



EUROPEAN TRAVEL COMMISSION

COMMISSION EUROPEENNE DU TOURISME

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PRESS RELEASE

EUROPEAN TOURISM IN 2011 - TRENDS & PROSPECTS (Q3/2011)

Brussels, 25 October 2011. The European Travel Commission (ETC) has just published its second quarterly report on ***European Tourism in 2011 - Trends & Prospects***.

The following gives a brief overview of the report for the third quarter of 2011.

The full report can be downloaded from ETC's corporate website under the link below.

- Signs of economic weakness have led us to revise down our global economic growth forecast to 2.8% in 2011 and 3.1% in 2012 (at market exchange rates).
- And risks to this forecast are skewed to the downside, coming from three different fronts: i) an escalation of the Eurozone debt crisis including financial contagion, ii) the possibility that the US falls back into recession, and iii) a hard landing in the emerging economies and China in particular. Each of these three scenarios could be sufficient to tip the world back into recession.
- On the whole, the travel recovery is continuing. However, the rate of expansion is slowing with few exceptions.
- European airlines have experienced robust demand growth through September. With only one exception, weekly growth rates have been above 6% and have averaged a rate of nearly 8% over this period. And seat capacity has nearly kept pace with demand, producing stable load factors.
- Through August, room demand has grown nearly 4% and been especially strong in Eastern and Southern Europe, with occupancy rates up 7.3% and 5.2%, respectively. Although occupancy growth has been relatively weak in Western Europe (2.4% YTD), room rates have performed well above average, growing 4.8%.
- By the end of 2011, we expect international visits to Europe to have surpassed records set in 2008.
- However, the economic landscape presents a challenging environment for travel. We expect European inbound travel to slow markedly, to 2.3% in 2012 from 5.6% in 2011. The core Eurozone countries are most exposed to the downturn and are projected to experience.

Ends.

The full report can be downloaded from ETC's corporate website under the following link:
<http://www.etc-corporate.org/market-intelligence/reports-and-studies.html>

Note to editors:

The European Travel Commission is an association of National Tourism Organisations (NTOs). It was created in 1948 to promote Europe as a tourism destination to the long-haul markets outside Europe, originally in the USA and later in Canada, Latin America and Asia. It currently has 35 member NTOs, including 9 from outside the European Union. ETC is an independent body which is financed entirely by annual membership contributions and partnership funding.

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Press Releases: <http://www.etc-corporate.org/press/current-press-releases.html>

For further information: ETC's corporate website www.etc-corporate.org is aimed at industry, government and educational personnel interested in tourism to Europe.

Tourists seeking travel-specific information and ideas are directed to ETC's consumer portal www.visiteurope.com