

# WEEKLY REPORT

14 April 2023



## ECONOMIC, POLITICAL AND SOCIAL UPDATE

### **Joe Biden is in Ireland this week to address Irish parliament**

On 11 April, US President Joe Biden was welcomed to Northern Ireland by British prime minister, Rishi Sunak. Biden's visit marks the 25th anniversary of the 1998 Good Friday Agreement, which largely brought an end to the 30 years of bloodshed in Northern Ireland.

Then, on 13 April, Biden visited Michael D Higgins, the Irish president, in his home in Dublin before later travelling to Farmleigh House to have a bilateral with Leo Varadkar, the Irish prime minister. The US president's official visit to the Republic of Ireland came to a close with an address to both houses of Parliament, the Dáil and the Seanad, in which he emphasised both American support for the Good Friday peace deal and his own pride in his Irish roots.

### **IMF predicts interest rates are likely to fall to pre-Covid levels**

With interest rates in major economies expected to fall due to low productivity and ageing populations, the International Monetary Fund (IMF) has said increases in borrowing costs are likely to be "temporary". Since December 2021, The Bank of England has been raising interest rates, taking them from 0.1% to 4.25%. This has caused a rise in mortgage payments for many homeowners. In nations such as the UK, Europe and the US, central banks have been lifting interest rates to combat the rising rate of prices, otherwise known as inflation.

Inflation is at its highest for 40 years in the UK due to soaring food costs and rising energy prices, partially as a result of Russia's invasion of Ukraine. However, the IMF has predicted that the recent increase in real interest rates are likely to be temporary.

### **UK economy will avoid recession despite no growth in February**

The Office for National Statistics (ONS), has said that an increase in construction

activity and boost in retail has been offset by strike action and walkouts by teachers and civil servants in the month of February. This has resulted in no economic growth in the UK economy, despite a surprise jump of 0.4% in January.

Jeremy Hunt, the chancellor of the exchequer, has said the UK's economic outlook is brighter than expected and the UK is on track to avoid recession, despite February's flat performance. Hunt noted that GDP in the UK has grown by 0.1% in the three months prior to February.

## TRADE UPDATE

### **Spending on travel continues to rebound faster than other sectors**

According to new data from Barclays, spending on travel - particularly with travel agents - is continuing to rebound faster than all other areas of non-essential spend, despite the ongoing cost of living squeeze. Consumer card spend on travel grew by 24.3% year-on-year in March, the single biggest increase of any of the 13 main sectors tracked by Barclays. This compares with a 6.6% fall in spend growth on household matters and 3.4% fall in spend growth on clothing. The uptick for travel was even more pronounced in terms of spending specifically with travel agents, which is up by 30.1%, and with airlines, up by 28.5%. It comes as further evidence that Brits are reluctant to give up their holidays, despite the challenging economic environment.

### **More holidaymakers looking to travel during shoulder seasons this year**

More Europeans are planning to take an off-peak holiday this year, according to new data. The European Travel Commission (ETC) found nearly 30% of travellers intend to take an overnight trip between April and May, representing a 6% increase on 2022.

The shift in behaviour comes, the ETC said, due to rising travel costs due to inflation, personal finances and the ongoing war in Ukraine. Luis Araujo, president of the ETC, said: "It is encouraging to witness that more travellers choose off-peak summer travel to avoid overcrowding and peak prices."

### **Manchester and Stansted edge closer to 2019 passenger levels**

Manchester and Stansted airports are within reach of pre-pandemic passenger numbers, latest figures confirm. Data shows Stansted are reaching 94% of pre-pandemic totals and Manchester 92%. Stansted's figures were up 32% year-on-year and Manchester's 30%.

Manchester airport managing director Chris Woodroofe said: "We've put in a range of new measures this year to give people a great experience", among these measures are a queue monitoring system and 100-person resilience team that can troubleshoot a range of issues. Stansted managing director Gareth Powell added: "We are recruiting even more colleagues to join our teams and have kicked-off a number of upgrades to enhance the passenger experience".

### **Eurostar marks route milestone with huge carbon savings claim**

Eurostar has claimed the launch of its London-Amsterdam route five years ago has saved more than 83,000 tonnes of carbon being released into the atmosphere. More than 1.6 million passengers have now journeyed between London and the Netherlands since the inaugural service in 2018. According to Eurostar, this equates to in excess of 10,000 aircraft loads, with a single passenger's carbon footprint from a London-Amsterdam flight estimated to be equivalent to seven Eurostar journeys.

## **AIRLINE UPDATE**

**Aer Lingus** - Aer Lingus has increased seat capacity on its Manchester to New York services as the route now operates on an Airbus A330 for the first time in the company's history. Seat capacity will increase by 72% over the summer, and customers can now choose from 270,000 seats on sale from Manchester to the US in the airline's biggest summer schedule to date.

**British Airways** - British Airways will revive its Gatwick-Sharm el Sheikh route this winter. Flights will be operated by BA's Gatwick subsidiary Euroflyer four times a week from 3 November. BA believes it can make the route profitable by using a single-aisle Airbus A320 which will do a return day trip.

**Delta** - Delta Air Lines has returned to Gatwick after an absence of 15 years, beginning a daily New York JFK service. The carrier will use a refurbished Boeing 767-300 featuring a Delta One business class cabin, Delta Comfort+ premium economy and main cabin. Delta's return also coincides with its 45th anniversary of beginning flights to the UK.

**Ryanair** - Ryanair has condemned the European Union after more than 600,000 passengers faced cancellations this year due to air traffic control (ATC) strikes. Ryanair said passengers "could easily be protected without impeding on French ATC unions' right to strike". The airline called for the protection of French overflights using minimum services laws as used in Greece, Italy and Spain. It also suggested allowing other nations' ATC to manage flights over France during strikes.

## TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

**Abercrombie & Kent** - Abercrombie & Kent will offer its first North Pole expedition cruise next year. The cruise over 10 - 27 July 2024 will be led by A&K's expedition team and will head to the planet's northernmost point. The voyage will also feature expert-led lectures, opportunities to participate in scientific research projects and learn seamanship skills and more about Polar survival.

**Crystal** - Crystal will sail a 125-day world cruise on the Crystal Serenity from San Diego to Miami in 2024. Guests also have the option to extend their voyage to include the Panama Canal, which would lengthen the cruise to 141 nights and enable guests to sail roundtrip. The cruise will visit at least 60 destinations in 29 countries and will also feature shore excursions curated by sister company Abercrombie & Kent.

**Seabourn** - Seabourn has unveiled more than 40 sailings across autumn 2024 and spring 2025 – including returns to Abu Dhabi, Jamaica's Port Antonio and the Columbian city of Santa Marta. The luxury line will also return to Isabel Segunda in Puerto Rico and Taiwan's Penghu Islands as part of its schedule, which offers voyages throughout the Caribbean, Asia and Middle East.

## SOCIAL UPDATE

### **Twitter implements 50% ad reduction incentive for Twitter Blue subscribers**

Twitter has now implemented its long-promised initiative to reduce the number of ads that Twitter Blue subscribers see in the app. When Twitter chief Elon Musk outlined his plan for the new Twitter Blue package, he promised that subscribers would eventually see half the ads in the app. While subscribers will encounter 50% fewer ads in the main timelines, they will still see similar amounts of promoted tweets and other ad initiatives.

### **YouTube adds new reminder button for upcoming live streams**

YouTube has added a new 'Notify Me' call to action button on upcoming live-stream listings, which will help creators maximise viewership of their broadcasts by keeping their fans updated on in-progress streams. With these live reminders, users that have expressed an interest in upcoming broadcasts will be able to get a notification when a live stream begins making it easier to stay on top of broadcast times and could see more users tuning in.

## MICE UPDATE

### **VisitEngland announce 12 new Local Visitor Economy Partnerships**

VisitEngland has announced 12 destinations to gain Local Visitor Economy Partnership (LVEP) status. The LVEPs support collaborative working locally and nationally on shared priorities and targets to grow the local visitor economy while reducing fragmentation and bringing coherence to its DMO landscape. Marketing Cheshire, Experience Oxfordshire, Cornwall and the Isles of Scilly, Visit Hull and East Yorkshire, Visit West, Marketing Manchester, Visit Peak District, Derbyshire and Derby, Visit Hertfordshire, Visit Kent, Liverpool City Region, Cumbria Tourism, and Birmingham, Solihull and the Black Country join the programme alongside the North East DDP pilot LVEPs NewcastleGateshead Initiative, Visit County Durham and Visit Northumberland.

## LIGHTER NOTE

### **Lighter note**

Animals in London Zoo enjoyed an Easter egg hunt. See more [here](#).