

SPENDING

U.S. TRAVEL FORECAST - SPENDING (ADJUSTED FOR INFLATION)*

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
Total Travel Spending	\$1.17 T	\$722 B	\$886 B	\$1.05 T	\$1.15 T	\$1.21 T	\$1.24 T	\$1.26 T
Business	\$306 B	\$101 B	\$122 B	\$222 B	\$270 B	\$287 B	\$287 B	\$286 B
Leisure	\$867 B	\$622 B	\$764 B	\$827 B	\$880 B	\$920 B	\$952 B	\$970 B
Domestic	\$992 B	\$682 B	\$846 B	\$941 B	\$1.01 T	\$1.04 T	\$1.05 T	\$1.06 T
Leisure	\$722 B	\$589 B	\$731 B	\$741 B	\$765 B	\$783 B	\$797 B	\$803 B
Business	\$270 B	\$93 B	\$115 B	\$201 B	\$244 B	\$256 B	\$256 B	\$255 B
Transient	\$157 B	\$63 B	\$80 B	\$124 B	\$146 B	\$151 B	\$151 B	\$150 B
Group	\$113 B	\$30 B	\$35 B	\$77 B	\$98 B	\$105 B	\$105 B	\$104 B
International**	\$181 B	\$41 B	\$40 B	\$109 B	\$141 B	\$167 B	\$186 B	\$198 B
Leisure	\$145 B	\$33 B	\$33 B	\$87 B	\$115 B	\$137 B	\$155 B	\$167 B
Business	\$36 B	\$8 B	\$7 B	\$22 B	\$26 B	\$30 B	\$31 B	\$31 B
Transient	\$22 B	\$5 B	\$4 B	\$15 B	\$17 B	\$19 B	\$19 B	\$19 B
Group	\$14 B	\$3 B	\$3 B	\$7 B	\$10 B	\$12 B	\$12 B	\$12 B

U.S. TRAVEL FORECAST - SPENDING, % OF 2019 LEVELS (ADJUSTED FOR INFLATION)

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
Total Travel Spending	100%	62%	76%	90%	98%	103%	106%	107%
Business	100%	33%	40%	73%	88%	94%	94%	93%
Leisure	100%	72%	88%	95%	101%	106%	110%	112%
Domestic	100%	69%	85%	95%	102%	105%	106%	107%
Leisure	100%	82%	101%	103%	106%	108%	110%	111%
Business	100%	34%	43%	74%	91%	95%	95%	94%
Transient	100%	40%	51%	79%	93%	96%	96%	96%
Group	100%	26%	31%	68%	87%	93%	93%	92%
International	100%	22%	22%	60%	78%	93%	103%	109%
Leisure	100%	23%	23%	60%	80%	95%	107%	115%
Business	100%	22%	19%	61%	72%	84%	85%	85%
Transient	100%	22%	19%	67%	76%	87%	88%	86%
Group	100%	20%	19%	50%	66%	80%	80%	84%

U.S. TRAVEL FORECAST - WHERE WE SHOULD BE (ADJUSTED FOR INFLATION)

Prior to the pandemic, the travel industry experienced ten straight years of growth. While the forecast shows the timeline for international travel's recovery under the current circumstances, the analysis below takes into consideration where we should have been if not for the pandemic.

	2019	2020	2021	2022	2023	2024	2025	2026
Total Travel Spending	\$1.17 T	\$1.20 T	\$1.23 T	\$1.26 T	\$1.30 T	\$1.34 T	\$1.37 T	\$1.40 T
Loss in spending due to pandemic		\$476 B	\$338 B	\$206 B	\$151 B	\$130 B	\$129 B	\$141 B
Domestic Leisure	\$722 B	\$744 B	\$765 B	\$787 B	\$808 B	\$827 B	\$845 B	\$864 B
Loss in spending due to pandemic		\$155 B	\$34 B	\$46 B	\$43 B	\$44 B	\$48 B	\$61 B
Domestic Business	\$270 B	\$271 B	\$274 B	\$278 B	\$296 B	\$307 B	\$315 B	\$320 B
Loss in spending due to pandemic		\$178 B	\$158 B	\$77 B	\$52 B	\$51 B	\$59 B	\$65 B
International	\$181 B	\$183 B	\$186 B	\$191 B	\$197 B	\$203 B	\$208 B	\$213 B
Loss in spending due to pandemic		\$142 B	\$146 B	\$83 B	\$56 B	\$35 B	\$22 B	\$15 B

*All spending data is cited in "real" 2019 \$, deflated based on the Travel Price Index

**International spending projection now includes the effect of the removal of pre-departure testing on June 12 (an increase of \$9 billion in 2022)

VOLUME

U.S. TRAVEL FORECAST - VOLUME

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
Total # of trips	2.40 B	1.60 B	2.04 B	2.31 B	2.45 B	2.55 B	2.60 B	2.64 B
Domestic person-trips	2.32 B	1.58 B	2.02 B	2.26 B	2.38 B	2.47 B	2.52 B	2.55 B
Leisure	1.85 B	1.40 B	1.77 B	1.88 B	1.94 B	2.00 B	2.03 B	2.06 B
Business	464 M	181 M	250 M	377 M	446 M	476 M	483 M	487 M
Auto	2.13 B	1.50 B	1.89 B	2.09 B	2.20 B	2.27 B	2.30 B	2.33 B
Air	189 M	79 M	131 M	170 M	189 M	204 M	212 M	214 M
International Arrivals*	79.4 M	19.2 M	22.1 M	53.3 M	65.1 M	76.5 M	84.6 M	89.8 M

U.S. TRAVEL FORECAST - VOLUME, % CHANGE

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
Total # of trips	2%	-33%	28%	13%	6%	4%	2%	1%
Domestic person-trips	2%	-32%	28%	12%	6%	4%	2%	1%
Leisure	2%	-24%	26%	6%	3%	3%	2%	1%
Business	1%	-61%	38%	51%	18%	7%	2%	1%
Auto	2%	-29%	26%	11%	5%	3%	2%	1%
Air	4%	-58%	67%	29%	11%	8%	4%	1%
International Arrivals	0%	-76%	15%	141%	22%	17%	11%	6%

U.S. TRAVEL FORECAST - VOLUME, % OF 2019 LEVELS

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
Total # of trips	100%	67%	85%	96%	102%	106%	108%	110%
Domestic person-trips	100%	68%	87%	97%	103%	107%	109%	110%
Leisure	100%	76%	96%	101%	105%	108%	110%	111%
Business	100%	39%	54%	81%	96%	103%	104%	105%
Auto	100%	71%	89%	98%	103%	107%	108%	110%
Air	100%	42%	70%	90%	100%	108%	112%	113%
International Arrivals	100%	24%	28%	67%	82%	96%	106%	113%

*International arrivals projection now includes the effect of the removal of pre-departure testing on June 12 (an increase of 5.4 million visitors in 2022)

TRAVEL PRICE INDEX (TPI)

U.S. TRAVEL FORECAST - TRAVEL PRICE INDEX

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2016
Travel Price Index	292	275	300	332	332	337	343	350
Food Away from home	284	294	307	317	314	315	318	323
Lodging away from home	344	265	323	381	393	405	416	428
Motor Fuel	233	195	265	348	328	327	333	354
Public Transportation	259	227	231	245	254	262	270	277
Consumer Price Index	256	259	271	291	297	302	308	314

U.S. TRAVEL FORECAST - TRAVEL PRICE INDEX, YOY % CHANGE

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
Travel Price Index	1.9%	-5.8%	9.0%	10.8%	0.1%	1.4%	1.8%	2.0%
Food Away from home	3.1%	3.4%	4.5%	3.3%	-0.9%	0.2%	0.9%	1.4%
Lodging away from home	0.9%	-22.9%	21.7%	18.1%	3.2%	3.1%	2.6%	2.9%
Motor Fuel	-3.6%	-16.3%	35.8%	31.2%	-5.6%	-0.4%	1.7%	6.5%
Public Transportation	0.3%	-12.3%	1.7%	5.8%	3.8%	3.1%	3.0%	2.7%
Consumer Price Index	1.8%	1.2%	4.7%	7.4%	2.1%	1.7%	2.0%	2.1%

U.S. TRAVEL FORECAST - TRAVEL PRICE INDEX, % CHANGE COMPARED TO 2019

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
Travel Price Index	0.0%	-5.8%	2.7%	13.7%	13.8%	15.3%	17.4%	19.8%
Food Away from home	0.0%	3.4%	8.0%	11.6%	10.5%	10.8%	11.9%	13.4%
Lodging away from home	0.0%	-22.9%	-6.2%	10.7%	14.3%	17.9%	20.9%	24.5%
Motor Fuel	0.0%	-16.3%	13.7%	49.2%	40.8%	40.2%	42.7%	51.9%
Public Transportation	0.0%	-12.3%	-10.9%	-5.7%	-2.1%	0.9%	3.9%	6.8%
Consumer Price Index	0.0%	1.2%	6.0%	13.8%	16.1%	18.1%	20.5%	23.0%

A DEEPER LOOK: INTERNATIONAL INBOUND TRAVEL RECOVERY

U.S. TRAVEL FORECAST

Baseline Forecast*	HISTORICAL DATA			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
International Arrivals	79.4 M	19.2 M	22.1 M	53.3 M	651 M	76.5 M	84.6 M	89.8 M
as % of 2019 levels		24%	28%	67%	82%	96%	106%	113%
International Travel Spending (inflation-adjusted)**	\$181 B	\$41 B	\$40 B	\$109 B	\$141 B	\$168 B	\$186 B	\$198 B
as % of 2019 levels (controlled for inflation)		22%	22%	60%	78%	93%	103%	109%

*The forecast now includes the effect of the drop in pre-departure testing on June 12. It assumes that visa wait times progressively return to "normal" over the course of the forecast.

**This includes general travel spending and passenger fares but not education/health/worker spending. All spending data is cited in "real" 2019 \$, deflated based on the Travel Price Index.

U.S. TRAVEL FORECAST - WHERE WE SHOULD BE (ADJUSTED FOR INFLATION)

Prior to the pandemic, the travel industry experienced ten straight years of growth. While the forecast shows the timeline for international travel's recovery under the current circumstances, the analysis below takes into consideration where we should have been if not for the pandemic.

	2019	2020	2021	2022	2023	2024	2025	2026
International Arrivals	79.4 M	80.8 M	83.0 M	85.7 M	88.7 M	91.8 M	94.5 M	97.4 M
Loss in visitations due to pandemic (millions)		61.6 M	60.9 M	32.4 M	23.5 M	15.3 M	9.9 M	7.6 M
International Travel Spending	\$181 B	\$183 B	\$186 B	\$192 B	\$197 B	\$203 B	\$208 B	\$213 B
Loss in spending due to pandemic (in 2019 \$ billions)		\$142 B	\$146 B	\$83 B	\$56 B	\$35 B	\$22 B	\$15 B

EFFECTS OF POLICY CHANGES

The pre-departure testing requirement for inbound travelers was a major deterrent to travelers, and the significant interview wait times facing visitors from countries requiring a visitor visa remains a major deterrent to international travel's recovery and growth. The following analysis shows the projected effects of policy changes in these areas.

	Status	Additional Number of Visitors	% Increase in Visitation	Additional Spending	% Increase in Spending
Dropping of Pre-departure Testing in early June	Implemented	5.4 M	18%	\$9.0 B	12%
Lowered Visa Wait Times to Less than 30 days	Not yet implemented	2.2 M	7%	\$5.2 B	7%
Combined Effect		7.6 M	26%	\$14.2 B	20%