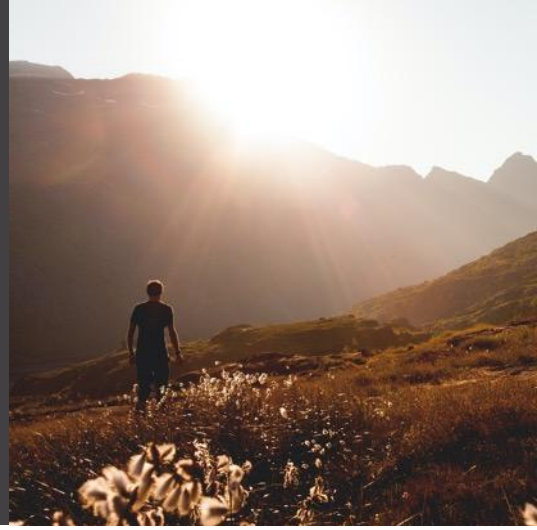




WEEKLY REPORT

16 May 2025



ECONOMIC, POLITICAL AND SOCIAL UPDATE

UK Economy Posts Strongest Growth in a Year

The UK economy grew by 0.7% in the first quarter of the year, marking its strongest performance in a year and surpassing economists' expectations. The growth, driven by the services sector, increased investment, and a boost in net trade, is seen as a political win for the Labour government amid broader economic challenges.

Prime minister Sir Keir Starmer welcomed the figures as evidence of the economy's resilience, though critics pointed to recent tax increases, such as higher employer national insurance contributions, as potential drags on growth. The UK's performance outpaced the Eurozone and the US, where GDP growth was weaker or negative. Despite the upbeat data, concerns remain as institutions like the OBR and IMF have downgraded future growth forecasts.

Source: [Financial Times](#)

Business Leaders Call for Reset in EU-UK Economic Relations

As protectionist pressures rise globally, business leaders from the UK and EU - represented by the CBI and BusinessEurope - are urging political leaders to prioritise economic cooperation over past Brexit tensions ahead of the upcoming EU-UK summit. In a joint letter to prime minister Keir Starmer and European Commission president Ursula von der Leyen, they outline actionable proposals to strengthen the EU-UK relationship.

Key recommendations include linking emissions trading schemes, easing cross-border service mobility, reducing regulatory red tape, and forming agreements on food standards and professional qualifications. Business Leaders stress that these steps are pragmatic, not political, and essential for delivering mutual prosperity in an increasingly unstable global environment.

Source: [Financial Times](#)

NHS Backlog Grows Again as Government Faces Tough Health Targets

The NHS waiting list in England has increased for the first time in seven months, rising to 7.42 million patients at the end of March. This uptick challenges the Labour government's efforts to show progress in reducing the healthcare backlog. While some improvements were noted - such as a drop in the number of people waiting over a year for treatment - overall delays persist.

The government attributes the seasonal rise in demand to typical springtime pressures and maintains that strides have been made since last July. However, the figures raise doubts about meeting next year's interim goal for treatment timelines, as the administration drafts a 10-year NHS reform plan aiming to deliver lasting change and restore public confidence.

Source: [Financial Times](#)

UK Considers Cutting £20,000 Cash ISA Allowance in Savings Market Overhaul

UK ministers are weighing a reduction to the £20,000 tax-free cash ISA allowance as part of broader reforms aimed at channelling more money into the UK stock market. The potential cap was discussed in recent meetings between the Treasury and senior executives from major banks and investment platforms. Supporters of the cut argue it could shift savers away from cash holdings - currently the most popular ISA type - toward equities and UK-listed investments.

The Treasury has yet to decide on the final threshold, but the move would represent a first major change to the UK's savings system since ISAs were introduced in 1999. Chancellor Rachel Reeves has expressed support for cultivating a stronger culture of retail investing to boost economic growth.

Source: [Financial Times](#)

TRADE UPDATE

Abta pledges to 'continue to make case on need to learn COVID-19 lessons'

Luke Petherbridge, director of public affairs, attended a round-table discussion on Tuesday, May 13 to remind the government of the issues the industry faced during the pandemic, as well as the positive impact it continues to make to the UK economy following its "remarkable bounce back".

Abta also used the opportunity to highlight to the government how crucial the travel sector is for the growth of the UK economy. Chief executive Mark Tanzer said: "We did also take the opportunity to stress the remarkable bounce back in international travel once UK restrictions were lifted, emphasising the value travel brings to the UK economy and its role in driving growth.

Source: [Travel Weekly](#)

Sales and Prices Resilient Amid Record-Late Booking Trend, Says Advantage

Travel sales and pricing remain strong despite a growing trend of increasingly late bookings, Advantage Travel Partnership delegates heard during their conference in Malta this week. Speaking on 14 May, Kelly Cookes, Advantage's chief commercial officer, noted that nearly 40% of bookings over the past three weeks were for departures within the next 12 weeks, an unprecedented figure. "It's huge, higher than I've ever seen it," she said.

Advantage highlighted that this isn't just a case of late bookings, but of significantly last-minute travel planning, with the current month repeatedly generating the highest volume of bookings. Additionally, the group noted a growing trend of multi-generational travel, with a third of families now opting for holidays that include several generations.

Source: [ITG](#)

Travel Agents Resolving Nearly 90% of Client Issues, Advantage Research Finds

Travel agents are resolving nearly nine out of ten issues faced by their clients, according to new research released by the Advantage Travel Partnership. The survey of 2,000 UK adults, commissioned ahead of Advantage's 2025 conference in Malta, revealed that travellers are increasingly relying on agents when problems arise, following years of travel disruption.

The findings show that nearly a quarter of respondents had experienced accommodation-related issues on a recent holiday, while 19% reported problems with flights. Among those who encountered difficulties, 33% said they turned to their travel agent for support. Of that group, 86% said their agent successfully resolved the issue. The research underscores the vital role travel agents continue to play, not just in planning trips, but in providing reliable assistance when things go wrong.

Source: [ITG](#)

British Airways owner shrugs off Trump tariffs amid 'robust' demand for key routes

British Airways' owner IAG is still experiencing "robust demand" for its crucial transatlantic market, despite the impact of US president Donald Trump's economic and tariff policies in recent months.

The transatlantic market "continues to be a major area of strength" for IAG, with BA focused on "strengthening its network" to North America, including the addition of extra flights to destinations such as Austin and Washington DC. IAG recorded a year-on-year increase in revenue of 9.6% to €7 billion in the first quarter, despite the impact of Easter being held in April this year and the closure of Heathrow on 21 March due to a fire at a nearby electricity substation.

Source: [ITG](#)

AIRLINE UPDATE

Global Airlines - Global Airlines celebrated a milestone with its first Airbus A380 flight from Glasgow Airport to New York JFK on May 15, 2025. Led by founder James Asquith, the airline aims to redefine transatlantic travel with an elevated onboard experience. This maiden flight marks the beginning of Global Airlines' ambition to bring back the "Golden Age of Travel," promising superior service and comfort on the world's largest passenger plane.

Source: [Aviation A2Z](#)

Icelandair - Icelandair will operate a new Edinburgh to Reykjavik service from September to April, flying up to four times a week between Keflavík International Airport and Edinburgh Airport. The first flight will launch on 12 September and provides direct connectivity to Iceland's capital city and onward transatlantic connections, allowing passengers to add a stopover in Iceland at no additional airfare.

Source: [Yahoo](#)

Qatar Airways - Qatar Airways has agreed to buy up to 210 jets from American manufacturing giant Boeing, according to US president Donald Trump, who announced the \$96bn (£72.4bn) order as part of his tour of the Middle East. John Grant of aviation analytics firm OAG said the Qatar Airways deal was "an important statement for Boeing in terms of re-establishing" itself in the market.

Source: [BBC](#)

Singapore Airlines - Singapore Airlines reported a record annual net profit on Thursday, boosted by a one-off gain from the merger of Air India and Vistara. While the airline carried a record annual number of passengers and described demand as robust, increased capacity in the industry drove ticket prices down, while fuel and expenditure rose, squeezing profit margins.

Source: [Reuters](#)

TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

Advantage Travel Partnership - Advantage Travel Partnership has revealed its annual turnover increased by £550 million during its 2023/24 financial year after welcoming more than 50 new branches to its network – more than five times the £100 million uptick it recorded the previous year. The growth, which came in the period from 1 October 2023 to 30 September 2024, spans both Advantage's leisure and business travel segments, and comprises existing members expanding their operations as well as new businesses joining the network.

Source: [ITG](#)

Classic Collection - Classic Collection parent company On the Beach is confident the B2B brand will return to profitability in the second half of 2025 despite a disappointing start to the financial year. In the six months to 31 March, Classic reported a £1.3 million operating loss, down from the £200,000 profit recorded the previous year

Source: [ITC](#)

TUI - Tui has warned of pricing pressures in some family destinations as it revealed the summer 2025 market had returned strongly following the late Easter this year. Tui Group chief executive Sebastian Ebel said global travel demand was “robust”, but agreed there had been some reluctance to book from families earlier this year.

Source: [ITC](#)

SOCIAL UPDATE

Meta introduces new features to its Edits App

Meta has introduced new creative features to its ‘Edits’ video editing app. A new beat marker tool now allows users to align video clips more easily with audio using beat markers. The ‘Inspiration’ tab has been updated to make it simpler to reuse audio tracks from other clips as well as replicated video styles. Lastly, the app now includes a wider range of animations and filter effects.

Source: [Social Media Today](#)

TikTok launches new function to animate still images with AI

TikTok has introduced ‘TikTok AI Alive,’ a new feature that transforms still images into videos for TikTok Stories. This feature is only available with TikTok’s Story Camera and utilises AI to produce short-form videos. Stories created with this effect will include a label to indicate AI-generated content.

Source: [TechCrunch](#)

MICE UPDATE

60% of event planners say work affected by geopolitics

Published by the International Association of Professional Congress Organisers (IAPCO), the Global Socio-Political Impact Survey of 2025 quantifies the fallout from the last two years of global unrest on planners, venues, and delegates worldwide.

According to the findings, 60% of respondents said that conflicts had impacted their ability to plan or host international events - either moderately (45%) or significantly (14%). A further 25% reported cancellations, postponements, or relocations of meetings due to safety concerns or regional instability. Adding to

the complexity is mounting policy pressure, particularly in light of the Trump Administration's freeze on international academic travel, which has raised new barriers for research exchange and international collaboration.

Source: [AMI \(Association Meetings International\)](#)

LIGHTER NOTE

While paddleboarding with friends near Big Pine Key, Florida, on 26 March, Charity Clark noticed a crab trap buoy moving strangely. On closer inspection, they discovered a shark entangled in a fishing line and Clark bravely freed it with her bare hands. See video [here](#)