Travel Business Analyst

Markets + Marketing + Strategy

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Russia outbound

Slow growth

Russia's outbound travel has been growing at only 7.4% annually since 2000 – low for an emerging market – according to a report from PATA (Pacific Asia Travel Association).

Volume, including same-day visits and travel for non-tourism purposes, fell in the second half of the 1990s, down

Table 1

Outbound travel from Russia

Year	No,mn	Spend,US$bn*
2004	25	15.8
2003	20	12.8
2002	20	11.2
2001	18	9.3
2000	19	8.8

Notes: Travel Business Analyst estimates from following sources. *Quoted in US$. Source: Goskomstat, PATA, WTO.

to 17.9mn in 2001; since then, it has grown, see Table 1. It is not known if the current total has surpassed the previous peak.

Of the 24.5mn trips in 2004, only 54% were to destinations outside the Commonwealth of Independent States (CIS). About 44% of those were for holiday, 32% for other private travel, and 13% for business.

Spending has increased 15.5% annually since 2000, with the total estimated at near-US$16bn (quoted in $) in 2004. This calculates to around US$650 per trip – lower than the broad benchmark of US$1000 per trip.

This is probably due to a combination of factors, which include the lower-cost trips to CIS countries, and the fact that many Russians find low-cost international destinations.

Biggest leisure destinations in Asia for the Russia market is China. But this is believed to be primarily small-trader traffic who might register as 'holiday' travellers for convenience.

However, China's growing beach destination of Hainan may begin to attract more Russian visitors as, in theory, they are granted 15-day visa-free stays.

The main motivation for

contd on p3

Main News

Recent corporate developments – big or significant.

- Taj Hotels to decide on new name and/or brand separation this month.
- Hong Kong-based Oasis gets licence to operate low-fare flights to Europe and North America. But business plan looks too contrived.
- .travel domain names are due to be started this January. They are controlled by New York-based Tralliance.

Japan outbound

Travel to Europe

A report by World Travel Market on travel into Europe indicates that the FIT share of Japan's outbound market has increased from 20% in 1997 to 45% in 2004.

The finding is sourced from the respected JTB Foundation (linked to the JTB travel agency group), but we still find this difficult to believe for such a mature market – unless there has been an (unsignalled) change in methodology.

JTBF adds another shocking qualification – that experienced travellers have grown from a 36% share of total

Table 1

Share of low- and high-frequency travellers from Japan, %

Category	2004	1997
Low*	44	64
High*	56	36

Notes: *High = travellers having made more than 10 overseas trips and at least once yearly. Low = the rest. Source: JTB Foundation.

Table 2

Patterns of low- and high-frequency travellers from Japan, %

Category	1996-9	2002-04
High*		
Females in 20s	7.5	8.0
Females in 30s	4.5	9.0
Males 30-49	7.0	12.5
All over-40	11.0	16.0
Others	4.0	8.5
Low*		
All in 20s	27.5	19.0
Males in 30s	4.5	5.0
All over-50	19.0	12.0
Others	15.5	12.0

Notes/Source: Estimates by Travel Business Analyst of data from JTBF, then see Table 1.

travellers in 1997 to 56% in 2004, see Table 1.

In theory, such great structural changes would also prompt huge similar shifts in spending – and, in particular, with an increase. Yet spend by travellers from Japan has increased only 50% in the past 20 years – not much more than 2% more each year, despite the near-four-fold growth in actual travellers. In other words, travellers from Japan are spending much less per trip.

JTBF has also provided additional characteristics on these experienced and less-experienced travellers, see Table 2. *(Comment is difficult given the variety on incompatible comparisons in the two overall categories.)*

Main News...1; Market Intelligence...1; Market Outlook Tables...2; Net Value...5; People-in-Travel...5; Trends...11; Market Data Tables...6: GDS or Internet Sales; Travel standardisation; Visitor arrivals; Running totals; Hotel results; Resident departures; Agency sales; Airport traffic; Airline results; Airline stock prices; Air traffic to and within Asia Pacific; AAPA counts; Economics.

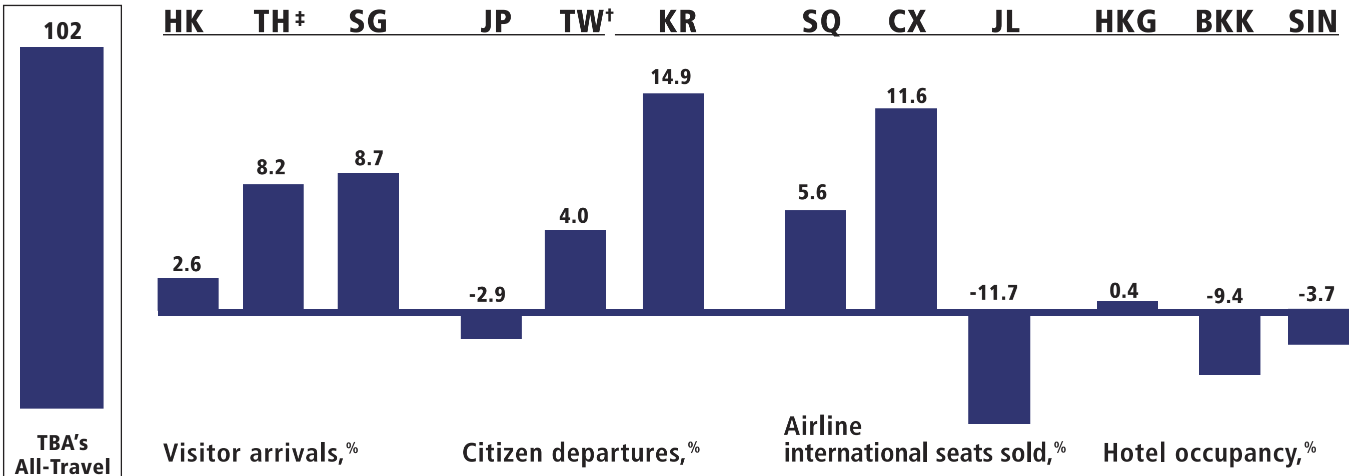
Headlines

Comments on tables

Barometer. Slipping again; now only 2% up on 2004. The main problem is still Japan, but hotel business does not look so good.
• Inbound trends. China shows that what goes up rapidly, sometimes comes down. Latest figures last month indicated a fall in its 12-month outlook to below 22mn, and this month a fall to below 21mn.
• Outbound trends. Slight growth for Hong Kong; declines for Japan and Korea; Taiwan unchanged.
• Forecasts. Column added to show source of data.

Barometer

Percentage growth in latest matching month* available; August 2005



Notes: See Master Notes, page 6. Top three in each category, in order of size. BKK-Bangkok, HKG-Hong Kong, SIN-Singapore. *Compared with same month, previous year. †Residents. ‡Estimate. 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	20,808
Hong Kong	23,535
Singapore	9,113
Thailand	12,083

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†	5,474
Japan	17,453
Korea	10,248
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

Item	Date†	Forecast	Source
India visitor arrivals,2005	Oct	4.3m,up 25%	HVS
Delhi arrivals share,2005	Oct	32%,up 1-pt	HVS
Mumbai arrivals share,2005	Oct	24%,up 0-pt	HVS
Chennai arrivals share,2005	Oct	9%,dwn 1-pt	HVS
Kolkata arrivals share,2005	Oct	4%,up 0-pt	HVS
British Airways flights to India,weekly	Oct	35,was 19	company
World visitor arrivals,2005	Oct	up 5-6%	WTO
Super 8 hotels in China	Oct	280,now 20	Cendant
X Base Backpacker hostel projects	Jul	6,now 8	Accor
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

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

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contd from p1 – Russia outbound

Table 2

Outbound holiday travel* from Russia to Asia, Jan-Jun 05

Destination	Trips	Growth,%	Share†,%	Rank
China	434.2	16.4	21.0	2
Thailand	34.2	-28.7	1.7	15
India	20.9	27.4	1.0	20
Korea	14.1	19.5	0.7	22
Japan	10.6	21.8	0.5	27
Maldives	4.6	-9.1	0.2	37

Notes: Travel Business Analyst estimates from following sources. *To non-CIS destinations. †Of total for known data; not overall total. Source: Goskomstat, PATA, Russian Tourist Union.

holiday travel to Asia, apart from China, is sun-and-beach. Many are sold year-round – for Russians to escape their harsh winters, attracted by, generally, lower prices in off-season resorts, even if the weather is not the best.

Most successful have been India (particularly Goa) and Thailand (Pattaya, rather than Phuket which, pre-tsunami, was more expensive). There was a fall to Thailand this year – as a result of the tsunami – as well as to the Maldives, although the numbers here are small.

Travel to Korea is similar in structure to China travel.

Note: PATA quotes another source for outbound travel – IPK. These show much different totals, although the data is for 2003. IPK says there were 12.1mn trips, of which 25% was business travel (21% regular business trips, 4% MICE).

Tsunami

Line in sand

The Pacific Asia Travel Association (PATA) plans what it calls a "respectful commemoration" of the Boxing Day 2004 tsunami in Asia.

Peter de Jong, head of PATA, says a commemorative event is necessary to achieve 'closure', even if such an event brings back sad memories. "Remember," he adds, "hundreds, maybe thousands of grieving relatives will return to pay homage to lost ones. We must respect their sensitivities."

But he is concerned that the world's media companies will all have converged upon the tsunami locations, looking for telegenic images and captivating stories. The challenge, he adds, is to "to reconcile both needs...(but)...draw a line in the sand and move on".

Thailand is setting an example, probably with a candlelight ceremony on December 26, with candles in balloons being floated into the sky. Then by January 1, a series of forward-looking celebratory events.

For media management, de Jong says: "We need to anticipate story lines and video footage of calm beaches and clean waters, and interviews with satisfied visitors and responsible operators to counteract the predictable library footage of tsunami waves crashing ashore last year.

"We need to advise reporters of the many upbeat story angles that can be explored. And we must convince them that story lines about rebuilt communities and rebuilt livelihoods also make for good TV."

Hong Kong and Macau

Adding attractions

As Macau adds attractions, it is likely to pull more visitors that might have gone to Hong Kong. But HK is adding as well, and not just Disneyland.

Will Macau lose some visitors to the opening of Disneyland in neighbouring Hong Kong? Macau's tourism officials think no; Disneyland will add to the attractions in the region. And even for the China market – most of whom, says Macau, visit both places on one trip.

Macau's visitor count was 16mn in 2004 (of which 9mn came from China), but most of these were day-trippers.

Gambling has been booming, growing from US$1.9bn in 1999 to US$5bn in 2004. Business per-visitor is better than in Las Vegas – where gambling revenue is US$8bn from 36mn visitors in 130,000 rooms, compared with Macau's US$5bn from 16mn in 9200 rooms.

New from **Hong Kong**:

Asiaworld Expo. At airport. 70,000sqm of space (in 10 column-free halls), with station on airport's metro train line. Due this month.

Disneyland. On Lantau island, 30-min from city centre; transport access includes dedicated metro train line. Opened September.

Ngong Ping 360. On Lantau island. Includes 5.7km 25-min cable-car to 1.5ha cultural village and the existing Giant Buddha (also with views over Hong Kong's airport). Due early 2006.

Maritime Museum. Near Stanley on Hong Kong island. Opened.

Symphony of Lights. Waterfront building light-ups. Started as one-off in 2004, and now nightly, and due to expand before end-year to 30 participating buildings.

Wetland Park. 60ha area of recreated wetlands in New Territories of Kowloon. Includes 10,000sqm visitor centre, and Discovery Centre – mangrove boardwalk and bird hides. Due early 2006.

Sky City. At airport – includes second passenger terminal for airport as well as entertainment attractions and exhibition centre (see Asiaworld Expo), and 9-hole golf course. Due Q2-3 2006.

New from **Macau**:

Casinos/hotels. The Sands Casino, opened 2004, was the first of a few from Las Vegas companies; that one from the Galaxy group, although it has only 51 suites, for high rollers. The casino counts around 25,000 visitors daily.

Due next is the 600-room Wynn hotel and casino (some reports indicate it will have 800 rooms). The hotel is due autumn 2006, with the 9300sqm of gambling space due first half 2007.

Next is the Venetian from Las Vegas' Sands group. It is due to open in 2007 with 3000 rooms, 1500-seat theatre, and 12,000sqm of gambling space. However, some of these elements may change as the developer, Regal Hotels, now plans to operate some or all of the project itself.

Macau currently has 11,000 rooms, but in next 10 years it hopes to add 50 hotels with 20,000 rooms.

Cultural/sport. 25 sites in Macau were recognised as World Heritage sites. Also this year it staged the East Asian Games. The sports and support facilities for that will be used to support other visitor events – whether exhibitions or one-off sport events.

Attractions. The first phase of Fisherman's Wharf, a US$200mn entertainment, retail, and food development, opened November, adjacent to the ferry terminal. Rest of the first phase due by end-2006. Dates have not been finalised for the second phase – presumably it will depend partly on the success of the first.

Sub-continent

Wrap-up

• Unofficial figures indicate that visitors to **India** increased 14.2% in the first 10 months of 2005 to 290,000. But even growth as fast as that would not be enough to reach this year's target – a 28% increase to 4.2mn, which followed an even-faster 33% growth in 2004.

Spend looks better – up 20.4% January-October.

• The **Maldives** is still suffering from a decline in visitors since the Boxing Day 2004 tsunami. Although some of its market sources have started to return, it has found what was its biggest source market in Europe – Italy – is more sensitive than other source markets.

Officials expect 2005 visitor arrivals will be 20% down, with another decline in 2006 before recovery starting 2007. *We think there will be growth in 2006.*

One boost could be the opening of 11 more islands for development. As always, development is limited to one resort per island. The 11 should add (only) 1000 rooms.

• Visitors in **Sri Lanka** increased 8% January-September, to 406,000; only in January and February did the tsunami cause a decline in arrivals. And in 2004 there was almost no affect because the tsunami came in the last week of the year; visitor growth was 13%.

However, some growth this year has come from aid workers – for both Sri Lanka and neighbouring Maldives.

Sri Lanka's NTO now aims for 1mn visitors in 2010 – which requires 10% annual growth.

Briefs

• In 2004, GDS **Abacus** International counted 52mn bookings on its system – up 28% on 2003 and 30% on 2002.

With growth in eight of the first nine months this year, see table, all-year growth seems certain. *Figures available make an estimate difficult; we believe growth lower certainly than 2004, but probably still over 10%.*

Following is selected data:

• 2004. Busiest months – March 3mn FIT bookings; September 2.9mn. Intra-Asia travel 81%. FIT bookings up 22% (and 12% in 2003). Non-air business up 48%. Hotel bookings for Abacus-connected travel agencies comprised 10-15% of their Abacus revenue.

Growth in total Abacus bookings, %

Month	2005	2004
Jan	19	23
Feb	-7	52
Mar	6	81
Apr	13	247*
May	8	144*
Jun	4	46
Jul	9	11
Aug	19	5
Sep	14	4
Oct	NA	-8
Nov	NA	13
Dec	NA	3

Notes: *One-off surge as compared with the two worst SARS months the year before, 2003. Source: company.

Don Birch, head of the GDS, said 2004 was the best year for travel in Asia Pacific in a decade. He expected a good 2005; no data but from comments he made, we calculated he was expecting 6-8% travel growth.

• 2005. September bookings 4.47mn. Intra-Asia travel still 81% that month. Eticketing in September up 80%; 3.45mn etickets issued thru that month, up 82%. *Given the novelty of eticketing, this growth is not high*, but etickets share now reaching 25% of total.

• **Air traffic** growth is slipping, see table. The 15% growth for all-2004 all-world was still a strong 9% in the first quarter and just under 9% in the first half. But latest figures show that growth was now down to 8% in the first eight months.

Airlines based in Asia Pacific showed a big fall from the 21% growth in 2004, but since then the region has maintained around 8% for the three periods shown – albeit slower this year than the world average.

That average has been boosted by airlines based in North America. Although no fewer than three of the leading five regular airlines in the US are in debt-protection status (Chapter 11), growth has stayed at double-digit levels in all four periods.

Growth* in airline traffic, %

Airlines†	2005			2004
	Jan-Aug	Jan-Jun	Jan-Mar	Jan-Dec
Asia Pacific	7.7	8.1	8.2	20.5
North America	10.0	11.1	14.1	14.8
Europe	6.3	6.3	6.6	10.1
World	**8.3**	**8.8**	**9.4**	**15.3**

Notes: Traffic = revenue-passenger kilometre. *In periods shown over same period year earlier. †Based on home-base of airline. Source: International Air Transport Association.

This could be seen as an advantage for Chapter 11. But what it also means is that those airlines in protection can sell fares that might be more difficult to justify if they had to pay bills as they became due. And which, in turn, makes it more difficult for competing airlines – which do have to pay their bills.

Europe is the weakest of the world's three main regions, although it has maintained 6-7% growth this year.

• The **South Pacific** Tourism Organisation, which groups 12 countries in the Pacific area, says there was a 4.7% growth, to 525,000 visitors, in the first half of this year.

But France's territories were not doing well. Growth in New Caledonia was just 3%, but in Tahiti there was a further decline, of 4%. Arrivals have fallen in three of the past four years, after reaching a peak 253,000 at the turn of the century.

• In 2004 the number of direct international arrivals in **Bali** was above the pre-9/11 total in 2000 for the first time. This year was looking even better.

Over January-September, direct arrivals were 7% up. There was no decline in that same 9-month period in 2002; that was caused by the first Bali bombing, in October 2002. And recovery in 2003 was slowed by the SARS pandemic that year. But by 2004 visitor numbers had recovered in most months.

Most observers were expecting another positive year, but the October bombing could slow down the visitor business for as long as a year.

The international resort that may gain most from the Bali bombs is Phuket in Thailand – which was suffering a near-50% drop in visitors in the first half of 2005, following the December 2004 tsunami. But now, in relative terms, it is considered a safe destination.

• Growth at Australia's **Virgin Blue** is becoming closer to normal as it moves away from its start-up business plan as a low-fare airline into a more traditional airline.

Thus a decline in its operating profit – down one-third to US$110mn (at US$1 to A$1.34), see table. And a worrying sign for the future – capacity is growing faster than VB can fill it.

Virgin Blue results

Item	No	Growth,%
Traffic		
Capacity (ASKs bn)	20.4	16.5
Traffic (RPKs bn)	15.7	13.8
Seats sold,mn	13.4	13.9
Revenue,US$mn*		
Revenue	1310	14.5
Operating profit	110	-33.9

Notes: ASK = available seat kms, RPK = revenue-passenger kms. Year through September 2005. *Converted at US$1 to A$1.34. Source: company.

Net Value

Marketing Travel On The Internet

Dynamic packaging

Expedia says that sales of traditional brochure-based tour packaging is declining, for various reasons, see Table 1.

In the UK, dynamic-packaging (DP) is expected to take business from both traditional package holidays and independent holidays – slightly more from what is currently the independent sector, see Table 2.

This forecast shows a remarkable growth in DP sales from an estimated 8% share this year, to a forecast 36% in 2008.

This looks on the high side, not least because of the unusual patterns shown for sales of independent holidays. These are expected to have shown growth from a 45% share in 2001 to 53% this year, but then fall to 49% in 2008. (Based on increased packages sold this year, but more-or-less static sales through to 2008.)

Presumably, Expedia and Gartner believe travellers in the market have already been moving to more independent activity – by buying their own air tickets over the internet, for instance. And these are the travellers who are expected to quickly switch to dynamic packaging as the product and facilitation improve.

But Expedia sales have already shown a big increase from the time the company introduced DP in the UK in mid-2002.

We estimate Expedia's DP sales have increased from a 10% share of its total sales in 2002, to 25% in 2003, and 40% in 2004.

Expedia believes this UK pattern will be matched in France and Germany within a year.

But not all is lost for traditional tour operators. They are slowly realising the success of dynamic packaging, and will match this demand by unbundling some of their package components.

If they had moved more quickly, they might have held off OTAs (online travel agencies). As it is, they can probably do no more now than prevent an actual decline in sales numbers. But any market growth will go to the OTAs.

Table 1

Reasons for decline of traditional tour-packaging

Reason	Market Canada	UK	US
Packages too inflexible	66	74	67
I can organise a better deal	61	75	65
I want to select companies	45	47	46
– where I am loyalty program member	28	8	23
Packages don't have amenities I want	37	39	31

Notes: Percentage share of those questioned. Source: Expedia, Keynote.

By Jupiter!

Jupiter Research says online travel bookings in the US increased 25% in 2004, and will account for one-third of all US travel sales in 2010. Totals are US$54bn in 2004, estimated to reach US$68bn this year (with similar growth – 26%), and then US$104bn in 2010.

This differs somewhat with what Jupiter has estimated and forecasted earlier – at the start of this year, US$62bn, up 10%, for 2005; and earlier, US$79bn in 2009 and US$64bn in 2007.

Table 2

Tour package sales share in the UK, %

Year	Traditional	Independent	Dynamic from trad	Dynamic from ind
2001	55	45	0	0
2005	39	53	2	6
2008	15	49	17	19

Notes: Estimates by Travel Business Analyst from source data. Source: Expedia, Gartner.

•Subscribers wishing to see the full report, please email 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

People-in-Travel

Tracking Travel's Leaders

Busy Bickson

Raymond Bickson, head of the Mumbai-based Taj hotel group since 2003, is moving in a number of ways at once, and fast.

He has the charm of the man he once worked for – Monaco-based Georg Rafael, one of the three founders of the Regent hotel group, then of Rafael Hotels, and now also advising Taj.

Bickson, born in Hawaii, has 25 years hotel experience. His last job before joining Taj was running the Mark hotel in New York. At the time, this hotel was in the Rafael Hotels portfolio, a company which was bought by Mandarin Oriental in 2001.

Bickson has pulled the company into the international spotlight with its purchase of the lease of the Pierre hotel in New York. He may have operating experience in the city, but he has taken on a tough task with this one.

Previously part of the Four Seasons group, the hotel was reportedly losing money. Taj is spending US$35mn on upgrading the hotel. That's the easy part; he admits that he needs to increase the hotel's average rate by US$250. *(We estimate current achieved rates are around US$300.)*

Bickson is also busy in India. He told PinT that there are 427 national parks in the country. "So we have decided to build environmentally-friendly lodges"; eight to start with, three of which will have opened this year.

And he is also pushing his group's IndiOne Formule-1-type budget hotels. He opened the first a year ago, in Bangalore, and he wants to open 10-15/year – which may be on the conservative side. After the first 30, he may consider other markets.

•Subscribers wishing to see the full report, please email TBAoffice@aol.

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

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

Aviation
T1 First three quarters for air traffic to/from Singapore. Overall up 8%, and all tracked-markets grow except for Japan's. We think Hong Kong's growth is caused by low-fare airlines -well, Jetstar, and even if it is probably losing a lot of money. **T2** First half for air traffic to/from the US; total up 5% – not good, not bad. Biggest markets Japan and Korea look reasonably good. And China still storming ahead. **T3** First three quarters for all airlines except Korean and Thai. Now looking serious is JAL's decline. Also serious – but seriously good – is growth at Cathay and Malaysia. And time for a new drink – The Singapore Slip? **T10** First three quarters for airports in Hong Kong (up 11%), Singapore (up 8%). Colombo down although, oddly, Sri Lanka visitors are up; is there something funny in the figures? Still huge decline for Phuket. Growth at 5% for first five months. **T11** Garuda still downsizing, willingly or not. **T12** Fair regional results, but traffic growth getting worryingly close to capacity growth.

Inbound
T8 On running 12-month basis, three look good (with China the star), but we calculate that even Thailand is ahead. **T9** First three quarters for Bali (good), Cambodia (humming), China (still fast even if slowing), Cooks, Hawaii (good), Hong Kong (back to ordinary growth?), Japan (good), Korea (fair), Laos, Maldives (tsunami-caused decline), Marianas, Nepal (still bad), New Zealand (weak), Singapore (good), Sri Lanka (good, notwithstanding), Vanuatu, Vietnam (great).

Outbound
T6 On running 12-month basis, Korea looks good; up 16%. **T7** First three quarters for Hong Kong (excluding China traffic, looking good), Japan (oh dear), Korea (welcome back to fast growth?), New Zealand (good). And good growth also from Australia.

Hotels
First three quarters. YTD occupancy declines fractionally to 73%, average rate, though, shows big increase to US$108, helping yield grow fast also to US$81.

Others.
T14. First three quarters for travel agency groups in Japan. At least there's growth overall, but continuing decline for KNT, and a (vanishing?) Tokyu. And surprising decline from JAL's in-house operation – which we have long thought should have been gaining share, but it has done the opposite for all that longtime. **T15** We don't quite believe those internet booking intentions, but present the figures anyway; they are from a Cendant research project. **T16** Some Q3 economic figures. **T17** Most are Q3.

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

From:	Singapore					Sydney					Tokyo*				
	Sep	+/-	YTD	+/-		Jul	+/-	YTD	+/-		Jul	+/-	YTD	+/-
To:	05	%	05	%	To:	05	%	05	%	To:	05	%	05	%
Indonesia	302	11.5	2599	7.9	**Auckland**	109	0.5	728	-0.7	**Pacific**	3167	0.3	21082	3.9
Malaysia	189	7.8	1758	3.9	**Bangkok**	42	0.9	268	-1.6	**Oceania**	567	-0.5	3898	-0.4
Thailand	283	12.0	2515	6.8	**Denpasar**	18	-8.5	104	-8.3	**SE Asia**	3656	1.1	24971	2.7
Hong Kong	162	16.3	1595	20.7	**Hong Kong**	72	49.7	444	29.2	**China**	1932	7.8	12882	6.2
Japan	148	-7.7	1233	-4.1	**London**	42	18.3	274	20.2	**Korea**	1126	-4.8	7983	-1.2
UK	111	1.1	989	0.5	**Los Angeles**	62	-4.8	387	2.8	**Europe**	1577	2.5	10346	1.0
Australia	290	6.9	2599	6.4	**Singapore**	86	-2.5	539	-4.2					
US	52	3.8	556	6.9	**Tokyo**	40	8.2	272	4.2					
TOTAL	**2500**	**9.6**	**22495**	**8.1**	**TOTAL**	**856**	**7.1**	**5490**	**7.3**	**TOTAL**	**12550**	**1.1**	**84994**	**2.6**

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		
	Jul 05	YTD	+/-†,	Aug 05	YTD	+/-†,	Aug 05	YTD	+/-†,	Aug 05	YTD	+/-†,	Jun 05	YTD	+/-†,
To	+/-†,%	05	%	+/-†,%	05	%	+/-†,%	05	%	+/-†,%	05	%	+/-†,%	05	%
Australia	na	na	na	na	na	na	8.3	64	0.6	46.2	809	46.1	3.6	777	8.9
China	16.6	277	46.1	11.6	621	13.8	18.4	800	20.5	33.6	299	42.7	24.9	625	35.0
Hong Kong	32.0	931	23.0	1.9	282	6.4	11.7	375	10.8	-0.2	837	-0.8	10.6	831	11.7
India	na	39	na	58.1	371	32.5	4.8	753	16.4	59.4	967	40.6	35.6	128	7.0
Indonesia	3.2	451	-0.8	na	na	na	104.4	23	51.5	na	na	na	-31.6	11	10.5
Japan	2.4	963	0.9	10.0	824	7.6	1.8	689	2.1	-10.4	794	0.9	2.0	5970	4.7
Korea	-9.9	249	4.6	2.9	214	-1.6	4.3	344	-1.0	-4.1	175	5.9	6.7	1347	7.0
Malaysia	7.2	697	21.1	-4.9	100	23.4	-2.5	108	1.5	-4.2	452	4.7	-6.0	49	1.4
New Zealand	2.6	2824	7.3	na	na	na	na	na	na	17.6	129	5.1	-2.1	419	-6.6
Philippines	-10.2	90	-8.4	na	na	na	20.4	84	18.4	na	na	na	-17.8	385	-6.9
Singapore	7.8	1975	6.5	21.2	269	21.5	7.7	472	2.2	0.4	790	0.5	-11.4	172	3.4
Taiwan	40.7	149	24.8	6.3	58	2.8	41.3	77	25.7	14.0	62	10.1	-3.9	994	5.9
Thailand	-1.8	471	-5.0	-18.3	247	-17.2	4.1	665	-0.9	4.5	494	8.5	70.0	55	14.2
TOTAL	**8.6**	**11980**	**9.9**	**6.0***	**45518***	**4.9***	**6.7**	**82372**	**9.5**	**3.9**	**119251**	**7.1**	**2.4**	**58242**	**5.4**

Notes: *Paris airports only; total is month earlier. †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, 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$1.34, Y8.08, HK$7.75, ¥116, W1040, MR3.78, NZ$1.43, S$1.69, NT$33.6, B40.8. 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

3 Traffic on international routes of selected Asian airlines, 2005

Airline	Mth	SS 1000	+/- %	RPK mn	+/- %	Jan thru	SS 1000	+/- %	ASK mn	+/- %	RPK mn	+/- %	SF %	+/- pts
Air Macau*	Sep	170	5.2	203	7.2	Sep	1554	18.6	2567	13.4	1837	17.6	71.6	2.6
Cathay Pacific*	Sep	1246	13.8	5328	14.5	Sep	11437	14.0	60879	12.0	48121	14.7	79.0	1.9
China AL	Sep	759	5.3	2648	9.6	Sep	7128	10.6	31445	10.5	24479	9.7	77.8	-0.6
Dragonair*	Sep	416	0.3	538	-1.5	Sep	3693	7.6	7448	7.6	4773	6.7	64.1	-0.6
Eva Air	Sep	480	12.0	1858	11.9	Sep	4464	10.1	21670	6.4	17343	6.1	80.0	-0.2
Japan AL	Sep	1154	-9.1	5737	-4.0	Sep	9885	-6.5	72553	-1.8	49674	-2.8	68.5	-0.7
Korean Air	Jun	932	10.1	4049	12.3	Jun	5358	10.0	30252	9.6	21473	7.9	71.0	-1.2
Malaysia AL	Sep	783	8.4	3563	10.0	Sep	6958	15.6	44027	7.3	31888	16.2	72.4	5.6
Qantas AW	Sep	719	2.6	4647	7.3	Sep	6385	0.0	54040	3.2	41469	4.3	76.7	0.8
Australian	Sep	71	1.4	320	-4.2	Sep	603	2.7	4194	0.4	2815	-1.4	67.1	-1.2
Royal Brunei	Sep	97	-3.5	198	-35.1	Sep	850	-12.4	3787	-14.2	2543	-13.9	67.1	0.2
Singapore AL	Sep	1401	8.7	6808	7.5	Sep	12247	4.8	81040	6.4	59788	5.1	73.8	-0.9
Thai AW	Jul	1152	-3.1	4321	2.9	Jul	7301	-6.8	38005	-0.5	26640	-2.5	70.1	-1.4

Low-fare airline traffic*, 2005

Jetstar	Sep	Jan-Sep
SS,x1000	458	3705
Growth,%	37.1	na
SF,%	79.0	73.6

Virgin Blue	Sep	Jan-Sep
SS,x1000	1229	10172
Growth,%	10.4	12.6
SF,%	81.4	76.9

Air Asia*	Jul-Sep	Jan-Sep
SS,x1000	1194	3497
Growth†,%	-0.8	NA

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 Y-Dec 04	KE Y-Dec 04	QF group Y-Jun 05	SQ Y-Mar 05	TG 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 Dec 04	Aug 05	Sep 05	Growth‡,% stock	market	TBA 100 index* 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 A†	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
Aug 05	28,637	12.8	17,459	9.5	9,781	16.3	8,171	7.6

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
	Aug‡	3,028,125	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	Sep‡	53,905,901	5.3	PATA	NA
Hong Kong-A	Dec	5,013,960	13.2	NTO	11,447
	Sep‡	3,365,364	10.3	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
	Sep‡	10,153,961	2.5	PATA	38,103
Korea-B	Dec	8,825,442	24.5	NTO	8,136
	Sep‡	6,011,414	17.1	NTO	9,499
Macau	Dec	498,437	36.1	NTO	71
New Zealand	Dec	1,733,210	26.1	PATA	1,775
	Sep‡	1,377,850	9.3	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
	Aug‡	5,117,285	10.6	NTO	8,170
Thailand	Apr‡	1,056,604	14.6	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
Aug 05	19,615	27.8	22,907	10.5	8,778	11.4	11,651	0.5

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

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
	Aug‡	3,960,559	20.1	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	Sep‡	1,005,648	48.9	5.0	200.00
China	Sep‡	89,632,790	12.2	7E	100E
foreigners	Dec	16,932,506	48.6	7E	79.13
	Sep‡	14,942,709	24.0	7E	100E
Cook Islands	Sep‡	64,095	6.4	5.0	115.84
Fiji	Oct	419,399	17.5	7.5	124.58
Guam	Jul‡	722,020	8.2	4.0	302.93
Hawaii	Dec	6,892,455	8.6	11.4	179.98
	Sep‡	5,582,761	7.7	11.4	179.98
Hong Kong	Dec	20,062,242	43.4	3.6	79.13
	Sep‡	16,953,651	7.6	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	Aug‡	2,845,927	-5.4	10.0	231.71
Japan	Dec	6,143,000	17.9	9.4	96.95
	Sep‡	5,080,863	9.1	9.4	96.95
Korea	Dec	5,818,298	22.4	6.3	163
	Sep‡	4,441,131	5.4	6.3	163
Laos	Sep‡	793,603	26.9	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
	Aug‡	10,878,740	4.8	4.8	76.95
Maldives	Sep‡	270,262	-41.6	8.8	56.00
Marianas	Sep‡	397,808	-1.4	1.0E	100.00E
Mongolia	Dec†	201,153	-12.1	5.0	100.00E
Myanmar	Jul‡	129,453	-2.7	7.3	70.00
Nepal	Sep‡	184,695	-11.4	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
	Sep‡	1,684,979	3.2	19.2	115.33
Pakistan	Dec	647,963	38.1	5.0	68.06
Palau	Dec	89,161	36.2	NA	NA
PNG	Aug‡	47,639	18.0	5.0	255.48
Philippines	Sep‡	1,907,405	13.1	8.9	132.26
Singapore	Dec	7,671,283	40.0	2.7	327.87
	Sep‡	6,574,310	8.3	2.7	327.87
Sri Lanka	Sep‡	405,585	8.0	9.8	57.00
Tahiti	Jul‡	115,501	-3.7	5.0	223.98
Taiwan	Aug‡	2,196,442	16.2	7.3	212.10
Thailand	Dec	11,726,262	14.8	9.2	111.44
	Apr‡	3,500,250	-9.5	9.2	111.44
Tonga	Dec	17,959	0.8	5.0	56.87
Vanuatu	Sep‡	94,221	32.6	5.0	146.17
Vietnam	Sep‡	2,561,250	19.3	5.4	200.00

International arrivals

City/region	Period	Number	Growth,%	Source	Comment
Bali	Jan-Sep 05	1,166,677	6.7	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	Jul‡	326,255	13.3	1,820,793	14.5
Bangkok	Dec†	2,456,834	9.6	25,825,064	21.5
	Jul‡	2,363,990	6.6	14,985,591	3.5
Beijing	Dec†	654,396	12.4	8,322,625	53.8
	Jul‡	867,084	11.5	5,119,796	16.1
Brisbane	Jul‡	340,955	11.9	2,040,247	14.2
Chennai	Jul‡	238,862	18.4	1,417,322	8.6
Colombo	Jul‡	372,052	-1.4	2,357,261	4.3
Delhi	Jul‡	418,386	18.0	2,947,984	15.3
Guangzhou	Jul‡	275,010	7.1	1,767,732	16.1
Hong Kong	Dec†	3,346,000	11.5	37,125,000	35.3
	Sep‡	3,300,000	8.5	30,237,000	10.8
Jakarta	Jul‡	553,129	5.3	3,283,587	4.2
Kuala Lumpur	Jul‡	1,253,668	18.1	8,087,326	18.9
Macau	Jul‡	379,403	3.8	2,423,614	20.8
Male	Jul‡	78,450	-21.8	511,691	-37.8
Manila	Jul‡	777,819	7.9	5,485,281	8.9
Melbourne	Jul‡	371,294	7.3	2,436,647	10.3
Mumbai	Jul‡	471,799	3.9	3,472,564	11.1
Nadi	Jul‡	130,181	16.1	695,847	13.9
Noumea	Jul‡	34,673	4.7	232,371	7.5
Osaka KIX	Dec†	913,300	-2.0	10,792,359	26.3
	Aug‡	1,044,300	-0.2	7,431,900	6.0
Papeete	Feb‡	65,711	-0.0	NA	NA
Perth	Jul‡	173,677	11.2	1,161,416	13.2
Phnom Penh	Jul‡	73,372	7.1	483,070	5.7
Phuket	Jul‡	67,094	-59.2	371,594	-65.4
Seoul	Dec†	2,081,374	11.5	24,235,807	24.7
	Jul‡	2,440,333	7.5	15,114,684	12.1
Shanghai	Dec†	1,172,699	27.3	12,856,218	54.8
	Jul‡	1,257,232	9.9	8,285,751	20.9
Singapore	Dec†	2,956,668	9.4	30,352,290	23.1
	Sep‡	2,654,697	8.7	23,777,704	7.5
Sydney	Dec†	881,147	7.6	8,942,420	11.9
	Jul‡	855,962	7.1	5,489,692	7.3
Taipei	Dec†	1,429,043	10.8	17,721,939	30.3
	Jul‡	1,897,311	8.4	11,165,335	10.1
Tokyo Narita	Dec†	2,489,994	4.9	30,081,752	17.7
	Aug‡	2,741,545	-3.9	20,163,870	2.2
ASIA PACIFIC-A	Dec†	66,671,662	11.5	781,831,223	20.8
	Jul‡	73,215,752	7.0	465,985,061	5.4

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

11 Operating results of AAPA airlines, 2005

AL	SS,x1000 Aug 05	+/-,%	YTD	+/-,%	RPK,mn Aug 05	+/-,%	YTD	+/-,%
BI	88	-22.8	638	NA	350	-1.2	2461	-7.3
BR	552	14.1	3984	9.9	2130	12.9	15485	5.4
CI	879	9.7	6370	11.2	3070	12.7	21831	9.7
CX	1416	11.7	10192	14.0	5930	14.0	42793	14.8
GA	206	-8.9	1547	-3.5	664	-20.0	4761	-15.0
JL	1127	-5.1	8529	3.3	5768	-3.7	43437	2.4
KE	1100	7.7	7399	9.9	4566	10.1	30214	10.0
MH	819	13.8	6144	16.3	3718	11.9	28325	17.3
NH	325	-1.8	2424	4.3	1501	-5.4	14607	25.6
OZ	585	-6.1	4433	7.2	1393	-18.0	11758	-0.5
PR	259	1.2	2103	6.6	1174	-0.8	9971	6.9
MI	93	5.7	689	5.7	167	4.2	1278	9.5
SQ	1448	5.9	10849	4.4	7126	5.5	52760	4.5
TG	1125	-3.9	8227	-6.7	4280	1.5	30778	-2.4
VN	255	11.4	NA	NA	718	8.6	NA	NA

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

12 Operating results† of AAPA member airlines

Item	Jun 05	+/- %	Jul 05	+/- %	Aug 05	+/- %	YTD 05	+/- %
SS,mn	10.6	5.1	10.9	5.4	10.9	3.7	79.8	6.5
ASKs,bn	59.6	5.8	57.0	4.9	56.8	3.6	444.3	5.2
RPKs,bn	44.4	6.2	43.9	5.7	43.4	4.4	326.5	6.1
Pax LF,%	74.4	0.3*	76.9	0.6*	76.4	0.6*	73.5	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$mn*	Growth %	Per agency US$mn*	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$mn*

Agency	Aug 05	+/-†,%	Sep 05	+/-†,%	YTD	+/-†,%
JTB	389	-17.0	371	-1.9	2796	1.7
Other JTB	363	-0.8	297	5.0	2141	21.7
Hankyu	196	16.0	237	4.7	1752	21.2
HIS	283	10.0	268	12.1	1705	13.2
KNT	173	-6.8	160	-10.6	1196	-2.2
NTA	162	2.2	148	0.0	1097	6.6
NEC	122	9.8	162	12.0	890	6.2
Jalpak	110	-11.3	93	-11.7	745	-3.3
Tokyu	36	-23.5	42	-14.8	309	-6.4
Top 50	**2380**	**-3.3**	**2353**	**1.0**	**16879**	**5.7**

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 Internet bookings/sales of selected companies/markets

Company,item	Period	Number	Previous
Air Asia online booking share	current	45%	40%
Asia online leisure/unmanaged biz (PCW)	2005	$16b	up 31%
Internet for information on AU; JP	2004	45%	30%
Internet for information on AU; JP	2004	45%	30%
Online air bookings/intentions, Hong Kong	next 12 mths	23%/32%	NA
Online hotel bookings/intentions, Hong Kong	next 12 mths	15%/26%	NA
Online air bookings/intentions, Singapore	next 12 mths	45%/69%	NA
Online hotel bookings/intentions, Singapore	next 12 mths	41%/50%	NA

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*†,% 2005	2006	Period	2005	GDP per capita,US$	Inflation period	Growth*,%
Australia	2.6	3.3	Q2:	2.6	19,070	Q2:	2.5
China	8.7	8.0	Q3:	9.4	900	Oct:	1.2
Hong Kong	4.6	4.6	Q2:	6.8	23,260	Aug:	1.3
India	6.7	6.8	Q2:	8.1	470	Sep:	3.6
Indonesia	5.1	5.5	Q2:	5.5	680	Sep:	9.1
Japan	-0.1	0.3	Q3:	1.2	32,520	Sep:	0.0
Korea	3.6	4.5	Q2:	3.3	23,260	Sep:	2.7
Malaysia	4.8	5.3	Q2:	4.1	3,890	Oct:	3.3
Philippines	4.7	5.0	Q2:	4.8	23,260	Sep:	7.0
Singapore	3.8	4.7	Q3:	6.0	20,850	Oct:	1.1
Taiwan	4.1	4.2	Q2:	3.0	23,260	Sep:	3.1
Thailand	4.8	5.6	Q2:	4.4	1,800	Oct:	6.2

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	1.4 Q3	-0.7 Sep	2.0 Oct	1.0 Sep
Japan	3.0 Q3	0.4 Sep	0.0 Sep	1.6 Sep
UK	1.5 Q2	0.7 Sep	1.1 Sep	3.8 Aug
US	3.6 Q3	2.6 Sep	3.2 Oct	2.6 Oct
Euroland	1.5 Q3	0.9 Sep	2.4 Oct	2.1 Q2

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

18 Hotel† measures in Asia Pacific, September

Location	Occupancy,%				Average room rate, local	US$*				Revpar, US$*			
	2005		2004		2005	2005		2004		2005		2004	
	Mth	YTD	Mth	YTD	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD
Auckland	64.7	74.5	64.4	77.6	164.36	93.11	116.89	94.14	95.52	60.20	87.05	60.66	74.13
Bali	85.0	64.0	63.4	61.9	866574	97.15	89.47	76.21	75.18	82.62	57.23	48.35	46.53
Bangkok-all	78.4	74.6	NA	NA	3795.82	88.94	94.54	NA	NA	69.77	70.55	NA	NA
L-4	79.0	76.3	78.4	74.3	1858.47	44.92	46.29	43.31	43.09	35.46	35.31	33.95	32.02
U-4	80.1	71.6	78.0	71.3	2761.36	69.07	68.78	58.17	62.64	55.33	49.26	45.36	44.66
5-star	76.5	77.0	77.2	76.3	5356.14	126.93	133.41	116.63	125.04	97.08	102.71	90.04	95.41
Beijing-all	86.4	76.4	NA	NA	925.60	126.36	112.65	NA	NA	109.12	86.08	NA	NA
L-4	90.5	81.9	90.8	81.5	614.70	82.98	74.81	74.43	66.06	75.08	61.28	67.56	53.82
U-4	85.0	74.3	81.5	65.4	1057.36	141.32	128.68	129.10	113.27	120.15	95.61	105.16	74.11
Fiji	84.6	75.4	90.6	70.9	217.78	136.38	130.03	115.77	110.62	115.32	98.08	104.93	78.47
Ho Chi Minh City	61.9	66.5	59.2	55.2	1138577	74.05	71.86	65.71	67.20	45.86	47.78	38.91	37.11
Hong Kong-all	83.7	82.7	NA	NA	1101.43	151.26	141.56	NA	NA	126.56	117.07	NA	NA
3-star	86.6	84.6	88.5	89.1	576.61	74.65	74.11	74.52	65.13	64.68	62.67	65.98	58.00
L-4	89.6	87.1	87.7	89.4	787.32	109.35	101.19	92.38	83.38	97.99	88.16	81.01	74.54
U-4	80.7	81.0	77.6	81.3	1097.81	157.71	141.09	128.06	116.15	127.25	114.29	99.41	94.48
5-star	76.5	77.3	75.9	74.1	1907.85	261.95	245.20	228.13	208.52	200.33	189.53	173.05	154.47
Jakarta U-4	60.2	54.6	51.7	48.9	720295	72.31	74.37	69.25	66.13	43.56	40.58	35.78	32.33
Kuala Lumpur-all	79.9	77.0	83.0	77.2	274.48	72.61	72.46	66.03	65.57	58.01	55.82	54.78	50.60
L-4	81.9	79.4	NA	NA	188.63	50.96	49.80	NA	NA	41.73	39.52	NA	NA
U-4	78.4	75.3	NA	NA	341.21	89.29	90.08	NA	NA	70.02	67.85	NA	NA
Manila-all	75.0	78.1	74.0	74.6	3816.98	68.37	69.04	64.31	63.90	51.27	53.92	47.57	47.69
L-4	81.0	81.7	NA	NA	3135.75	55.44	56.72	NA	NA	44.88	46.33	NA	NA
U-4	71.0	75.9	NA	NA	4263.34	78.14	77.12	NA	NA	55.51	58.55	NA	NA
Melbourne	73.7	75.1	75.7	76.3	186.58	144.64	143.09	127.78	126.96	106.53	107.46	96.72	96.87
Pattaya	51.4	63.7	55.8	61.5	2151.78	51.59	53.59	45.93	48.52	26.51	34.14	25.61	29.84
Penang	58.0	53.9	59.3	61.8	182.70	42.02	48.23	52.62	53.02	24.36	26.00	31.19	32.77
Phuket	41.6	45.0	71.2	71.3	2446.97	68.09	60.95	59.07	87.19	28.31	27.43	42.03	62.20
Seoul	76.6	72.9	72.9	73.3	180280	177.66	176.53	156.14	149.50	136.11	128.73	113.82	109.54
Shanghai	80.6	73.0	85.3	78.7	1093.13	149.59	133.04	153.97	115.17	120.58	97.14	131.40	90.64
Shenzhen	74.9	72.3	74.6	77.0	651.71	77.64	79.31	76.46	73.63	58.13	57.35	57.03	56.72
Singapore-all	84.8	81.6	NA	NA	164.95	100.57	99.32	NA	NA	85.26	81.02	NA	NA
L-4	86.7	84.2	84.2	79.6	114.06	69.79	68.68	55.76	55.56	60.54	57.86	46.97	44.25
U-4	87.4	85.7	84.3	78.7	202.75	123.22	122.08	109.46	97.34	107.73	104.57	92.23	76.60
5-star	79.3	74.0	77.6	71.5	234.43	141.25	141.16	133.19	121.29	112.01	104.44	103.37	86.77
Sydney	67.4	75.3	79.9	79.3	185.93	145.63	142.59	124.57	121.03	98.11	107.32	99.53	95.94
Taipei	68.4	72.3	71.8	70.5	4122.34	126.99	129.51	121.38	111.59	86.84	93.66	87.09	78.71
Tokyo	73.0	72.6	73.0	72.8	22433	193.50	206.79	198.30	209.68	141.30	150.08	144.78	152.68
Asia Pacific-total	**75.0**	**73.1**	**75.4**	**73.2**	**na**	**110.15**	**108.39**	**100.37**	**96.48**	**84.04**	**80.53**	**76.70**	**71.10**

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. jUnrepresentative 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

Des-Cendant

Cendant *Corporation plans to divide itself into four independent, publicly traded, companies – real estate, travel distribution, hospitality, and vehicle rental.*

The transaction is expected to be completed in summer 2006. Names for the new companies have not been announced, but 'Cendant' is due to vanish.

Cendant's best-known hotel brands are Days Inn, Howard Johnson, Ramada, Travelodge, and it has just bought the Wyndham brand. Other travel companies in the group include Avis (outside Europe and Australia), Budget, Galileo, RCI (timeshare), Ebookers, Gullivers, and Octopus.

That description almost explains the stunning mistake the company is making. It claims the move will "maximise value for shareholders". Probably true, but should it have added the word "today"?

Share of Cendant's 2005 travel revenue, %

Division	Revenue	Operating profit
Travel network	18-20	21-23
Hospitality	12-14	16-18
Car rental	27-29	15-17

Notes: Balance is real estate. RCI in Travel Network; moved from Hospitality this year. Source: company.

For tomorrow, the corporation should have begun to realise the synergies of being what we call the world's largest travel group – by some measures. After next summer, then Ebookers might sign with Hertz, and Avis may do (more) deals with, say, Hilton. And so on.

Still surprising are the number of senior management people that do not seem to realise the travel industry is an industry in itself. It is not the hotel industry or the airline industry or the travel-distribution industry.

But there are signs of uncertainty. For instance, Cendant has moved RCI from Hospitality – where of course it belongs – to Travel Network, which is mainly about distribution. Who thought of that one?

Cendant's competitors – which means not just Travelocity but InterContinental, Hertz, and so on – must be mightily relieved. A nice year-end present for them.

Maldives: hotel trends

Although the Maldives is still suffering in terms of falling visitor numbers, there are a number of interesting hotel resort developments:

• Four Seasons is due to open its second hotel around May 2006. Before the tsunami, the plan was to open it in January.

FS's tsunami-damaged hotel – which is still closed – is expected to reopen a few months later. FS is taking advantage of the closure by upgrading the hotel. It took over the hotel only shortly before it was due to open, and it was a lower physical standard than most FS resorts. (It was to be a Concorde Resort, the hotel-operating arm of the owners, Singapore-based Hotel Properties.)

• The Hilton has reopened after a 15-month, US$35mn renovation. This includes 79 new beach villas, new swimming pool, spa – and what is claimed to be the world's first undersea restaurant.

• Six Senses, whose brands include Soneva and Evason, has introduced a tree house in its 700sqm "jungle reserve" at Soneva Fushi.

• Next big-name hotel is the Shangri-La, originally due in 2006, but possibly running late, with an opening expected in 2007.

Gulf airlines boom

Fast expansion planned by airlines in the Gulf region, including the biggest order numbers for the double-deck A380 aircraft:

Emirates *leads growth in the region. The Dubai-based airline now flies to 77 cities – and has plans to start services to Abidjan, Beijing, and Hamburg in the next few months, and double frequencies to Dusseldorf and New York. Earlier this year, it started routes to Alexandria (Egypt), Mahe (Seychelles), and Seoul.*

But Emirates is facing increasing competition from airlines based in neighbouring countries – with a similar business plan.

Qatar Airways *aims to match Emirates' tremendous growth "but at a far quicker pace". The airline now flies to 70 cities; at the start of this year, the network covered only 56!*

This winter, Qatar plans to start routes to Berlin, Madrid, and Nairobi, and has announced plans for a service to Hong Kong. One of Qatar's strength is services to smaller markets like Cebu, Yangon, or even Berlin.

The other new challenger is ***Etihad*** *– the official airline of Abu Dhabi (an emirate, and the capital of the UAE, United Arab Emirates). Despite being only two years old, the airline already flies to 23 cities. The latest added have been Brussels, Johannesburg, and Toronto. Next are Beijing, Jakarta, Manchester, Manila, Paris in 2006, then Milan in 2007.*

That leaves Bahrain-based ***Gulf Air****, which was launched as the national airline of all these countries. Abu Dhabi sold its share in Gulf Air earlier this year, leaving ownership with Bahrain and Oman.*

Gulf Air is now concentrating on its Bahrain hub, and also has plans to expand routes. In December, it is due to start flights to Dublin and Johannesburg, growing its network to 44 cities.

Briefs

• Back on track?

New Orleans' *resilience and energy following Hurricane Katrina is starting to show results.*

Historical structures around the French Quarter and tourist areas – like the CBD, Warehouse and Arts District, Garden District, and Algiers – suffered the lightest damage. Most of the city's historic homes and buildings remain intact.

Many hotels are spending money on restoration and beautification programs as in general they were not badly damaged; about 80% of pre-Katrina capacity is now available.

In October and November, 12 hotels reopened – including Hilton, Holiday Inn, Marriott, Omni, Sheraton, and W. Another four are due to reopen by early 2006, including the InterContinental. Also, most US airlines have already restarted their flights into New Orleans.

Despite the battering that ***Mexico****'s Yucatan peninsula received from hurricanes this year, authorities still expect the country will surpass the 21mn visitors counted in 2004. That looks tough, although growth was over 10% in the first nine months.*

• The ***Oneworld*** *airline alliance is likely to get two new airline members: Royal Jordanian has been accepted, and Japan Airlines has applied to join. Both are likely to become full operating members before end-2006.*

• ***American Express*** *expects domestic and shorthaul economy class air fares worldwide to increase by an average 3-6% in 2006, and international longhaul business class fares to increase 3-5%.*

Hotel rate increases are forecast to be lower – 1-3% mid-market and 3-5% at the high end.

Unsurprisingly, there are considerable regional variations in the forecasts. In Asia Pacific, fares in shorthaul EC are expected to increase 2-3%, while shorthaul fares in North America could increase 5-8%, and in Europe just 0-0.5%.

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