

Travel Business Analyst

Markets + Marketing + Strategy

ASIA PACIFIC • NOVEMBER 2005

Hotels in India

Bangalore tops

HVS estimates a 25% increase in visitor arrivals in India this year, to 4.3mn. This now looks unlikely; at just past the half-way mark, January-July growth was 17% – albeit still fast.

HVS also estimates visitor shares into the four main cities, see Table 1. There are some surprises here – Delhi has held its share since the turn of the century, but the other three have lost. And overall, the top four have fallen from a 77% share in 2000 to an estimated 69% this year.

We presume most of the remaining 31% is for Bangalore and Goa, probably each higher than Kolkata's 4% share.

The arrival of low-fare airlines – particularly from Malaysia, Singapore, and Thailand – is likely to change these shares. But IATA forecasts India's international air traffic will grow 8.4% annually 2004-09. And some regular airlines are adding substantial capacity as well.

Table 1

Foreign arrivals in Indian cities, % share

City	2005	2004	2000
Chennai	9.4	10.0	11.3
Delhi	32.0	31.0	31.9
Kolkata	3.6	3.7	5.0
Mumbai	23.5	23.5	28.3

Notes: HVS estimates. Source: HVS International.

- Mumbai – doubled to two flights daily.
- And Delhi from summer 2006 – doubled to two flights daily.

For the hotel business, the star city by far is Bangalore, the country's high-tech capital. In the six cities under review, see Table 2, Bangalore's average rate was not much higher than the leisure destination of Goa in 2000. But in the 12 months through March 2005, it was the highest of the six – by half!

In addition, occupancy in Bangalore was also the highest of the six.

Both Kolkata and Mumbai have experienced a decline in average room rates – peak was US\$88 for Kolkata in 1998/99, and US\$143 for Mumbai in the same year. For Mumbai, it is competition that has

contd on p3

Plans by one, British Airways, give an indication of potential growth. BA plans to increase weekly flights from 19 to 35 from the UK this winter, including:

- Bangalore – added, five times weekly.
- Chennai – up from two to six weekly.

Main News

Recent corporate developments – big or significant.

- Alitalia sells part of itself to the state (a manoeuvre requiring EC approval), and EC tells Greece that Olympic must return aid from state, deemed illegal. Both airlines may fail to survive.
- Hilton to become one again? US-based Hilton Corp discusses purchase of (UK-based) Hilton International.
- Hilton expected to lose its three Indonesia hotels before year-end; which are, in effect, nor formally in the group.

Air Asia

Slow low

Despite being Asia's most-efficient low-fare airline, traffic growth at the Air Asia group is, for a LFA, slow. That said, data is currently available only for the most-recent quarter.

(It should also be noted that Air Asia reports operating and financial figures. Competitors such as Jetstar, Tiger, and pretender Valuair, reveal little of anything. So it is not easy to determine if other airlines are experiencing the same market developments as Air Asia.)

At Air Asia, total seats sold by the three country-operating divisions of the group over July-September actually increased

Table 2

Monthly growth* in seats sold at Air Asia group, %

Operation	Aug	Sep
Malaysia	-1.8	5.1
Thailand	4.6	-9.7
Indonesia	-16.7	45.6
Total	-1.6	4.5

Notes: *Over previous month. Source: company.

by one-third – which appears to be impressive growth.

But this includes the new Indonesia operation, which started flying only in December 2004 and so does not appear in Jul-Sep 04 data. Without that traffic, the group's Malaysia and Thailand operations increased by 21%, see Table 1.

That compares with, say, 20% growth at Easyjet this year, and 23% at Ryanair. Yet these two LFAs in Europe are mature – for LFAs – and so their percentage growth should in theory be slower.

The Air Asia companies, and certainly its Thailand operation, should be growing at a much faster pace – closer to double what they are currently achieving.

One reason they are not achieving faster growth rates is restrictive aviation bilaterals in Asia.

Plus of course, blatant protectionism. Singapore, for instance, will not even allow Air Asia to operate a bus service from Singapore to its south Malaysia base at Johore Bahru.

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MARKET OUTLOOK

Headlines

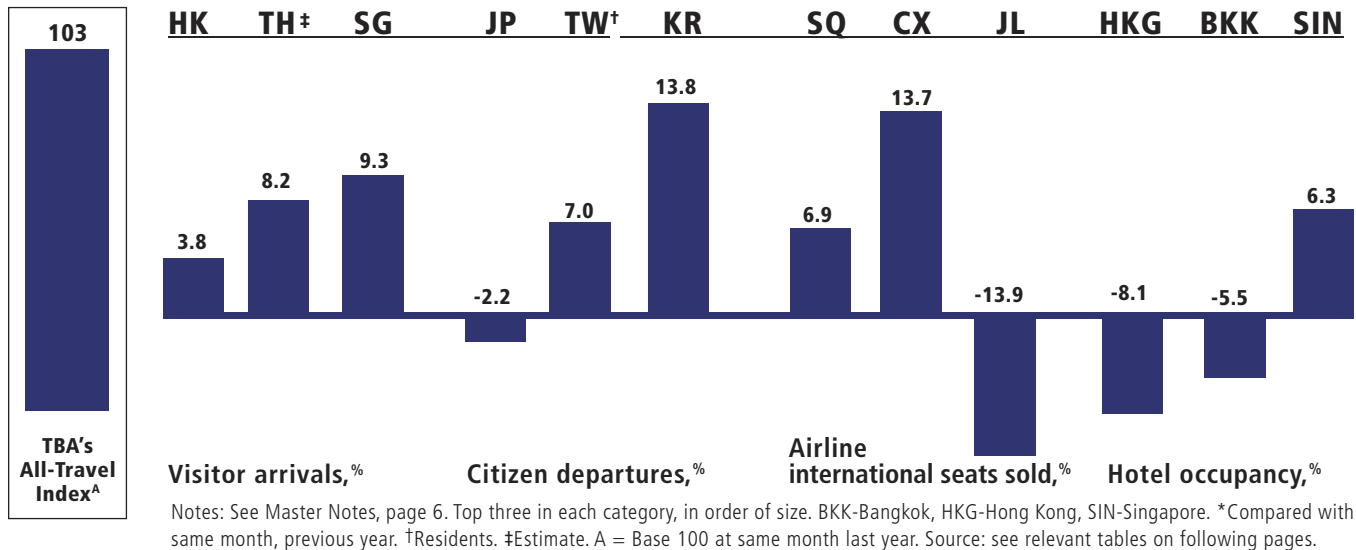
Comments on tables

Barometer. Looking shaky; only 3% up on 2004. That said, the main problem is Japan (its main airline, and outbound travel). And hotel occupancy in Bangkok (tsunami-related) and Hong Kong (as hoteliers lose occupancy in favour of higher rates).

- Inbound trends. Hong Kong drops below 24mn, and China below 22mn.
- Outbound trends. Japan has lost momentum again. Note this is a miserably-low total; Hong Kong, with a population 5% of Japan's manages one-third the travel numbers (not counting Hong Kongers travelling to China).
- Forecasts. Column added to show source of data.

Barometer

Percentage growth in latest matching month* available; June 2005



Visitor arrival trends*, next 12 months

Source	Number, x1000
China	21,891
Hong Kong	23,607
Singapore	9,196
Thailand	12,063

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
Hong Kong†	5,423
Japan	17,828
Korea	10,292
Taiwan	8,313

Notes: China monthly data not available. *Statistical base on past performance; aggregates for latest 3 and 6 months, and full calendar year. †By residence. Source: NTOs, Travel Business Analyst.

Official travel industry forecasts

Jetstar capacity	Jul	up 30%	company
Armani hotels & resorts	Aug	10 in 10 years	company
Cendant TDS, 2005 travel revenue	Aug	\$11, up 21%	company
Virgin Blue business market share, 2008-10	Jun	30%, now 10%	company
Australia visitor spend, 2007/8	Jun	\$17b; \$13b 03/4	NTO
Australia visitor arrivals, 2005	Jun	6m, up 5%	NTO
Starwood new hotels, 2005-7	Mar	70; now 750	company
Meridien new hotels	Mar	21; now 130	company
Days Inn hotels in China	Mar	14; end 06	Cendant
Howard Johnson hotels in China	Mar	21; end 06	Cendant
Ramada hotels in China	Mar	15; end 06	Cendant
Super 8 hotels in China	Mar	38; mid 06	Cendant
US air passengers, 2005	Mar	pre-9/11 level	FAA
US air passengers, 2005-16	Mar	up 3.4%/yr	FAA
World air passengers, 2004-8	Mar	up 6%/yr	IATA
World air passengers, 2004-23	Mar	up 5.3%/yr	Airbus
China visitor arrivals, 2006	Mar	22m; up 10%	PATA
Marriott hotels in China (inc HK), end 06	Mar	33	company
Accor hotels in China, 2012*	Mar	200	company, *TBA
Air passengers in China, 2020	Mar	950m; 174m 03	CAAC
Shanghai visitor arrivals, 2010	Mar	6m; 5m 05	CTO
Singapore Airlines capacity, yr-Mar 06	Mar	up 19%	CAPA

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

Volume 18 Number 11

2ISSN-1011-7768

Email annual subscription rate is US\$775 for the monthly 12-page Asia Pacific edition, US\$775 for the monthly 12-page Europe edition, US\$100 for the monthly single-page Net Value, and US\$100 for the monthly single-page People-in-Travel. There are linked rates for these four products; see back page for more details and subscription form. Airmailed print-copy subscriptions are also available.

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contd from p1 – hotels in India

brought the decline, although there has been growth in the past three years. For Kolkata it is simply weak demand – from leisure and business traffic – although as with Mumbai there has been growth over the past three years.

HVS estimates there are 100 hotel building projects in India, with about two-thirds in high-tech centres such as Bangalore and Hyderabad. Total new rooms would be over 22,000, which is almost the same as the country's existing inventory in branded business and international-standard hotels. Those new rooms would, in theory, be ready over the next five years.

There has already been rapid growth in some centres, such as the tourist destination of Goa. Capacity doubled between 2002 and 2003, although the total is still small, about 15 hotels. Occupancy fell as a result – but only one point to 59% – because the destination attracted out-of-peak MICE business, and not just its traditional tourist traffic.

Data for this report from HVS International; comment from Travel Business Analyst.

contd from p1 – Air Asia

The reason could be a misguided plan to protect a low-fare-airline terminal, now under construction at Changi airport.

In fact, that too is a mistake. Singapore should have opened its other airport, Seletar, a little close to town than Changi, to LFAs, rather than build a new terminal for a market that is moving so fast it might not be needed when it opens.

The other surprise at Air Asia is poor results for its Thailand division. As a newer and smaller operation than the home-base Malaysia operation, growth should be faster. In fact, Malaysia – despite being nearly three times the size of the Thailand operation – is growing faster.

In the absence of annual comparisons, we review growth over the previous month. Although obviously affected by

Table 1

Seats sold on Air Asia group, Jul-Sep				
Operation	2005 No, x1000	Growth %	Share %	2004 Share %
Indonesia	173	na	9.5	na
Malaysia	1193	21.1	65.9	72.7
Thailand	446	20.6	24.6	27.3
Total	1811	33.7	100.0	100.0

Source: company.

Table 2

Hotel results in selected Indian cities				
City	2005		2000	
	Occupancy, %	Average room rate, US\$*	Occupancy, %	Average room rate, US\$*
Bangalore	80.5	179.11	64.4	68.75
Chennai	71.7	83.23	65.3	77.82
Delhi	79.0	118.18	52.9	93.52
Goa	62.8	85.55	53.3	61.98
Kolkata	69.5	73.02	54.8	80.84
Mumbai	72.4	112.61	64.5	128.66

Notes: Years through March of year stated. *Converted at US\$1 to Rs44. Source: HVS International.

seasonality, the difference is normally less for a new operation – there should still be growth each month despite the seasons.

Results using this method do not look good either, see Table 2. In August, a decline overall and in Malaysia and Thailand, and in September, a decline in Thailand.

Separately, the company says the Indonesian operation sold 172,655 seats January-June.

Clearly, though, there is still some way to go for Asia's first, and leading, low-fare airline.

Airports

Small get bigger

Asia Pacific's top five airports lost share in the first half of this year – but not by

much, from near 50% to 49%.

There is some distortion – caused primarily by reduced passenger totals after the tsunami last December. However, the net balance between the top five and the others is probably nil, or insignificant. Because although passenger

numbers through Bangkok airport increased only slightly, there was a large fall in airports outside the top five, particularly for Male (Maldives) and Phuket.

Those two were badly hit – Male down 40%, but Phuket by a devastating 67%. Colombo, however, managed an increase, of 6%. But results there are helped by the route structure of the airport's main airline, Sri Lankan, which has a strong transit traffic base. In a similar way, Chennai also has substantial non-tourism travel. Conversely, Male and Phuket are destination centres.

Results may indicate a better-than-average increase in travel to destinations that could constitute alternative destinations to Maldives and Phuket. For instance, passenger traffic through Bali increased 15% compared with the

Passengers* at selected airports, Jan-Jun 05

Airport	No, x1000	Growth, %	Airport	No, x1000	Growth, %
TOP FIVE					
Hong Kong	18958	12.4	SECONDARY		
Singapore	14628	7.7	Hanoi	986	34.2
Tokyo Narita	13042	5.2	HCMC	2112	22.3
Seoul	12674	13.1	Jakarta	2730	3.9
Bangkok	12622	3.0	Kaohsiung	1609	15.9
TOTAL	71925	8.5	Kathmandu	554	-3.1
MAIN					
Beijing	4253	17.1	Kota Kinabalu	274	-1.1
Mumbai	3001	12.4	Kuala Lumpur	6834	19.0
Osaka Kansai	5058	8.4	Kuching	87	-0.6
Shanghai	7029	23.1	Macau	2044	24.5
Sydney	4789	7.1	Male	433	-40.0
Taipei	9268	10.4	Manila	4707	9.0
SECONDARY					
Bali	1495	14.5	Melbourne	2137	9.8
Brisbane	1755	13.9	Nadi	566	13.4
Busan	1035	14.6	Noumea	198	8.0
Chennai	1178	6.8	Penang	596	-1.8
Christchurch	758	17.3	Perth	906	2.6
Colombo	1985	5.5	Phnom Penh	410	5.4
Delhi	2530	14.9	Phuket	305	-66.5
Goa	236	22.7	Sapporo	302	48.9
Guangzhou	1493	17.9	Shenzhen	208	187.2
			Xiamen	580	19.1
			TOTAL†	146362	10.1
			ASIA PACIFIC	392769	5.2

Notes: *International, except Asia Pacific, which includes domestic. †Of those listed here. Source: Airports Council International.

region's 10% average, Fiji increased 13%, and Goa increased 23%. But Penang (which suffered minor tsunami damage) spoils this theory; traffic there dropped 2%.

Other trend indicators:

Overall. International passenger numbers through the airports we have selected increased 10% in the first half of this year. ACI's grand total (all its member airports) increased 5%. As that figure includes domestic travel, this indicates a slower growth in domestic travel – although such a deduction is not without risk.

Top five. Growth at leader Hong Kong was strong, although the support from its main growth engine, China, has weakened this year. Seoul's 13% growth took it past Bangkok; but this would not have happened if Bangkok grew at, say,

Growth at top five airports

Hong Kong	12.4
Singapore	7.7
Tokyo Narita	5.2
Seoul	13.1
Bangkok	3.0
TOTAL	8.5

Notes/Source: See main table

10% – possible if there had been no tsunami.

Main airports. The two China airports grew the fastest, with Shanghai fulfilling its role as the world's favourite for big-number-growth. Encouraging also was the 12% growth at Mumbai. This is before most of growth that will come from aviation liberalisation kicks in – so expect faster growth over the whole year and in 2006.

Taipei's 10% growth matches average growth; growth comes from arrivals, not outbound travel.

Others:

- **Tsunami/resort** results noted above.

- The five **China** airports listed here grew an average 22% – more than twice as fast as the regional average.

- In **Australia**, slow growth apart from Brisbane. Most surprising was Perth, which should have been boosted by low-fare airline business. But one, struggling Singapore-based Valair, has pulled out.

- **Malaysia's** Kuala Lumpur is storming ahead, with 19% growth, although no celebration is warranted – because there were declines at the three other country airports included, Kota Kinabalu, Kuching, and Penang.

(Data from Airports Council International)

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al, whose wide airport membership enables comprehensive analysis of travel developments. ACI provides selected Asia Pacific data to Travel Business Analyst on a monthly basis.)

Accor's youth hostels

Back to Base-ics

Ah well; throw that plan out. One year ago, Accor Asia Pacific's **X Base Backpackers** (sic*) youth-hostel operation, launched in late 2003, had six open and 25 projects.

Now it has eight open and six projects. All, including the new projects, are in Australasia; before, the 25 included Singapore and three in Thailand.

Perhaps this has something to do with the appointment of a new CEO, in June. John Osborne displaced Graeme Warring, who for the present remains with the company. Before, Osborne ran the Burswood leisure complex operation in Perth.

XBB also has a more-conservative expansion map in Asia – looking for projects particularly in Bangkok, Hong Kong, and Singapore. It says it will have something in those three centres in two years if it has to build – but sooner if there are properties that need only conversion.

But there are other plans to expand also – perhaps to South Africa, and even Paris, where AAP's parent company, Accor Hotels, is based. However, Paris says these, if they happen, may be closer to traditional youth hostels, and built for the city of Paris, which wants to find a way to offer more low-cost accommodation for young people.

Results at XBB have been good. Occupancy this year has been in the high-70s, and its average bed rate as been US\$20 (at US\$1 to A\$1.32). And for the private rooms in its hostels, an average room rate of US\$64-68 – matching rates in a budget hotel. In some ways, the newer XBBs are a morphed version of hostel; 60% of their rooms are likely to be doubles.

One startling aspect of the company's business is that 70% is repeat business.

(*Well, sort of. Also variously called X, Base Backpackers, Homebase, Base Asia, and Recreational Tourism; take your pick. Cool.)

Briefs

• After counting data for the first seven months, the World Tourism Organization estimates **world visitor growth** was 5.9%, and so it will keep with its earlier forecast of 5-6% growth for the whole year.

However, the WTO does note that growth is slowing – Q1 was at 9%, but Q2 was 4%. If that slowdown continues, the WTO may not get its 5%. And with bad news since August – aircraft crashes that month, Katrina/Wilma hurricanes, Bali bombing, Kashmir earthquake – the mood for travel is down.

Although citing no figures (and which must be difficult to obtain at this stage), the WTO says leisure travel has "outperformed" business travel. *We assume by 'outperform', the WTO means growth, because leisure travel, in volume, is known to be about twice business-travel volume.*

Confusingly, though, the WTO also says there has been "a recovery in demand" for business travel – *although we interpret this as meaning no more than 'growth' rather than 'decline', and so hardly worth a comment. The WTO sometimes appears to want to find something good for all segments, leading to inevitable confusion, banalities, or both.*

In addition, WTO says cruise traffic growth this year has been "above-average". *Here also, we believe WTO means 'above average' for the sector, not above the 5.9% quoted above; however, with no accompanying figures, value of this comment is reduced.*

• **Super 8**, one of Cendant's hotel brands, has had super start in China. It has 10 open and 18 more signed, with about half of those expected to have opened by end-2005. The new-build/conversion ratio is about 50/50. Its target is 280 hotels by 2008.

S8 says minimum investment for its budget brand in China is US\$1-1.25mn (at US\$1 to Y8.10). Initial fee is US\$40,000 – twice the level in the US, but franchise fees are lower – 5.6% of revenues in China, compared with 8% in the US.

S8's operating results so far look good. Occupancy is 90%; its lowest average room rate is US\$20, and the highest (in Shanghai) US\$47-49. 40% of custom is walk-in. GOPs average 60%.

S8 has two Chinese-based competitors – Home Inn and Jinjiang Star, both of which have 80-100 hotels.



Net Value

Marketing Travel On The Internet

Asia Pacific progress

• Insider reports indicate the **Sabre-Travelocity-Zuji-Lastminute** (STZL) combine is in disarray in Asia Pacific.

The dysfunctions include:

– Control. Who has operational control – US? Europe? Australia?

– Markets 1. Both Travelocity and Lastminute may have negotiated rates at a specific hotel in Asia, for instance. Whose negotiated rates are valid now? The STZL combine does not seem to know, so hotels are likewise confused.

– Markets 2. On the ground, Travelocity-Zuji (TZ) has been deficient in negotiating in some markets – notably China, India, Indochina, which happen to be important markets.

Perhaps such deficiency was less important for TZ – although not for China – this must be resolved for the new bigger STZL operation.

– Outlook. Will Zuji go? There are indications that the Lastminute platform will be used, but as Zuji's and Travelocity's in Asia Pacific are the same, is that the right or final move?

• An independent study on **Air Asia** indicates that the low-fare airline's internet-booking share has increased from 40% to 45%.

But there are indications that the product (ie, primarily, low fares) is more important than the booking method. The indicator comes from Indonesia, where internet penetration in the country is low, probably around 3%; yet Air Asia still manages to get 42% of its bookings over the internet in that market.

The significance of this would be that if you have a good (ie low) fare, then the customer will find you; the distribution method can be of secondary importance.

• PhoCusWright expects the online leisure/unmanaged business travel industry in **Asia Pacific** will grow 31% to US\$15.9bn this year. (Earlier estimates: US\$19bn, by IDC;

US\$9bn, by TTG Asia; US\$8bn, Zuji (for 2003 or 2004).)

PCW believes Japan and Australia/New Zealand will represent more than two-thirds of gross bookings by year end.

It says the online market should reach US\$25.6bn in 2007 – representing 61% growth over two years.

- Patterns of travellers to **Aus-**

Table 1

Percent shares in internet usage for information about Australia, 2004	
China	36
Hong Kong	24
Japan	45
Korea	39
Malaysia	29
New Zealand	28
Singapore	33

Notes/Source: See Table 2.

tralia shows inconsistent patterns in their search for information.

The general trend is up, from 18% who used the internet to collect some information in 2001, to 39% in 2004, see table. The other big mover is China, up from 19% to 36%.

Table 2

Use of internet for information about Australia, %			
Visitors from	2003	2002	2001
China	19	23	19
Hong Kong	18	21	21
Japan	30	31	28
Korea	19	15	18
Malaysia	17	22	27
New Zealand	15	22	17
Singapore	24	34	33

Notes: Share, of each selected market in Asia Pacific. See Table 1 for 2004. Source: Tourism Australia.

But three hardly moved – Hong Kong, Malaysia, Singapore. These are mature markets for Australia. But that is not the pattern, because the other mature market, New Zealand, moved a lot – from 17% to 28%.



People-in-Travel

Tracking Travel's Leaders

Riley prefers Europe

Robert Riley, head of a UK-based Meridien that is about to be folded into the Starwood Hotels group, is in no rush to find another job.

However, he did tell PinT that he would prefer to stay in London.

It's the first time Riley, an American, has worked there, and not only does he enjoy it but finds it convenient to visit his children – who are studying in the US.

Starwood's brand-heads are based in the US. Although the group's Brussels-based Europe headquarters are becoming increasingly important, any job offer there would probably not be big enough for Riley. Likewise for Asia Pacific, where its regional base is in Singapore.

However, if Colony Capital is looking for someone for its newly-acquired handful – Raffles and Swissotel – then Riley must be the ideal candidate.

Before Meridien he ran Hong Kong-based Mandarin Oriental, which has a portfolio similar to Raffles. And his worldwide experience with Meridien would be good for Swissotel as well.

Sutowo drops Hilton

Pontjo Sutowo, owner of the three Hiltons in Indonesia (and more*), tells PinT that he plans to drop the Hilton name by end of this year. No announcement has been made – and Hilton is keeping quiet.

For eight years his Hiltons have been operating partly outside the system, with Sutowo not paying Hilton's international sales and marketing fees. As a result, the three hotels, excluded from the HI portfolio, have carried out their own marketing.

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

This is an extract from **People-in-Travel**, a monthly report tracking travel's leaders. A combination subscription to PinT costs US\$50 for one year; full price is US\$100. For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@aol.com

This is an extract from **Net Value**, a monthly report on marketing travel on the internet. A combination subscription to NV costs US\$50 for one year; full price is US\$100. For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@aol.com

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

Headlines

Comments on tables

- Half-year figures for Sydney. Strong overall, at 7%, but big differences in our selective set – four up, four down. Hong Kong and London strong. Also half-year for Tokyo; sluggish 3% growth, with even China 'only' 6% growth.
- Hey, what's happening? Australia, Germany, and the UK are humming along – Australia up 10% in the month and even 10% over the whole year, Germany 12% and 10%, UK 9% and 8%. First half for Australia – down to Indonesia and Thailand, both understandable, but no-growth on Japan is worrying. For France, most of bigger markets doing well. For Germany, likewise. For the UK, two big markets (Australia and India) doing well, but others (Hong Kong, Japan, Singapore) not. For US, unlike most others, Japan is doing well; this market is bigger than all others combined, and still growing at 5%.
- Don't look too hard, but Qantas seems in trouble.
- Under Geoff Dixon, it has been loath to admit mistakes, but does it need to shut down Australian? First half for Royal Brunei; bad. For low-fare airlines, more data slipping out; our table will be revised before 2006.
- Another bad month – prices of 12 stocks fell (including the two hotel groups), only two increased. But the gainers were the two Japan airlines, whose traffic results are worse than most other airlines in the region; trust the stock market to go its own way, regardless.
- Half-year figures for Singapore; poor. Q1 for Thailand; part of this growth may be would-be Phuket traffic diverted to other destinations.
- Half-year figures for China (still strong; 27%), Guam, Hawaii (fair; 8%), Laos, Macau (good; 13%), Malaysia (slow; 4%), Myanmar, PNG, Vanuatu. Q1 for Thailand (whose NTO is having problems getting data from the ministry of justice – the reason for the slowness this year), down 10%, as a result of the tsunami, but probably not as bad as some expected.
- Half-year figures for those whose data is supplied by ACI – which is most – and Australian airports. Report due this issue, but grand total up 5%, and India's top two finally showing good growth (Delhi 15%, Mumbai 12%). Tsunami-damage – Male down 40%, Phuket 67%. But Colombo up 6% – surprising some, as for its growth in visitors.
- Asia Pacific's airline business seems good, with traffic up 6%.
- Wildly-different results, but some serious declines in the month, beginning with the 17% at giant JTB, and an average 3% for the top 50. And YTD growth starting to look vulnerable as well.
- Q2 GDP – China and India the fastest, but even Japan grows, so maybe its travel data will start to improve in the months to come.

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

From:	Singapore				Sydney				Tokyo*					
	Aug 05	+/- %	YTD 05	+/- %	To:	Jun 05	+/- %	YTD 05	+/- %	To:	Jun 05	+/- %	YTD 05	+/- %
Indonesia	299	7.3	2297	7.4	Auckland	85	-0.8	619	-0.9	Pacific	3000	1.7	17915	4.5
Malaysia	200	5.9	1569	3.5	Bangkok	36	3.4	226	-2.0	Oceania	523	-2.8	3331	-0.3
Thailand	290	9.8	2232	6.2	Denpasar	16	-6.1	86	-8.3	SE Asia	3537	2.6	21315	3.0
Hong Kong	199	13.7	1433	21.2	Hong Kong	60	30.3	372	25.8	China	1843	5.5	10950	5.9
Japan	160	-7.4	1085	-3.5	London	39	19.6	233	20.6	Korea	1095	-3.4	6857	-0.5
UK	111	0.8	878	0.4	Los Angeles	57	3.7	325	4.4	Europe	1506	0.7	8769	0.7
Australia	283	6.1	2309	6.3	Singapore	72	-3.9	452	-4.6					
US	65	2.0	504	7.3	Tokyo	33	2.9	232	3.5					
TOTAL	2625	7.9	19995	7.9	TOTAL	711	5.6	4634	7.4	TOTAL	12044	1.7	72444	2.9

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: Airports Authority of Thailand, New Tokyo International Airport Authority, Civil Aviation Authority of Singapore, Department of Transport and Communications (Australia).

2 Air passenger traffic to and from Asia Pacific, x1000

From	Australia			France			Germany			UK			US		
	Jun 05	YTD 05	+/-t, %	Jul 05	YTD 05	+/-t, %	Jul 05	YTD 05	+/-t, %	Jul 05	YTD 05	+/-t, %	May 05	YTD 05	+/-t, %
Australia	na	na	na	na	na	na	-7.4	56	-0.4	46.8	713	46.1	6.3	644	10.0
China	36.7	239	52.2	7.7	522	14.2	18.1	683	20.9	40.5	247	44.8	34.2	500	37.8
Hong Kong	16.8	781	21.4	1.8	245	7.1	13.5	321	10.6	-0.1	726	-0.9	11.6	686	11.9
India	na	33	na	52.7	319	29.0	9.5	660	18.2	54.2	855	38.5	25.1	102	1.7
Indonesia	3.0	368	-1.7	na	na	na	151.3	19	44.4	na	na	na	17.9	9	29.5
Japan	-3.2	827	0.7	8.6	715	7.3	3.7	597	2.2	-3.2	692	2.8	4.3	4902	5.4
Korea	10.3	217	7.1	-4.7	181	-2.4	-0.7	296	-1.9	-1.4	149	7.9	8.6	1092	7.1
Malaysia	20.8	601	23.6	12.2	86	29.6	0.8	93	2.2	1.3	397	6.1	1.6	41	2.8
New Zealand	5.4	2390	8.3	na	na	na	na	na	na	36.2	113	3.5	-7.7	348	-7.5
Philippines	-7.8	78	-8.1	na	na	na	24.6	72	18.0	na	na	na	-13.8	322	-4.4
Singapore	11.3	1662	6.3	21.7	232	21.6	3.4	405	1.4	-0.9	689	0.5	1.1	140	7.4
Taiwan	28.4	124	22.1	3.5	50	2.2	35.6	64	23.1	12.8	53	9.5	0.2	826	8.1
Thailand	-2.5	394	-5.6	-18.0	217	-17.1	6.0	581	-1.6	0.5	435	9.1	65.5	41	2.8
TOTAL	9.5	10101	10.1	NA	NA	NA	11.6	69422	10.1	9.0	100552	7.7	5.4	47445	6.2

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, email luftverkehr@destatis.de, website www.statistik-bund.de; US (for International Trade Administration, Tourism Industries), website tinet.ita.doc.gov

Master Notes: Exchange rates (start of previous month) – US\$1 to A\$1.33, Y8.10, HK\$7.77, ¥111, W1041, MR3.77, NZ\$1.44, S\$1.68, NT\$32.8, B41.3. AL = Airlines, ASK = available seat kilometre, AW = Airways, BI = Royal Brunei AL, BR = Eva AW, CI = China AL, 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 = Air 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.

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3 Traffic on international routes of selected Asian airlines, 2005

Low-fare airline traffic*, 2005

Airline	Mth	SS	+/-	RPK	+/-	Jan	SS	+/-	ASK	+/-	RPK	+/-	SF	+/-	Jetstar	Jul	Jan-Jul
		1000	%	mn	%	thru	1000	%	mn	%	mn	%	%	pts			
Air Macau*	Jun	175	16.5	205	17.7	Jun	981	24.1	1663	16.4	1150	21.8	69.1	3.0	SS,x1000	443	2842
Cathay Pacific*	Aug	1416	11.6	5930	14.0	Aug	10191	14.0	53908	11.9	42793	14.8	79.4	2.0	Growth,%	62.3	na
China AL	Aug	879	9.7	3070	12.7	Aug	6369	11.3	27933	10.7	21831	9.7	78.2	-1.0	SF,%	75.6	72.7
Dragonair*	Aug	448	0.8	585	0.2	Aug	3277	8.6	6597	8.0	4235	7.8	64.2	-0.1			
Eva Air	Aug	552	14.1	2130	12.9	Aug	3984	9.9	19257	6.1	15485	5.4	80.4	-0.5	Virgin Blue	Aug	Jan-Aug
Japan AL	Aug	1182	-11.7	5944	-5.2	Aug	8731	-6.1	64502	-1.8	43937	-2.7	68.1	-0.6	SS,x1000	1214	8942
Korean Air	Jun	932	10.1	4049	12.3	Jun	5358	10.0	30252	9.6	21473	7.9	71.0	-1.2	Growth,%	10.7	12.9
Malaysia AL	Aug	819	11.9	3718	10.3	Aug	6175	16.6	39180	7.6	28326	17.1	72.3	5.8	SF,%	78.2	76.4
Qantas AW	Jul	766	-0.4	4965	3.3	Jul	4964	-0.6	42018	4.0	32282	3.7	76.8	-0.2			
Australian	Jul	73	0.0	315	-7.1	Jul	458	3.2	3253	0.0	2166	-0.2	66.6	-0.2	Air Asia*	Jul-Sep	Jan-Sep
Royal Brunei	Jun	103	-10.7	330	0.3	Jun	545	-14.4	2630	-11.8	1756	-8.5	66.8	2.4	SS,x1000	1194	3497
Singapore AL	Aug	1445	5.6	7096	4.9	Aug	10846	4.3	72113	6.7	52980	4.8	73.5	-1.3	Growtht,%	-0.8	NA
Thai AW	Jul	1152	-3.1	4321	2.9	Jul	7301	-6.8	38005	-0.5	26640	-2.5	70.1	-1.4			

Notes: See Master Notes, page 6. pts-points. *Domestic and international. †Growth against earlier 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.

4 Airline financial results, US\$*

Item	CX	KE	QF group	SQ	TG
	Y-Dec 04	Y-Dec 04	Y-Jun 05	Y-Mar 05	Y-Sep 04
Revenue,mn	5008	7161	9582	7325	3902
Op Profit,mn	673	1404	850	827	517
Revenue per					
ASK,USc*	6.76	11.1	8.41	7.00	5.59
RPK,USc*	8.75	15.6	11.02	9.44	7.71
Pax,US\$*	367	335	293	459	200
Profit per					
ASK,USc*	0.91	2.17	0.75	0.79	0.74
RPK,USc*	1.18	3.05	0.98	1.07	1.02
Pax,US\$*	49	66	26	52	26

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 Stock market last-day airline and hotel closing prices

Airline/ Hotel	Price, local currency			Growth±,%		TBA 100 index*	
	Dec 04	Aug 05	Sep 05	stock	market	AL	All AL
Air NZ	1.64	1.22	1.22	-6.2	-0.2	5	7
All Nppn AW	361	361	361	3.7	4.3	18	26
Cathay P AW	14.7	14.4	14.4	-0.7	0.2	181	257
China AL	18.1	15.6	15.6	-9.3	-4.4	32	45
Japan AL	297	311	311	3.7	4.3	18	26
Korean At	182	178	178	-9.9	-2.5	55	79
Malysn AL	4.42	3.10	3.10	-17.6	-2.5	32	45
Qantas AW	3.71	3.21	3.21	-3.3	1.3	147	209
Singpre AL	11.4	11.8	11.8	-0.8	-3.3	80	114
Thai AW	49.3	37.3	37.3	-6.9	3.3	69	98
Mndrn-Orntl	0.78	0.95	0.86	-10.0	-3.3	na	na
Shangri-La	11.2	13.5	12.6	-7.0	0.2	na	na

Notes: See Master Notes, page 6. *100 base on Jan 90 prices except Jan 93 for NZ and TG, Jan 95 for CI, Jan 96 for QF. †x100. ‡Latest month over month earlier. Source: Wall Street Journal(s), Travel Business Analyst.

6 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 95	4,521	21.1	15,298	12.7	3,819	21.1	5,189	9.4
Dec 00	10,473	13.4	17,812	8.9	5,508	27.0	7,329	11.7
Jul 05	28,654	16.6	17,522	12.6	9,642	16.5	8,141	7.7

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

7 Overseas travel by Asia Pacific residents

Market	Jan* thru:	Departures	Growth,%	Source	Spend,US\$mn*
Australia	Dec	4,368,701	29.0	PATA	7,291
	Jul†	2,640,517	10.8	PATA	9,407
China	Dec†	20,221,939	21.8	NTO	13,100
	Dec	28,500,000	40.9	PATA	15,187
Hong Kong	Jul†	41,563,372	5.4	PATA	NA
Hong Kong-A	Dec	5,013,960	13.2	NTO	11,447
	Jul†	3,067,690	3.5	NTO	13,123
India	Dec†	4,615,376	1.1	PATA	2,255
Indonesia	Jun	1,563,292	4.8	PATA	3,082
Japan-B	Dec	16,811,290	26.5	PATA	28,971
	Jul†	9,745,232	7.9	PATA	38,103
Korea-B	Dec	8,825,442	24.5	NTO	8,136
	Jul†	5,799,869	16.4	NTO	9,499
Macau	Dec	498,437	36.1	NTO	71
New Zealand	Dec	1,733,210	26.1	PATA	1,775
	Jun†	805,186	10.5	PATA	2,360
Philippines	Dec†	1,780,454	-8.3	PATA	1,005
	Jul	1,194,832	15.8	PATA	632
Singapore-D	Dec	5,164,906	22.3	NTO	4,925
	Jun†	2,545,482	3.9	NTO	7,744
Taiwan-B	Dec	7,780,652	31.4	NTO	6,480
	Jul†	4,900,448	7.9	NTO	8,170
Thailand	Mar†	692,522	13.1	PATA	3,495

Notes: See Master Notes, page 6. *2004 unless stated otherwise. †2003. ‡2005. A = Excludes travel to China and Macau. B = Citizens. D = Excludes departures by land. 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.

8 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 95	5,887	13.6	10,200	9.3	7,137	3.5	6,952	12.7
Dec 00	10,160	20.5	13,059	16.5	7,686	10.5	9,579	10.7
Jul 05	17,472	17.6	22,853	12.6	8,714	12.6	11,598†	1.0†

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

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9 Visitor arrivals in Asia Pacific destinations

International arrivals

Destination	Months* Jan thru:	Arrivals	Growth %	Stay days‡	PVPD US\$-A
Australia	Dec	5,219,549	10.0	27.0	69.87
	Jul‡	3,113,942	7.7	27.0	69.87
Bangladesh	Dec	271,270	10.9	5.0	50.00
Bhutan	Dec	9,249	47.7	5.0E	230.19E
Cambodia	Jul‡	794,547	51.3	5.0	200.00
China	Jun‡	58,309,907	13.4	7E	100E
foreigners	Dec	16,932,506	48.6	7E	79.13
	Jun‡	9,456,763	26.6	7E	100E
Cook Islands	Jun‡	37,705	4.2	5.0	115.84
Fiji	Oct	419,399	17.5	7.5	124.58
Guam	Jun‡	606,884	7.4	4.0	302.93
Hawaii	Dec	6,892,455	8.6	11.4	179.98
	Jun‡	3,587,319	7.6	11.4	179.98
Hong Kong	Dec	20,062,242	43.4	3.6	79.13
	Jul‡	13,045,288	8.7	3.6	79.13
India	Dec	3,367,980	22.5	27.0	46.62
	Jul‡	2,097,012	16.8	27.0	46.62
Indonesia	Jul‡	2,453,760	-4.1	10.0	231.71
Japan	Dec	6,143,000	17.9	9.4	96.95
	Jul‡	3,929,538	8.9	9.4	96.95
Korea	Dec	5,818,298	22.4	6.3	163
	Jul‡	3,403,423	6.3	6.3	163
Laos	Jun‡	553,095	28	5.0	23.03
Macau	Jun‡	4,368,744	13.1	1.2	141.65
Malaysia	Dec	15,703,406	48.5	4.8	76.95
	Jun‡	8,167,798	3.5	4.8	76.95
Maldives	Jul‡	191,353	-46.9	8.8	56.00
Marianas	Jun‡	261,373	-1.1	1.0E	100.00E
Mongolia	Dec†	201,153	-12.1	5.0	100.00E
Myanmar	Jun‡	114,372	-2.3	7.3	70.00
Nepal	Jul‡	131,210	-21.6	10.0	14.09
New Caledonia	May‡	37,887	5.2	5.0	235.95
New Zealand	Dec	2,347,672	11.5	19.2	115.33
	Jul‡	1,370,538	3.9	19.2	115.33
Pakistan	Dec	647,963	38.1	5.0	68.06
Palau	Dec	89,161	36.2	NA	NA
PNG	Jun‡	35,651	20.8	5.0	255.48
Philippines	Jul‡	1,521,995	13.5	8.9	132.26
Singapore	Dec	7,671,283	40.0	2.7	327.87
	Jul‡	5,059,986	8.4	2.7	327.87
Sri Lanka	Jul‡	310,833	12.9	9.8	57.00
Tahiti	Jul‡	115,501	-3.7	5.0	223.98
Taiwan	Jul‡	1,914,749	17.0	7.3	212.10
Thailand	Dec	11,726,262	14.8	9.2	111.44
	Mar‡	2,693,441	-10.1	9.2	111.44
Tonga	Dec	17,959	0.8	5.0	56.87
Vanuatu	Jun‡	58,697	23.5	5.0	146.17
Vietnam	Jul‡	2,008,171	21.3	5.4	200.00

International arrivals

City/region	Period	Number	Growth,%	Source	Comment
Bali	Jan-Aug 05	1,004,632	5.5	PATA	direct arrivals
Jakarta	2002	1,267,106	14.0	CTO	none
Sabah	Jan-Oct 04	629,618	41.5	PATA	direct arrivals
Sarawak	Jan-Dec 03	1,668,005	NA	PATA	direct arrivals

Domestic arrivals

Destination	Period	Number	Growth,%	Source	Comment
Australia	2002	75.3mn	1.0	NTO	overnights
Malaysia	2001	15.8mn	NA	NTO	1998 8.32mn
Thailand	2001	60mn	NA	NTO	2% growth in 2002

Notes: See Master Notes, page 6. *2004 unless stated otherwise. †2003. ‡2005. 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.

10 Asia Pacific international airport passengers

City	Month*	Number	Growth %	Jan thru month shown	Growth %
Bali	Jun‡	284,933	14.4	1,494,538	14.5
Bangkok	Dec†	2,456,834	9.6	25,825,064	21.5
	Jun‡	2,054,582	5.0	12,621,601	3.0
Beijing	Dec†	654,396	12.4	8,322,625	53.8
	Jun‡	806,777	18.1	4,252,712	17.1
Brisbane	Jun‡	297,791	16.7	1,699,292	14.7
Chennai	Jun‡	215,829	4.9	1,178,460	6.8
Colombo	Jun‡	361,005	13.7	1,985,209	5.5
Delhi	Jun‡	405,652	17.5	2,529,598	14.9
Guangzhou	Jun‡	252,700	14.6	1,492,722	0.0
Hong Kong	Dec†	3,346,000	11.5	37,125,000	35.3
	Aug‡	3,759,000	7.2	26,937,000	11.1
Jakarta	Jun‡	481,710	1.9	2,730,458	3.9
Kuala Lumpur	Jun‡	1,164,922	17.9	6,833,658	19.0
Macau	Jun‡	360,147	21.7	2,044,211	24.5
Male	Jun‡	62,410	-24.0	433,241	-40.0
Manila	Jun‡	770,319	9.9	4,707,462	9.0
Melbourne	Jun‡	323,767	8.0	2,065,353	10.9
Mumbai	Jun‡	510,602	15.2	3,000,765	12.4
Nadi	Jun‡	104,354	11.3	565,666	13.4
Nooumea	Jun‡	28,805	6.7	197,698	8.0
Osaka KIX	Dec†	913,300	-2.0	10,792,359	26.3
	Jul‡	970,600	-1.1	6,387,600	7.1
Papeete	Feb‡	42,299	-5.8	96,914	2.1
Perth	Jun‡	162,291	20.0	987,739	13.6
Phnom Penh	Jun‡	63,013	3.3	409,698	5.4
Phuket	Jun‡	45,093	-63.8	304,500	-66.6
Seoul	Dec†	2,081,374	11.5	24,235,807	24.7
	Jun‡	2,214,495	12.3	12,674,351	13.1
Shanghai	Dec†	1,172,699	27.3	12,856,218	54.8
	Jun‡	1,152,626	15.8	7,028,519	23.1
Singapore	Dec†	2,956,668	9.4	30,352,290	23.1
	Aug‡	2,780,426	7.0	21,123,007	7.3
Sydney	Dec†	881,147	7.6	8,942,420	11.9
	Jun‡	710,580	5.6	4,633,730	7.4
Taipei	Dec†	1,429,043	10.8	17,721,939	30.3
	Jun‡	1,677,799	6.0	9,268,024	10.4
Tokyo Narita	Dec†	2,489,994	4.9	30,081,752	17.7
	Jul‡	2,483,846	-1.6	17,422,325	3.3

ASIA PACIFIC-A	Dec†	66,671,662	11.5	781,831,223	20.8
	Jun‡	64,172,942	1.7	392,769,309	5.2

Notes: See Master Notes, page 6. *2003 unless stated otherwise. †2004. ‡2005. A = Domestic and international. Source: civil aviation departments, airports, Airports Council International.

MARKET DATA

11 Operating results of AAPA airlines, 2005

AL	SS,x1000				RPK,mn			
	Jul 05	+/-,%	YTD	+/-,%	Jul 05	+/-,%	YTD	+/-,%
BI	89	-25.2	550	NA	359	-4.4	2111	-8.2
BR	548	7.9	3432	9.2	2090	6.2	13355	4.4
CI	906	12.7	5491	11.5	3091	11.5	18761	9.2
CX	1443	13.7	8776	14.4	5981	13.8	36863	14.9
GA	232	-4.9	1341	-2.6	756	-15.0	4097	-14.1
JL	1102	-2.6	7402	4.7	5757	-0.3	37507	2.9
KE	1016	6.9	6299	10.3	4379	10.4	25648	9.9
MH	813	14.8	5325	16.7	3740	13.2	24608	18.2
NH	310	-4.3	2099	5.4	1486	-6.8	10041	0.0
OZ	582	3.2	3848	9.5	1588	-3.4	10365	2.4
PR	262	1.2	1844	7.5	1223	-3.4	8470	4.0
MI	98	10.1	596	5.7	176	10.5	1110	10.3
SQ	1495	6.9	9401	4.2	7359	6.8	45633	4.3
TG	1119	-3.4	7102	-7.1	4321	2.9	26497	-3.0
VN	239	10.6	NA	NA	689	14.7	NA	NA

Notes: See Master Notes, page 6. Source: Association Of Asia Pacific Airlines.

12 Operating results† of AAPA member airlines

Item	May 05	+/- %	Jun 05	+/- %	Jul 05	+/- %	YTD 05	+/- %
SS,mn	9.6	8.0	10.6	5.1	10.9	5.4	68.9	7.0
ASKs,bn	55.0	5.9	59.6	5.8	57.0	4.9	387.5	5.5
RPKs,bn	38.1	6.7	44.4	6.2	43.9	5.7	283.1	6.4
Pax LF,%	69.2	0.5*	74.4	0.3*	76.9	0.6*	73.1	0.6*

Notes: See Master Notes, page 6. *Points. †Because some member airlines have not supplied data to AAPA, these are not complete totals; however, percentage changes have been adjusted. Source: Association Of Asia Pacific Airlines.

13 IATA travel agencies in Asia Pacific, 2004

Country	Locations	Growth %	Net sales US\$m*	Growth %	Per agency US\$m*	Growth %
Australia†	1,973	-2.7	6,214	36.6	3.15	40.3
China	3,873	5.6	7,231	38.5	1.87	31.1
Hong Kong	238	0.8	1,984	24.9	8.34	23.8
India	2,482	32.4	2,140	15.9	0.86	-12.5
Indonesia	447	-58.3	853	9.3	1.91	162.0
Japan	852	1.2	13,320	34.7	15.63	33.1
Korea	784	-2.9	3,073	25.7	3.92	29.4
Malaysia	649	1.9	1,141	18.6	1.76	16.4
New Zealand†	593	-1.7	1,337	21.6	2.25	23.7
Philippines	246	0.4	674	15.1	2.74	14.7
Singapore	196	-1.5	1,638	23.5	8.36	25.4
Taiwan	396	3.4	1,624	30.2	4.10	26.0
Thailand	387	29.0	955	27.5	2.47	-1.2
Asia Pacific	13,116	1.7	42,185	26.6	3.22	28.4
US‡	23,324	-9.0	65,911	6.6	2.83	17.1
Europe	32,142	2.4	64,402	16.9	2.00	14.2
World	68,582	-1.9	172,498	17.8	2.52	26.7

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

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

Agency	Jul 05	+/-†,%	Aug 05	+/-†,%	YTD	+/-†,%
JTB	322	-5.1	389	-17.0	2425	2.3
Other JTB	246	2.3	363	-0.8	1844	24.9
Hankyu	182	3.8	196	16.0	1515	24.3
HIS	201	7.5	283	10.0	1437	13.4
KNT	124	-3.7	173	-6.8	1037	-0.7
NTA	140	-1.4	162	2.2	949	7.7
NEC	101	2.6	122	9.8	728	5.0
Jalpak	86	-6.7	110	-11.3	651	-2.0
Tokyu	33	-3.2	36	-23.5	268	-5.0
Top 50	1925	-1.6	2380	-3.3	14527	6.5

Notes: JTB = (originally Japan Travel Bureau), HIS = (originally Hideo's International Services), KNT = Kinki Nippon Tourist, NEC = Nippon Express Company, NTA = Nippon Travel Agency. *Converted at US\$1 to ¥103. †Over same period, year earlier. Source: Travel Journal International.

15 Networks of computer reservations systems

System	Country
Abacus	Ww: A11000† S23300. Australia: A250. Brunei: A28 S95. HK: A870 S3210. ID: A149 S400. IN: A120 S240†. KR: A1300 S1600. MY: A533 S1636. PH: A194 S291. SG: A410 S1500. TW: A543 S1026. TH: A10.
Amadeus	Ww: A62000 S269000. Ap: A11077 S34658. Eu: A37567 S125299. Na: A5066 S11551. CN**: A7000 S28000. HK: A100. IN: A1200† S700. NP: A50. PH: A150. TH: A500† S636. B: 386mn.
Galileo	Ww: A43000† S176100. Ap: A7250† S20708. Eu: A18300† S38596. Na: A14200† S62125. IN: A574 S717. SG: A100 S200. TH: A170 S250. B: \$345mn.
Sabre‡	Ww: A56000† S124828. Ap: A11771† S4500. Eu: A5783† S13428. Na: A17478. B: \$467mn.
Worldspan	Ww: A20000† S49500. Ap: 714. Eu: A10208† S11000. Na: A35106. US: A8560.

Notes: See Master Notes, page 6. Latest figures available; A and S dates may not be the same; †denotes later figure if not same date. ‡With Abacus. **Travel Sky Technology. A-Agencies/other outlets, Ap-Asia Pacific, B-bookings (in numbers or US\$), Eu-Europe, Na-North America, S-Screens, Ww-worldwide. Source: companies.

16 Economic indicators of major countries in Asia Pacific

Country	Forecast GDP growth*†,%			GDP per capita,US\$	Inflation	
	2005	2006	Period 2005		period	Growth*,%
Australia	2.6	3.3	Q2: 2.6	19,070	Q2:	2.5
China	8.7	8.0	Q2: 9.5	900	Jul:	1.8
Hong Kong	4.6	4.6	Q2: 6.8	23,260	Aug:	1.3
India	6.7	6.8	Q1: 7.0	470	Jul:	4.1
Indonesia	5.1	5.5	Q2: 5.5	680	Sep:	9.1
Japan	1.9	1.9	Q2: 1.4	32,520	Jul:	-0.3
Korea	3.6	4.5	Q2: 3.3	23,260	Sep:	2.7
Malaysia	4.8	5.3	Q2: 4.1	3,890	Jul:	3.0
Philippines	4.7	5.0	Q2: 4.8	23,260	Sep:	7.0
Singapore	3.8	4.7	Q2: 5.2	20,850	Jul:	0.1
Taiwan	4.1	4.2	Q2: 3.0	23,260	Sep:	3.1
Thailand	4.8	5.6	Q2: 4.4	1,800	Aug:	5.6

Notes: See Master Notes, page 6. F=forecast. GDP=gross domestic product. *Over period year earlier. †Official and other estimates. Source: The Economist, Wall Street Journal(s).

17 Economic indicators of major visitor-producing countries for Asia, 2005

Country	GNP/GDP	Retail sales	Consumer prices	Wages/earnings
Australia	2.6 Q2	1.6 Q2	2.5 Q2	5.8 Q2
Germany	0.6 Q2	-3.0 Jul	2.0 Aug	1.4 Jun
Japan	1.4 Q2	3.6 Jun	-0.1 Jul	1.7 Jul
UK	1.5 Q2	0.7 Sep	1.1 Sep	3.8 Aug
US	3.6 Q2	7.5 Jul	3.0 Jul	2.2 Aug
Euroland	1.1 Q2	0.0 Jul	2.3 Aug	3.0 Q1

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

MARKET DATA

18 Hotels measures in Asia Pacific, August

Location	Occupancy,%				Average room rate, local				Revpar, US\$*				
	2005 Mth	YTD	2004 Mth	YTD	2005 YTD	US\$* 2005 Mth	YTD	2004 Mth	YTD	2005 Mth	YTD	2004 Mth	YTD
Auckland	57.9	75.4	71.4	79.3	166.83	86.67	118.64	92.81	95.71	50.19	89.48	66.23	75.89
Bali	83.4	61.7	71.9	61.7	836324	115.56	87.04	87.90	74.97	96.42	53.67	63.21	46.23
Bangkok-all	75.9	74.3	NA	NA	3817.09	85.90	95.34	NA	NA	65.23	70.81	NA	NA
L-4	83.6	75.9	76.8	73.8	1860.35	41.55	46.47	38.65	43.05	34.72	35.29	29.67	31.77
5-star	78.0	77.1	76.1	76.2	5373.10	121.33	134.21	123.34	126.20	94.59	103.41	93.85	96.14
Beijing-all	78.4	75.3	NA	NA	913.38	111.14	110.95	NA	NA	87.09	83.57	NA	NA
L-4	85.9	81.1	85.9	80.3	608.63	74.32	73.93	53.11	64.82	63.83	59.96	45.61	52.02
U-4	74.2	73.1	70.6	63.3	1045.76	134.83	127.03	98.48	110.60	100.01	92.81	69.51	70.03
Fiji	84.3	73.7	90.6	68.3	216.37	139.43	129.46	124.56	109.59	117.55	95.46	112.84	74.90
Ho Chi Minh City	61.4	67.1	56.1	54.7	1133922	65.60	71.60	66.17	67.40	40.26	48.03	37.14	36.89
Hong Kong-all	82.2	82.6	NA	NA	1092.27	115.67	140.33	NA	NA	95.10	115.88	NA	NA
3-star	88.8	84.3	95.6	89.1	576.29	60.94	74.04	61.12	63.81	54.14	62.42	58.42	56.87
L-4	87.7	86.8	91.2	89.6	779.02	84.57	100.08	77.66	82.28	74.15	86.87	70.81	73.73
5-star	70.3	77.4	77.0	73.8	1892.71	214.84	243.16	199.35	205.87	150.96	188.20	153.46	152.03
Jakarta U-4	53.4	53.9	51.6	48.6	716879	71.41	74.61	52.98	65.78	38.10	40.18	27.36	31.97
Kuala Lumpur-all	87.7	76.7	88.2	76.5	274.59	74.81	72.44	66.28	65.51	65.57	55.55	58.48	50.08
L-4	87.9	79.0	NA	NA	188.19	52.27	49.65	NA	NA	45.94	39.24	NA	NA
U-4	87.5	74.9	NA	NA	341.82	91.51	90.18	NA	NA	80.05	67.58	NA	NA
Manila-all	72.4	78.5	76.2	74.7	3814.87	68.59	69.13	55.38	63.84	49.69	54.26	42.18	47.70
L-4	75.5	81.8	NA	NA	3139.20	51.05	56.89	NA	NA	38.55	46.52	NA	NA
U-4	71.3	76.5	NA	NA	4250.07	75.78	77.02	NA	NA	54.00	58.92	NA	NA
Melbourne	74.0	75.3	78.7	76.4	186.20	143.14	142.89	117.25	126.85	105.86	107.58	92.33	96.89
Pattaya	50.7	66.6	53.6	62.4	2196.02	47.21	54.85	46.32	49.11	23.94	36.51	24.84	30.66
Penang	66.8	53.5	72.6	62.1	185.53	46.16	48.95	55.81	53.07	30.81	26.18	40.54	32.98
Phuket	60.7	45.7	83.1	71.4	2456.02	54.38	61.34	53.82	92.08	33.00	28.02	44.71	65.78
Seoul	73.6	72.4	77.1	73.3	179585	168.51	176.33	142.17	148.65	124.07	127.74	109.63	109.00
Shanghai	64.1	72.1	77.6	77.8	1076.71	107.71	130.79	104.66	109.67	69.03	94.25	81.21	85.37
Singapore-all	81.8	81.1	NA	NA	164.43	92.53	99.24	NA	NA	75.66	80.45	NA	NA
L-4	84.9	83.8	81.5	79.1	113.09	68.07	68.26	50.12	55.54	57.79	57.19	40.83	43.92
5-star	76.7	73.3	77.0	71.0	233.79	132.92	141.11	102.74	120.01	101.93	103.43	79.14	85.15
Sydney	81.9	76.5	81.0	79.2	185.24	150.83	142.16	119.31	120.58	123.57	108.76	96.59	95.49
Taipei	64.7	72.8	66.1	70.4	4111.49	114.99	129.87	123.69	110.86	74.39	94.55	81.76	78.08
Tokyo	64.6	72.5	71.4	72.8	22494	213.13	208.56	192.35	211.18	137.77	151.25	137.38	153.71
Asia Pacific-total	73.5	73.0	76.5	72.9	na	102.60	108.13	90.58	96.02	75.78	80.12	69.50	70.48
Others													
London	72.4	75.6	78.8	72.0	131.71	226.47	243.11	236.59	380.28	164.06	183.73	186.39	273.79
New York	85.1	84.3	80.5	81.8	188.39	187.38	188.39	166.05	169.35	159.46	158.72	133.67	138.52

Notes: See Master Notes, page 6. 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 – Travel Business Analyst Asia Pacific; London – Travel Business Analyst Europe; New York – Smith Travel Research.

19 Comparison* of visitor arrival measurements

Destination	Ratio*
Australia	44
China	150
Hong Kong	100
Indonesia	49
Japan	55
Korea	45
Malaysia†	28
New Zealand	20
Philippines	28
Singapore	78
Taiwan	39
Thailand	130

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

20 Standardisation of visitor arrival measurements

Destination	Ratio*
Australia	99
China	14
Hong Kong	42
Indonesia	61
Japan	98
Korea	73
Malaysia†	24
New Zealand	99
Philippines	99
Singapore	72
Taiwan	99
Thailand	82

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

Trends

Curry for Airbus?

Indian Airlines has ordered 43 aircraft from the A320 series, with deliveries starting mid-2006, then one each month.

DDPL, a publishing group, says negotiations took 15 years, although it also reports the first round of price negotiation took place only in March 2005. On that occasion the airline reportedly knocked US\$32mn off the price, then another US\$75mn over the summer.

Thus, says DDPL, the net cost of US\$2.33bn (at US\$1 to Rs44) was brought down to US\$2.25bn. This is different from the quoted discounts above, but at least indicates a useful discount of around US\$80mn – worth the value of nearly two aircraft.

And there were many other concessions by Airbus – in effect, further discounts. The counter-trade value (and engine manufacturer CFM) was increased from 30% to 40%, representing US\$145mn. This means Airbus and/or France will buy goods from India worth that amount.

Also, Airbus will invest US\$75mn in a training centre for pilots in India and a spare-parts warehouse in India.

Fly fat

The two premium-class airlines have each started daily flights London-New York. Following are some of the essentials:

- Marketing. Eos is now saying it is an all first-class airline. Maxjet is all business-class.

- Aircraft. Eos, 48-seat B757s. Max, 102-seat B767s; due later, 72-seat B757s.

- Seats. Eos has lie-flat seats; Max does not.

- Fares. Both are offering start-up discounts, but normal roundtrip fares are as follows. Eos US\$6500 fully-flexible; in other words, including refundable and changeable.

Max is more complicated, with a range of five fares with different levels of flexibility. Highest fare of just under US\$4000 is fully flexible, like Eos' US\$6500. Lowest Max fare is US\$1400; main restrictions are a US\$300 refund penalty, and US\$100 for change (plus the difference if the new fare is higher).

- Verdict. Max may make it; Eos will not.

Spaced out

Ok, so much for our theory that US-based Space Adventures should reduce what we call its 'atmosphere' for space-shuttle trips – to US\$7.5mn or even US\$5mn. It has found another customer ready to pay US\$20mn.

Our only defence of the theory is that

shuttle loads were still only 50% this year and, almost certainly, the same in 2006. Our strategy would likely have brought not just 100% loads but more total revenue since the first paying flight into space in 2000.

Japanese entrepreneur Daisuke Enomoto (known as Dice-K) is scheduled to become SA's fourth paying customer in October 2006. Dice-K (tax-exiled to Hong Kong?), is 34-years-old.

Capacity on the space shuttle is two roundtrip seats per year – in April and October. The three earlier trippers were Tito, an American, in 2000; Shuttleworth, South African, 2001; Olsen, American, this year.

That means the shuttle's seat factor was 50% in 2000 and 2001, then 0% in the following three years, before reaching 50% again this year.

Briefs

- New world of marketing.

Scott Morrison, head of Australia's NTO, says "In 1984, when we first went on TV in the US with the Hogan campaign, we could reach 65% of Americans with a prime-time advertisement. Today, even the top prime-time network shows are lucky to reach 10%. And much of that is wielding their TiVo to block the ads."

"Technology, in forms as varied as the internet, cable television, and mobile phones, now put the power of the editor into the hands of the public. We now have to break with the old paradigm of a traditional marketing mix and get very creative, very fast."

The NTO's marketing is shifting to a range of activities. One is with American Express, where the NTO sends a direct-mail piece to cardmembers after Amex records a 200% increase in their card usage in Australia. Since the partnership began, cardmembers visiting Australia has outpaced total visitation by a factor of three, and cardmember visitation has increased 13%.

- According to a new report, Saudi Arabians spend US\$4.2bn (at US\$1 to R3.75)

Spending on outbound travel from selected Mideast markets

Market	US\$mn* 2004	Growth,% 2004	Growth,% 2003	Spend/person
Kuwait	3692	9.0	8.7	1846
Qatar	691	46.8	11.3	899
Saudi Arabia	4406	5.8	-43.5	203
United Arab Emirates	4472	13.0	8.4	1656

Notes: *Quoted in US\$. Source: The Economist, World Tourism Organization, Travel Business Analyst.

on international travel, and US\$11.0bn on domestic travel. Further qualification is not available.

Data from the other sources, see table, shows a higher total, but a substantial decline. Traffic data is from the WTO, but the findings seem suspect, and may indicate a change in measurements. Unfortunately, WTO provides no other indication.

But in terms of per-trip spend, the Gulf looks more valuable. Spending by UAE residents on outbound travel is eight-times the Saudi total, and Kuwait is even more.

- Opening, closing.

- Exit visas for tour groups from China travelling to Japan can now be issued to residents anywhere in China. Before, they were limited to three cities and five provinces.

- The US now requires airlines to supply first-night US address of their passengers. This is dumb, costly, unfriendly, and will do nothing to reduce terrorism. Would any terrorist obligingly list a hotel, and then go and stay there?

- Bhutan's visitor arrivals – controlled through visa issuance – totalled 9249 in 2004. Growth was an impressive 47%, although there have been falls in three of the past four years.

Spend was also impressive – at US\$12.5mn, meaning US\$1351 per visitor.

And the money seems to be well spent. The government says it took US\$4.4mn of revenues for medical supplies, school equipment, and road construction.

- travel domain names are due to be started in January. They are controlled by New York-based Tralliance.

- Animal farms:

- Yogi Bear was credited with saying "No-one goes there any more; it's too crowded". Perhaps terrorism – which sometimes targets popular tourism centres – will turn this on its head – "Everyone goes there now; it's so empty".

- Hong Kong's new US\$3.2bn 40ha

Disneyland expects 5.6mn visitors in its first year, which compares with around 14mn at the original Disneyland near Los Angeles. Visitors for the Hong Kong park are expected to eventually reach 10mn – but the year is not given.

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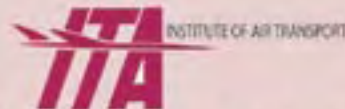
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