

LATIN AMERICA WEEKLY TRENDS

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TRAVEL TRADE FEELINGS

Whether for business or pleasure, travelers are booking airline seats and an increase in travelers is good news for airlines that have been hardly hit during the pandemic. As the world reopens, many people are eager for a getaway as a mental reset from months of confinement. Also, summer in the Northern Hemisphere is a traditional time for vacations, and for those considering an international flight, it's especially difficult to know where you can travel. Plus, many already had a trip booked pre-shutdown and are now concerned about trip cancellations or not being able to travel to certain countries. As a result, **Google** trends show an uptick in the search volume for "travel restrictions" as people search for information. [Read more here.](#)



With the outbreak of the COVID-19 pandemic and its impact on the tourism industry, the first quarter of 2020 has been a busy and challenging one for the **UNWTO** Technical Cooperation and Silk Road Department, as can be expected. The world was faced with an unprecedented global health crisis, the repercussions of which are being felt in all sectors of society and the economy. Health institutions and governments worldwide are doing their utmost to combat COVID-19. [Read more here.](#)

Until July 29th, and through the "Hot Sale", **Argentine tourism** seeks to reactivate itself with offers, discounts of between 30% to 60% and up to 18 monthly payments. According to a Kayak survey, 49% of the respondents intend to travel in the next six months: 60% of them will do so as a family, 16% alone, 7% to visit family, 14% for pleasure and 4% for business. It also revealed that, despite the coronavirus, 35% of those surveyed will travel to another continent, 25% will visit another country on the same continent, 30% will visit the interior of Argentina, 4% will do tourism in their own province and the 2% in their city. As for the means of transportation preferred by future travelers, they are airplane (63%), private car (16%), train (13%), rental car (6%) and cruises (2%); while in terms of accommodation, hotels top the list with 32%, followed by rental houses (26%), houses of friends or families (15%), boutique hotels (17%) and hostels and cabins (9%). [Read more here.](#)

The **Ministry of Agriculture of Brazil** and **Embratur** (Brazilian Agency for Tourism International Promotion) join efforts to promote the “**Agribusiness Tourism**” segment. Agribusiness in Brazil is one of the most important aspects of the economy and will add more visibility to the related events, with great potential to attract more visitors, more business, more tourism. [Read more here.](#)

Tourism companies in **Chile** evaluate a project that proposes moving holidays to increase long weekends in 2021. The idea, promoted by two pro-government deputies, seeks to transfer holidays next year to Monday or Friday. The objective would be to encourage travel to the interior of the country and thus give a boost to national tourist activity, which has positioned itself as one of the three industries hardest hit by the pandemic. The idea was applauded by companies in the sector. Fedetur Executive Vice President, Helen Kouyoumdjian, explained that "this bill seems very positive to me, which can basically lead to greater instances of development of internal tourism". [Read more here.](#)



After the successful pilot flight in **Colombia** – on July 21st between two cities in the northeast of the country – the National Association of Travel and Tourism (Anato) requested the approval of more air routes. The guild highlighted the work articulated with the National and Regional Government aimed at the complete revival of the industry. [Read more here.](#)

Faced with the optimism of national tourism, OTA **Despegar Colombia** anticipates that a first trend of recovery in the sector will be characterized by shorter air routes in time and distance, as well as fewer nights in hotels. In addition, the agency expects that by the end of 2020 it will have recovered 20% of the market, by 2021 it will reach 40% and by the end of 2022 it will have the levels of 2019. [Read more here.](#)

The flight connections between Mexican and international destinations continues to grow. With rates from US\$ 119, **Volaris** connects Dallas, Houston and San Antonio with Guadalajara by August. The airline will be operating 128 flights to Texas through four routes, from Guadalajara to Houston, Dallas and San Antonio and from Mexico City to San Antonio. The airline maintains focus on its brand promise by offering the lowest fares in the market and competing directly with bus pricing by offering flexibility options through its “Con Volaris Seguro Vuelas” program. [Read more here.](#)

Mexico Travel Impressions presents a complete "Travel Guide", which emerged from a survey to find out the needs of their clients - travel agents - on the new normal. The guide contains health and safety measures, as well as policies for flexibility in flight, hotel, park and cruise cancellations and insurance and cancellation coverage, so that its customers can travel with the greatest possible peace of mind during these times of pandemic. "Except for international circuits, because there are no security measures yet, they are still working on it". [Read more here.](#)



What's Next

Digitalization... This shouldn't scare the travel, tourism and hospitality industry, nor the customers that fly in its aircraft, sleep in its beds, ride in its vehicles and enjoy its activities. We all should be rightly concerned about cybersecurity, privacy, safety and countless other elements that the widely anticipated and accepted use of additional technology will do to the industry. **Read more [here](#).**



Touchless technology is the new black. COVID-19 has accelerated this trend, creating new demand as hoteliers look for ways to eliminate any element of the experience that could create a risk for either guests or staff. How hotels are preparing for a post-COVID guest experience? **Read more [here](#).**

Travel is a source of inspiration, projects, dreams and also wishes. For this reason and while we are waiting to put the suitcase back together and start a trip, **Booking.com** carried out a study to find out which were the most chosen destinations on the wish lists of Argentine travelers, being Mar del Plata, Mendoza, San Carlos de Bariloche, Ushuaia and Puerto Iguazú some of the top 10. Compared to last year: in 2020, the proportion of Argentine travelers' wish lists focused on domestic destinations is 45%. While in 2019, this figure was 30%. **Read more [here](#).**

Popular **Argentine** travel blogger Sir Chandler launched a survey among its followers to understand their purchase behavior during the "Hot Sale" week. On a basis of 500 respondents average so far, early results show that: general situation does not give enough security to travel yet (36%); nothing interesting or cheap was available (18%); bought something (16%); no interest in travel for the moment (16%); about to buy (8%) and no funds available (6%). **Read more [here](#).**

The **Formula 1** organization decided to exclude the Brazil Grand Prix from the 2020 season. The decision was made due to the high rate of coronavirus infections in the country, the tight calendar this year, and the late start of the competition. In addition to São Paulo, races in Austin, United States, and Mexico City were also canceled. The Brazilian GP – one of the most important Sports Event in São Paulo - would take place on November 15th, after the races in Mexico and the United States. This will be the first time since 1973 that Brazil is out of the loop. **Read more [here](#).**



The **City of Rio de Janeiro** and **Riotur** suspended the traditional New Year's Eve party at Copacabana Beach and throughout the city. The decision was made this week, based on the principles of containing the COVID-19 pandemic with physical distance, since the Festa da Virada gathers more than 3 million people in the sands of Copacabana. The New Year's Eve party, together with the Carnival, are the most important events in Rio de Janeiro. **Read more [here](#).**

The **Mayor of São Paulo**, Bruno Covas, announced the postponement of Carnival 2021, due to the uncertain scenario caused by the COVID-19 pandemic. Yet to be confirmed, the new date should be between the end of May and the beginning of June. **Read more [here](#).**



The **International Air Transport Association (IATA)** urges the Government of **Chile** to ensure that aviation is once again one of the country's economic engines. For this, it is necessary to continue working with the authorities to ensure that airlines can emerge from the crisis and continue to be an important catalyst of socio-economic benefits, by facilitating air connectivity, one of the main driving factors for tourism, trade, logistics, and foreign investment, which will undoubtedly be key to the reactivation of the country after the pandemic. **Read more [here](#).**

Colombia advances talks with aeronautical authorities in other governments to coordinate international connections that will be enabled at different airports in the country from September 1st. The forecast is that, as of November, the reopening of flights for tourism and visitors will be authorized. **Read more [here](#).**

Grupo Posadas will hold its first FAM Trip on August 1st, to its Live Aqua property in San Miguel de Allende, **Mexico**. The hotel group formed an alliance with car rental company Hertz, and together they will offer this trip to familiarize guests with all the sanitary and hygiene measures.

On July 23^d, the **Mexican Secretary of Tourism** announced the credit program, in collaboration with the development and commercial banks. "The credit program is very positive in all senses, because it supports the tourism sector and makes us aware that we need liquidity to be able to take off in an efficient and quick manner," said Luis Barrios, president of the National Association of Hotel Chains. "It is a move in the right direction to give liquidity to the sector, having the development and commercial banking allied in this type of effort". **Read more [here](#).**

In : What We Do

Testimonial

"The expertise and deep relationships with the industry have ensured that our promotional, public relations and sales efforts are successful. Interamerican is undoubtedly the market leader in destination marketing in Latin America and we are pleased to work with them".

Fred Dixon
President and CEO, NYC & Company

See more in www.interamericanetwork.com

New York City, USA



COVID-19 Report

Many countries debate over easing or strengthening quarantine restrictions, while economic measures are still being implemented. Wall Street gives Argentina an ultimatum. Bolsonaro is denounced for genocide and crime against humanity at the International Criminal Court in The Hague, at the same time he lost the support of the two largest parties in the Congress. SKY Airlines is considering financial restructuring. Mexico posted a record surplus in June.



Confirmed Cases*: 162,526 | **Deaths*:** 2,956 | **Recovered**:** 75,083

Government Actions: The highest authorities of the Buenos Aires city government are debating between stretching the current stage of the opening plan one more week or directly advance towards stage two, with more openings. To make the decision, the Government will closely monitor Tuesday, Wednesday and Thursday contagion numbers of this week. President Alberto Fernández will headline an opening ceremony of a hospital located in the Buenos Aires district of La Matanza that will be used to care for patients with coronavirus, in addition to four new modular emergency care centers built in Mar del Plata, Chaco, Cordoba and Santa Fe.

Economy: The most powerful investment funds on Wall Street sent the Ministry of Economy an urgent and reserved letter in which they assured that they have the majority necessary to block the government's proposal, thus urging them to open a new round of investments to close a debt restructuring agreement that benefits both parties. The Government asked for authorization to expand the expenses of the 2019 budget, but one of the points of the project that so far

has generated the most discussions is the one that contemplates the end of the exemption from the Value Added Tax (VAT) on long-life and fluid milk, so that they will have to pay an aliquot of 10.5%. It has been announced that the president is preparing a package with 60 initiatives to start recovery after the strong blow caused by the pandemic.

Tourism / Aviation: Buenos Aires City government has modified the hotel tax incentive law that was sanctioned in 2018, allowing new minimum investment amounts for remodeling of existing hotels and modification of ongoing projects, understanding that hotels should make modifications to comply with the sanitary protocols required for COVID-19. La Hoya Ski Center is being evaluated for reopening, as happened with other ski centers like Cerro Catedral, that allowed local tourists only.

Top News: Criticism was raised due to the appointment of Cristina Kirchner's lawyer to the advisory council that could modify the Supreme Court. The conformation and the role that this body of specialists will fulfill also generate uncertainty.



Ushuaia, Argentina



Confirmed Cases*: 2,419,091 | Deaths*: 87,004 | Recovered**: 1,667,667

Government Actions: A coalition made up of 60 health professional entities from Brazil denounced President Bolsonaro for genocide and crime against humanity at the International Criminal Court in The Hague. They call for the president to be condemned for leading the country in the pandemic. The request needs to be analyzed and accepted by the Court. In the last seven days, Brazil had a moving average of 1,074 deaths per day. The threshold has been above 1,000 since the 3rd of July. Two of the largest parties sustaining Bolsonaro in the Congress (DEM and MDB) withdrew support to the government base.

Economy: The pandemic represented an abrupt change of route for the economic team. In addition to stopping the reform agenda, the health crisis has increased public spending and forced the country to reach even greater indebtedness, reaching almost 100% of the GDP. Last Friday, the president of Banco do Brasil, Rubem Novaes, announced his resignation to Economy Minister Paulo Guedes. The executive had accepted the invitation because he intended to lead the bank's privatization. Sensing a change in politics, he decided to leave. In the following day, it was Caio Megale, Special Secretary of Finance, to announce his leaving. He preferred to state that his motives are exclusively personal. Just over a month ago, Treasury

Secretary Mansueto Almeida had also left office. These are three casualties in a short period among the people who answer directly to Guedes.

Tourism / Aviation: Alitalia postponed the return of the route São Paulo-Roma-São Paulo to October. As of September, TAP plans to operate 700 weekly flights, 22 of which to Brazil. British Airways will resume flights to Brazil on August 2nd. According to STR, with an occupation of -73.6%, a 33.3% decrease in the average daily rate and an 82.4% decrease in revenue per available room, Brazil had the lowest occupancy and RevPAR ever recorded in June.

Top News: The COVID-19 acceleration in Brazil is high in 14 of the 27 states and the Federal District according to a statistic model created by the University of São Paulo. It is based on the evolution of cases in each location (city, state, country) and has a period of 30 days as a parameter. Thus, the acceleration of the epidemic is measured, that is, the way in which the number of new cases increases or decreases. The numbers are updated daily (with each update, the oldest day in the 30-day series comes out of the calculation). When considering the 30 days in this analysis, the trend presented tends to be more solid than when considering shorter periods.





Chile

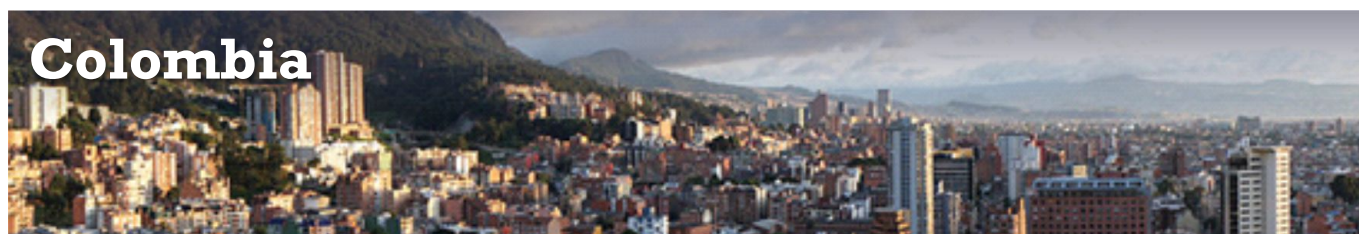
Confirmed Cases*: 345,790 | Deaths*: 9,112 | Recovered**: 319,954

Government Actions: After more than two months in quarantine, the health authority reported that, starting at 5:00 am on Tuesday, July 28th, seven districts of the Capital of Chile will advance to phase II of the step-by-step plan, "the "transition" stage to get out of quarantine. This was announced on Friday July 24th by the Minister of Health, Enrique Paris. The "transition" phase implies that the quarantine is lifted from Monday to Friday, that is, people can go out, except during curfew hours. But the quarantine is maintained on Saturdays, Sundays, and holidays.

Economy: A measure by the government authorizes the Association of Pension Funds and Liquidation of Assets to pay 10% of their savings to contributors. The general manager of the association of administrators, Fernando Larraín, remarked that "we want to do what is possible for generating the smallest possible variations in the Chilean market".

Tourism / Aviation: Recognizing the adverse scenario for the airline industry, SKY Airlines does not rule out considering a measure of financial restructuring at the judicial level like that adopted by Avianca, LATAM and Aeromexico. In this way, it would be the fourth Latin American airline to opt for this protection measure and the second in Chile, a country that already registers the first loss of an operator (ONE Airlines).

Top News: Authorities are working on a protocol for the October Plebiscite that seeks to change the current Constitution of Chile. The undersecretary of health, Paula Daza, indicated that, together with the electoral service, precautions should be taken to ensure the right to vote. Special hours for senior citizens and what will happen to areas still in quarantine are among the discussions.



Colombia

Confirmed Cases*: 240,795 | Deaths*: 8,269 | Recovered**: 131,161

Government Actions: The Head of State announced that the country has already exceeded 50% of COVID-19 recoveries, while highlighting the increase in intensive care units, with the goal of having 10,000 of them enabled throughout the national territory. At the end of July, the country will have 3,000 mechanical respirators.

Economy: The Energy and Gas Regulatory Commission extended the benefit of deferring the payment of these public services by up to 24 months for households of economic strata 3 and 4, and up to 36 months for tiered households 1 and 2.

Tourism / Aviation: The Government launched the "Forward with Confidence" strategy to boost the

economic revival of the Trade, Industry and Tourism sector. Among the purposes are to get 17,500 companies to obtain the biosecurity seal "Check In Certified"; to economically support the financial and tax sectors; to advance sustainable tourism policy and to attract foreign investment projects in tourism in 302 municipalities by 2022.

Top News: The mayor of Bogotá, Claudia López, reported that, from July 27th, diabetics, hypertensive and people with obesity must enter strict quarantine until further notice. Similarly, relatives of positive COVID-19 cases must comply with a strict 14-day quarantine.



Mexico

Confirmed Cases*: 90,516 | Deaths*: 43,680 | Recovered**: 257,000

Government Actions: The Mexican government reported that, according to figures from the Mexican Institute of Social Security, despite the COVID-19 pandemic, six states slowed the decline in employment and created new formal jobs during June: Baja California, Chihuahua, Baja California Sur, Nayarit, Quintana Roo and the State of Mexico. These states began their process of reopening non-essential sectors in June, but with low operational levels, being four of them related to tourism services.

Economy: Mexico posted a record surplus in June of US\$ 5,547 million, thanks in large part to agricultural exports. The increase was 118.3% more than the same period last year. Cumulatively from January to June 2020, the trade balance showed a surplus of US\$ 2,659 million. The exchange rate against the dollar stands at MX\$ 21.94 pesos with slight downward movements.

Tourism / Aviation: The Government of Mexico presented a plan to boost the hotel sector to overcome the COVID-19 crisis which will consist of lending MX\$ 11.4 billion (about US\$ 510 million) to these establishments at a maximum rate of 13.5% interest. Hotels, travel agencies and land transport companies are also included in the program and may apply for these loans until December 31st, 2020. Each company may borrow from a minimum of MX\$ 200,000 (about US\$ 9,000) to a maximum of MX\$ 30 million (about US\$ 1.3 million).

Top News: The new coronavirus caused house and land prices to be 15% cheaper. Property developers opted to reduce prices from March to date.

* According to the World Health Organization on July 28th, 2020.

** According to local authorities on July 28th, 2020.

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Sanctuary of the Virgen de los Remedios
San Pedro Cholula, Mexico