

# International Arrivals to the United States

for

December, Fourth Quarter, and Annual 2005

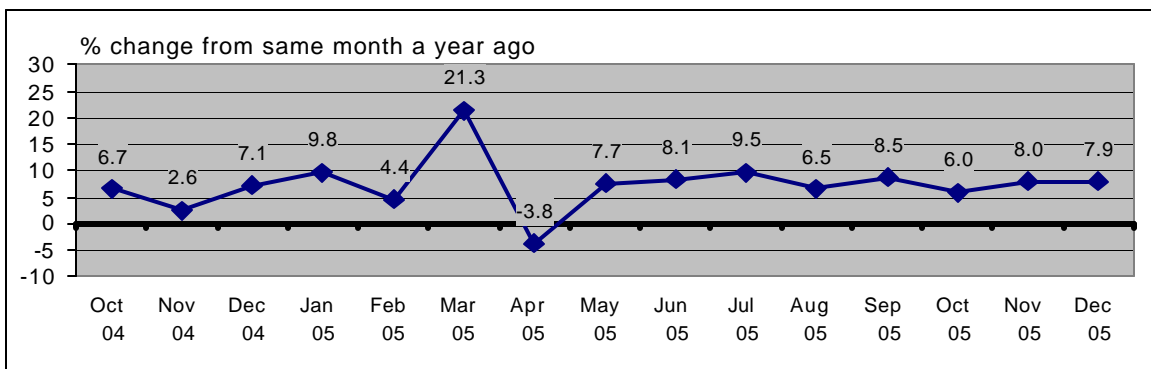
## Total International Visitors

The U.S. welcomed 49.4 million international visitors in 2005. This was an increase of seven percent compared to the 2004 visitation of 46.1 million. Despite two consecutive years of growth, visitor volume remains below the record of 51.2 million set in 2000. The continued rebound was comprehensive, as visitation from each of the top 25 markets increased in 2005. More than fifty countries and regions produced record visitation in 2005 including the important markets of Mexico (up 8% to 12,900,000), Australia (up 12% to 582,000), Spain (up 16% to 386,000), Ireland (up 11% to 383,000), India (up 12% to 345,000), Dominican Republic (up 23% to 221,000), Denmark (up 16% to 175,000), and Poland (up 9% to 134,000). All other record-breaking countries provided visitation levels below 40,000. Please note that all monthly statistics below include only a subset of total Mexico travelers for whom monthly arrivals data exists—those required to complete the I-94 form. This segment accounts for 36 percent of all Mexico visitors.

Total international arrivals to the U.S. began on a positive note in 2005 and maintained a positive five percent to ten percent increase for each month, except for March and April. These two large anomalies to the otherwise consistent performance correspond to switches in the months in which Easter fell. In 2004, Easter was in April; in 2005 Easter was in March. Looking ahead, Easter is in April in 2006 and in 2007. Notwithstanding the March/April anomalies, the monthly performance throughout 2005 extended the similar trend in fourth quarter 2004.

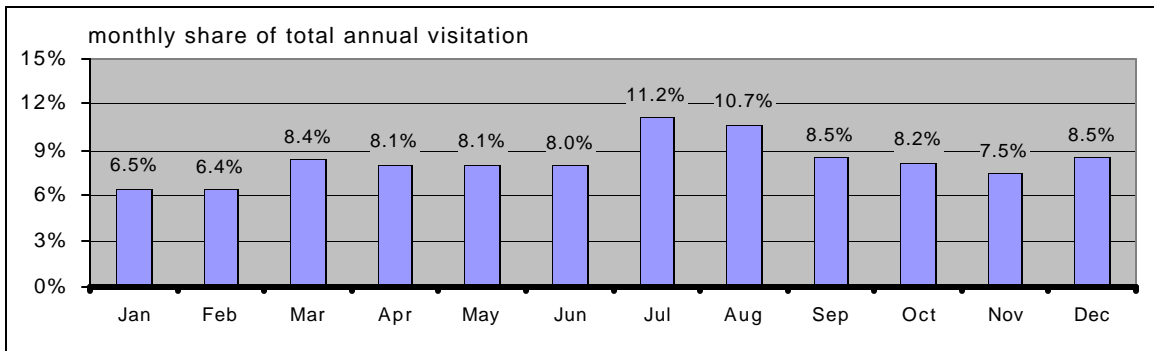
The U.S. hosted 3.5 million **total international visitors** in December 2005, an eight percent increase over December 2004. Shown in **Chart 1**, the December 2005 performance marked the eighth consecutive monthly growth of six percent or more and contributed to a seven percent growth for the fourth quarter of 2005. For perspective, the fourth quarter months accounted for 24 percent of 2005 annual international visitation (October (8.0%); November (7.3%), December (8.4%). In comparison, the third quarter generated 30 percent of all monthly arrivals, the second quarter produced 24 percent, and the first quarter produced 22 percent.

**Chart 1. 2005 Percent Change from Month in Previous Year: Total Visitors**



For additional perspective, **Chart 2** shows the monthly share of annual visitation based on a three year average (2003-2005).

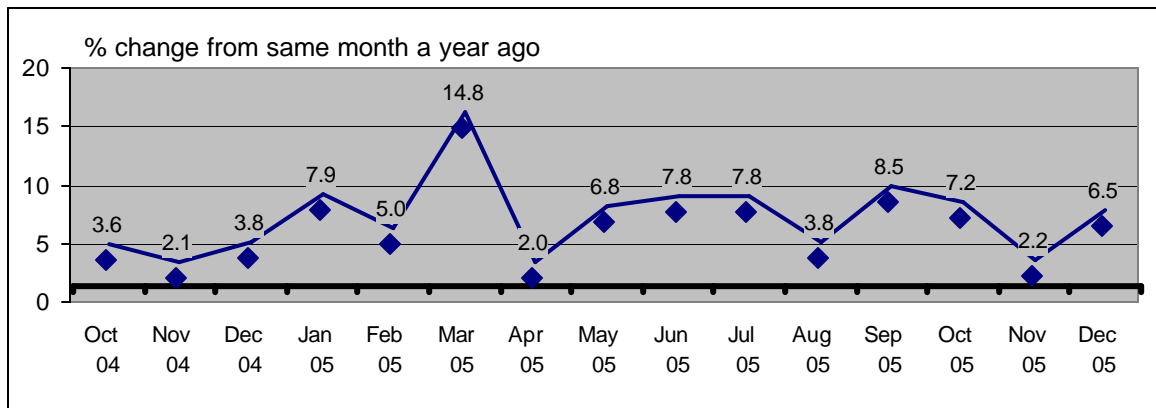
**Chart 2. Monthly Share of Annual Visitation: Total Visitors** (2003-2005 average)



Overseas Visitors

**Overseas arrivals**, which includes all countries except Canada and Mexico, contributed to total growth in 2005 by increasing seven percent to reach 21.7 million visitors. This performance in 2005 marked the second consecutive year of growth, but the 2005 level remains below the 2000 record of 26.0 million. **Chart 3** shows the trends for month-to-month changes from 2004 follow a pattern similar to that for all international visitors; monthly growth was mostly in the four percent to eight percent range. The Easter-influence produced a steep increase in March followed by very small growth in April, as shown in **Chart 3**. The chart only shows the most recent 15-month period, but extending the trend farther back in time, overseas arrivals performances have posted growth every month since September 2003.

**Chart 3. 2005 Percent Change from Month in Previous Year: Overseas Visitors**



As **Chart 4** shows, 2005 growth occurred in all nine world regions, and was led by the small visitor-producing regions of Eastern Europe (+13.9%), Oceania (+11.7%), and South America (+10.6%). The analysis below follows the ranking in the chart and is presented in descending order of visitors by region.

Travel to the U.S. increased in 2005 from the largest overseas region, **Western Europe**. Arrivals from the region totaled 9.9 million for the year, up six percent. Visitation from Western Europe grew three percent in December and four percent in the fourth quarter, the smallest growth in any of the 2005 quarters. The U.K. accounts for 44% of visitors from Western Europe. It's flat performance proved a major drag on the region's performance for the year (see country synopsis, below).

**Asian** arrivals numbered 6.2 million in 2005. Asia started the year slowly, but finished with an 11% increase in December and nine percent for the fourth quarter to end the year up seven percent. Japan accounts for 63 percent of visitors from this region and thus strongly influences the region's performance (see country synopsis, below).

Arrivals from **South America** continued to grow and produced a large overall increase in 2005 to 1.8 million visitors. Monthly changes in arrivals from this third-largest overseas region were all positive, but ranged from a low of one percent to a high of 27 percent. The year ended in strong fashion; a 13 percent growth in December and an eight percent growth in the fourth quarter contributed to the year finishing 11 percent over 2004. South America's performance was led by its largest contributor, Brazil, which was up a remarkable 26% (see country synopsis, below). In fact, Brazil posted the second-largest growth among the top 50 arrival markets in 2005.

The **Caribbean's** performance in 2005 mirrored that of South America; monthly changes included large and small increases and decreases, but ended the year up 12% in December but only three percent in the fourth quarter to end the year with an increase of four percent and a level of 1.1 million visitors.

The remaining five regions of Africa, Oceania, Central America, Eastern Europe, and Middle East produced 2.6 million international visitors in total and thus accounted for only five percent of total international visitors. Except for the Middle East, all of these regions had positive to very positive December performances, and only the Middle East and Central America had declines in the fourth quarter from the previous year. More importantly, each of these five regions finished the year ahead of 2004 visitation levels.

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**Chart 4. 2005 Visitor Volume and Percent Change from Previous Year:  
Overseas Visitors by World Region**  
(ranked by visitor volume)

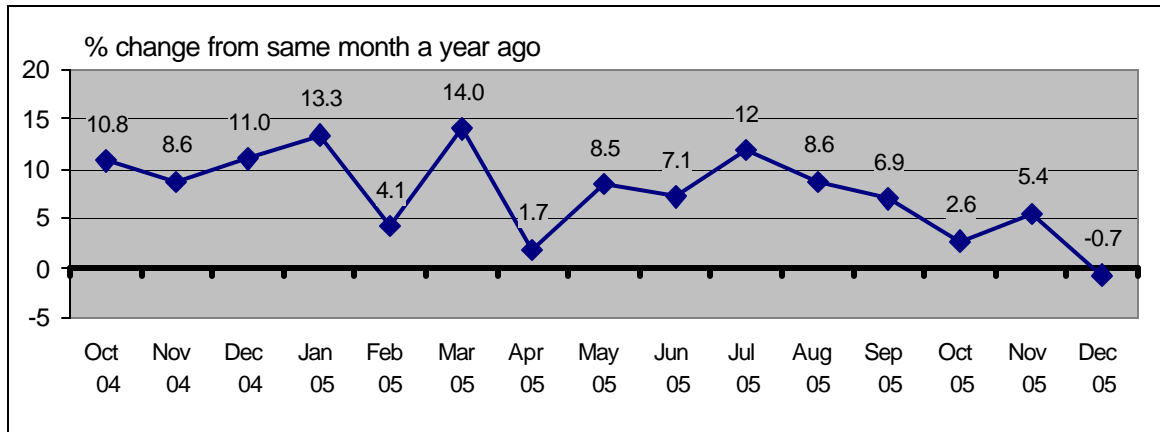
<b>World Region:</b>	<b>Visitors</b>	<b>December</b>	<b>Fourth Quarter</b>	<b>Annual</b>
Western Europe	9,879,934	3.0 %	3.7 %	6.2 %
Asia	6,198,087	10.9 %	9.1 %	6.8 %
South America	1,820,315	12.8 %	8.2 %	10.6 %
Caribbean	1,134,886	11.5 %	2.7 %	3.7 %
Oceania	736,840	17.0 %	14.7 %	11.7 %
Central America	696,207	2.6 %	-1.6 %	0.7 %
Middle East	527,361	- 23.4 %	-4.2 %	5.0 %
Eastern Europe	432,702	10.8 %	7.9 %	13.9 %
Africa	252,196	8.8 %	2.5 %	4.8 %

**Top Visitor Markets** (The percentage figures in parentheses following each market reports the country's market share of total arrivals in 2005.)

**Canada (30.1%)**

The U.S.'s largest international visitor origin market generated 14.9 million Canadians in 2005, a seven percent increase from 2004. This growth was led by the air segment, which was up 12 percent. Despite the solid growth in both 2004 and 2005, Canadian visitation remains below the 1991 record level of 19.1 million. Arrivals ended the year down slightly in December (-0.7%), the only down month of the year compared to the same month in 2004. In fact, prior to the December decline, Canada arrivals had posted increases for 17 consecutive months. Despite a down December, the fourth quarter ended ahead of fourth quarter 2004 by three percent.

**Chart 5. 2005 Percent Change from Previous Year: Canada**

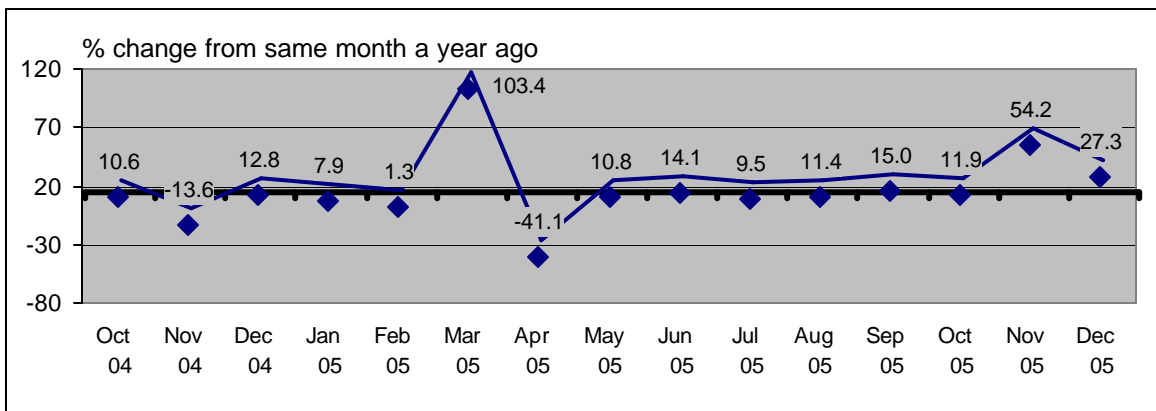


**Mexico (26.0%)**

A record 12.9 Mexicans visited the U.S. in 2005. This level represents an increase of eight percent from 2004. This preliminary estimate is based on historical Banco de Mexico figures, which OTTI uses to report total Mexican arrivals for the year. There is no other U.S. source for total arrivals from Mexico.

Among this total, 4.6 million or 36 percent of the count is from the monthly air arrivals data and reflects the visits to the U.S. “interior” as documented via the Department of Homeland Security’s Form I-94. Of this smaller sub-segment, changes in monthly visitation varied wildly, including—but not limited to—an Easter-influenced 103 percent increase in March followed by a 41 percent decline in April. The Mexican I-94 arrivals ended the year up 27 percent in December and ended the fourth quarter up 30% due to a tremendously strong November (+54%).

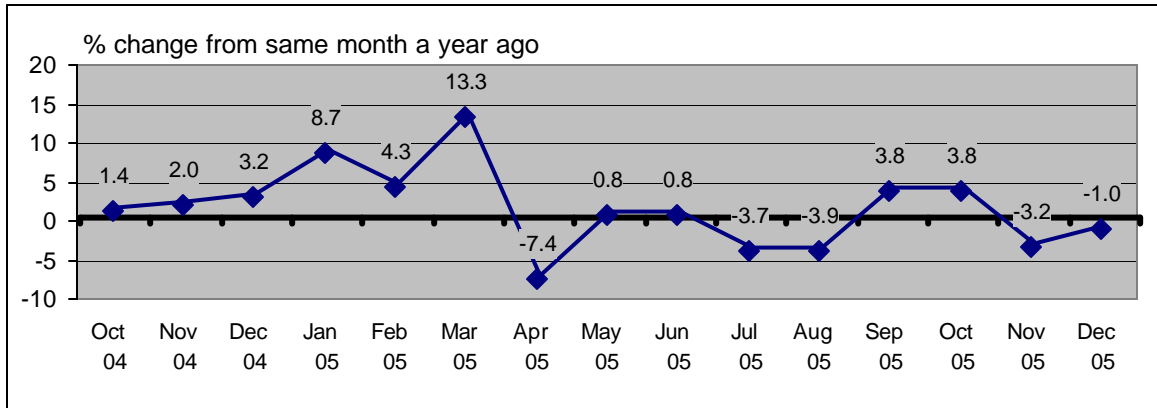
**Chart 6. 2005 Percent Change from Previous Year: Mexico**



**United Kingdom (8.8%)**

Visitation from the U.K. to the U.S. totaled 4.3 million, up one percent from 2004. The U.K. had the smallest growth level of the top origin countries in 2005 and visitation remains below the 2000 record level of 4.7 million. As **Chart 7** shows, The U.K. got off to a good start in 2005, but following the Easter-effect drop-off in April, visitation was up and down between increases of five percent and declines of five percent. The U.K. finished the year down one percent for the month of December and flat for the fourth quarter of 2005 (+0%).

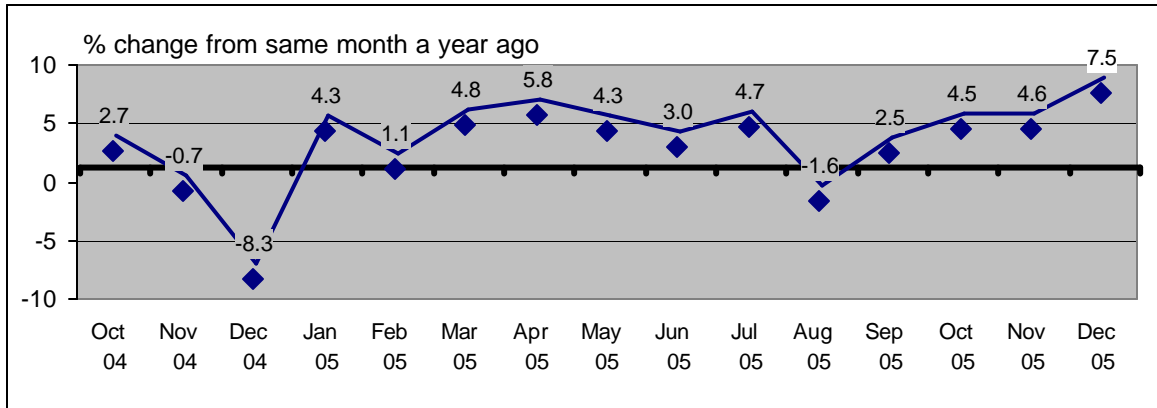
**Chart 7. 2005 Percent Change from Previous Year: United Kingdom**



**Japan (7.9%)**

Visitor volume from Japan ended the year with an increase in each of the last four months to help produce an increase of 4% for the year and reach a level of 3.9 million visitors. This level remains below the 1997 record level of 5.4 million. The positive performance in the fourth quarter of six percent was a significant turnaround from the decline in the fourth quarter of 2004. Japan is an important visitor origin market for the U.S. because it provides eight percent of total international visitors, 14 percent of visitor spending, and consistently represents the reason for our travel balance of trade surplus. For example in 2004, with Japan included, the U.S. balance of trade surplus was \$4 billion. Without Japan, the U.S. would have had a deficit of nearly \$6 billion.

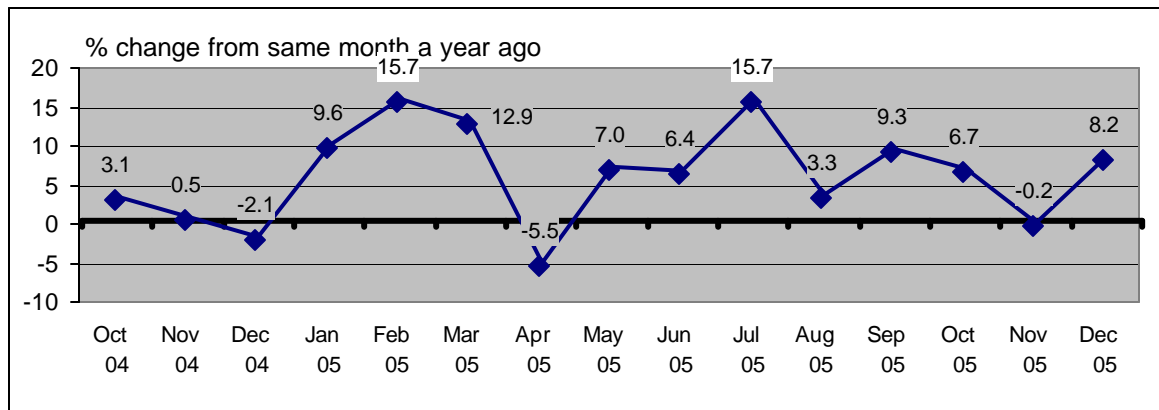
**Chart 8. 2005 Percent Change from Previous Year: Japan**



**Germany (2.9%)**

German visitation increased seven percent in 2005 to a level of 1.4 million visitors, but remains below the 1996 record level of 2.0 million. The monthly changes from 2004 differed greatly, ranging from the April decline that occurred in many countries (-6%), to an increase of 16% in both February and July. Arrivals from Germany ended the year up five percent in the fourth quarter due to increases in October and December offsetting a small decline in November.

**Chart 9. 2005 Percent Change from Previous Year: Germany**



**France (1.8%)**

Arrivals to the U.S. from France totaled 879 thousand in 2005, an increase of 13 percent from 2004. This volume level remains below the 2000 record level of 1.1 million. Monthly changes in arrivals from France were positive for each month in 2005. Arrivals in the fourth quarter were a strong eight percent, but were pulled down by a relatively weak December during which arrivals grew two percent. The fourth quarter gain was the smallest of the four quarters in 2005.

**South Korea (1.4%)**

Visitor volume to the U.S. from South Korea increased 13 percent in 2005 to a level of 705 thousand travelers. This level remains below the 1996 record level of 749 thousand. Monthly performance was positive for each month in 2005 compared to 2004, including a 21 percent increase in August, the month having the most arrivals. A strong positive performance in December of 14 percent contributed to a fourth quarter gain of 16%, the highest quarterly gain in 2005.

**Australia (1.2%)**

Australian visitors to the U.S. increased 12 percent to a record 582 thousand in 2005. Monthly changes in visitors were positive for each month in 2005, including a December gain of 17%. Eight of the 12 months in 2005 had monthly growth increases of ten percent or more. The fourth quarter gain of 15 percent was the largest of any quarter in 2005. Australia generated 79 percent of all arrivals from the Oceania region in 2005 and thus contributed greatly to that region's 12 percent gain in 2005.

**Italy (1.1%)**

Visitors to the U.S. from Italy increased 16 percent to 546 thousand in 2005. This level remains below the 1999 record level of 626 thousand. Monthly changes in visitors were positive for each month in 2005. Nine of the 12 months in 2005 had monthly growth increases of ten percent or more, but growth was smaller in November and December. The fourth quarter gain of six percent was the smallest by far of any quarter in 2005.

**Brazil (1.0%)**

Brazil was a star performer among the top origin countries for the U.S. The 2005 year-end volume of 485 visitors was a 26 percent increase over the 2004 level, which represents the second-fastest growth rate among the top 50 arrival markets. Despite the increase, Brazil visitor volume remains below the 1997 record level of 941 thousand. Monthly changes were consistently large and positive throughout 2005; gains exceeded 18 percent for each month but one. The largest percent increases occurred in the highest volume months. The fourth quarter visitation increased 25% over 2004 due to a December increase of 33 percent.

### **Netherlands (0.9%)**

The U.S. hosted 449 thousand visitors from the Netherlands in 2005, up six percent over 2004. This level remains below the 2000 record level of 553 thousand. Arrivals were higher for all but one month in 2005, and finished the year up nine percent in December. However, growth was smaller in the preceding months of the quarter, and the fourth quarter was up five percent.

### **China (People's Republic of China + Hong Kong) (0.8%):**

China was another star performer in 2005; visitation increased 24 percent to 405 thousand, but remains below the 2000 record level of 452 thousand visitors. Arrivals were higher for each month in 2005 and was up 19 percent or more in ten of the 12 months. The year finished up 25 percent in December and up 27 percent for the fourth quarter.

### **Spain (0.8%)**

Visitation from Spain increased 16% in 2005 to a record level 386 thousand travelers. Monthly changes in visitation were consistently higher throughout 2005 except for March. Thus, Spain visitation seemed to incur the "Easter Effect" similar to many other countries. The year ended on a positive note up 20 percent in December and up 13 percent in the fourth quarter.

### **Ireland (0.8%)**

Arrivals reached a record level of 383 thousand in 2005, up 11 percent from 2004. Visitation was higher in eight of the 12 months, including a big spike in March (Easter Effect). The year ended on a down note in November and December, but a very strong October (+35%) created a fourth quarter increase of six percent.

### **India (0.7%)**

Arrivals from India totaled a record level of 345 thousand in 2005, up 12 percent from 2004. Monthly changes in visitation were consistently strong throughout the year, including a strong finish to the year. The fourth quarter was up 17 percent due to strong growth in each of the three months in the quarter.

### **Venezuela (0.7%)**

Arrivals totaled 340 thousand in 2005, an increase of three percent for the year. This level remains below the record level set in 2000 of 577 thousand. Monthly changes in visitation from 2004 levels fluctuated wildly in both positive and negative directions. Except for a predicted Easter Effect growth in March (+48%) followed by a decline in April (-8%), changes in other months followed no apparent pattern. The year finished the fourth quarter down seven percent, and was down in each of the months in the quarter, including the important December (-6%).

### **Colombia (0.7%)**

Visitation from Colombia to the U.S. was 325 thousand in 2005, an increase of ten percent. This level remains below the 2000 record level of 417 thousand. Except for the Easter Effect decrease in April and a small decrease in January and February, monthly changes were positive and large. The fourth quarter was up 17 percent—the largest increase of the four quarters—and was strongly influenced by December, which is the largest volume month and was up 20 percent from December 2004.

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## THE TOP PORTS IN 2005

In addition to tracking arrivals to the country, OTTI also has monthly data on arrivals for more than 40 ports of entry. A brief analysis is presented on the top 15 ports for overseas arrivals in 2005.

- As reported in the analysis above, total overseas arrivals was up seven percent. Arrivals was higher in 2005 over 2004 for each of the top 15 ports; growth was at a double-digit level for Atlanta (14%), New York—JFK (11%), and Boston (10%). The smallest declines occurred at Miami (+1%), Honolulu (+3%), Washington, D.C.—Dulles (+4%), and Sanford, FL (+4%).
- International air arrivals are concentrated in three ports; the top ports of entry (New York JFK—15%, Miami—12%, and Los Angeles—10%) accounted for 37 percent of all overseas arrivals to the U.S. in 2005. Arrivals at the top 15 ports of entry accounted for 85 percent of all overseas arrivals in the January-December 2005 time frame.

Within the full report issued by OTTI using this database, arrivals are tracked for the top 40 ports by all world regions and 30 countries. For more information on top port details, visit the OTTI website at [http://www.tinet.ita.doc.gov/view/m-2005-I-001/port\\_entry05.html](http://www.tinet.ita.doc.gov/view/m-2005-I-001/port_entry05.html)

### Further Information:

The above analysis is a synopsis of the world regions and the top markets generating arrivals to the United States. Arrival statistics for the top countries and world regions may be accessed on-line from the monthly section of the U.S. Department of Commerce, Office of Travel and Tourism Industries (OTTI) web site at: <http://www.tinet.ita.doc.gov/research/monthly/arrivals/index.html>

Once on this page, you will find numerous links to tables providing visitor levels for the top origin markets to the United States. Please take a look at each of the links available.

The monthly *Summary of International Travel to the U.S.* report has approximately 30 tables that provide data on monthly and year-to-date arrivals to the country. The report provides data on approximately 90 countries each month and more than 40 ports-of-entry. Numerous breakouts are provided by world region, countries and for the port tables as well. To learn more about this program, please go to: <http://tinnet.ita.doc.gov/research/programs/i94/index.html>

Here are a few highlights from OTTI's *Summary of International Travel to the U.S.* report:

- **Visa Type:** Based on visa type, 80 percent were pleasure travelers, 17 percent were business travelers, and two percent were visiting the U.S. on a student visa. Travel by those holding pleasure travel visas was up seven percent from 2004. Those holding business visas or student visas were both up four percent. (Table D.2)
- **Age of respondent:** Average age of travelers was 40 years. The median average as was 39 years. (Table F.2)
- **Mode of Travel:** Air travelers dominate the travelers in the I-94 program database (96%). Another three percent traveled by land and one percent traveled by sea. (Table E.2)
- **U.S. Destination Address:** Three states—Florida (4.1 million), New York (3.5 million), and California (3.0 million)—dominate in the destination “address while in the U.S.” These three states account for 49% of state destinations provided. (Table G.2)

If you would like to purchase the monthly international arrival reports for 2005, 2006, or prior years, please go to: [http://www.tinet.ita.doc.gov/outreachpages/inbound.general\\_information.inbound\\_overview.html](http://www.tinet.ita.doc.gov/outreachpages/inbound.general_information.inbound_overview.html).

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