



HolidayEuro Summer 2013

Purchasing Power of the Euro Abroad

June 2013

ANALYSES

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Overview

HolidayEuro worth more in summer 2013

- Trend buoyed by stronger euro and lower inflation abroad
- Particular increase seen abroad this year
- Hungary and Turkey still the best-value top destinations
- HolidayEuro worth a bit more in many Eurozone countries than in Austria
- Switzerland remains the most expensive holiday destination; Japan inexpensive for the first time

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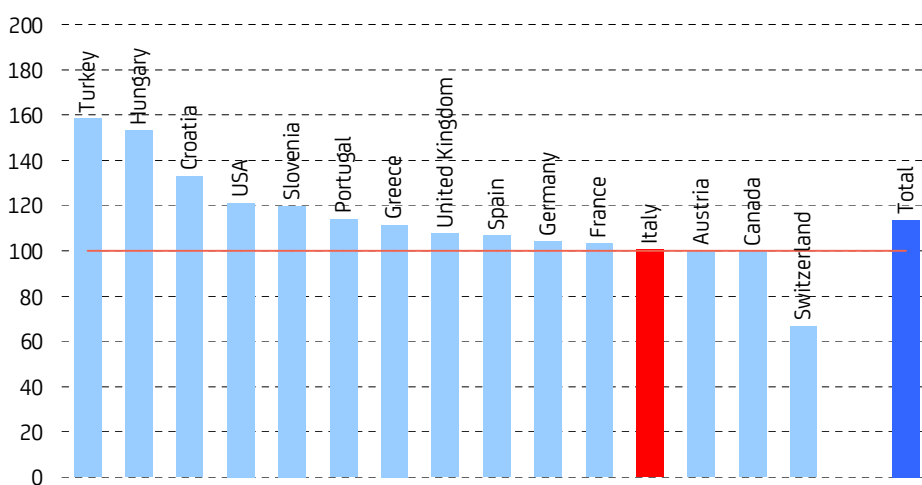
In detail

On the whole, the value of the HolidayEuro for Austrians is increasing in summer 2013. On average, the HolidayEuro is worth a little more in summer 2013 than it was last year, because the currency has appreciated and inflation has been slightly lower than in Austria. Hardly any holiday destinations had higher rates of inflation than Austria – and even for those that did, any difference was largely cancelled out by depreciation. In many Eurozone countries, the HolidayEuro has benefited from the lower inflation level compared to Austria, while in the non-euro countries it has benefited from the euro being stronger.

Among the most important holiday destinations for Austrians, Turkey and Hungary currently offer Austrian tourists the most value for their HolidayEuros. Travellers will also get considerably more for their HolidayEuro than in Austria in Croatia, Slovenia and Portugal. People spending their summer holidays in the US this year can also expect to get noticeably more buying power – nearly 20 per cent – from their HolidayEuros than at home. The HolidayEuro is also worth significantly more in many Eastern and Southeastern European countries than in Austria, especially in Romania, Poland and Bulgaria, with the gap between these countries and Austria roughly the same as last summer. Compared with 2012, people this year are getting more for their HolidayEuro in Turkey in particular, but also in Greece, the UK and nearly all other overseas destinations.

On average, the value of the HolidayEuro in overseas destinations increased by some 7 per cent on last year. There was a particularly sharp rise in Africa, where depreciation significantly outstripped rising inflation, pushing up the value of the HolidayEuro by some 9 per cent, most notably in South Africa but also in Egypt. However, tourists can also get somewhat more for their money in Asia and South and Central America this year. Depreciation has meant that the HolidayEuro is worth some 6 per cent more in Brazil than it was last year. Only Mexico saw a fall, due to slight appreciation coupled with rising inflation. Australia and New Zealand are also cheaper than this time last year, although the HolidayEuro is still worth less in these countries than in Austria. In most Asian countries, the HolidayEuro is worth more than in Austria and also more than it was a year ago. And, for the first time, Japan is not more expensive than Austria, with the HolidayEuro having increased in value by 24 per cent year-on-year.

On holiday, EUR 100 are worth



Source: OECD, Eurostat, Statistik Austria, Bank Austria Economics & Market Analysis Austria (own estimates), June 2012

Holidaying in Switzerland, where 100 HolidayEuros are worth only EUR 67, remains just as expensive, with deflation unable to offset a strong Swiss franc despite slight depreciation. In most Eurozone countries, people are getting slightly more this year than they did last year – in each case relative to Austria – as inflation has been lower. Thus most Eurozone countries will give travellers the same (Italy, France, Germany) or slightly more (Spain, Greece) for their HolidayEuro than Austria; only in Ireland is the HolidayEuro still worth significantly less than in Austria.

In conclusion, we would like to point out that these figures are average values that could differ for individual regions (such as the central region of London, for example). The price levels refer to the average price of goods and services in the individual countries; the prices for individual products could differ substantially (especially for tourists). Therefore, the changes in value rather than the values themselves are listed for holiday destinations. Furthermore, the fact that the price levels are so much more affordable in some holiday destinations than in Austria is primarily due to the high income level in Austria. If the price level were lower in Austria, the income level would also be lower and holidays would be much less affordable.

On holiday, EUR 100 are worth

Comparison of Purchasing Power *)

Destination	Popularity ¹⁾	Jun-13 EUR 100 are worth EUR ... in this country	Jun-12 EUR ... in this country	- more exp. + cheaper ²⁾ ompared to previous year in %
Austria		100	100	
Italy	22%	100	98	2%
Croatia	15%	133	135	-1%
Germany	9%	104	103	0%
Spain	7%	107	106	0%
Turkey	4%	158	149	6%
Greece	4%	111	108	3%
France	4%	103	102	1%
United Kingdom	3%	108	103	4%
Hungary	3%	153	150	2%
Switzerland	2%	67	64	4%
Slovenia	1%	120	119	1%
USA	1%	121	116	4%
Portugal	1%	114	112	2%
Canada	0%	99	92	7%
Total ³⁾	73%	114	112	1%

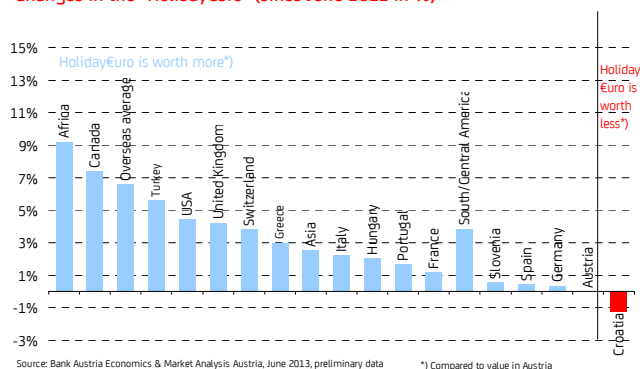
*) EU-25 countries excluding housing costs

¹⁾ Percentage of holidays abroad longer than 4 days taken by Austrians

²⁾ Compared to Austria

³⁾ Only the most important countries

Changes in the "HolidayEuro" (since June 2012 in %)



Source: Bank Austria Economics & Market Analysis Austria, June 2013, preliminary data *) Compared to value in Austria

Changes in the "HolidayEuro"

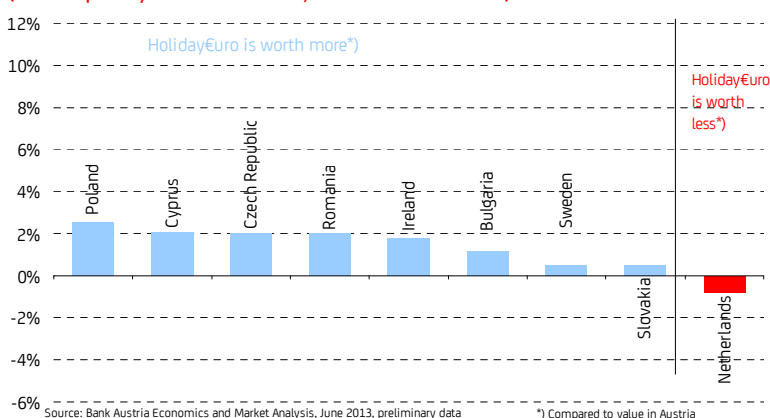
(June 2013 over June 2012, in %)

Africa	9.2%
Canada	7.4%
Overseas average	6.6%
Turkey	5.6%
USA	4.4%
United Kingdom	4.2%
Switzerland	3.8%
Greece	3.0%
Asia	2.6%
Italy	2.2%
Hungary	2.1%
Portugal	1.7%
France	1.2%
South/Central America	3.9%
Slovenia	0.6%
Spain	0.5%
Germany	0.4%
Austria	0.0%
Croatia	-1.2%

Source: Bank Austria Economics & Market Analysis Austria

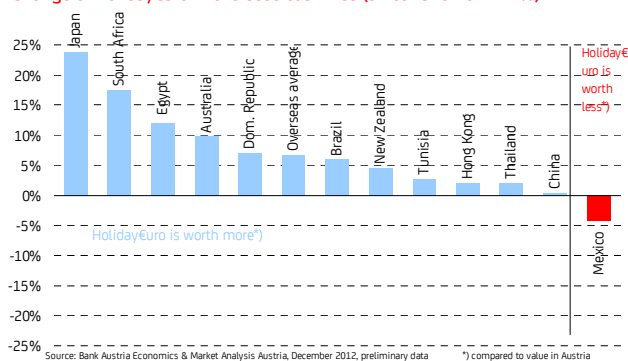
Changes in the "HolidayEuro"

(less frequently visited countries, since June 2012 in %)



Source: Bank Austria Economics and Market Analysis, June 2013, preliminary data *) Compared to value in Austria

Change of HolidayEuro in overseas countries (since June 2012 in %)



Source: Bank Austria Economics & Market Analysis Austria, December 2012, preliminary data *) compared to value in Austria

Changes in overseas "HolidayEuro"

(June 2013 over June 2012, in %)

Japan	24%
South Africa	17%
Egypt	12%
Australia	10%
Dom. Republic	7%
Overseas average	7%
Brazil	6%
New Zealand	5%
Tunisia	3%
Hong Kong	2%
Thailand	2%
China	0%
Mexico	-4%

Source: Bank Austria Economics & Market Analysis Austria

**On holiday, EUR 100 are worth
 Comparison of Purchasing Power*)**

Reiseziele	Popularity	Jun-13 EUR 100 are worth EUR ... in this country	Jun-12	- more exp. + cheaper compared to prev. year in %
Austria		100	100	
Italy	22.1%	100	98	2%
Croatia	14.5%	133	135	-1%
Greece	4.2%	111	108	3%
Germany	9.4%	104	103	0%
Spain	7.4%	107	106	0%
Turkey	4.4%	158	149	6%
France	3.6%	103	102	1%
Hungary	2.5%	153	150	2%
Slovenia	1.4%	120	119	1%
United Kingdom	3.0%	108	103	4%
USA	1.4%	121	116	4%
Switzerland	2.0%	67	64	4%
Portugal	1.0%	114	112	2%
Canada	0.1%	99	92	7%
Czech Republic	0.6%	133	130	2%
Ireland	0.8%	91	90	2%
Sweden	0.3%	84	84	1%
Cyprus	0.4%	110	108	2%
Romania	0.6%	191	187	2%
Slovakia	0.6%	131	130	1%
Poland	0.8%	162	158	3%
Netherlands	0.8%	101	102	-1%
Bulgaria		167	165	1%
Asia	2.3%	-	-	3%
Thailand		-	-	2%
Japan		-	-	24%
Hong Kong		-	-	2%
China	0.2%	-	-	0%
Africa	3.8%	-	-	9%
Egypt	2.2%	-	-	12%
Tunisia	1.3%	-	-	3%
South Africa	0.3%	-	-	17%
South/Central America	0.8%	-	-	4%
Mexico		-	-	-4%
Dom. Republic		-	-	7%
Brazil	0.1%	-	-	6%
Australia	0.1%	-	-	10%
New Zealand	0.1%	-	-	5%
Overseas average	7.0%	-	-	7%
Ttotal ¹⁾		114	112	1%

*) For EU countries without housing costs

¹⁾ only the most important countries

Source: Bank Austria Economics & Market Analysis Austria, OECD, Eurostat, Statistik Austria

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