

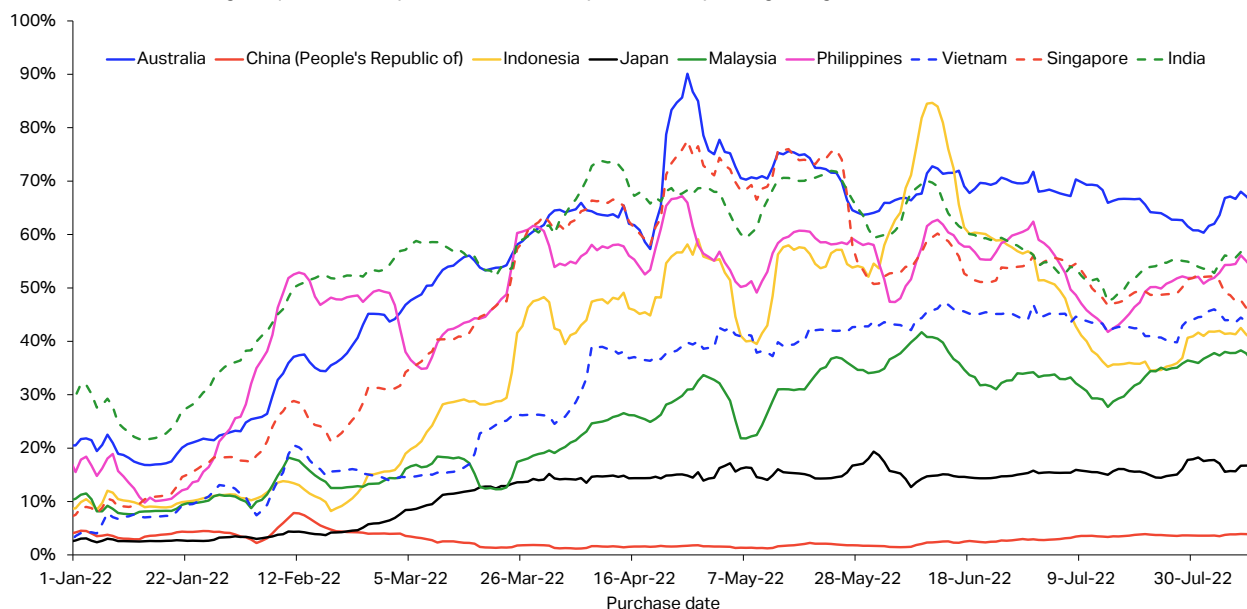


IATA Economics' Chart of the Week

26 August 2022

Easing restrictions met with high demand in Asia Pacific

International forward bookings to specified country, % versus the same day in 2019, 7-day moving average



Source: IATA Economics using DDS

- Travel and entry policies within the Asia Pacific region have evolved disparately since the beginning of this year. At the regional level, international connectivity is recovering at an accelerating pace. However, among the countries in the region, widely different outcomes can be seen as some major markets remain closed. The pace of the air traffic recovery is primarily driven by eased entry conditions. Countries that ease travel restrictions benefit from a steep increase in bookings.
- When the Australian government decided to reopen the country to tourists, international bookings for travel to the country jumped from 57% of pre-pandemic levels to 90% in April 2022. Similarly in Indonesia, bookings have reached 84% of 2019 levels in June 2022 thanks to the lifting of travel restrictions from January this year. In India, an earlier lifting of restrictions meant that international bookings rebounded faster compared to other countries. Travelers for business and tourism purposes have been allowed to enter the Philippines without a visa since February, allowing that country's international bookings to rise quickly to around 50% of pre-pandemic levels since February 2022. Singapore, an important aviation hub that relies solely on international traffic, presents a clear case on the benefits of border re-opening as it witnessed an increase in international bookings to more than 70% of pre-pandemic levels in April and May 2022. On the other hand, China and Japan remain almost fully closed to international visitors and traffic, a situation that contrasts greatly with the recent developments in the region.
- Those countries' travel policies will hamper GDP growth in other Asian destinations as they are top sources of tourists in the region. Chinese tourists predominantly traveled to Asian destinations in 2011-2019, with France and the US being the only two non-Asian countries featuring in the top 10 places visited by Chinese tourists. Of the 1.9 million outbound Chinese tourists in the first quarter of 2022, 1.7 million travelled to Macau, the only destination reachable without quarantining upon return.

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