

REPORT FORECASTS INCREASED AIRFARE PRICES IN 2016



Airfares in China, India, Colombia, Mexico, Singapore, Australia and Venezuela are likely to increase in 2016. This is the forecast of the latest report by GBTA and Carlson Wagonlit Travel.

The increase of demand for business travel will lead to higher airfares, according to the report that Carlson Wagonlit Travel (CWT) and GBTA Foundation (Global Business Travel Association) just published. **This will be particularly the case in India, China, Colombia, Mexico, Singapore and Australia.**

This observation was made despite the forecast of an overall price stability on a global scale next year. The increases will reach 3% for Colombia, Mexico and Singapore, 2.6% for India, 2.8% for China and 2.7% for Australia.

The report mentions that Venezuela will also be subject to an increase in airfares of 6.3% due to high inflation, decrease of fuel prices and fixed currency against the US dollar.

The report also forecasts increasing hotel room prices in 2016 on global scale. The rise should reach about 3% in Asia-Pacific, including Singapore, Japan and Australia. In Europe, Middle East and Africa, the increase will be limited to 1.8%. It will reach 3.7% in Latin America due to high inflation, especially in Venezuela and Brazil.

In North America, there is a strong demand driven by the economic activity in the Bay of Los Angeles' region and other major US cities, thus the prices will increase by 4.3%.

The report also forecasts economic stagnation for car rental prices. **The report states that the costs for car rentals will go up 0.5% in Europe, 0.2% in Asia Pacific and Middle East & Africa**, 0.1% in Latin America and Caribbean, and they will remain the same in Eastern Europe and North America.

In the segment of meetings and events in Asia Pacific the costs are expected to grow by 5% and the groups' size is likely to increase by 11% according to the researchers. North America on the other hand expects 4.5% greater costs per participant per day and 2% bigger groups of attendees. For the rest of the world, the projected increases are more modest.

Date: 2015-08-17

Article link:

<https://www.tourism-review.com/airfare-prices-to-go-up-next-year-stated-gbta-report-news4679>