



## ECONOMIC, POLITICAL AND SOCIAL UPDATE

### **Bank of England considering bigger-than-expected rate cuts**

Bank of England Governor Andrew Bailey suggests that interest rates may need to be cut soon to maintain the 2% inflation target, potentially faster than market expectations. Despite holding rates at 5.25%, Bailey hints at future reductions, possibly exceeding current market forecasts. The decision, with a 7-2 vote among policymakers, reflects a backdrop of falling inflation and solid growth. Bailey and Deputy Governor Sir Dave Ramsden express optimism about inflation trending downwards. The Bank's recent economic assessment shows a rebound from recession and expects inflation to stabilise near the target, particularly with food prices. Investors now anticipate rate cuts as early as June, forecasting a reduction to 4.75% by the end of the year.

### **The Conservative Party face significant setbacks in local elections as losses mount**

Rishi Sunak's Conservative Party faced significant losses in elections across England and Wales, prompting concerns among Tory MPs and underscoring Prime Minister Boris Johnson's challenges in avoiding a potential general election defeat. Labour made gains in key battlegrounds, dealing a blow to the Tories. With nearly half of their defended seats lost and a substantial swing in favour of Labour in the Blackpool South parliamentary by-election, the Conservatives saw a net loss of 371 council seats by Friday night. Labour leader Sir Keir Starmer hailed the results as "a very good day" for his party, indicating a positive trajectory for Labour, though not necessarily a landslide victory. Poll projections suggested Labour leading with a nine-point margin, prompting reflections on potential outcomes in a future general election.

### **Prince Harry at London Invictus Games event but will not meet King**

During a brief UK visit, Prince Harry attended an event at St Paul's Cathedral commemorating the 10th anniversary of the Invictus Games, a sporting competition he founded for injured service men and women. While he spoke there, the King

hosted a garden party nearby. Despite their close proximity, they didn't meet due to the King's busy schedule. Prince Harry's presence drew crowds, emphasising his ongoing royal engagements despite living in California. The absence of other royals highlighted his increasingly independent role.

## TRADE UPDATE

### **Cold and wet weather boosts overseas holiday bookings**

A third of people are prioritising overseas summer holidays as bad spring weather has put a dampener on domestic trips, new data reveals. Almost two fifths (39%) of the 2,000 people asked are hoping to escape the wet and cold in search of sunshine, according to Barclays research. The bank's consumer card spending report for April shows travel agents having a positive month, rising 7.1% – the same level as March – as holidaymakers booked summer getaways.

### **UK market to New York City tops one million for first time since pandemic**

The UK has maintained its position as the number one international market to New York City, with projections of a return to pre-pandemic visitor numbers in 2025. Travel Weekly reported that the UK market accounted for 1.03 million visitors in 2023 and is forecast to deliver 1.19 million in 2024 on the back of increased airlift. Prior to the pandemic, 1.27 million visited in 2019."

### **Dublin Airport ready for a great summer**

Between May and August, Dublin Airport is expecting more than 10 million passengers, ranging from sunseekers to business travellers and everything else in between. According to Dublin Airport Managing Director Gary McLean: "We've been listening closely to passenger and staff feedback and have identified a whole host of improvements that will improve the passenger experience at Dublin Airport for the summer months and beyond".

### **British Airways Holidays Travel Trends Report 2024**

British Airways Holidays has partnered with travel trend forecasting agency Globetrender to produce the 2024 Travel Trends Report which identifies the latest trends and habits that are transforming the way consumers travel. Their research shows the top three most searched holiday package destinations on 'ba.com' for travel in 2024 are New York, Orlando and Dubai.

The report also states that 45% of all UK holidaymakers said they are most likely to travel off-peak in 2024 or 2025, that 78% of travellers have been inspired to visit a destination that featured in a movie or TV show and that 1 in 6 UK holiday makers that use TikTok for inspiration have booked a trip as a direct response to content they have seen on the platform.

According to the report, the top travel trends are, Season Stretching: Travelling during the quieter months outside of peak summer. Long-lead Bankrolling: Travellers are now searching for holidays more than six months in advance. Destination Swaps: Swapping popular destinations to avoid over tourism and to save money. Offline Holidays: Travellers urged to 'take their holiday seriously' as 42% of UK working adults do not take their full annual leave allocation. Location Scouting: Travellers inspired to visit locations that feature in a movie or TV show.

## AIRLINE UPDATE

**Emirates** - Emirates will restart flights to Edinburgh on November 4 after operations were cancelled in 2020. The plans come as the airline unveiled the nine destinations it will serve with its new A350 aircraft. The first of 10 A350s will begin operation in September, with the rest added by March 31, 2025.

**British Airways** - High demand is being seen as a "continuing trend" as British Airways and Aer Lingus owner International Airlines Group reported being "well-positioned" for the summer peak. The projection came as the airline reported a reduction in first quarter net losses to €4 million from €87 million in the same period last year. IAG produced an improved operating profit of €68 million in the three months to March 31, against €9 million in the first quarter of 2023 as capacity grew by 7% year-on-year. Total group revenue was up to €6.4 billion from €5.8 billion year-on-year.

**Etihad** - Etihad Airways' earned as much in the first three months of 2024 than the whole of last year on the back of a strong surge in passenger revenue. The improved performance came as passenger carryings rose by 41% year-on-year to 4.2 million in the first quarter and the net quarterly profit of \$143 million grew compared with \$16 million in the same period last year. The rise in total revenue reflected an increase in network capacity and passenger numbers, according to the Abu Dhabi-based carrier.

## TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

**Audley Travel** - A private concierge service is being introduced by Audley Travel dedicated to high net worth individuals. A private travel manager will handle arrangements and build up a rapport with high end travellers. The private travel manager will act as a consistent contact for the client, regardless of when and where they travel. The tailor-made operator's most experienced destination specialists will help recommend the most appropriate accommodation and experiences.

**Baldwins Travel** - Kent-based Baldwins Travel has expanded again with the acquisition of Westerham Travel for an undisclosed sum. The addition of Westerham Travel, based in the Kent town of the same name, brings the Baldwins' retail network to 11 shops. Its 10th shop recently opened in Grantham, Lincolnshire – the first store outside the southeast region in Baldwins' 129-year history.

**MSC Cruises** - MSC Cruises has agreed a new two-year partnership with Emirates to help deliver fly-cruises in Dubai. The operators have worked together for the past 10 years as part of efforts to “enhance the guest experience” and support tourism growth in the Middle East. For the next two years, passengers will be able to book fly-cruise holiday packages with MSC Cruises, which includes Emirates return flights from 21 airports across Europe and South America.

## SOCIAL UPDATE

### **TikTok shares insights into their role in product discovery**

According to a new study by TikTok and Material, 61% of TikTok users discover new brands and products on the platform, which is 1.5 times more than any other social media platform. Other data shows that 29% of TikTok users are 1.3 times more likely to say ads on the platform lead them to discover new products / brands versus ads on other platforms. This research shows that TikTok is highly effective in grabbing user attention and getting them to follow up and search for more information, making the platform key for advertisers.

### **Meta tests Instagram to Threads cross-posting**

Meta has confirmed it's testing a new feature which will enable Instagram users to crosspost their updates directly to Threads. In this new feature, before uploading a post to Instagram, users will have the option to turn on sharing directly to Facebook and now Threads. Crossposting will allow content creators and brands to maximise their audience with little effort and enables efficiency and consistency in messaging across platforms.

## MICE UPDATE

### **The Power of Events puts out call for schools ambassadors**

The Power of Events has engaged more than 3,000 school pupils on its Schools Engagement Programme pilot in the East of England - and is now looking for eventprofs to help inspire the next generation by becoming one of its schools ambassadors. Launched in January, the pilot aims to introduce pupils aged 13-18 to the range of opportunities within the events industry. Following this initial success,

The Power of Events is set to expand the programme across additional regions in the UK, starting in the autumn term in September 2024. The scalable model, backed by pilot tested processes and feedback results, aims to engage all 4,210 secondary schools across all four nations within the next five years.

## LIGHTER NOTE

A deaf toddler from Oxfordshire is now able to hear after becoming the first patient in the world to receive a new gene therapy. More [here](#)