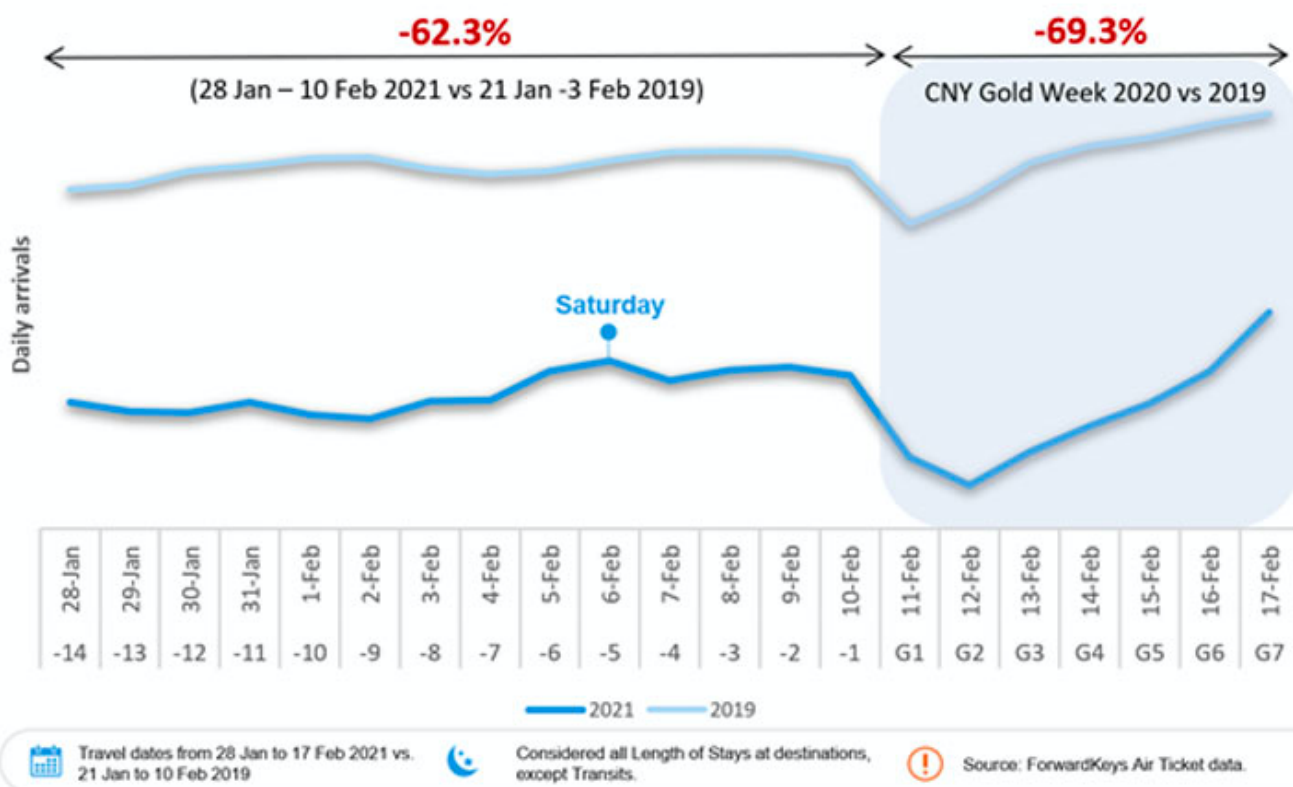


China received surge in last minute domestic bookings for Golden Week

Daily arrivals for Chinese domestic travel during Chinese New Year

28 January – 17 February 2021 vs 21 January – 10 February 2019



Research shows that domestic air travel in China during New Year Golden Week was down almost 70% YOY and Sanya proved to be the most resilient destination in terms of tourism numbers

According to ForwardKeys, travel analytics firm, research reveals that domestic air travel in China during New Year Golden Week (February 11 – 17) was 69.3% down on the equivalent period in 2019, when travel was at normal, pre-pandemic levels. Domestic travel during the fortnight before, which is traditionally a busy period for Chinese people returning home to spend the holiday with their families was 62.3% down. The decline was “arrested” by last minute flight bookings and moving forward the outlook is encouraging.

Looking at the different destinations within China, Sanya, southernmost city on Hainan and a shopping Mecca, proved to be the most resilient in terms of tourism numbers, receiving 66% as many visitors as it did in 2019.

Zhengzhou, capital of Henan province, was the second most resilient destination, receiving 41% as many travelers as it did in 2019. Shenzhen, which links Hong Kong to mainland China and an alternative shopping hotspot, was the third place.

Travel to Haikou, which is located in the capital of Hainan, also proved relatively resilient, as it attracted 40% as many visitors. Chengdu and Chongqing, two major cities in Southwest China, known for their natural scenery and cuisine occupied fifth and sixth places in the resilience rankings, achieving 39% and 36% of 2019 visitor numbers, respectively.

The most resilient destinations during Chinese New Year

CNY 2021 (11– 17 February) vs CNY 2019 (4 – 10 February), % of 2019's level

Destination city	% of 2019's level	Shares in 2021
Sanya	66%	5%
Zhengzhou	41%	3%
Shenzhen	40%	6%
Haikou	40%	4%
Chengdu	39%	6%
Chongqing	36%	4%



Travel dates from 11 Feb to 17 Feb 2021 vs. 4 Feb to 10 Feb 2019.



Considered all Length of Stays at destinations, except Transits.



Source: ForwardKeys Air Ticket data.

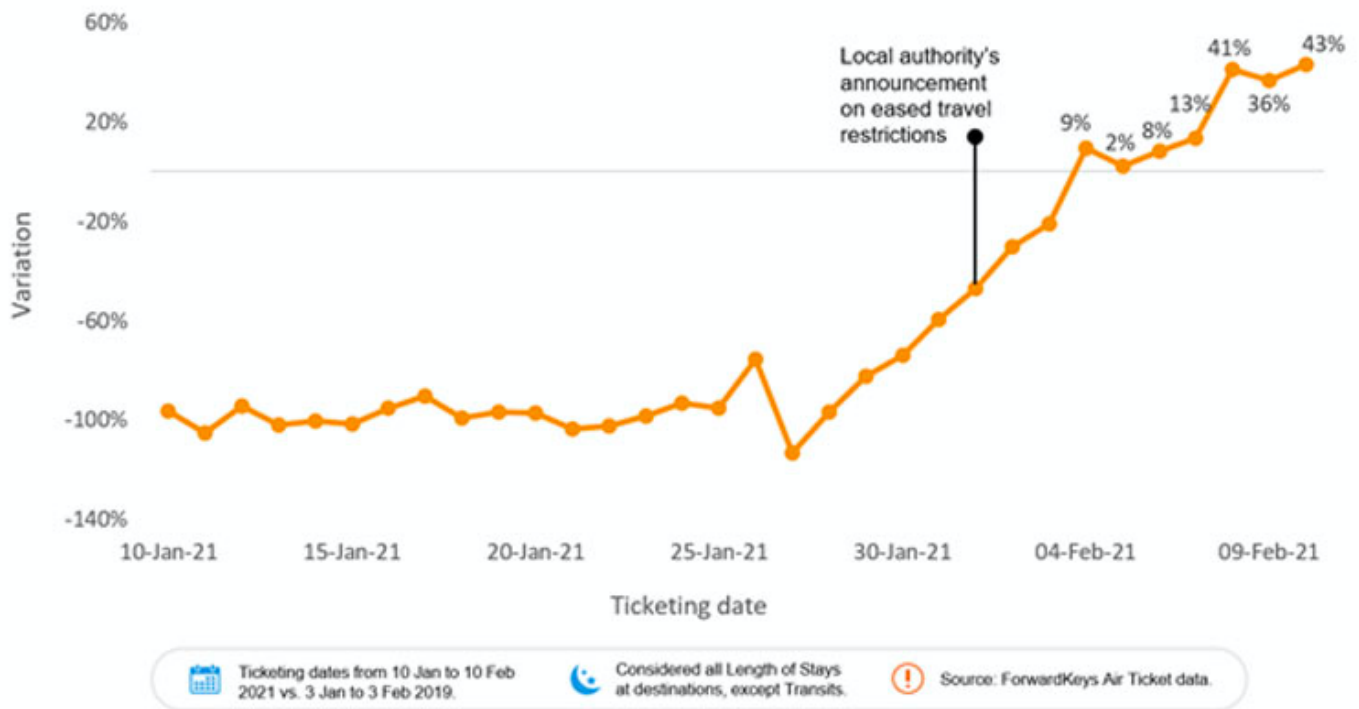
A ranking of the most resilient destinations in China during Lunar New Year

By contrast, domestic travel to China's two most important cities, Beijing and Shanghai, suffered significantly, owing to minor COVID-19 outbreaks and associated travel restrictions. Northern destinations, recognized for winter sports also fared badly, owing to a resurgence of COVID-19 this season.

Although the decline in travel was extremely severe, it was not as bad as had been expected just eight days earlier, when bookings for Golden Week travel were 85.3% behind where they were at the equivalent point in 2019. A sudden surge in last minute bookings was prompted by announcements from several local authorities that travel restrictions were being eased. Travel to Sanya was helped by the announcement on February 1 that travelers from low-risk areas did not require a PCR test before visiting the island, at which point, issued tickets surged and even overtook 2019's level from February 4.

Tickets issued for Chinese New Year Golden Week Travel to Sanya

10 January – 10 February 2021 vs 3 January – 3 February 2019, variations (%)



Travel to Sanya was helped by the announcement on February 1 that travelers from low-risk areas did not require a PCR test before visiting the island

“From a travel perspective, this Chinese New Year has been dreadful. Excluding Sanya, no major destination in China managed to get close to half the number of domestic visitors it received in 2019; and only four major destinations managed to reach two fifths. However, the situation could have been much worse had it not been for a surge in last minute bookings, owing to a loosening of travel restrictions.

The Chinese domestic aviation market has been incredibly volatile; and that volatility has been driven in one direction by a powerful pent-up demand to travel and in the other by resurgences of COVID-19 and the imposition of travel restrictions.

At the beginning of September, with COVID-19 seemingly eradicated from China, domestic aviation returned to pre-pandemic levels. However, the recent modest outbreaks have hit Chinese New Year travel. As China cleared all high and medium-risk areas on February 22, which means the latest COVID-19 outbreak has been contained, we believe that considerable pent-up demand will be released in the spring – especially during the Labour Day holiday in May. As of February 19, flight tickets issued for the Labour Day holiday (May 1 – 5) were only 8% behind where they were at the equivalent moment in 2019,” explains Olivier Ponti, Vice President of Insights, ForwardKeys.