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U.S. COMMERCE DEPARTMENT FORECASTS REBOUND IN INTERNATIONAL TRAVEL TO THE UNITED STATES BY 2010

The U.S. Department of Commerce projects international travel to the United States to regain its footing by 2010 following its first forecasted year of decline (2009) since 2003. Reflective of the current global economic environment, international travel is forecasted to decline by 8 percent in 2009. A 3 percent rebound is projected for the United States by the end of 2010, followed by 5 percent annual increases through 2013.

In 2009 twenty-two of the top 25 arrival markets will post declines. The largest declines in 2009 will be from Taiwan (-17%), Ireland (-14%), Sweden (-13%), Mexico (-12%), United Kingdom (-12 %), and Netherlands (-10%).

These declines come after the United States hosted a record 58 million international visitors in 2008. The arrivals forecast for 2009-2013 predicts that the 2008 record will be broken in 2012 and in 2013. International arrivals will reach almost 64 million, an increase of 9 percent between 2008 and 2013.

The U.S. travel forecast was prepared by the Department of Commerce in conjunction with IHS Global Insight, Inc. (GII). Forecasts are derived from GII's econometric travel forecasting model and are based on key economic and demographic variables as well as DOC consultation on non-economic travel factors as well as providing the count and historical arrivals data for the United States.

Forecast Highlights by Region

North America – The top two markets generating visitors to the U.S., Canada and Mexico, are forecasted to decline by 6 percent and 12 percent, respectively, in 2009, and to grow by 13 and 5 percent, respectively, from 2008 to 2013. Canada and Mexico are forecast to set new records in 2011 and 2013, respectively.

Europe – Visitors from Europe are expected to drop by 8 percent in 2009, the second largest decline among the world regions. Very small growth is forecast for 2010, followed by slow growth for the next three years. By 2013 arrivals from Europe will be one percent higher than the 2008 total. The United Kingdom is projected to post a 12 percent decline in 2009. Germany, France and Italy are the next largest arrivals

markets within the region. Germany is forecasted to decline by eight percent in 2009, and France and Italy will fall by 1 and 6 percent, respectively. Among the top European markets, five countries are projected to have a 2013 visitor volume level that remains below the 2008 level—United Kingdom, Spain, Ireland, Sweden, and Belgium.

Asia-Pacific – Asia is projected to generate a decline of 11 percent in 2009—the largest decline among the world regions—and then post four-to-seven percent annual increases over the next several years. The largest Asian market and second-largest overseas market, Japan, is forecast to drop by 13 percent in 2009, and then recover in 2010. Japan will continue to post slow growth through 2013, so that the United States will host 3.1 million Japanese visitors, down four percent from 2008. Korea will post a large decline in 2009 (-9%), and Australia, India and China will register smaller declines, but by 2013 all of the top Asian markets will post double digit increases when compared to 2008. China will increase by 64 percent compared to 2008, India (50%), Korea (12%), and Australia (16%).

South America – South America is projected to increase by one percent in 2009, and remain a leader in the growth in arrivals for the next several years. By 2013 South America will generate more than 3.2 million visitors, a 27 percent increase compared to 2008, and the highest growth rate among all of the world regions. Brazil, the largest source market from within the region, is expected to be up 6 percent in 2009. By 2013 the United States may host a record 1.1 million Brazilian visitors, a 41% increase over 2008. Argentina is forecast to post an increase of 5 percent in 2009 and increase a total of 30 percent by 2013. Venezuela and Colombia will register small declines in 2009, but rebound over the next several years.

Travel and tourism represents one of the top services exports for the United States and has produced a travel balance of 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 2009-2013 for all world regions and over 40 countries, please visit <http://www.tinet.ita.doc.gov/>

The Office of Travel and Tourism Industries publishes 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 2008 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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