

WEEKLY REPORT

6 May 2022



COVID-19 UPDATE

Between 29 April 2022 and 5 May 2022, 77,154 people in the UK had a confirmed positive Covid-19 test result. This shows a decrease of -31.5% compared to the previous seven days. Between 25 April 2022 and 1 May 2022, 7,444 people went into hospital with coronavirus. This shows a decrease of -25.1% compared to the previous seven days. There were 11,256 patients in hospital with coronavirus on 4 May 2022.

In England, the government suggests wearing a mask in "crowded and enclosed spaces where you may come into contact with other people you do not normally meet". Face coverings are still required in healthcare settings, although patients no longer need to socially distance themselves from each other in NHS hospitals, GP surgeries and emergency departments. If someone tests positive for Covid-19 they are no longer legally required to self-isolate, but are advised to stay at home and avoid contact with others for at least five full days.

Scotland's legal restrictions on face coverings have come to an end - but the Scottish government says it strongly recommends wearing a mask in indoor public spaces and on public transport. In Wales, masks are no longer required in shops or on public transport - although they are recommended - but they remain compulsory in health and social care settings. The legal requirement for people to self-isolate if they have Covid-19 has also ended - although doing so is strongly advised. Wales will maintain some testing measures until the end of June. In Northern Ireland the government recommends that face masks are still worn in certain places, such as enclosed public spaces and health and social care settings. People with Covid-19 symptoms are advised to get tested and self-isolate.

ECONOMIC, POLITICAL AND SOCIAL UPDATE

Conservatives lose seats in local elections

Local elections took place across England, Wales, Scotland and Northern Ireland on Thursday 5 May, with early results showing a mix of gains and losses for various parties. The Conservatives have lost control of key London councils to Labour, including Wandsworth where the Conservatives held seats since 1978. Prime minister Boris Johnson has said that his party faced a "tough night" in some parts of England, with early results from Scotland suggesting similar losses. The Liberal Democrats have gained a net 78 council seats so far - the most of any party - and the Greens are also doing well, with Labour making fairly modest gains elsewhere in England. Counting is still ongoing meaning the full results are not expected until Saturday.

More Mariupol evacuations due

United Nation's chief Antonio Guterres has said a third operation to evacuate civilians from the besieged Ukrainian city of Mariupol is due today, as further fighting was reported at the Azovstal steelworks, where the remaining Ukrainian resistance in the city is holding out. Around 200 civilians are believed to be hiding in bunkers at the steelworks. Ukrainian deputy prime minister Iryna Vereshchuk said on social media that the evacuation operation would happen at around midday, while Guterres added everything should be done to "get people out of these hellscapes".

Prime minister says the UK will cope with inflation

Interest rates have this week risen to 1% from 0.75%, their highest level since 2009 and the fourth consecutive increase since December. The Bank of England has warned the UK faces a "sharp economic slowdown" this year as it raises interest rates to try to stem the pace of rising prices, whilst Boris Johnson said the UK was better positioned to deal with spiralling inflation now compared to the 1980s and 1990s.

Wealthy Russians flee to Dubai

Dubai has emerged as a haven for wealthy Russians fleeing the impact of western sanctions over the war in Ukraine. Business leaders said Russian billionaires and entrepreneurs have been arriving in the United Arab Emirates (UAE) in unprecedented numbers, with Dubai property purchases by Russians surging by 67% in the first three months of 2022. The UAE has not imposed sanctions on Russia or criticised it publicly over its invasion of Ukraine. The Middle Eastern country is also providing visas to non-sanctioned Russians while many western countries have restricted them, with hundreds of thousands of people estimated to have left Russia over the last two months. Property agents in Dubai have reported a surge in prices due to the increased Russian demand.

Shell profits nearly triple

Energy giant Shell has reported its highest quarterly profits, making \$9.13bn (£7.3bn) in the first three months of the year – nearly triple the \$3.2bn profit it announced for the same period last year. The news comes as oil and gas prices surge around the world, partly due to the invasion of Ukraine and Russia being one of the world's major exporters. In light of western nations pledging to cut dependence on Russian energy, Shell announced it was pulling out of Russian oil and gas, costing it \$3.9bn (£3.1bn).

TRADE UPDATE

Booking intentions 'stronger' despite economic squeeze

Consumer intentions to book holidays abroad have strengthened despite heightened concern about the cost of living, according to the latest research. A Kantar TGI survey in April found 16% of UK adults have already booked their main summer holiday this year and 20% plan to book – of whom 78% plan to go abroad – despite three quarters being "worried about the rising price of life" (77%), repercussions of the war in Ukraine (75%) and 41% being unable to afford their energy bills. Kantar found the desire to holiday abroad increased markedly in recent months, rising from 28% agreeing "I'm desperate to book a holiday abroad" last September to 36% in January and 42% in February. By contrast, those intending to holiday in the UK has settled at about two in five since September.

May half-term sales 'nearing pre-pandemic levels'

Sales for this year's May half-term have reached similar levels to those seen during the same period in 2019, the Advantage Travel Partnership has revealed. Speaking at the Advantage Conference in Madeira on Saturday (30 April), leisure director Kelly Cookes said data from its Advantage Managed Service (AMS) members show departures are down 5% compared to pre-pandemic figures. Cookes said sales "continue to be strong on a daily basis" and expects 2022 departures for the half-term period to exceed those in 2019 by the middle of May. "Sales continue to show that UK consumers are keen to get away in May and that the appetite for travel remains strong," Cookes added

European airlines 'lead' air travel recovery despite Ukraine war

European airlines have continued to "lead the recovery" in passenger traffic with the impact of the Ukraine war on demand being "quite limited" so far, according to the latest figures from airlines association IATA. Total global air traffic in March was up by 76% compared to the same month in 2021 but was still 41% below pre-pandemic levels. Europe has seen the strongest recovery in air travel with a rise of more than 400% compared with March 2021. Capacity from European airlines was also up by 225% year-on-year, while load factors climbed by 28 percentage points to 72.7%.

Croatia removes all Covid-19 entry requirements, whilst Spain keeps entry rules in place

Croatia has dropped all Covid-19 restrictions for UK travellers, with the Croatian National Tourist Office saying: "All travellers entering Croatia can now do so under the same conditions of entry that were in force before the Covid-19 pandemic, i.e. with valid travel documents." Meanwhile, Spain has extended Covid-19 restrictions until 15 May in a move that puts it out of line with competitor destinations. Measures imposed in July 2020 which could affect family holidays will remain in place until at least the middle of this month, the Majorca Daily Bulletin reports. UK travellers can enter Spain and its islands provided they are fully vaccinated or have recently recovered from Covid-19 and have proof. Children under 12 can enter restriction-free. However, those aged 12 to 17 must take a PCR test within 72 hours before departure or show full vaccination or a recovery certificate.

New Zealand welcomes UK visitors following border reopening

New Zealand's international borders reopened to fully vaccinated visitors from all visa waiver countries, including the UK, on Monday (1 May). Fully vaccinated travellers from visa waiver countries can now travel to the destination without needing to isolate on arrival, providing they show evidence of a negative test taken prior to departure. A negative antigen test is still required on arrival and on day five/six.

AIRLINE UPDATE

Air Transat - Air Transat has relaunched its Gatwick-Montreal service for the first time since 2019. The carrier will initially offer three flights a week before moving up to a daily service by the middle of summer. Meanwhile, on 12 May, Air Transat will launch a non-stop route to Quebec City with a direct, weekly service from Gatwick. The carrier has also increased its Gatwick-Toronto service from three times a week to daily, with plans to fly twice daily by the middle of summer. Return fares from Gatwick to Montreal start from £353pp, to Quebec City from £352pp and to Toronto from £348pp, all based on selected dates throughout summer 2022.

British Airways - British Airways owner IAG expects to return to profit in the current quarter as demand "recovers strongly" for the group's airlines, but they still face "challenges" in ramping up capacity. IAG, which also owns Aer Lingus, Iberia and Vueling, said that premium leisure was its best performing market segment, while business travel is now at its highest level since the start of the pandemic more than two years ago. Luis Gallego, IAG's chief executive, said: "As a result of the increasing demand, forward bookings remain encouraging. We expect to achieve 80% of 2019 capacity in the second quarter and 85% in the third quarter. North Atlantic capacity will be close to fully restored in the third quarter."

Lufthansa - Lufthansa has forecasted a "record summer for holiday travel" following a "significant increase in demand", despite recording a loss of €584 million for the first quarter of the year. Carsten Spohr, Lufthansa Group chief executive, said: "The past few weeks have clearly shown how great people's desire to travel is. New bookings are increasing week to week especially for vacation and leisure travel."

Qantas - Australian airline Qantas has ordered 12 Airbus A350-1000 aircraft which will be used to launch the first non-stop flights between London and Sydney. The first services are likely to take off in 2025 with journeys lasting around 19 hours.

Wizz Air - Wizz Air achieved an 83% load factor in April as the budget carrier benefited from returning passenger numbers. The figure is a return to a near-normal proportion of seats sold, with 3.6 million people travelling on the airline, a 564% increase on the same month last year. Last month also saw the carrier open its base at Cardiff, with nine new routes including Egypt.

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

Classic Collection - The operator's 2022/23 collection has been released, adding flexibility to winter departures from 16 UK airports and a choice of more than 150 accommodation options. Classic Collection Holidays has put its choice of 2022/23 winter sun escapes on sale, with destinations including Spain, the Canary Islands, Mallorca, Portugal, Madeira, Cyprus, Morocco, Egypt, Gibraltar, Malta and Gozo. The luxury operator is guaranteeing flight flexibility from a choice of 16 UK airports with any airline that serves the respective destination.

ITC Travel Group - ITC Travel Group is considering whether to give travel agents access to bespoke documents giving an overview of a destination's travel requirements. The documents, which could be made available via its agent online portal, cover around 150 destinations and are put together in house by the tour operator. Chief operating officer Lisa Smith said: "We get amazing feedback from customers to say how much they help and we are now in discussions about whether to put them on to the agent portal. We always want to provide relevant information and help agents."

Original Travel - Original Travel has unveiled its new 'Dopamine Travel' collection, designed to inspire happiness and wellbeing for its guests. The collection blends colourful destinations with vibrant smells, sights and sounds, along with fulfilling experiences. Tom Barber, founder of Original Travel, said: "Dopamine travel fits well with the new trend we have identified for 'Gratifications' - guilt-free trips that clients are planning and booking as a treat to themselves post-pandemic. As travel picks up, more people are wanting the holiday of a lifetime, something to remember and an experience to share with others. Dopamine travel is a way of doing exactly that: finding a destination bursting with colour, visual aesthetics and feel-good vibes as a reward. Dopamine is known as a happy hormone and that's what we want our clients to experience when they go on a holiday with us."

Prestige Travel - Formerly known as Prestige Holidays, the operator has refreshed the brand, unveiled a new managing director and logo and renewed its agent commitment. Along with the rebrand, the operator is putting more emphasis on tailor-made breaks utilising its specialist knowledge of Australia, New Zealand, Canada, Italy, Croatia and more to develop this side of its business. A new website is undergoing a major revamp and will feature a dedicated agent hub for booking, invoicing and amending.

SOCIAL UPDATE

LinkedIn continues to see 'record levels' of engagement

Microsoft has reported a 34% YoY increase in LinkedIn revenue to \$3.44 billion. It's also continuing to see 'record levels' of user engagement with active LinkedIn sessions growing 22% in the latest quarter alone. A big focus for LinkedIn has been adding more tools to help creators and solopreneurs maximise opportunities. Next, it will likely focus on improved integration of live-stream events, video tools, newsletters and additional subscription options which could offer big opportunities beyond B2B.

Instagram expands live testing of 90 second Reels

Instagram is now expanding its test of 90-second Reels. Meta reported that Reels now make up more than 20% of the total time users spend on Instagram. After it removed its in-stream video ad placements option, the next step will be to reduce the length of all video uploads. This will align with the broader push towards making video content more compact, translating all content into a full-screen, immersive, TikTok-like feed, in line with emerging social media trends.

MICE UPDATE

The Meetings Show reveals education programme

The Meetings Show, the UK's leading platform for the world's meetings and events community, has unveiled its education programme for this year's event. The programme will be delivered at the 10th edition of the show on 29 - 30 June at ExCeL London, featuring strategy-focused content delivered by industry experts.

Forty-nine sessions will take place covering five key areas: innovation and trends, technology, meetings design, my learning and personal development and marketing. More than 85 speakers will cover over 22 hours of content, exploring subjects such as the agency-client partnership, the metaverse, event marketing, data, mental health and greenwashing.

Erica Oghoghorie, conference and content manager at The Meetings Show, said: 'In an era of information overload, we are thrilled to bring together the greatest minds of the industry from corporations, agencies, and associations to distil strategy-focused content that counts towards establishing a shared vision for a sustainable, innovative, and equitable industry of tomorrow. Our content aims to align with the industry's new demands, break innovation barriers, and gain insight into how global players evolve, leading attendees from traditional practices to disruptive and purpose-driven ones.'

LIGHTER NOTE

On this day in 2004, the final episode of the popular sitcom *Friends* aired. It was watched by 52 million viewers. See more [here](#).