Travel & Tourism | Global
COVID-19: updated outlook and pandemic impacts

Key points

- Since our last global travel forecast update in February the situation with COVID-19 has become markedly worse—the virus has spread more widely and rapidly than anticipated. On March 11th the World Health Organization classified COVID-19 as a pandemic.

- In response to the crisis, countries around the world have implemented a series of measures in an effort to reduce contagion. However, these measures are causing serious disruption to global growth. We have already reduced our global GDP growth forecast in 2020, but with likely downgrades to come.

- Measures will impact tourism more heavily and an unprecedented fall in global travel is now likely in 2020. Global arrivals will fall by at least 10.5% relative to last year (equivalent to 155 million fewer arrivals).

- There are significant downside risks to the 2020 outlook and our quantified downside scenario is becoming increasingly likely. Travel restrictions are being imposed in more countries and more rapidly than expected, while the spread of the virus and supply restrictions are further reducing travel sentiment.

- Under the downside scenario, global arrivals would fall 17.9% in 2020, 263 million fewer arrivals than in 2019. We will continue to monitor the situation and update forecast assumptions on a regular basis.

- However, once the situation has stabilised we still expect a rapid recovery since travel demand has proven resilient in bouncing back from downturns in the past. Travel levels are expected to fully recover by 2023.

Measures to contain the virus are generating a drag on global GDP and travel growth.

Global arrivals could fall 17.9% in 2020, 263 million fewer arrivals than in 2019 based on our downside scenario.

To access the full report, please follow this link.

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