



Visitor Arrival Report–MAY 2016

PLEASE NOTE: Due to a change in PVA data source, starting in FEBRUARY 2014, and until further notice, PVA will be reporting its visitor arrival statistics based solely on NATIONALITY. This report and subsequent reports hereafter, for comparison with year 2013 arrivals by Market Segments will reflect the changes from Residency to NATIONALITY. The difference however small will be noticed when compared to the already published YEAR 2013 report by Residency. Over All total number of visitor arrivals will remain the same.

- **Overall:** For the month of MAY 2016, visitor arrivals to Palau (excluding residents, students, employments, flight crews and transits) totaled 9,602 representing a decrease of 6,103 (-38.86%) compared to MAY 2015 with 15,705 visitor arrivals. Our records show every month this year has been down from last year, however 2015 was an exceptionally high year. Still Palau is showing a 6% growth in tourism over the last 8 years and 2016 continues to outperform 2013 and 2014.
- Based on qualitative feedback from sourcing markets and local tour operators, downturn in tourism are drought, reports of Jellyfish Lake and over-crowded perception of some tourism sites. Tourism is valuable to geo-political issues especially in today's SNS driven environment. While ending of drought has been communicated, we expect to see a slower trend in the rest of 2016 given overall numbers of inquires and reservations are lower than previous years.

Palau visitors January to May

2008	2009	2010	2011	2012	2013	2014	2015	2016
36,261	31,975	33,803	40,947	47,819	45,265	50,864	77,190	60,838

	2015											
	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
TOTAL	15,920	17,787	14,966	12,812	15,705	11,129	12,305	15,557	12,286	12,456	11,429	12,579
vs. PP**	3%	12%	-16%	-14%	23%	-29%	11%	26%	-21%	1%	-8%	10%
	2016											
TOTAL	14,183	14,134	12,252	10,667	9,602							
vs. PP**	13%	0%	-13%	-13%	-10%							

**PP: previous Period

		MAY 2016	Market Share %	Visitor IYA	Share IYA	Market Share %	MAY 2015	APRIL 2016
1	PRC-China	4,760	49.57%	48	79	54.67%	9,840	4,933
2	Japan	1,627	16.94%	71	116	19.43%	2,301	1,967
3	ROC-Taiwan	1,019	10.61%	97	159	6.99%	1,051	1,206
4	Korea	864	9.00%	90	147	6.35%	960	1,047
5	N. America	692	7.21%	88	144	6.10%	785	657
6	Europe Total	239	2.49%	96	156	3.27%	250	437
	Other	401	4.18%	77	127	3.18%	518	420
	Grand total	9,602	100.00%	61		100.00%	15,705	10,667

Key Markets

- People's Republic of China (China) with 4,760 arrivals in MAY 2016 representing a decrease of 5,080 (-51.63%) compared to same month last year with 9,840 arrivals, but it's below at -3% vs. APRIL 2016. PRC continues to be the overall leading market share by 49.57%. Choices of carriers for PRC nationals are Palau Pacific Air, Mega Maldives,

Asiana Airlines, and Korean Airlines, which sustained number of China passengers. Only obvious drop was Dynamic Airways, a new charter airline Lion Air increased by 445 passengers. Mega decreased from 1,340 to 228 passengers this month. Purpose of Entry by Nationality data indicates that Business recorded a 0.23% whereas Tourist recorded 99.77%.

- Japan with 1,627 arrivals in MAY 2016 represent a decreased of 674 (-29.29%) compared to same month last year with, 2,301 arrivals. Compared to APRIL 2016, it decreased by -17%. JAL had a charter operation for the first time this year, 211 passengers in May and 220 passengers in April. Purpose of Entry by Nationality data indicates that Business recorded at 1.29% whereas Tourist recorded 98.71%.
- ROC (Taiwan) with 1,019 arrivals in MAY 2016 representing a decrease of 32 (-3.04%) compared to same month last year with 1,051 arrivals. Compared to APRIL 2016, it decreased by -15%. Trans Asia has been major carrier since October 2015. There is a drop in passengers from Mega Maldives and increase Lion Air Passengers showing a shift in Charter. Purpose of Entry by Nationality data indicates that Business recorded 0.7% whereas Tourist recorded 99.31%
- Korea with 864 arrivals in MAY 2016 represent a decrease of 96 (-10.00%) compared to same month last year with 960 arrivals. Compared to APRIL 2016, it decreased by -17%. Purpose of Entry by Nationality data indicates that Business recorded a 0.7% whereas Tourist recorded 99.31%.
- North America with 692 arrivals in MAY 2016 representing a decreased of 93 (-11.85%) compared to same month last year with 785 arrivals. Compared to APRIL 2016, it increased by 5%. Purpose of Entry by Nationality indicates that Business recorded 1.73% whereas Tourist recorded 98.27%
- Total Europe including Russia with 239 arrivals in MAY 2016 represent a decrease of 11 (-4.40%) compared to same month last year with 250 arrivals. Compared to APRIL 2016, it decreased by -45%. Purpose of Entry by Nationality data indicates that Business recorded a 3.77% whereas Tourist recorded 96.23%

Indicated Action: PVA will still continue to monitor and recommend action plans for declining markets to recover visitor trends.

Visitor Arrivals by Mode of Transportation (excluding residents, students, employments, flight crews and transits)

AIRLINES	Asiana Airlines	Asian Air	China Airlines	Delta Airlines	Lion Airlines	Palau Pacific Air	Korean Airlines	Mega Maldives	Private planes	Totals
	983	0	748	929	972	2,810	849	228	81	
% of PRC nationals	42%		3%	1%	99%	98%	34%	97%	64%	
AIRLINES	UNITED	JAL	Trans-Asia	F/Y	M/Y	S/Y	T/B			
	1,329	211	456	0	4	2	0		TOTAL	9,602
% of PRC nationals	1%	0%	0%							

2015 Visitor Arrival For Each Market Group by NATIONALITY (BUSINESS, INVESTOR & VISITORS ONLY)

	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
AUS / NZ	102	61	100	84	176	91	73	65	76	88	63	76	1,055
GERMANY	143	88	131	105	42	26	24	40	50	68	88	95	900
GUAM			GUAM ARE U.S. NATIONALS										-
HONG KONG			HONG KONG ARE PRC CHINA NATIONALS										-
ITALY	58	49	67	10	22	8	20	49	14	9	19	64	389
JAPAN	3,188	2,801	3,375	2,490	2,301	1,425	1,739	2,981	2,760	2,103	2,560	3,293	31,016
KOREA	1,756	828	820	813	960	886	985	1,103	768	1,057	1,170	1,181	12,327
MICRONESIA	50	38	34	45	82	36	39	43	52	53	28	26	526
PHILIPPINES	86	64	92	91	132	77	85	186	76	108	75	112	1,184
PRC CHINA	7,896	10,955	7,355	7,004	9,840	6,772	7,333	9,073	6,747	6,484	5,062	5,537	90,058
ROC TAIWAN	1,253	1,763	1,409	896	1,051	947	1,198	1,196	939	1,389	1,172	961	14,174
RUSSIA	94	32	57	35	43	3	16	12	8	23	64	15	402
SWITZERLAND	30	41	31	27	24	8	27	14	18	16	40	18	294
UNITED KINGDOM	72	56	75	70	45	36	30	51	37	42	62	52	628
US MAINLAND	789	749	1,074	782	785	682	576	533	506	791	693	792	8,752
OTHER EUROPE	278	173	220	172	74	68	57	121	100	122	222	160	1,767
OTHERS	125	89	126	188	128	64	103	90	135	103	111	197	1,459
TOTAL	15,920	17,787	14,966	12,812	15,705	11,129	12,305	15,557	12,286	12,456	11,429	12,579	164,931

PLEASE NOTE:

DUE TO A CHANGE IN PVA DATA SOURCE, STARTING IN FEBRUARY 2014, AND UNTIL FURTHER NOTICE, PVA IS REPORTING ITS VISITOR ARRIVAL STATISTICS BASED SOLELY ON NATIONALITY. This report and subsequent reports thereafter for comparison with 2013 arrivals by Market will reflect the changes to Nationality. The difference however small will be noticed compared to the already published YEAR 2013 report by RESIDENCY. Over All Total will remain same.

2016 Visitor Arrival For Each Market Group by NATIONALITY (BUSINESS, INVESTOR & VISITORS ONLY)

	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL	MAY 2016 vs. MAY 2015	MAY 2015 Market Share	2016 YTD vs. 2015 YTD
AUS / NZ	97	69	125	78	92	-	-	-	-	-	-	-	461	-47.73%	0.96%	-11.85%
GERMANY	122	120	117	80	52	-	-	-	-	-	-	-	491	23.81%	0.54%	-3.54%
GUAM			GUAM ARE U.S. NATIONALS										-			
HONG KONG			HONG KONG ARE PRC CHINA NATIONALS										-			
ITALY	33	35	52	17	7	-	-	-	-	-	-	-	144	-68.18%	0.07%	-30.10%
JAPAN	3,050	3,368	3,294	1,967	1,627	-	-	-	-	-	-	-	13,306	-29.29%	16.94%	-6.00%
KOREA	1,392	1,038	782	1,047	864	-	-	-	-	-	-	-	5,123	-10.00%	9.00%	-1.04%
MICRONESIA	39	67	23	28	48	-	-	-	-	-	-	-	205	-41.46%	0.50%	-17.67%
PHILIPPINES	79	97	90	71	94	-	-	-	-	-	-	-	431	-28.79%	0.98%	-7.31%
PRC CHINA	6,889	6,808	5,128	4,933	4,760	-	-	-	-	-	-	-	28,518	-51.63%	49.57%	-33.76%
ROC TAIWAN	1,357	1,264	1,232	1,206	1,019	-	-	-	-	-	-	-	6,078	-3.04%	10.61%	-4.61%
RUSSIA	70	25	58	54	24	-	-	-	-	-	-	-	231	-44.19%	0.25%	-11.49%
SWITZERLAND	42	36	33	27	20	-	-	-	-	-	-	-	158	-16.67%	0.21%	3.27%
UNITED KINGDOM	51	53	80	70	50	-	-	-	-	-	-	-	304	11.11%	0.52%	-4.40%
US MAINLAND	682	828	862	657	692	-	-	-	-	-	-	-	3,721	-11.85%	7.21%	-10.96%
OTHER EUROPE	186	171	243	189	86	-	-	-	-	-	-	-	875	16.22%	0.90%	-4.58%
OTHERS	94	155	133	243	167	-	-	-	-	-	-	-	792	30.47%	1.74%	20.73%
TOTAL	14,183	14,134	12,252	10,667	9,602	-	-	-	-	-	-	-	60,838	-38.86%	100.00%	-21.18%