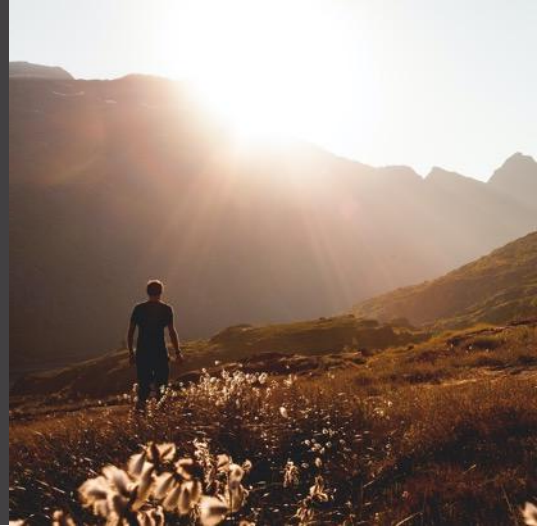


# WEEKLY REPORT

5 May 2023



## ECONOMIC, POLITICAL AND SOCIAL UPDATE

### King Charles III coronation

The coronation of King Charles III and Queen Consort Camila is taking place on Saturday 6 May. Buckingham Palace has revealed details about the events that will unfold, as Britain crowns a new monarch for the first time in more than 70 years. The last coronation that took place was that of late Queen Elizabeth II in 1953. Since her death in September 2022, King Charles ascended the throne and the royal family has seen several role changes.

Past coronations have involved a number of traditional rituals. However, it is understood that Charles wishes to have a more modern ceremony and may forego some lengthier rituals. A statement from Buckingham Palace said that His Majesty's coronation will 'reflect the monarch's role today and look towards the future, while being rooted in long-standing traditions and pageantry.'

### Local elections 2023: Polls open across England

The Polls are open for the biggest round of elections in England since 2019, with millions of people expected to vote for councillors and mayors. About 8,000 councillors are being elected for 230 councils, as voters chose who they want to run services in their local area. Voting takes place between 07:00 and 22:00 BST, with results due on Friday. The first results are expected just after midnight on Friday morning, with 65 councils counting votes overnight. Polling experts say the Conservatives are in for a difficult night but that losses of fewer than 500 seats will leave them hopeful.

### **'Best ever' Alzheimer's drug can slow disease by a third**

In half of patients, the drug; donanemab, completely halted mental decline for more than a year, researchers found in a breakthrough discovery that ushers a new era of treatment for dementia. On Wednesday 3 May, US pharmaceutical giant Eli Lilly announced that its drug donanemab delays the worsening of symptoms by 35 per cent. Experts described the results as 'remarkable' and British scientists hailed the trial results as 'hugely exciting', while the Alzheimer's Society said the drug signalled 'the beginning of the end of Alzheimer's disease'

### **UK house prices in surprise rise in April, says Nationwide**

UK house prices rose by 0.5% in April after seven consecutive months of falls, according to the Nationwide building society. Economists had been expecting average prices to decrease during the month, following the falling of prices since August last year, after Liz Truss's mini-budget sparked turmoil on financial markets and drove up borrowing costs. Nationwide is now predicting a 'modest recovery' in the housing market as mortgage rates start to come down. However, Nationwide has said that any improvement would be 'fairly pedestrian' as household finances remain under pressure and average earnings have been failing to keep pace with inflation.

### **UK watchdog plans to shake up stock listing rules**

The UK's financial watchdog has announced plans to shake up its rules in a bid to attract more companies to list shares on the UK stock markets. The plans come after British tech firm Arm and other businesses have shunned the UK and chosen to list in the US. The Financial Conduct Authority (FCA) said its proposals would simplify regulations to make the UK 'more competitive' with stock markets abroad.

## **TRADE UPDATE**

### **Trade plans promotions, parties and closures to mark the King's Coronation**

Travel firms are gearing up to mark the coronation of King Charles III, with some of the country's largest agencies closing for the day to allow staff to watch the event. Hays Travel, Midcounties Co-operative Travel and Fred Olsen Travel branches will be among those shut on May 6.

### **Growing leisure travel demand helps BA owner upgrade profit projections**

British Airways owner International Airlines Group has upgraded its full year projections as it flew back into profit during the first quarter - for the first time since pre-pandemic in 2019. The company reported an operating profit, before exceptional items, of €9 million against a loss of €741 million in the same three months to March 31 last year. BA also returned to profit in the quarter for the first time since the same period in 2019.

### **US specialists tip sales rise as Covid entry rules relaxed**

Operators and agents expect US sales to rise thanks to the axing of Covid-19 vaccination requirements for non-American arrivals from May 12. Guy Novik, founder of trade-only specialist USAirtours, saw a “mini spike” in enquiries, which rose 10% after the news broke on Monday.

### **China eases Covid-19 testing rules for all travellers**

The Chinese government has eased its Covid-19 testing requirements for all international arrivals. As of 29 April, those entering the country will be able to take a lateral flow test 48 hours before boarding their flight instead of a PCR test. According to an updated travel advisory from the UK Foreign Office, travellers must declare their negative test result by filling in the Health Declaration Form via the China Customs website, or through the China Customs App or WeChat account. Airline officials will no longer check test results, but upon arrival in China, visitors' test results may be checked by officials at customs.

## **AIRLINE UPDATE**

### **Air Transat Ramps Up Services From Gatwick In Time For Summer**

The airline will operate daily flights from the London hub to Montreal as well as twice-daily services to Toronto. The new schedule will come in addition to Air Transat's weekly flights to Quebec City, which will operate between 24 June and 17 September. Commercial director for the UK and Ireland Sonia Kurek said the carrier – which first started operating from Gatwick 35 years ago – is “well placed” to satisfy the soaring number of people looking to travel to the country.

**United Airlines aims for Heathrow green fuel supply this year**

United Airlines plans to use a blend of sustainable aviation fuel (SAF) from Heathrow later this year as the London hub joins a growing network of supply points. The addition of supply at the London hub could put the US airline on track to use about 10 million gallons this year, nearly three times more than 2022 and close to 10 times more than 2019.

**Emirates And Etihad Expand Interline Agreement To Boost UAE Options**

Emirates Airline and Etihad Airways have signed a Memorandum of Understanding (MoU) to expand their interline agreement and provide travellers additional itinerary options when visiting the UAE. The agreement between the two carriers aims to capitalise on opportunities to boost tourism to the UAE from source markets by enabling visitors to experience more than one destination in a single itinerary. This summer, customers of each airline will be able to purchase a single ticket to fly into either Dubai or Abu Dhabi, with a return via the other airport. The new agreement also provides travellers planning to visit the UAE with the flexibility of one-stop ticketing for their full journey and baggage check-in.

**TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE****Saga Cruises to honour Camilla, Queen Consort with coronation celebrations**

Saga Cruises is hosting coronation-themed events on Spirit of Discovery in honour of its godmother, Camilla, Queen Consort, and King Charles III. The vessel will depart Portsmouth on May 6 for a 15-night Spain and Balearics cruise. Passengers can watch the coronation ceremony on board in the ship's theatre, drink a "specially created" cocktail and listen to the Orpheus Male Voice Choir, which will perform before before the ship departs, at which time the National Anthem will play.

**TUI boosts Greece offering ahead of increased 2024 capacity**

Tui has enhanced its offering to Greece ahead of the addition of 220,000 seats in and out of the country in 2024. A range of accommodation to suit different customer types will be on offer across the region, such as Tui Blue Sensatori, smaller properties and villa holidays. Richard Sofer, commercial director for Tui UK and Ireland, said: "Summer 2023 is shaping up to be a strong season with Greece taking one of the destination top spots for our customers. "Greece is popular with repeat customers with them having the option to have a different holiday experience each time they visit."

### **American Affair launches trade site**

American Affair, the sister operator of Canadian Affair, has launched a website to support the bookings made by agent partners, along with a May Love2shop incentive. Hot on the heels of 80% growth in trade bookings over the last 12 months, American Affair has doubled down on its trade interaction with a new website to help agent partners sell holidays across the USA.

### **P&O Cruises offers booking discounts on 2023-24 sailings**

P&O Cruises has launched a range of booking discounts as part of its coronation celebrations. The line is offering £100 off Balcony cabin bookings, £70 off Sea View cabin bookings, and £50 off Inside cabins bookings until May 9. The savings are available on a per person basis and applicable on seven-night sailings departing between October 2023 and November 2024.

## **SOCIAL UPDATE**

### **Instagram updates policies around UGC**

Instagram is renaming its Branded Content Ads to Partnership Ads and updating its policies around affiliate marketing. Instagram will also enable brands to promote more types of user generated content (UGC), not just the posts that use the Paid Partnership label. Creators will be able to switch on the 'allow brand partner to boost' option giving businesses the capacity to use their posts for ads. Brands will then be able to initiate the campaign process, with creators able to approve selected partnerships for use in paid promotion. This will provide a new range of ways for brands to monetise UGC, expanding the pool of potential ad partners.

### **Meta adds new feedback options on Reels**

Reels are the fastest-growing content format on Meta and with this in mind, they are adding new, simplified feedback control options on Reels clips. At the top of the three dots menu on any Reels clip, users will be able to select a new 'show more' and 'show less' option to register their content preferences. Meta will also prompt users for direct feedback at the bottom of the screen, in order to better align their algorithmic recommendations with their interests.

## MICE UPDATE

### **Hotel transactions see 18% decline in 2022 as interest rates surge**

According to HVS' latest annual European Hotel Transaction Report, hotel transactions for 2022 totalled €13.3bn (\$14.4bn USD), an 18% fall on the previous year as the impact of the Russian invasion of Ukraine, rising energy and food costs and high interest rates hit investor confidence. Portfolio sales dropped 25% on the previous year, with total volume at €4.5bn (\$4.9bn), with London seeing the highest level of portfolio deals. The post-COVID era was expected to have been a story of strong recovery in the hotel investment market. However, the Russian invasion of Ukraine in February 2022, which fuelled huge increases in energy and food prices, overall inflation and therefore interest rates, resulted in a mixed picture for hotel transactions for the year. Total volume in 2022 fell short of 2021 by 18%, with 37 fewer transactions. Prices per room achieved higher levels on average than in 2021, led by significant price increases in portfolio transactions.

## LIGHTER NOTE

### **Lighter Note**

A new offering from Uber allows users to book a horse and carriage Uber in London during the coronation this weekend. Uber will offer the 'Coronation Carriage' in Dulwich Park, London.