Source: See Table 2.

-Thai Airways. Still threatened by bad local politics, which is negatively affecting the destination's visitor market. There is a chance the new CEO may overcome some negatives (after the travel market one, there is the political-interference one).

Hyatt

Hopes for India

Hyatt has signed an agreement with India's DB Hospitality, part of the DB Group (which originally was Dynamix Balwas, not Deutsche Bank), to manage new hotels in India. They are planned for Goa (R(rooms)-314, due Q3 2010), Mumbai (R310, Q1 2014), Mundra (special economic zone in Gujarat; R150, Q3 2013), and Pune (1st R325, Q3 2011; 2nd R-130, Q1 2012).

Mumbai's will be Hyatt's top Park brand, Goa's and one in Pune will be Grands, and the two others will be Hyatt Place - becoming the new name for what was Hyatt Regency. Currently, Hyatt manages non-DB hotels in Delhi, Goa, Kolkata, and Mumbai (2). DB owns the Meridien in Mumbai.

This Hyatt deal follows an agreement between Japan Airlines-owned Nikko Hotels and DB, signed in 2007. This was for Nikko hotels planned for Bangalore, Chennai, Delhi (2), Hyderabad, Kolkata, Mumbai, Noida, and Pune. The first, not identified, was due to open this year.

Not clear yet is the conflict between these two arrangements, although Japan Airlines - now under bankruptcy protection - is likely to try to sell its hotel division. Nikko, a confused mix of owned, managed, and marketed hotels, has never been a success and is hardly known outside Japan.

ZERO

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

Green Measures

• 1/10. Missing the point. Angela Gittens, head of **ACI** (Airports Council International), says during Copenhagen "all agreed that now is the time to act".

"ACI pledges to continue to pursue industry collaboration through ICAO and with our aviation partners in promoting sensible governmental action as well as achieving reductions in emissions. But we need not wait for a top-down agenda that will take time to agree by all parties. Already today, aviation partners have many tools in hand, and I call on them to keep up the momentum."

To us, that is talk, not action.

• 8/10. Pushing PATA. Anthony Wong, a travel agent and hotelier in Malaysia, aims to work through **PATA** to show that it is cheaper to be green. And if you are not green, you will be out of business.

This may be difficult in that PATA itself (which scored 1/10 in our 'Green Measures') talks but does not act. Wong disagrees, saying for example that PATA runs green conferences. It has a 40-60-item checklist on what to do - on plastics, food used etc.

His own resort hotel (Frangipani, Langkawi, Malaysia) has a 160-item checklist.

Canada pitches green travellers

Canada is looking for travellers who are at least as interested in sustainable building and neighbourhood design as in classic postcard sightseeing. Some 'green sites' that are open to the public:

• Vancouver Convention Centre has fish habitat amongst the foundation piers and a 'living roof' with 500,000 plants and 60,000 bees. In Victoria, the Dockside Green neighbourhood treats its own sewerage onsite and generates much of its energy from biomass.

• In Toronto, some streetcar repair sheds have been converted to the Artscape Wychwood Barns, a community centre serving the St Clair and Christie district. About 250km east is Fifth Town Artisan Cheese, a showcase that uses renewable energy, onsite waste management, geothermal heating - and makes cheese.

• In Montreal, the 159-room Alt Hotel Quartier DIX30 uses geothermal heat, dual-flush toilets (*still not common in North America*), exhaust air heat recover, oversized low-e windows for more natural light and less heat loss.

• Halifax is completing the green Seaport Farmer's Market. Designed to use 80% less energy than the most rigorous government requirement, the market features power generating turbines, a planted roof, geothermal heating, and more.

-16.1; Apr -7.4; Mar -22.7; Feb -20.6; Jan -27.6; Dec +1.4; Nov +0.0. *WTO*.
- Hawaii visitor arrivals: Sep +7.7; Aug +0.3; Jul +1.3; Jun -5.2; May -6.4; Apr -1.5. *PATA*.
- Hong Kong airport passengers: Nov -0.3; Oct -3.7; Sep -3.5; Aug +2.8; Jul -9.5; Jun -18.9; May -12.7; Apr +4.1; Mar -8.0; Feb -13.7; Jan +0.2; Dec -5.3.
- Hong Kong visitor arrivals: Nov +7.6; Oct +9.0; Sep +2.5; Aug +5.8; Jul -12.2; Jun -15.0; May -13.4; Apr +0.8; Mar +1.7; Feb -8.1. *NTO*.
- India visitor arrivals: Nov -0.6; Oct -0.9; Sep -4.2; Aug -8.5; Jul 0.6; Jun +0.2; May -1.9; Apr -3.5; Mar -12.9; Feb -10.6; Jan -17.6; Dec -9.2. *WTO*.
- Indonesia visitor arrivals: Nov +1.4; Oct +3.4; Sep -1.4; Aug -5.5; Jul +4.6; Jun +4.1; May +2.5; Apr +6.1; Mar +1.8; Feb -9.4; Jan +8.0. *WTO*.
- Japan Airlines intl seat sales, total/transPacific/Southeast Asia: Nov -5.8 +2.9 -8.1; Oct -4.5 +0.6 -9.4; Sep +6.0 +8.1 +1.9; -4.3 -10.1 -5.3; Jul -9.7 -11.0 -12.3; Jun -24.8 -25.2 -23.8; May -19.8 -18.0 -21.6; Apr -7.5 -2.5 -11.7.
- Japan citizen departures: Sep +15.3; Aug +2.2; Jul -4.2; Jun -25.5; May -18.3; Apr +1.6; Mar -2.5; Feb -1.0; Jan -13.4. *PATA*.
- Japan travel agencies, top-62 (sic) outbound sales: Oct -18.7; Sep -7.3; Aug NA; Jul NA; Jun -43.9; May -33.8; Apr -18.4; Mar -17.7; Feb -17.0. *TJI*.
- Japan visitor arrivals: Nov +2.1; Oct -11.3; Sep -16.4; Aug -8.4; Jul -23.3; Jun -37.7; May -34.0; Apr -19.7; Mar -22.3; Feb -41.3; Jan -18.4. *WTO*.
- Jet Airways seat sales: Nov +28.8; Oct +26.2; Sep -5.5; Aug +1.0; Jul +0.4; Jun -11.1; May -18.9; Apr -22.9; Mar -21.4; Feb -19.1; Jan -19.5.
- Jetstar Intl seat sales: Nov +129.5; Oct -115.9; Sep -110.3; Aug +107.0; Jul +96.8; Jun +74.6; May +51.1; Apr +36.9; Mar +35.8; Feb +24.6.
- Korea resident departures: Sep -19.6; Aug -10.5; Jul -12.3; Jun -27.2; May 33.0; Apr -28.4; Mar -28.6; Feb -33.5; Jan -38.6; Dec -32.8. *PATA*.
- Korea visitor arrivals: Dec +4.0; Nov +11.0; Oct +13.4; Sep +15.5; Aug +19.8; Jul +7.2; Jun -1.7; May +0.8; Apr +20.8; Mar +22.2. *WTO*.
- Kuala Lumpur airport passengers: Oct +17.6; Sep +23.1; Aug +8.6; Jul +8.7; Jun +6.2; May -0.5.
- Lufthansa seat sales, AsPac: Dec +4.5; Nov -1.4; Oct -5.1; Sep -6.3; Aug -0.5; Jul -0.3; Jun -10.0; May -7.8; Apr -5.4; Mar -4.9; Feb -8.8.
- Macau visitor arrivals: Dec +6.7; Nov +2.7; Oct +5.2; Sep +3.8; Aug +6.4; Jul -14.9; Jun -15.9; May -20.4; Apr -3.5; Mar -11.8; Feb -17.3. *NTO*.
- Malaysia Airlines seat sales: Sep +17.1; Aug -2.8; Jul -2.6 Jun -4.7; May -14.9; Apr -15.0; Mar -34.8; Feb -31.4; Jan -21.9; Dec -19.6.
- Malaysia visitor arrivals: Dec +4.0; Nov +11.0; Oct +14.3; Sep +24.9; Aug +10.4; Jul +3.9; Jun +7.5; May -0.3; Apr +7.0; Mar +8.6; Feb -7.4. *WTO*.
- Maldives visitor arrivals: Nov +6.9; Oct +10.8; Sep -0.6; Aug +1.1; Jul -7.0; Jun -10.1; May -11.5; Apr -8.8; Mar -13.3; Feb -13.9; Jan -4.8; Dec +10.2; Nov -11.2. *WTO*.
- New Zealand visitor arrivals: Nov +0.3; Oct +7.7; Sep +9.3; Aug -0.9; Jul 0.3; Jun -5.1; May +1.0; Apr +9.2; Mar -9.7; Feb -8.5; Jan -3.7. *WTO*.
- Qantas intl seat sales: Nov -22.6; Oct -20.9; Sep -20.8; Aug -25.9; Jul -24.2; Jun -19.2; May -13.5; Apr -10.1; Mar -15.8; Feb -16.8; Jan -11.4.
- Singapore Airlines seat sales: Dec -4.7; Nov -7.3; Oct -9.6; Sep -10.0; Aug -16.0; Jul -14.3; Jun -19.2; May -23.7; Apr -18.22.
- Singapore airport passengers: Nov +9.2; Oct +6.0; Sep +6.0; Aug +0.5; Jul -1.1; Jun -5.0; May -11.1; Apr -4.4; Mar -11.1; Feb -13.0; Jan -1.3.
- Singapore visitor arrivals: Nov +8.4; Oct -0.5; Sep +7.1; Aug -0.7; Jul -3.9; Jun -8.9; May -13.0; Apr -6.1; Mar -13.2; Feb -15.2; Jan -12.9. *NTO*.
- Tahiti visitor arrivals: Sep -17.2; Aug -15.0; Jul -11.8; Jun -16.5; May -25.5; Apr -29.6; Mar -26.2; Feb -29.8; Jan -23.7; Dec -18.9; Nov -13.5. *WTO*.
- Taiwan resident departures: Nov +13.2; Oct +1.4; Sep -4.9; Aug +7.4; Jul -5.3; Jun -18.6; May -13.3; Apr -9.7; Mar -6.4; Feb -20.3; Jan +1.8. *NTO*.
- Thai Airways seat sales: Nov +27.2; Oct +10.0; Sep +14.8; Aug +0.7; Jul -7.0; Jun -17.7; May -17.1.
- Thailand visitor arrivals: Nov +26.3; Oct +10.5; Sep +16.9; Aug -5.4; Jul -14.2; Jun -17.3; May -21.2; Apr -11.2; Mar -12.1; Feb -23.2; Jan -11.9. *WTO*.
- Tokyo Narita intl airport passengers: Nov +3.7; Oct +0.6; Sep +5.3; Aug +1.3; Jul -3.5; Jun -15.7; May -13.8; Apr -4.4; Mar -9.4; Feb -12.3; Jan -9.8.
- United Airlines RPKs, Pacific: Dec +0.1; Nov +0.5; Oct -1.4; Sep +5.5; Aug -4.9; Jul -5.2; Jun -12.9.
- US air international passengers: Nov -0.9; Oct +4.9; Sep +0.2; Aug -2.1; Jul -1.9; Jun -8.7; May -11.8. *gov*.
- US hotels occupancy: Nov -4.3; Oct -3.5; Sep -6.3; Aug -9.9; Jul -7.3. *Smith*.
- US hotel rooms planned: Dec -34.6; Nov -33.9; Oct -32.7; Sep -31.1. *Smith*.
- US resident departures: Jul +1.1; Jun -7.0; May -10.5; Apr -1.1; Mar -11.7; Feb -7.0. *PATA*.
- US travel agency sales: Dec +8.6; Nov +6.9; Oct -3.5; Sep -14.2; Aug -16.7; Jul -16.7. *ARC*.
- US visitor arrivals: Oct +0.5; Sep -1.2; Aug -3.7; Jul -6.1; Jun -10.6; May -11.8; Apr +2.9; Mar -19.9. *WTO*.

Market Headlines

Full-year market results.

Aviation

- Cathay Pacific; seats sold 2009; 24m -3%.
- China Southern; seats sold 2009; 66m +14%.
- Singapore AL; seats sold 2009; 16m -15%.

Inbound

- AsPac; arrivals 2009; 181m -2%.
- Australia; arrivals 2009; 5.6m -0%.
- Korea; arrivals 2009; 7.8m +13%.
- Macau; arrivals 2009; 22m -5%.
- Malaysia; arrivals 2009; 24m +7%.
- World; arrivals 2009; 880m -4%.

Outbound

- China; travellers 2009; 45m +1%.

Others

- Travel stock prices; 2009; see report this issue.
- US; travel agency sales; $66b -17%.

Main News

Corporate

Recent corporate developments – big or significant.

- Together or bust. Should-be arch rivals Air Asia and Jetstar Asia to 'cooperate'. Thai helps its Nok subsidiary. See report this issue.
- Japan Airlines in bankruptcy protection (Japan's equivalent of Chapter 11); plans substantial restructure.

Market

Recent market developments – big or significant.

- We estimate China outbound increased 1% in 2009 to 45mn.

Headlines

Commentary on tables pages 6-10

Aviation. **T1**. City-pair results. YTD for *Kuala Lumpur* up 6%, for *Sydney* down 2%, and also down 2% for *Tokyo*. **T2**. Country-pair results. YTD totals for *Australia* up 3% (with Sydney down, this means strong growth in other entry airports), *France* (through September) down 5%, *Germany* down 6%, *UK* down 8%, *US* down 4%. **T3**. Airlines traffic. Full-year for *Cathay* (seat sales down 2%), *China Southern* (up 14%, and international 24%!), *Singapore* (down a shocking 15% means that the airline's long reign as an infallible marketing machine is over). For LFAs ups and downs for *Jetstar Asia* (this is monthly data only); is this the reason it needed to work with competitor *Air Asia*? But AA's growth looks good, so why not just let its competitor weaken? **T5**. Airline results by region, showing how bad business is - Asia Pacific seat sales down 8%, US the same 8% fall, and Europe down 6%. **T6**. Airport passenger traffic. First-three-quarters for *all-Asia Pacific* (total up 2%, but international down 5%).

Inbound. **T8**. Visitor arrivals. No change.

Outbound. **T11**. Outbound travel. No change.

Hotels. **T18**. For YTD, Asia Pacific occupancy down 6 points to 63%, average rate down US$25 to US$129, helping push yield down US$25 to US$83.

Others. **T12**. *Stock indices and prices*. Index for end-year; these are positions compared with prices at end-2006. Not encouraging; if you invested $100 three years ago in travel stocks in Europe, you would now have only $50. And this was after a recovery in most prices at end of the year. **T15**. *Internet* bookings measures show more indicators for China. **T16**. Economic indicators in Asia Pacific: Q4 for *Singapore*; that GDP growth did not help its airline much, see above. **T17**. Economic indicators for market producers. Not much encouragement in these figures - declines in GDP for all except *Australia*.

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

Pain in Spain

We regard Spain as the largest international leisure destination, not least because it is twice the size of Asia's largest, China. And because France, nominally the largest, gets a substantial share of through and excursion traffic.

Business has not been good. Growth was only 2% in 2007, down 3% in 2008, and 9% in 2009. Because the market is big, this represents big numbers - 7mn fewer than in the 2007 peak. The main reason is that its top three markets - UK, Germany, and France, in that order, representing 58% of arrivals - are weak.

This decade, the UK has grown an average 1% annually, but Germany has fallen 2% annually. Those two have lost share, but France has grown 4% annually, and so its share has increased from 12% of the total to 15%.

Spain has been unable to supplement these three important markets - a lesson for destinations that rely too much on too few markets. The share of these three has fallen from 62%.

There is also some shift in destinations in Spain. The top two - Catalonia and the Balearics (which include Ibiza and Majorca) - were weak, both falling in double-digits in 2009. But the capital Madrid has been picking up share. This may indicate that the weakness is in the sun-and-sand tourism business that made Spain successful in the first place.

The air share has remained steady at 77%, after increasing in 2008. That is not good news because that means road arrivals (most of the rest) have fallen, and road travellers spread the travel spend more widely than air travellers.

Also bad news is another fall in hotel share, although slight, to 64%. That would likely indicate that more visitors are staying in lower-cost or no-cost (VFR) accommodation.

Spain's visitor arrival profile

Selected markets	No,mn 2009	Growth,% 2009/08	AAGR,% 2009/00	Share,% 2009	No,mn 2000	Share,% 2000
UK	13.3	-15.4	0.7	25.5	12.6	27.1
Germany	8.9	-11.2	-1.8	17.1	10.5	22.7
France	7.9	-2.9	3.9	15.2	5.6	12.1
Selected regions visited						
Catalonia	12.8	-10.0	4.1	24.4	8.9	19.2
Balearic islands	9.0	-12.2	-1.1	17.3	10.0	21.6
Madrid	4.9	7.3	6.4	9.4	2.8	6.0
Air	40.3	-9.2	1.8	77.3	34.4	74.1
Hotels	32.0	-13.0	-0.2	64.1	32.7	70.4
Packages	36.2	-6.9	NA	69.4	NA	NA
Total	52.2	-9.0	1.3	100.0	46.4	100.0

Notes: AAGR = annual average growth rate. Source: Instituto de Estudios Turisticos.

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

From: Kuala Lumpur To:	Oct 09	+/-,%	YTD 09	+/-,%
Bangkok	119	25	1001	-11
Chennai	29	7	291	-16
Hong Kong	80	-1	761	3
Jakarta	98	5	1003	9
London	52	63	425	23
Los Angeles	3	-13	32	-56
Shanghai	28	4	207	-11
Singapore	232	53	1999	30
Sydney	24	14	214	-24
Tokyo	28	-10	251	-13
TOTAL	1722	18	15529	6

From: Sydney To:	Oct 09	+/-,%	YTD 09	+/-,%
Auckland	99	-3.3	1053	5.4
Bangkok	47	-16.3	483	-11.4
Beijing	8	-39.3	99	-19.7
Denpasar	19	-12.7	179	-7.6
Hong Kong	71	-12.8	749	0.2
Kuala Lumpur	22	4.6	205	-24.5
London	43	-3.2	428	-5.0
Los Angeles	66	58.1	573	28.1
Singapore	83	-12.6	838	-5.6
Tokyo	22	-35.3	243	-31.9
TOTAL	863	-2.2	8562	-1.8

From: Tokyo* To:	Nov 09	+/-,%	YTD 09	+/-,%
China	2047	-9.7	23261	-8.6
Hong Kong	695	3.0	7401	-2.0
Korea	1142	-3.4	13109	4.0
Taiwan	849	-0.4	9095	4.2
Asia-other	2119	-0.1	23335	-5.3
Guam	587	-2.2	7213	10.8
Pacific	2576	-2.5	29684	-3.3
Oceania	434	-4.4	4752	-15.8
Europe	1420	-0.4	15855	-3.4
TOTAL	12133	-1.5	136307	-2.1

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		
To	Oct 09 +/-†,%	YTD 08	+/-†, %	Nov 09 +/-†,%	YTD 08	+/-†, %	Oct 09 +/-†,%	YTD 08	+/-†, %	Oct 09 +/-†,%	YTD 08	+/-†, %	Oct 09 +/-†,%	YTD 07	+/-†, %
Australia	na	na	na	na	na	na	10.4	93	-9.9	-0.8	894	-18.4	34.6	1412	28.6
China	8.4	531	0.7	4.9	948	-3.2	-2.0	1302	-2.4	-2.8	459	-6.6	-3.4	1710	-3.3
Hong Kong	0.2	1665	3.8	-12.2	596	-0.3	1.4	550	-7.2	-15.2	1303	0.2	-5.4	1724	-7.1
India	-81.6	25	-49.8	-15.2	476	-22.4	5.4	1112	-0.8	10.5	2064	7.9	-17.0	738	-6.3
Indonesia	49.2	985	44.0	na	na	na	62.8	39	47.8	na	na	na	NA	NA	NA
Japan	-17.1	768	-27.9	-11.6	1066	-9.0	0.7	798	-7.2	-3.1	661	-20.9	-2.3	8294	-9.6
Korea	11.6	371	-6.4	14.5	390	1.1	-6.6	498	-6.3	7.6	234	-3.7	10.8	2738	2.1
Malaysia	46.4	1118	19.7	6.6	113	-16.8	11.0	96	-16.6	64.8	426	23.9	-57.3	31	-58.7
New Zealand	5.4	4353	3.0	na	na	na	na	na	na	9.9	346	16.7	3.7	569	-9.0
Philippines	10.4	173	12.2	na	na	na	na	na	na	na	na	na	-20.6	657	-8.6
Singapore	-0.2	3185	-5.2	5.7	417	-1.0	-1.5	615	-1.5	-11.0	1022	-1.0	-20.4	208	-31.8
Taiwan	10.5	215	16.7	na	66	na	-15.8	107	-5.0	10.0	107	5.3	7.4	1525	-18.9
Thailand	-1.0	1065	-9.4	27.2	360	1.0	-5.5	891	-10.7	11.5	494	-3.2	13.5	69	-46.9
TOTAL	9.7	19883	2.8	-3.6*	65266*	-5.2*	-1.3	115675	-5.6	-4.7	152826	-7.8	4.9	106856	-3.9

Notes: *Paris airports only; total is Sep and Jan-Sep. †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.ita.doc.gov

Master Notes: Exchange rates (start of previous month) - US$1 to A$1.11, Y6.83, HK$7.75, IRp46.5, ¥93.1, W1164, MR3.42, NZ$1.37, S$1.40, NT$32.0, Bt33.3. 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.

3 Traffic on selected Asia Pacific airlines, 2008†

Regular airlines	Mth	Mth SS +/-,%	RPK +/-,%	YTD SS 1000	+/- %	ASK mn	+/- %	RPK mn	+/- %
-Systemwide									
Air New Zealand	Oct	-10.0	-12.2	3554	-10.9	23107	-13.2	18058	-11.3
All Nippon AW	Oct	7.9	8.1	3261	-6.9	21558	-7.3	15404	-7.5
Asiana	Oct	1.2	3.5	6676	-3.6	26684	1.2	18766	-2.6
Cathay Pacific AW*	Dec	5.0	4.0	24303	-2.6	110368	-4.4	88932	-2.2
China AL	Oct	9.8	4.7	8014	0.1	33841	-2.4	25494	-5.4
China Southern AL	Dec	18.0	18.6	66266	13.8	123383	9.5	92954	11.8
Eva Air	Oct	5.6	2.7	4930	1.1	24265	-0.6	18684	-4.1
Garuda	Oct	-9.4	-11.5	1880	-7.0	10088	2.6	7032	-5.2
Japan AL	Nov	-11.3	-7.6	38820	-10.6	104268	-8.2	67960	-10.7
Jet AW	Nov	28.8	11.6	10117	-7.0	25711	-13.3	19272	-4.0
Korean Air	Oct	0.4	3.5	10577	-0.9	61529	2.7	42957	-0.9
Malaysia AL	Sep	17.2	8.9	8389	-12.8	35600	-11.7	23394	-15.5
Philippine AL	Oct	-12.8	-11.4	2818	-7.0	15681	-2.5	11560	-7.9
Qantas AW*	Nov	9.7	3.0	36288	3.0	112554	-3.4	91056	-1.6
Royal Brunei AL	Oct	-4.6	-1.1	950	-2.9	4521	-0.5	3090	-0.5
Silk Air	Oct	21.3	9.7	1770	13.5	3607	-1.7	2634	0.2
Singapore AL	Dec	-4.7	-4.6	16322	-14.7	107006	-10.4	82833	-11.4
Thai AW	Oct	10.0	11.0	15041	-7.6	59154	-8.9	42868	-13.3
Vietnam AL	Oct	-12.4	-7.5	2551	-11.9	11308	-10.5	7904	-8.9
-International									
China Southern AL	Dec	23.9	23.8	3872	-1.7	16123	-8.0	10954	-3.7
Japan AL	Nov	-5.8	-4.8	10100	-8.2	66065	-10.4	44796	-10.5
Jet AW	Nov	19.0	4.0	3123	17.1	17022	-12.7	13313	0.7
Jetstar	Nov	19.0	4.0	3123	17.1	17022	-12.7	13313	0.7
Malaysia AL	Sep	10.1	5.1	4979	-14.3	31960	-13.2	20938	-17.2
Qantas AW*	Nov	-22.6	-10.2	5863	-18.2	57250	-11.3	47441	-9.3
Thai AW	Sep	11.9	9.8	8623	NA	49323	NA	35363	NA
Virgin Blue	Nov	30.9	158.7	2290	45.5	8865	187.0	6307	175.3

Low-fare-airlines

-Systemwide	Period	SS,x 1000	Growth, %	Period	SS,x 1000	Growth, %	Period	SS,x 1000	Growth, %
Air Asia-all	Q3	5841	23.8	Q2	5514	23.9	Q1	4992	14.5
Air Asia X†	Q3	2880	32	Q2	2177	49	Q1	1462	NA
Jetstar,AU	Jan-Nov	7524	2.7	Nov	711	4.9	Oct	749	3.6
Jetstar Asia†	Nov	189	3.8	Oct	182	73.3	Sep	105	-31.4
Virgin Blue,AU	Jan-Nov	16658	2.9	Nov	1541	0.5	Oct	1586	-2.0

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

4 Airline financial results, US$*

Item	NH Y-Mar 09	CX Y-Dec 08	JL Y-Mar 09	KE Y-Dec 08	QF Y-Jun 09	SQ Y-Mar 09
Revenue,mn	13925	11100	19511	10853	12332	10956
Op Profit,mn	76	-957	-508	-106	172	619
Revenue per						
ASK,USc*	15.98	9.61	15.2	14.1	9.90	9.3
RPK,USc*	24.45	12.2	23.4	19.7	12.4	12.2
Pax,US$*	295	445	369	NA	321	599
Profit per						
ASK,USc*	0.09	-0.83	-0.39	-0.1	0.14	0.53
RPK,USc*	0.13	-1.05	-0.61	-0.2	0.17	0.69
Pax,US$*	1.6	-38.3	-9.6	NA	4.48	33.8

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

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

Item	Asia Pacific,AAPA Oct 09	+/- %	YTD 09	+/- %	US,BTS Jan-Oct 09	+/- %	Europe,AEA Jan-Oct 09	+/- %
SS,mn	11.3	-1.5	109.6	-8.0	74.7	-7.6	200.3	-5.9
ASKs,bn	60.9	-6.4	617.5	-6.8	414.3	-5.4	760.8	-4.2
RPKs,bn	47.2	-0.2	457.1	-8.7	322.8	-6.4	587.5	-4.9
Pax LF,%	77.6	6.6	74.0	-2.0	77.9	-0.9	77.2	-0.6

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

6 Asia Pacific international airport passengers, 2009

City	Month*	Number	Growth %	Jan thru month shown	Growth %
Auckland	Sep	509,000	4.5	4,810,517	0.2
Bali	Apr	359,114	16.4	1,327,225	5.4
Bangkok	Dec†	1,756,346	-41.1	30,108,861	-5.0
	Sep	2,188,156	10.7	20,624,285	-14.2
Beijing	Dec†	814,593	-3.2	12,500,599	6.9
	Sep	1,001,300	6.0	8,380,665	-2.0
Brisbane	Oct	358,887	3.0	3,386,042	1.3
Chennai	Sep	288,221	-1.3	2,734,937	-0.8
Colombo	Sep	342,507	6.0	3,074,687	-14.2
Delhi	Sep	588,890	3.8	5,717,703	5.1
Guangzhou	Sep	342,301	22.9	2,887,274	-1.6
Hong Kong	Dec†	4,041,000	-5.3	48,595,000	1.7
	Nov	3,800,000	-0.3	41,955,000	-5.8
Jakarta	Sep	629,452	12.2	5,355,248	1.8
Kuala Lumpur	Sep	1,591,684	23.0	13,806,610	4.4
Macau	Sep	316,832	-16.6	3,133,133	-20.9
Male	Sep	116,747	6.8	1,194,290	-3.3
Manila	Sep	799,917	0.4	8,399,332	-2.0
Melbourne	Oct	454,765	12.8	4,159,982	7.0
Mumbai	Dec†	680,506	-6.0	7,841,037	4.6
	Sep	555,659	-0.1	5,496,930	-6.6
Noumea	Sep	39,449	4.2	340,673	1.0
Osaka KIX	Oct	823,138	-5.8	7,740,521	-12.6
Papeete	Sep	43,268	-15.4	395,137	-17.4
Perth	Oct	255,330	13.2	2,243,209	7.9
Phnom Penh	Sep	100,255	3.6	1,023,685	-5.7
Phuket	Sep	133,227	42.7	1,580,367	-10.5
Seoul	Sep	2,435,100	4.9	22,819,923	-6.1
Shanghai	Dec†	818,686	-41.1	11,979,179	-31.6
	Sep	1,025,026	10.7	8,536,355	-7.8
Singapore	Dec†	3,493,890	-0.6	37,694,824	2.7
	Nov	3,365,250	9.2	33,371,650	-2.0
Sydney	Dec†	961,587	-2.1	10,509,893	1.3
	Oct	970,696	10.0	8,669,559	-0.9
Taipei	Sep	1,534,401	2.0	14,358,786	-5.6
Tokyo Narita	Dec†	2,493,760	-10.5	32,388,365	-5.6
	Nov	2,543,106	3.7	28,309,517	-5.3
ASIA PACIFIC-A	Dec	85,252,897	-4.8	1,002,698,816	0.4
	Sep	88,299,338	9.0	784,055,931	2.1
Intl	Dec†	31,853,560	-10.0	384,023,938	-0.7
	Sep	30,594,283	5.8	277,031,936	-4.9

Notes: See Master Notes, page 6. *2009 unless stated otherwise. †2008. A = Domestic and international; data as supplied. Source: civil aviation departments, airports, Airports Council International.

7 Standardisation of visitor arrival measurements

Destination	Ratio*
Australia	99
China	14
Hong Kong	33
India	65
Indonesia	61
Japan	98
Korea	84
Malaysia†	24
New Zealand	99
Philippines	98
Singapore	70
Taiwan	98
Thailand	83
Vietnam	60

Notes: *Air arrivals as share of total arrivals. †Excludes Sabah and Sarawak. Source: Travel Business Analyst.

8 Visitor arrivals in Asia Pacific destinations

International arrivals

Destination	Months* Jan thru:	Arrivals	Growth %	Stay days‡	PVPD US$-A
Australia	Dec	5,586,092	-1.0	30.0	150.60
	Aug‡	3,527,042	-3.2	30.0	150.60
Bhutan	Jun‡	10,436	-7.4	8.0	200.00
Cambodia	Jun‡	1,020,776	-3.3	6.5	95.00
China	Sep‡	93,938,300	-3.5	7.0	100E
foreigners	Dec	24,325,225	-6.8	7.0	100E
	Sep‡	15,986,200	-12.9	7.0	100E
Cook Islands	Sep‡	74,971	7.5	10.5	115.84
Fiji	Aug‡	334,506	-13.7	8.7	124.58
Guam	Sep‡	795,982	-10.3	3.1	302.93
Hawaii	Dec	6,699,424	-9.1	9.18	179.88
	Sep‡	4,876,919	-5.7	9.19	179.88
Hong Kong	Dec	11,947,784	-0.9	3.28	200.10
	Sep‡	7,825,426	-10.7	3.28	200.10
India	Dec	5,366,729	6.1	16.0	92.68
	Sep‡	3,574,654	-7.7	16.0	92.68
Indonesia	Sep‡	4,619,483	1.1	9.09	107.70
Japan	Dec	8,350,835	0.0	7.2	160.42
	Sep‡	4,942,852	-24.5	6.5	160.42
Korea	Dec	6,890,841	6.9	6.9	163
	Sep‡	5,776,184	14.9	6.9	163
Laos	Dec	1,736,786	6.9	4.5	23.03
Macau	Sep‡	15,880,425	-8.4	1.36	181.80
Malaysia	Dec	22,052,488	5.1	6.2	105.67
	Sep‡	17,378,040	6.4	6.2	105.67
Maldives	Aug‡	415,434	-8.8	8.5	56.00
Marianas	Sep‡	280,326	-7.1	3.52	100.00E
Myanmar	Jul‡	126,689	11.1	7.0	70.00
Nepal	Sep‡	251,523	-2.2	9.1	14.09
New Caledonia	Sep‡	72,781	-0.3	19.1	87.09
New Zealand	Sep‡	1,709,734	-1.9	20.22	115.33
Pakistan	Dec	822,828	-2.0	25.0	13.20
Palau	Sep‡	54,655	-9.7	E4	NA
PNG	Jun‡	54,964	2.4	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
	Sep‡	7,036,021	-7.2	4.6	161.07
Sri Lanka	Sep‡	309,142	-2.6	10.0	79.10
Tahiti	Aug‡	103,522	-21.8	13.21	150.88
Taiwan	Sep‡	3,166,497	11.5	6.52	180.52
Thailand	Dec	14,316,815	-1.0	9.19	119.38
	Sep‡	9,999,070	-9.0	9.19	119.38
	May‡	6,557,186	10.7	9.2	95.57
Tonga	Jun‡	19,735	-34.9	5.0	56.87
Vanuatu	Jun‡	118,563	36.5	9.7	146.17
Vietnam	Dec	4,179,369	-0.2	9.6	64.04
	Sep‡	2,750,001	-15.2	9.6	64.04
Asia Pacific	latest-E	127,714,343	-5.5	NA	NA

International arrivals

City/region	Period	Number	Growth,%	Source	Comment
Bali	Jan-Jul 09	1,242,297	11.9	PATA	direct arrivals
Sabah	Jan-Jul 09	351,130	-19.0	PATA	direct arrivals
Sarawak	Jan-Dec 08	2,261,713	-6.4	PATA	direct arrivals

Domestic arrivals

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

Notes: See Master Notes, page 6. *2008 unless stated otherwise. †2007. ‡2009. E = Indicative selected totals only; approx Jan-Aug/Sep 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
Aug 09	21,985	-14.7	28,842	-2.2	9,467	-8.2	13,068	-14.1

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
Aug 09	39,972	-9.7	15,195	-8.4	9,636	-26.5	7,981	-8.8

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

11 Overseas travel by Asia Pacific residents

Market	Jan* thru:	Departures	Growth,%	Source	Spend,US$mn*
Australia	**Dec**	**5,808,000**	**6.3**	**PATA**	**14,200**
	Aug‡	3,856,700	4.3	PATA	14,200
China	Dec	44,936,310	9.2	TBA-E	29,800
	Sep‡	27,071,411	-4.5	TBA-E	29,800
Hong Kong	Dec	81,910,703	1.5	PATA	14,000
	Jun‡	40,288,403	-0.3	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
	Sep‡	11,511,334	-4.8	NTO	26,500
Korea-B	Dec	11,996,093	-10.0	NTO	18,200
	Sep‡	7,168,509	-26.0	NTO	20,900
Macau	Dec	606,417	1.2	PATA	71
New Zealand	Sep‡	1,398,851	-3.4	PATA	3,100
Philippines	Dec 06	2,745,191	29.1	PATA	632
Singapore-D	Dec	6,828,362	13.4	PATA	11,800
	Jun‡	3,183,891	-4.9	PATA	11,800
Taiwan-B	Dec	8,465,209	-5.6	NTO	8,700
	Sep‡	6,073,948	-7.8	NTO	9,100
Thailand	Jun	2,176,465	10.1	PATA	5,200
Asia Pacific	latest-E	72,377,096	-4.9	various	NA

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-Jun/Jul 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 Dec 09	Growth†,% stock	market	TBA 100 index* AL/HO	All
Air China	1.38	6.2	0.2	202	246
Air NZ	6.07	8.6	3.3	1	1
All Nppn AW	1.21	-3.2	12.8	65	79
Cathay P AW	252	9.6	0.2	101	122
China AL	14.5	9.4	8.0	45	55
Japan AL	2.42	-6.6	12.8	13	16
Malysn AL	553	11.9	1.1	76	92
Qantas AW	2.72	-11.7	3.6	84	103
Singpre AL	2.99	15.0	6.1	87	106
Thai AW	14.9	12.3	6.6	58	71
Mndrn-Orntl	2.21	7.3	6.1	na	na
Shangri-La	3.24	1.9	0.2	173	210

Indices‡ Region	December 2009
Asia Pacific	82
Europe	50
World	65

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

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

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

Agency	Sep 09	+/-†,%	Oct 09	+/-†,%	YTD 09‡	+/-†,%
JTB	400	-3.9	340	-19.3	3160	-23.8
HIS	347	-3.2	211	-21.1	2495	-7.5
Hankyu	254	24.3	195	-2.7	1832	-10.1
KNT	141	-27.1	122	-21.7	1159	-22.3
NTA	120	-11.8	106	-19.3	919	-30.4
Jalpak	70	-7.7	66	-14.3	639	-17.8
NEC	88	-19.6	44	-13.6	529	-37.1
Club Tourism	63	11.9	53	4.6	387	-9.5
Travel Plaza	42	-32.8	31	-28.0	362	-24.5
Nissin	32	-33.7	31	-31.2	282	-32.3
Top 62	2355	-7.3	1832	-18.7	17988	-20.8

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

15 Internet bookings/sales of selected companies/ markets

Company	Item	Period	Number	Previous	Source
OTA sales,share	China	2011	20%	11% '09	PCW
Amadeus online AsPac	travel agencies	2009	51% sh	19%	company
Australia/New Zealand	online sales	2009	$7.6b	23%	PCW
Asia Pacific	online sales	2009	NA	17%	PCW
Japan	online share	2009	17.50%	NA	Recruit
Online share	Europe	2010	34%	28% '08	PCW
Malaysia AL	online share	2009	30%	3%	company
Malaysia AL	online share	2010	40%	30%	company

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

16 Economic indicators of major countries in Asia Pacific

Country	Forecast GDP growth*†,% 2009	2010	Actual GDP growth*,% Period	2008	GDP per person,US$	Inflation period	Growth*,%
Australia	0.8	2.7	Q3:	0.5	52,290	Q3:	1.3
China	8.2	8.6	Q3:	8.9	4,170	Nov:	0.6
Hong Kong	-3.2	2.7	Q3:	-2.4	30,720	Oct:	2.2
India	5.5	6.3	Q3:	7.9	1,240	Nov:	13.3
Indonesia	4.2	4.5	Q3:	4.2	2,440	Nov:	2.4
Japan	-5.3	1.5	Q3:	-5.1	40,440	Nov:	-1.9
Korea	-1.0	2.8	Q3:	0.9	17,810	Nov:	2.4
Malaysia	-2.4	3.9	Q3:	-1.2	7,630	Nov:	-0.1
Pakistan	3.7	2.4	'08/9:	2.0	910	Nov:	10.5
Singapore	-4.5	3.8	Q4:	3.5	35,630	Nov:	-0.2
Taiwan	-3.6	3.5	Q3:	-1.3	16,430	Nov:	-1.6
Thailand	-4.3	3.3	Q3:	-2.8	4,060	Dec:	3.5

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

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

Country	GNP/ GDP	Retail sales	Consumer prices	Wages/ earnings
Australia	0.5 Q3	3.4 Q3	5.0 Q3	3.0 Q3
Germany	-4.8 Q3	-2.8 Nov	1.1 Dec	2.8 Oct
Japan	-5.1 Q3	1.4 Oct	1.0 Nov	-1.1 Nov
UK	-5.1 Q3	2.5 Nov	4.1 Nov	3.3 Oct
US	-2.6 Q3	-0.3 Nov	1.1 Nov	4.0 Nov
Euroland	-4.1 Q3	-4.0 Nov	1.6 Dec	3.6 Q3

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

18 Hotel† measures in Asia Pacific, November

Location	Occupancy,%				Average room rate, local	US$*				Revpar, US$*			
	2009		2008		2009	2009		2008		2009		2008	
	Mth	YTD	Mth	YTD	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD
Auckland-all	84.2	66.6	85.0	75.0	143	96.61	89.08	91.99	116.28	81.31	59.34	78.24	87.19
U-4	84.1	66.4	NA	NA	158	105.68	98.20	NA	NA	88.84	65.21	NA	NA
Bali-all	64.4	71.5	66.3	79.2	1223994	105.62	117.28	108.34	107.58	68.03	83.80	71.81	85.16
U-4	69.0	75.6	69.1	79.9	897138	72.95	85.96	75.24	83.45	50.32	64.95	52.02	66.71
5-star	64.8	68.4	63.5	78.3	1649335	142.30	158.03	143.07	146.59	92.17	108.02	90.89	114.72
Bangkok-all	71.6	52.6	63.0	67.9	3755	117.29	108.89	128.32	130.91	84.02	57.30	80.88	88.94
U-4	82.0	55.9	66.4	70.6	2817	85.11	81.69	102.22	102.60	69.76	45.67	67.89	72.45
5-star	65.3	50.2	57.8	66.5	5755	183.82	166.90	191.02	188.13	120.05	83.72	110.36	125.04
Beijing-all	65.8	55.0	59.9	65.0	771	111.09	112.87	148.59	186.68	73.05	62.07	89.06	121.34
U-4	62.4	54.8	60.3	63.6	716	102.64	104.72	145.57	189.04	64.00	57.34	87.83	120.16
5-star	65.2	48.6	50.4	60.3	1325	192.43	193.91	234.95	293.43	125.40	94.27	118.49	176.84
Colombo	66.0	48.5	46.0	46.1	7532	72.76	65.15	81.39	78.07	48.00	31.62	37.48	35.99
Delhi	84.0	67.4	77.1	71.2	9872	241.07	202.78	295.68	271.92	202.57	136.60	227.88	193.70
Fiji	60.9	57.1	56.1	63.5	190	93.62	96.17	102.87	128.42	57.03	54.93	57.75	81.61
Goa	76.1	61.9	64.1	65.0	7390	198.73	151.80	200.70	188.57	151.14	93.89	128.63	122.57
Hanoi	76.7	52.4	61.6	63.1	2314947	129.85	129.49	181.96	171.39	99.63	67.83	112.16	108.18
Ho Chi Minh City	63.8	46.4	67.3	59.7	2267438	105.48	126.84	158.57	151.67	67.33	58.88	106.70	90.58
Hong Kong-all	82.6	74.1	82.9	81.5	1280	196.25	165.11	199.28	199.36	162.04	122.29	165.22	162.48
U-4	76.0	71.9	80.1	78.8	1297	173.54	167.32	199.03	192.42	131.94	120.29	159.33	151.71
5-star	79.2	61.8	74.4	72.2	2487	335.81	320.86	377.15	376.33	265.81	198.16	280.61	271.79
Jakarta-all	68.9	59.8	75.0	66.5	882608	99.32	84.57	75.28	83.57	68.39	50.57	56.47	55.58
U-4	71.3	62.9	80.8	65.6	527339	49.70	50.53	39.55	58.47	35.42	31.80	31.94	38.35
Kuala Lumpur-all	68.6	60.9	63.7	66.2	371	117.94	105.00	111.42	114.93	80.90	63.92	70.94	76.10
U-4	68.0	61.2	63.0	64.8	402	124.07	113.61	120.93	133.03	84.33	69.54	76.14	86.17
Macau-all	NA	74.6	81.7	72.9	1399	NA	172.09	167.59	148.03	NA	128.44	136.87	107.91
Maldives-5-S	60.1	57.6	79.1	74.0	12712	847.22	979.62	910.06	858.00	509.43	564.34	728.48	634.64
Manila-all	81.1	68.4	72.0	73.8	4938	109.53	102.89	109.25	117.02	88.78	70.37	78.72	86.33
U-4	82.5	69.7	73.7	73.8	5494	121.43	114.46	120.59	129.06	100.17	79.79	88.87	95.25
Melbourne-all	84.0	72.9	83.0	77.1	209	205.41	162.93	157.88	184.29	172.52	118.80	130.98	142.05
U-4	84.4	72.4	80.9	74.3	215	216.68	167.56	159.03	183.80	182.86	121.31	128.67	136.57
5-star	80.2	71.3	84.6	80.3	280	279.26	218.03	224.89	204.54	223.95	155.52	190.25	204.54
Mumbai	80.4	65.3	71.3	67.8	9386	197.08	192.80	241.04	290.50	158.37	125.96	171.77	196.86
Pattaya	71.5	59.5	69.3	69.8	1999	82.70	57.97	89.54	70.74	59.15	34.52	62.07	49.36
Penang	66.4	54.5	56.7	57.3	279	82.11	78.92	69.38	89.40	54.51	43.00	39.36	51.20
Phuket-all	68.1	60.8	63.3	69.9	3440	125.80	99.74	123.58	113.63	85.61	60.62	78.23	79.46
U-4	64.5	51.5	61.7	66.0	4585	179.57	132.98	153.46	147.07	115.79	68.44	94.75	97.10
Seoul-all	86.8	79.6	83.8	74.6	199402	182.76	154.72	138.30	177.46	158.62	123.09	115.84	132.41
U-4	88.7	82.3	63.9	79.2	163527	155.33	126.89	114.70	143.66	137.80	104.41	100.64	113.76
Shanghai-all	63.1	53.4	60.6	59.3	937	139.44	137.10	164.95	159.82	87.93	73.20	99.97	94.81
U-4	62.8	56.3	68.8	64.1	822	116.36	120.26	153.72	147.83	73.11	67.76	105.73	94.81
5-star	64.2	46.8	52.0	51.9	1783	254.02	260.85	281.91	278.54	162.97	121.95	146.66	144.49
Shenzhen	66.1	50.7	60.3	60.8	716	104.15	104.80	113.86	117.86	68.84	53.10	68.61	71.62
Singapore-all	87.4	75.0	80.5	79.2	225	166.04	154.60	182.92	214.94	145.05	115.97	147.27	170.27
U-4	89.9	76.3	81.5	79.7	221	152.06	151.35	180.16	208.76	136.67	115.43	146.74	166.41
5-star	79.4	68.4	71.6	72.8	315	246.23	216.25	248.46	283.23	195.56	147.85	177.99	206.21
Sydney-all	87.0	80.6	84.4	80.6	204	202.33	159.04	152.85	193.67	176.00	128.20	128.95	156.12
U-4	90.0	82.7	84.8	80.2	222	230.22	172.58	166.80	211.93	207.28	142.67	141.44	170.07
5-star	86.1	71.4	82.9	74.4	291	276.97	226.22	210.15	262.67	238.49	161.55	174.15	195.31
Taipei	82.7	67.2	75.3	71.2	4645	138.95	140.21	143.42	153.44	114.85	94.26	108.05	109.22
Tokyo-all	75.7	65.7	73.0	72.1	24675	302.40	263.55	290.01	240.72	228.80	173.21	211.68	173.50
U-4	78.6	66.8	NA	NA	22930	275.26	244.91	NA	NA	216.26	163.62	NA	NA
5-star	64.9	58.6	62.8	67.0	36889	441.03	394.00	433.45	329.77	286.01	231.01	272.28	221.10
OTHERS													
Dubai	84.3	72.3	83.9	NA	608	201.88	165.49	259.90	NA	170.27	119.65	218.18	NA
London	84.1	80.6	79.0	80.9	136	248.22	211.77	223.30	302.64	208.85	170.74	176.41	244.93
New York	75.7	76.9	75.7	82.4	211	245.91	210.62	295.59	274.37	186.09	162.03	223.76	226.14
Asia Pacific-total	74.4	62.6	69.3	68.6	na	143.24	129.40	148.52	155.88	109.33	82.97	104.80	108.56
US-total	49.5	56.1	51.9	61.8	98	93.60	97.77	101.81	107.02	46.33	54.85	52.86	66.18
Europe-total	68.0	66.6	67.2	71.6	na	231.03	217.91	213.72	270.43	156.43	145.20	143.92	193.66
World	63.9	61.8	62.8	67.3	na	155.96	148.36	154.68	177.78	104.03	94.34	100.53	122.80

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

Trends

Low-fare-airline flops

Will **Air Asia** and **Jetstar Asia** follow some low-fare-airlines (LFAs) in Germany into dysfunction?

In 2004, then-LFAs **Air Berlin** and **Hapag Lloyd Express** started coordinating flights including codeshares. At the time we noted the "probable outcome is a merger, with one operational plan, even if two names are used". After many twists and turns including name changes (HLE became TUI Fly), AB did take over TUIF – although there are still mutual shareholding complications.

In Asia, AA and JA believe their alliance will be different; we think not. We have already noted that AA's expansion – into longhaul as well as immature markets such as Vietnam, and troubled operations such as Thailand – may not be profitable. But we did not think it would give in so quickly.

An alliance indicates that both airlines are in trouble. It could be justified only for survival; in marketing terms it makes no sense. The agreement includes:

• A "joint specification for the next generation of narrow body aircraft, that will best meet the needs of the low fare customer of the future". In fact AA/JA, even together (and including Qantas), are not big enough to greatly influence aircraft design plans at Airbus or Boeing. That said, A&B listen to any design proposal, but JA is no longer an LFA (for instance, it transfers passengers and bags to other airlines' flights, offers frequent-flyer points, etc), so its design ideas may not be suitable for LFAs such as AA and in Europe, Ryanair.

• "Both airline groups will also investigate opportunities for the joint procurement of aircraft." A ruse; they will investigate opportunities and find they are not feasible.

• "...cooperative arrangements for... passenger and ground handling." Awkward with different operational practices - how, for instance, will AA handle transfer passengers from Qantas to JA?. JA's inefficient ground-handling could do with help from AA, even though AA's standards are low and sometimes chaotic.

• "Shared aircraft parts and pooling inventory arrangements for aircraft components and spare parts." Always makes sense – and a longtime industry practice, even among commercial competitors.

• "Passenger disruption arrangements" – code for combining flights when loads are low.

AA has been losing a lot of money, despite its popularity with the media and travelling public (US$138mn in 2008, perhaps breakeven in 2009). We reported JA's loss at US$23mn (S$32mn) in 2006, but Qantas said JA made a US$4.5mn (A$5.0mn) profit in 2008, and hinted that its problems were over - although it probably fell back into loss in 2009. Local rival Tiger is also losing money, see Market Intelligence.

Nokked out. From this March, would-be LFA **Nok Air**, owned by Thai Airways, will operate flights for its parent on three domestic routes. However this is explained, this marketing nightmare tells us that Nok Air has failed as a LFA.

Thai describes this its '2-brand' strategy. Indeed, Qantas' multi-brand plans may eventually work (currently, Qantas also talks of two brands although it has three types - main regular airline, lower-cost airline, low-fare airline). The complication is that Qantas has the same brandname (Jetstar) for its LCA and LFA.

If Thai turns Thai and Nok into a main airline and a LCA, that may work. A Qantas 3-type/2-brand structure will not.

Hotel updates

• The Emirates Airlines group has opened its long-delayed 40-suite Wolgan Valley Resort in **Australia**'s Blue Mountains. Will finance problems for Dubai's government-owned (but not, it is now known, government-backed) companies, which includes Emirates, affect this operation, which we believe will be profitless for at least three years?

• **Hong Kong**-based **Harbour Plaza** Hotels' Harbour Plaza has joined the group's new top category; its new name is Harbour Grand Kowloon. HPH also opened the unusually-named Harbour 8 Degrees, with 700 rooms, and launched a new budget brand, Ramblers. The group has nine hotels in Hong Kong, plus Bahamas and Chongqing.

• New top hotels due in **Japan** this year – Westin Sendai (August), St Regis Osaka (October), and the Capital Tokyu some time during the year.

• The Hilton group has added a third hotel in the **Maldives**. The Beach House has been open a year but has just reopened under Hilton's Waldorf-Astoria brand. The 14ha 83-villa resort has renovated rooms and spa.

Other Hiltons are the Conrad on Rangali Island (which actually opened under the Hilton brand) and the Hilton Iru Fushi.

• Hotels due in **Shanghai** before the May 2010 expo opens are a Fairmont Peace, Marriott, Peninsula, and in Pudong, Gran Melia and Ritz-Carlton. Hotels due to open after the expo are Banyan Tree, Hilton's Waldorf-Astoria (which would be the first WA in Asia), Kerry (part of Shangri-La), a Shangri-La itself, and a Starwood W.

Out of Asia

The ITB World Travel Trends Report (IWTTR) says outbound travel from Asia was down 5% in 2009. We also estimated 4.9% fall, although our data includes Australasia. (IWTTR is compiled by IPK for Messe Berlin, which owns ITBs in Berlin and Singapore.)

The report puts commentary about high-spending travellers from China into perspective. Excluding shopping, they spent US$353 (at US$1 to €0.68) per-night, compared with US$471 for those from Japan, US$272 Korea, and US$265 for Taiwan.

IWTTR does not venture a precise forecast for 2010, hiding behind a "modest increase". Notwithstanding, we interpret that as 2-3% growth.

Notes: A full commentary on the ITB World Travel Trends Report is planned for our March issue.

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