



INTERNATIONAL
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U.S. COMMERCE DEPARTMENT FORECASTS STRONG REBOUND IN INTERNATIONAL TRAVEL TO THE UNITED STATES IN 2010-2015

The U.S. Department of Commerce (DOC) projects international travel to the United States will return to a growth mode in 2010. Visitor volume is expected to increase nine percent in 2010 followed by six-to-nine percent annual increases through 2015.

The rebound would completely offset the five percent decline in arrivals registered in 2009, the first decline in visitors since 2003. Visitor volume grew 41 percent between 2003, the low visitor volume level over the past ten years, and 2008, the record year for arrivals.

The forecast for 2010-2015 predicts that the record for total arrivals will be broken for each of the five years of the forecast. International arrivals will reach almost 83 million, an increase of 51 percent from 2009 through 2015.

In 2010 all but three of the top 25 origin countries will post increases in visitor volume. The largest increases in 2010 will be from China (40%), Brazil (35%), Korea (35%), Hong Kong (27%), New Zealand (24%), and Australia (19%).

The October forecast represents a significant upward revision from the April 2010 forecast and reflects stronger growth forecasted through 2015 from the dominant arrivals market, North America (+48% total growth), and from the emerging regions of Asia (+101%) and South America (+92%). Individual country performances over the next five years will be led by China (346%), Brazil (198%), South Korea (171%), and India (123%). The forecast also considers the affect beginning in 2014 that could result from the national marketing efforts by the new Corporation for Tourism Promotion (CTP), established by the Travel Promotion Act of 2009 (TPA). The CTP's goal is to promote the United States as a premier travel destination to international travelers.

The U.S. travel forecast was prepared by staff in the Department of Commerce/Office of Travel & Tourism Industries using economic/demographic/social factors, Commerce historical visitation trends, input from the DOC Commercial Service staff abroad, and other numerous and varied sources. The Department does not forecast traveler spending, but spending per visitor typically moves in the same direction as changes in visitor volume. Thus, when visitor volume increases – as is forecast for each of the years 2010-2015 – visitor spending typically increases by an even greater level. The

same often occurs for declines; in 2009, visitation declined five percent, but visitor spending declined 15 percent.

Forecast Highlights by Region

North America: The top two markets generating visitors to the United States – Canada and Mexico – are forecast to increase in 2010 by ten percent and nine percent, respectively, and to grow by 47 and 49 percent, respectively, from 2009 to 2015. Canada and Mexico would both set new records annually beginning in 2010.

Europe: Visitors from Europe are expected to increase by one percent in 2010, followed by additional slow growth for the next three years. By 2015 arrivals from Europe will be 25 percent higher than the 2009 total, largely due to anticipated strong TPA marketing impact beginning in 2014. The United Kingdom, Germany, France and the Netherlands are projected to have rates of change between minus four and plus three percent in 2010 compared to 2009 visitor levels. Higher growth is forecast for Sweden (+11%), Italy (+7%), Spain (+7%), and Switzerland (+6%). Following a 23 percent decline in 2009, Ireland is forecasted to post additional declines in 2010 (-13%) and in 2011 (-1%). Total growth through 2015 from Europe is the smallest of any region (+25%).

Asia-Pacific: Asia is projected to generate a visitor increase of 19 percent in 2010, and then post smaller but steady annual increases over the next several years for a total 97 percent increase from 2009 to 2015. The largest Asian market and second-largest overseas market, Japan, is forecast to increase by 13 percent in 2010 and post much slower growth through 2015. Very high growth rates are expected for China (40%), South Korea (35%), and India (15%). Similarly, these three countries are expected to have among the largest total growth rates of any country over the 2009 -2015 period. China is expected to increase a total of 346 percent through 2015, even higher than South Korea (+171%) and India (+123). As a region, Asia is expected to increase 101 percent and Oceania is expected to post a 71 percent growth in visitors through 2015. Australia dominates the Oceania region and is projected to grow 19 percent in 2010 and 78 percent between 2009 and 2015.

South America: South America is projected to increase by 16 percent in 2010, one of the highest growth rates of any region and should remain a leader in arrivals growth rates for the next several years. By 2015 South America will generate more than 5.3 million visitors, a 92 percent increase compared to 2009. Brazil, the largest source market in the region, is expected to increase 35 percent in 2010 and produce a record 1.2 million visitors. By 2015 the United States could host a record 2.7 million Brazilian visitors, a 198% increase over 2009. Argentina is forecast to post an increase of 17 percent in 2010 and increase a total of 69 percent by 2015. Colombia should have solid growth in 2010 (12%), but Venezuela (-10%) is expected to join Ireland and United Kingdom as the only top-twenty five origin countries with declines this year.

Travel and tourism is the largest services export industry for the United States and has produced a trade surplus since 1989. For official information on international travel to the United States, including additional information on the forecast for travel to the United States for 2010-2015 for all world regions and 40 countries, please visit:

<http://www.tinet.ita.doc.gov/>

The Office of Travel and Tourism Industries has visitation data for more than 200 countries that generate visitors to the United States, as well as visitation data for each world region. To learn more about international visitation and visitor spending in the United States, access the 2010 data tables, and to read additional analyses of these data, please visit:

http://www.tinet.ita.doc.gov/outreachpages/inbound.general_information.inbound_overview.html

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