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# PERFORMANCE 2007-2008

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Winfield Griffith, Oct '08



# Review 2002-2007



YEAR	Tourist Arrivals		Cruise Passenger Visits	
	( <i>millions</i> )	% change	( <i>millions</i> )	% change
2002	19.0	-2.7%	15.9	+7.1%
2003	20.4	+7.4%	18.0	+12.9%
2004	21.8	+6.7%	19.9	+10.4%
2005	22.2	+2.0%	18.8	-5.7%
2006	22.2	-0.0%	18.9	+0.9%
2007	22.7	+2.2%	19.2	+1.7%
Percentage Increases				
Period	Total	Average	Total	Average
2002-2007	19.4%	3.6%	+20.7%	3.8%
Source: Caribbean Tourism Organization				

# BY REGION

Distribution of Tourist by Sub-Region

Sub-Region	Percentage Share		Ave. Percentage Change	
	2002	2007 <sup>e</sup>	2007 <sup>e</sup> /02	2007 <sup>e</sup> /06
	OECS	6.1%	6.2%	+3.8%
Other Commonwealth Caribbean	24.8%	24.0%	+2.9%	-0.6%
Dutch West Indies	6.9%	7.2%	+4.5%	+10.7%
French West Indies	6.4%	6.6%	+5.5%	+14.8%
US Territories	19.8%	17.4%	+1.0%	-7.1%
Other Caribbean Destination	36.1%	38.7%	+6.4%	+5.4%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>+3.6%</b>	<b>+2.2%</b>
CARICOM	26.3%	26.0%	+3.3%	-0.1%
Commonwealth Caribbean	30.9%	30.1%	+3.1%	-0.2%
Hispanic Caribbean	52.0%	52.4%	+3.8%	+1.7%

Note: <sup>e</sup> CTO estimates

Source: Caribbean Tourism Organization

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# BY MAIN MARKET

**Tourist Arrivals in the Caribbean by Main Market: 2002-2007**  
(thousands)

Year	United States		Canada		Europe	
	Tourists	% ch.	Tourists	% ch.	Tourists	% Ch.
2002	10,131	-1.1%	1,273	+1.3%	4,493	-6.9%
2003	10,688	+5.5%	1,500	+17.9%	5,009	+11.5%
2004	11,400	+6.7%	1,737	+15.8%	5,284	+5.5%
2005	11,386	-0.1%	1,797	+3.4%	5,482	+3.8%
2006	11,488	+0.9%	1,828	+1.3%	5,386	-1.7%
2007	11,611	+1.1%	2,083	+14.0%	5,547	+3.0%
Period	Percentage Increase					
	Total	Ave	Total	Ave	Total	Ave
2002 -'07	+14.6%	+2.8%	+63.7%	+10.4	+23.5	+4.3

Source: Caribbean Tourism Organization

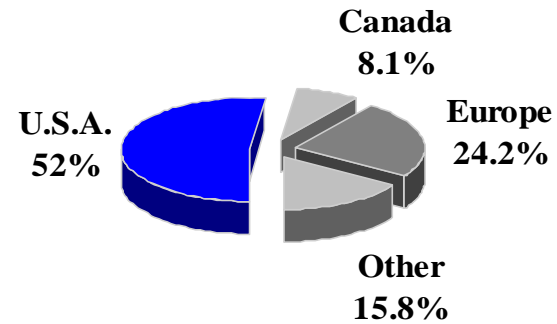
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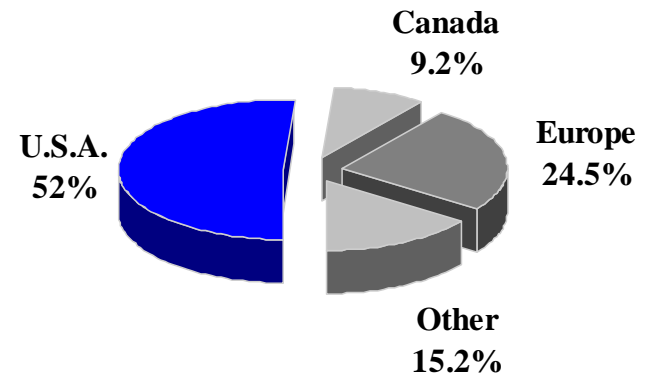


# MARKET SHARE

**TOURISTS BY MAIN MARKETS - 2006**



**TOURISTS BY MAIN MARKETS - 2007**



# CARIBBEAN 2008 PERFORMANCE

## January – July\*

MARKETS	ARRIVALS (‘000)	%Change 2008/’07	% Change Winter	% Change Summer
USA	7,623.2	+1.5%	+2.0%	+0.8%
Canada	1,666.7	+17.7%	+18.3%	+15.4%
Europe	3,349.5	+1.1%	+1.1%	+1.1%
Other	2,177.7	+5.9%	+8.9%	+2.8%
<b>Total Tourists</b>	<b>14,817.1</b>	<b>+3.7%</b>	<b>+4.8%</b>	<b>+2.0%</b>
Cruise Passenger	11,841.0	-0.8%	+4.1%	-13.4%

*Notes: Imputed from data received from member countries as of 13<sup>th</sup> October 2008*

*\*latest estimates*

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# MONTLY ARRIVALS

	TOURIST ARRIVALS			CRUISE PASSENGERS		
	2007	2008	% CH 08/07	2007	2008	% CH 08/07
JAN	1,940	2,073	6.9	2,395	2,438	1.8
FEB	2,057	2,240	8.9	2,077	2,228	7.2
MAR	2,381	2,509	5.4	2,278	2,434	6.9
APR	2,126	2,093	-1.6	1,795	1,800	0.3
<b>WINTER</b>	<b>8,504</b>	<b>8,915</b>	<b>4.8</b>	<b>8,544</b>	<b>8,899</b>	<b>4.1</b>
MAY	1,728	1,831	6.0	1,170	937	-20.0
JUN	1,883	1,908	1.3	1,046	938	-10.3
JUL	2,178	2,164	-0.7	1,181	1,067	-9.7
<b>YTD SUMMER</b>	<b>5,789</b>	<b>5,902</b>	<b>2.0</b>	<b>3,398</b>	<b>2,942</b>	<b>-13.4</b>
<b>YTD TOTAL</b>	<b>14,293</b>	<b>14,817</b>	<b>3.7</b>	<b>11,942</b>	<b>11,841</b>	<b>-0.8</b>

*Notes: Imputed from data received from member countries as of 13th October 2008*

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# COUNTRY PERFORMANCES

- Cuba (+10%) and Cancun (+7%) showed strongest performances
- Strong performances by Jamaica (+6%) and modest for the Dom Republic (+2%) which last year benefited from re-direction of business to Cancun and increased room capacity; now seeing reduced airline access
- Good growth also for St. Lucia (+6%), Antigua & Barbuda and St Maarten (5% each).



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# COUNTRY PERFORMANCES

## (Cont'd)

- 11 of 26 reporting countries showed stay-over declines so far for year
- Notable fall offs in Bahamas (in summer); Puerto Rico (Both seasons)
- Marginal decline in cruise tourism following from 2006, due to significant decline after moderate increase in winter (4%)



# MARKET PERFORMANCE

## United States

- Grew by an average 2.8% per annum since 2002
- Up by 1.5% during Jan-Jul 2008
- Unexpected hikes in oil prices almost crippled some airlines
- AA: Reduced seating capacity from Sept. – Jan; also down for Europe; fares significantly up
- Air Jamaica, Delta and Continental increased capacity;
- Tour operators: Bookings down across the board
- Cruise: bookings about same as last year



# Market performance

## CANADA

- Grew by an average 10.4% per annum since 2002
- Up by 17.7% during Jan-Jul 2008
- Still among stronger economies in G8; projected GDP growth: 3.1% in 2006 & 2007
- Best performing Caribbean market mainly to Cuba & Dom Rep
- Expected to retain resilience in the coming year.



# Market performance

## EUROPE

- Grew by an average 3.0% per annum since 2002
- Up by 11.5% during Jan-Jul 2008;
- Year started remarkably well but dived; affected by galloping oil prices, etc
- General outlook for weak 2008/9 winter



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# HOTEL PERFORMANCE

## January – July 2008\*

	Jan-Jul 2008	% change 2008/'07
<b>Occupancy</b>	<b>71.6%</b>	<b>+1.3%</b>
<b>Room Rate</b>	<b>\$212.89</b>	<b>+3.0%</b>
<b>RevPAR</b>	<b>\$152.50</b>	<b>+4.4%</b>

\***Source:** *Smith Travel Research*

*10 countries: Aruba, Bahamas, Barbados, Cayman Is, Dom Rep, Jamaica, Neth Antilles, Puerto Rico, Trinidad, USVI*

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# HOTEL PERFORMANCE

## January – September 2008\*

	Jan-Jul 2008	% change 2008/'07
<b>Occupancy</b>	<b>67.6%</b>	<b>-2.3%</b>
<b>Room Rate</b>	<b>\$182.71</b>	<b>-7.4%</b>
<b>RevPAR</b>	<b>\$123.60</b>	<b>-9.5%</b>

\***Source:** *Smith Travel Research*

*7 countries: Aruba, Bahamas, Cayman Is, Neth Antilles, Puerto Rico, Trinidad, USVI*

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# Short Term Prospects

## ◆ Major factors include:

- State of Global and US financial situation
- Volatility of fuel prices with the likelihood of significant instability in the short term
- Relatively weak US dollar versus the Euro, Canadian dollar and the Pound
- Clear evidence of resurgence among competing destinations with own airlift
- Continuing perception of the Caribbean as a relatively safe and stable region

*These conditions will continue to hold in the short term.*



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