

TOURISM MARKET SIGNALS



MAY 2025: MONTH-END REPORT

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All financial amounts are expressed in CAD, unless otherwise stated.



Spillars Cove
Newfoundland & Labrador

01

EXECUTIVE SUMMARY

KEY TAKEAWAYS:

TRAVELLERS CONTINUE TO FAVOUR CANADA

Despite a minor decrease in May '25, domestic travel sentiment continues to trend higher than previous years. Canadian travel sentiment towards visiting the US improved in May '25 although it remains significantly below the historical average.

Canadians are showing an increased desire to host domestic and international visitors. There is a positive rebound in the level of welcome towards US visitors.

American travel sentiment towards Canada remains stable. Sentiment from target travellers in the US continues to trend significantly higher than the average. However, overnight arrivals were down in May '25 as were forward bookings to Canada.

Bookings and overnight arrivals from target overseas* markets continue to increase. Travel sentiment for Canada is stable, and Canada's brand and reputation is strong in international markets. Travel sentiment from overseas markets to the US is showing signs of improving.

Positive outlook remains for pre-booked business events anticipated in 2025, with significant growth expected in the number of delegates across events from the US market. For future year business events, the current geopolitical and macroeconomic uncertainty could create headwinds.



Canada's international brand is strong and well-regarded. To ensure tourism continues to benefit communities, efforts should focus on targeting the Highly Engaged Guest (HEG) and leveraging Canada's welcoming and distinctive reputation. This strong brand should be used strategically to counteract declining arrivals and to respond to gradually improving US sentiment toward overseas travel.

KEY TAKEAWAYS: TRAVEL TRENDS



 Sentiment	 Search	 Bookings	 Arrivals
○ US travel sentiment towards Canada was stable in May '25, with an upward trend in travel intent. Highly Engaged Guests (HEG) continued to have a higher affinity for Canada. ○ Canadian travel sentiment towards the US showed a rebound¹ although it remains significantly below historical average. ○ Domestic travel sentiment decreased slightly in May '25 but was still significantly above average for value perception and travel intent. ○ Overseas travel sentiment indicated Canada was being differentiated from the US. Overseas travel intent to US rebounded significantly in May '25. ○ Resident sentiment³ towards US visitors improved for the second month in May '25. However, it still lagged resident sentiment towards domestic and other international visitors.	○ On a major Online Travel Agency (OTA) platform, Canadian searches for overseas and domestic destinations continued to grow year-over-year. ○ US to Canada searches, which showed consistent growth (on a major OTA platform) for Apr '25, softened for most of May '25.	○ Flight forward bookings⁴ for domestic travel increased in May '25 and were marginally up year-to-date (YTD). ○ Overseas forward bookings to Canada increased in May '25 and were marginally higher YTD compared to the previous year. ○ Forward booking trends from key overseas markets indicated that Canada was being differentiated from the US. ○ Forward bookings to Canada from US declined in May '25. ○ Average monthly hotel occupancy rate⁵ and Average Daily Rate (ADR) increased year-over-year, suggesting strong demand in May '25.	○ Canadian outbound travel² to US continued to decline while travel to overseas increased in May '25. ○ US tourist arrivals (overnight) to Canada by land declined for the fourth consecutive month. US overnight air arrivals also declined marginally by 0.4% in May '25. ○ Land arrivals from target overseas markets trended down. This could be due to declining sentiment towards visiting the US leading to a decrease in dual-country (US / Canada) trips. ○ Overseas overnight arrivals to Canada increased by 2% in May '25. This marks a successive monthly increase in arrivals, based on leading indicators.
 Business Events	○ Business events⁶ for the current year remain stable from the US but there was a decline from domestic and other international markets. The definite business events pipeline from domestic and the US was almost flat in May '25.		

Context

Destination Canada is tracking key travel metrics to support stakeholders and inform decisions. This report covers data until the end of May ‘25.

We launched the Tourism Market Signals report series in response to new uncertainty in the tourism industry, stemming from Canada-US trade tensions through US tariffs on Canadian goods.

With wildfire season starting early, we are also now tracking the potential adverse impact of wildfires on tourism.

Since February 2025, there have been ongoing negotiations regarding tariffs on Canadian goods between Canada and the US. While the tariffs are to be applied on goods and not services, the repercussions could be felt across multiple industries in both countries due to the economic impacts and behavioural reactions.



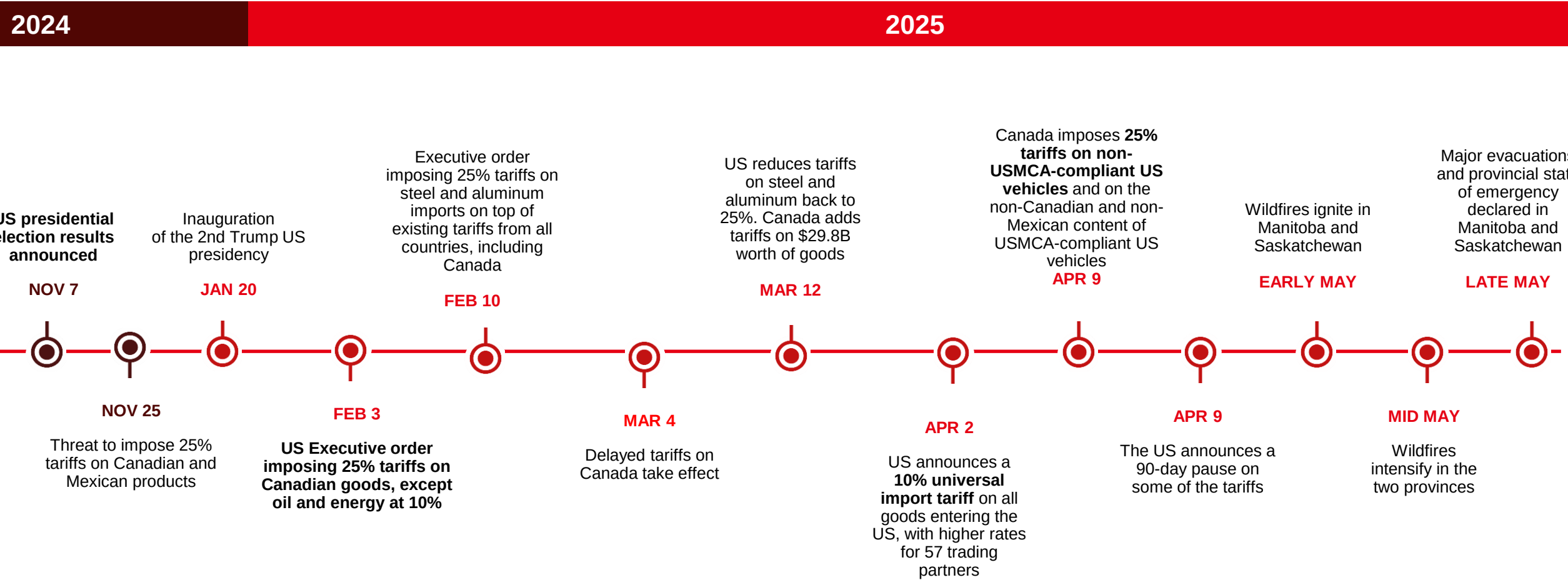
Key Monitoring Indicators

We are continuously monitoring and analyzing key metrics that affect tourism in Canada. The key indicators are:

- **Sentiment** – This relates to changes in traveller sentiment, a leading indicator of purchase decisions.
- **Trip planning** – This includes searching for relevant destinations.
- **Booking indicators** – This includes airline and hotel bookings, which represent the post purchase cycle of the tourist value chain.
- **Economic indicators** – This relates to the actual spending by visitors (both international and domestic).

The data is analyzed with a focus on nine international markets (France, UK, Mexico, China, Australia, Germany, Japan, South Korea and the US) with a special lens on the US. Within these markets, we examine travel indicators for the Highly Engaged Guest (HEG).

TIMELINE OF EVENTS (INVOLVING TARIFFS AND WILDFIRES)



TOURISM REVENUE SOURCES IN CANADA



Tourism generated \$129.7 Billion in economic activities for Canadian businesses in 2024



*Tourism exports refer to the spending by inbound international tourists to Canada

Sources: Statistics Canada, National Tourism Indicators

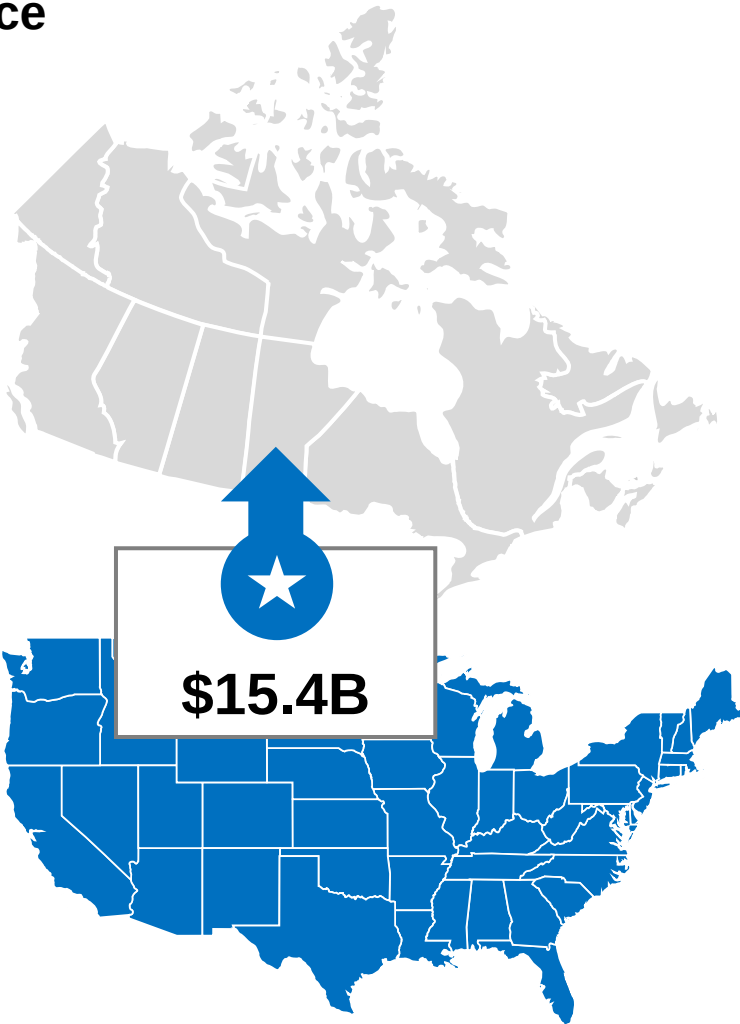
¹The summation of individual components of revenue may not add up to the totals shown due to rounding of individual components

SIGNIFICANCE OF CROSS-BORDER TOURISM

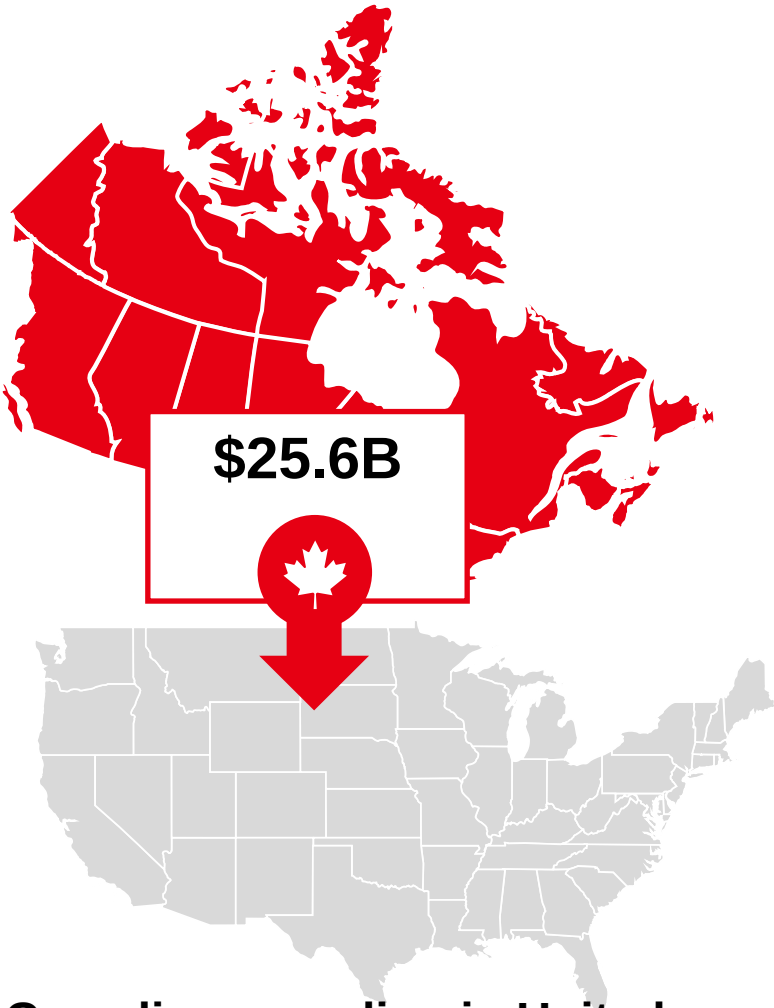


Tourism Service Trade Balance with the US 2024*

Excludes passenger fares



US spending in Canada

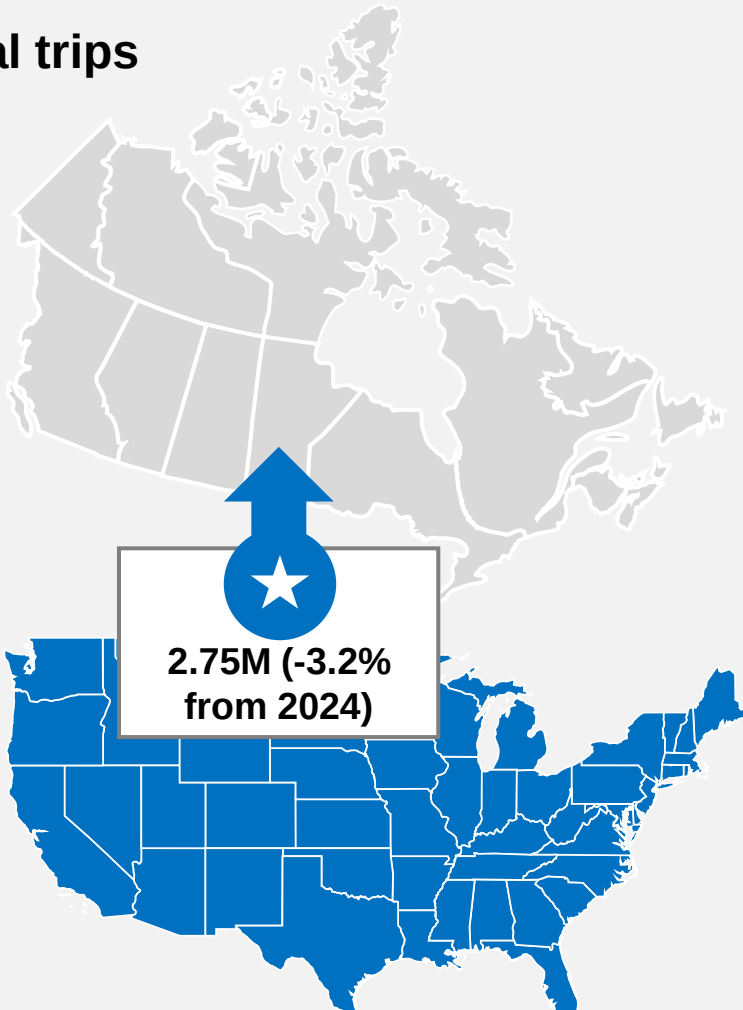


Canadian spending in United States

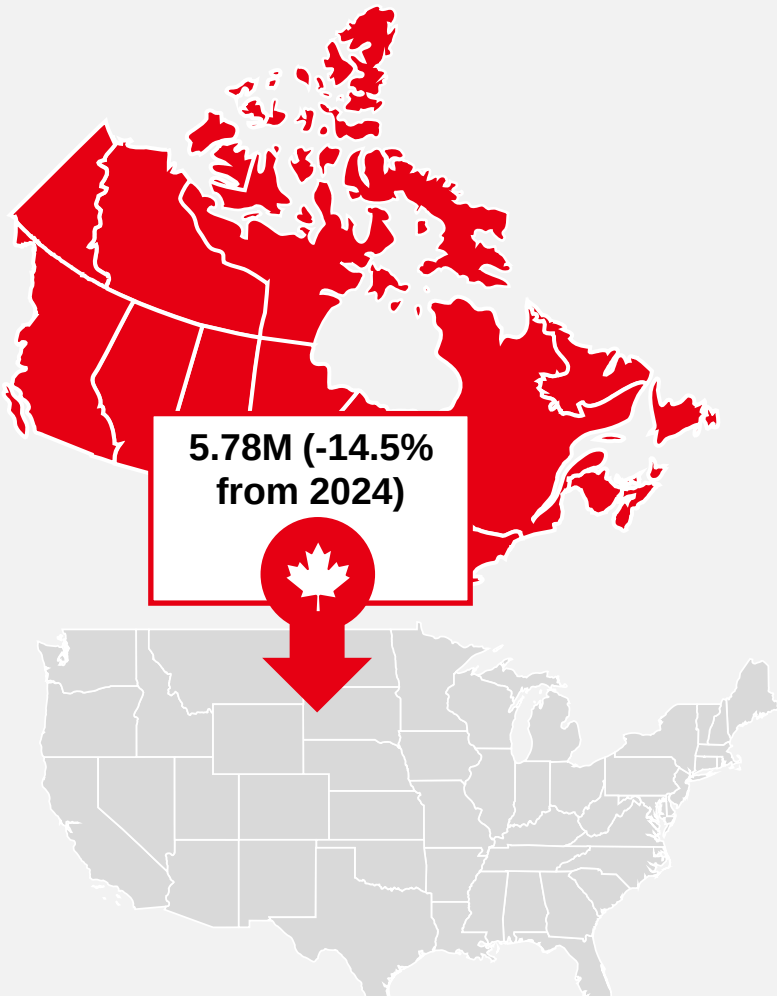
SIGNIFICANCE OF CROSS-BORDER TOURISM (CONT'D)



Balance of bilateral trips
(overnight)
with the US for
Jan - Apr 2025
vs Jan - Apr 2024



US visitors (overnight)
to Canada



Canadian visitors (overnight)
to the United States

What We're Seeing Right Now



Domestic Market

More Canadians are Choosing to Travel In-Country

- Canadian residents are showing less interest in travelling to the US, and a **greater interest towards domestic destinations**.



US Market

Travel sentiment is stable, but arrivals are declining

- Travel sentiment from US to Canada continued its stable trajectory, with a strong growth amongst the target Highly Engaged Guests. Brand Love for Canada's tourism brand also showed a statistically significant increase between Nov '24 and May '25.
- However, growing travel intent has not translated into strong arrivals, which decreased for the third consecutive month in May '25. Forward bookings also declined in May '25.



Overseas Market*

Canada is Differentiating Itself from the US

- Overseas travel sentiment towards Canada is stable, with an increase in destination recommendation.
- Forward bookings are *up* for Canada and *down* for the US.
- Overnight air arrivals to Canada also increased for the second consecutive month in May '25.



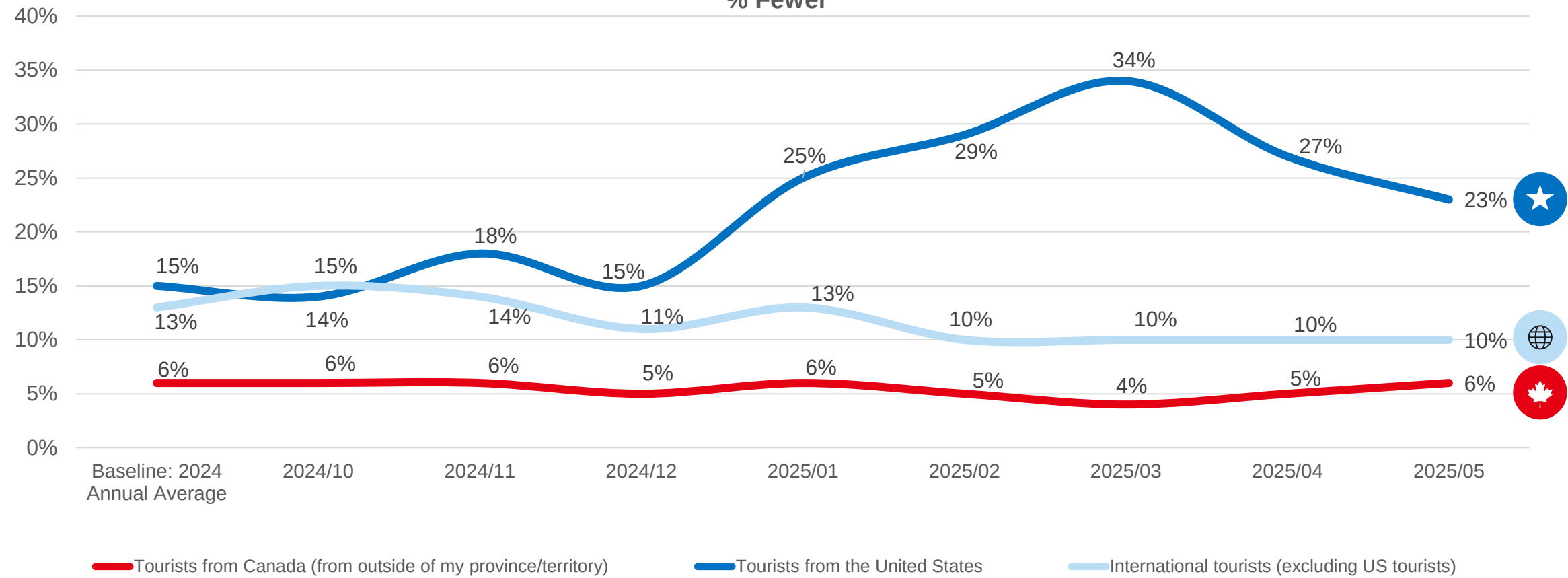
Residents

Improvement in Canadian Sentiment Toward US Visitors

- Canadian residents are continuing to state that they want more domestic and overseas visitors, and fewer US visitors.
- **However, sentiment towards US visitors improved in Apr '25 and May '25.** This reversal in sentiment bodes well ahead for the peak summer season.

Resident Sentiment Monitoring

Percentage share of respondents stating that Canada should attract **Fewer Visitors** of the following types in the future
% Fewer



KEY MARKET SIGNALS – SENTIMENT



Traveller Sentiment in May 2025

Compared to the previous month (M-o-M, April 2025) and the previous year (Y-o-Y, May 2024)

Brand Metrics	Canada to Canada		US to Canada		Canada to US		Overseas to Canada		Overseas to US	
	M-o-M	Y-o-Y	M-o-M	Y-o-Y	M-o-M	Y-o-Y	M-o-M	Y-o-Y	M-o-M	Y-o-Y
Value Perception	-4%	10%	-6%	5%	19%	-39%	-5%	-8%	1%	-14%
Recommend	-6%	2%	-1%	9%	38%	-44%	5%	5%	-4%	-22%
Travel Intent	-5%	19%	5%	18%	36%	-26%	9%	-1%	41%	3%



Key Insights

- Domestic travel sentiment metrics continue to perform strongly albeit a marginal M-o-M reduction in May '25.
- US travel sentiment to Canada is stable. HEG travel sentiment continues to trend much higher than average. (Value perception +16%, Recommend +17%, Travel intent +45%)
- Overseas travel sentiment to Canada continues to remain stable.
- Canadian travel sentiment towards US has seen a slight recovery across all metrics. Similar recovery was also observed in travel intent to US from overseas markets.

Heatmap

Significantly Above Average	
Above Average	
Average Mid Point	
Below Average	
Significantly Below Average	
Assessment Not Available	

Note: The heatmap uses XmR (Individual-Moving Range) control chart methodology, where data points that significantly deviate above or below the average indicate statistically meaningful variation from expected norms

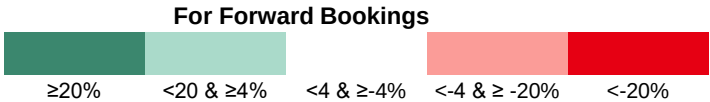
Sentiment metrics derived via these questions:

- **VALUE PERCEPTION** – Which of the following destinations do you think represents good value for money? By that we don't mean 'cheap' but that the destination offers visitors a lot in return for the price paid.
- **RECOMMEND** – Which of the following destinations would you recommend to a friend or colleague?
- **TRAVEL INTENT** – Of the destinations considered, which are you most likely to visit?

KEY MARKET SIGNALS – FLIGHT FORWARD BOOKINGS



 ↓ Performance Indicator	 Canada to Canada	 US to Canada	 Canada to US	 Overseas* to Canada	 Overseas to US
Y-o-Y	+4%	-5%	-20%	+2%	-11%
YTD	+1%	+1%	-16%	+2%	-6%



Key Insights

- Domestic forward bookings increased in May '25 and showed a marginal increase YTD.
- US to Canada forward bookings decreased Y-o-Y but is marginally up YTD.
- Overseas to Canada forward bookings increased for the third consecutive month.
- Just as with the sentiment metrics, Canada is being differentiated with the US as far as forward bookings from overseas are concerned.

• Y-o-Y is calculated for the change in May 2025 over May 2024
• YTD is calculated for change for the period January - May 2025 compared to the period January – May 2024
• This represents only a portion of the total booking data from IATA

*Overseas markets include Destination Canada target international markets, excluding US

Source: Data extracted from IATA as of 11 June, 2025

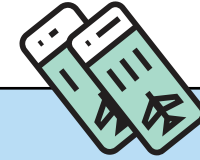
SUMMARY: CANADIAN RESIDENTS



Domestic travel sentiment continues to hold strong, with a welcome improvement in sentiment towards the US

Leisure Market Monitoring

- Sentiment including travel intent¹ to the **United States has rebounded month-over-month but is still down year-over-year and below historical average.**
- Travel to US by air (indicated by Canadians returning from US by air)³ has been decreasing every month (compared to the previous year) since Jan '24. Leading indicators for Canadians returning from the US by land in May '25 showed a significant decline: 34% for overnight visitors and 40% for same-day visitors. Overnight air travel to US also declined by 24% year-over-year in May '25, which was the largest decline in this calendar year.
- Travel by Canadians to overseas destinations has increased.³ However, this is not necessarily due to the current geopolitical climate as a similar trend has been observed since Oct '24.
- **Domestic sentiment indicators¹ like value perception and travel intent for travel within Canada continue to trend above historical averages**, reinforced by the high search demand for domestic destinations. Domestic forward bookings² year-to-date were marginally higher, owing to a growth of 4% in May '25.



Key Takeaways

- Domestic travel intent remains strong and is trending near historic highs. This could help offset potential fluctuations from international travel to Canada. **Encouraging Canadians to explore within the country may help retain more spending. The Canada Strong Pass is a good initiative to facilitate domestic tourism demand.**
- **A higher number of Canadians are also searching for travel to overseas markets** which suggests that outbound travel to US may be substituted with outbound travel to overseas markets.
- The monthly reversal in declining travel sentiment towards US is accompanied by a similar reversal in resident sentiment towards US visitors. A continuation of this trend may be beneficial for cross-border tourism between Canada and the US.

SUMMARY: UNITED STATES



US arrivals are trending down, despite stable sentiment especially among target travellers

Market Monitoring

- Travel sentiment indicators¹ from US to Canada are stable. Highly Engaged Guests (HEGs)* travel sentiment continues to trend significantly above average and near historical highs.
- Among our target states, Texas is showing very strong travel intent and likelihood to recommend.
- Leading arrival indicators² (for Americans travelling to Canada by land – both same-day and overnight) declined for the fourth consecutive month in May '25. Leading indicators for overnight air arrivals also decreased marginally in May '25. A negative trend in overnight arrivals is a concern ahead of the peak summer season. We will continue to monitor.
- Forward flight bookings⁴ to Canada decreased year-over-year in May '25.
- Search indicators (on a major OTA platform) from US to Canada softened for much of May '25.
- A positive signal was the reversal of declining Canadian resident sentiment³ towards US visitors. The percentage of Canadians who wanted to attract fewer visitors reduced by 11 percentage points in Apr '25 and May '25 after increasing by 19 percentage points in Q1 '25. The percentage of Canadians who want to welcome US visitors remained steady compared to last month, although it is still below the level for domestic and overseas visitors.
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Key Takeaways

- US travel sentiment for Canada remained stable, with HEG travel sentiment much higher than the average.
- Despite the stable travel sentiment from US, **consistent decline in overnight arrivals is a cause for concern ahead of the summer season.** We will continue to monitor and remain cautiously optimistic that positive sentiment will lead to an improvement in arrivals.
- Canadians' sentiment toward US travellers continued to improve after declining for Q1 '25. While it is still below the levels for domestic and international visitors, this reversal of the trend bodes well to **reinforce Canada's welcoming reputation. US tourists should feel welcomed within our shores.**

**Highly Engaged Guests are the traveller segments identified by Destination Canada as having higher economic and responsible values that best support Canadian communities.*

SUMMARY: OVERSEAS KEY MARKETS



Overseas travel sentiment towards Canada is stable, with recent growth in arrivals

Market Monitoring

- YouGov survey results reveal that overseas traveller sentiment overall has **stabilized for Canada. Canada is now being positively differentiated from the US. Likelihood to recommend is trending above the historical average.**
- Searches for Canadian destinations (on a major OTA platform) by most of our overseas markets increased in May '25.
- Forward bookings from overseas markets saw a 2% year-over-year increase in May '25,² buoyed by growth in UK and China.
- Resident sentiment from Canada towards overseas markets was positive⁴ as residents of Canada want to attract more tourists from non-US markets.
- Leading indicators for air arrivals from overseas markets showed marginal growth in May '25.³ UK, Asia and Australia showed a positive year-over-year growth in May '25.



Key Takeaways

- Travel sentiment for Canada has stabilized. Canada is now being positively differentiated from the US by overseas markets.
- Overseas forward bookings for Canada increased year-over-year in May '25.
- Arrivals increased marginally in May '25 but this trend needs to be monitored closely during the summer.
- Emphasizing Canada's differentiating factors as a destination could be a **good opportunity for deeper engagement with our overseas markets.** Canada's reputation as a safe, welcoming, and experience-rich destination could be leveraged to take a higher share of North America travel.

SUMMARY: BUSINESS EVENTS*



A positive overall outlook for Business Events for 2025

Business events for the calendar year 2025 vs 2024¹

- As of May '25, domestic and overseas momentum (in terms of number of business events to be held in Canada) has softened but momentum from the US seems to hold strong.
- There is significant growth expected in the number of delegates across events from the US market.

Definite business event (BE) bookings for future years

- Domestic pace of definite number of bookings and delegates in May '25 is on par with May '24. However tentative business events are seeing strong growth. Similar to the domestic market, other international countries outside of the U.S. are showing strong positive signals for number of future year business events bookings. The growth suggests positive perception of Canada to host their events amid the current geopolitical and macroeconomic uncertainty.
- For US events, tentative business events have softened slightly, while the size of the events are slightly larger. Definite business events from US are stable with a decline in the size of the events.



Key Takeaways

- US market for 2025 bookings remains strong, with significant growth in delegate numbers despite a slight softening in tentative bookings; event sizes are stable.
- Domestic and other international markets show future bookings growth, reflecting Canada's continued appeal amid global uncertainty. Event bookings from US for future years (beyond 2025) have softened a bit.

*Business Events data is available to end of May'25. Business events data is captured for events held in Canada, organized by stakeholders from Canada, US and other international markets

SUMMARY: ONGOING MONITORING OF WILDFIRES



A short-term spike in negative sentiment towards affected provinces

Starting in May '25, we will include data to monitor the impact of wildfires or other climate events on travel and tourism. Given the wildfires in Manitoba and Saskatchewan in May '25, we have focused on these provinces for this month. The monitoring indicators include sentiment, international arrivals, searches, and hotel occupancy.

Market monitoring

- There has been a spike in the negative sentiment, impression and reputation¹ amongst Canadian residents towards Manitoba and Saskatchewan in May '25 after the wildfires started.
- US travellers do not appear to be influenced by the wildfires, with key metrics remaining stable throughout the first half of 2025.
- There is a significant increase in searches² by US residents for “Canada wildfires.” However, when contextualized for travel queries only, we are seeing a much lower impact. This suggests that US residents are searching for general news about the wildfires, but not for travel-related information.
- The impact of wildfires is yet to be seen on international arrivals into Manitoba and Saskatchewan³. The trend is similar to the rest of the country.
- Average daily occupancy rates⁴ for Manitoba and Saskatchewan were higher in May '25 as compared to May '24, especially in the last week of May. Winnipeg hosted several large-scale conferences and evacuees from the rest of the province which may have contributed to increased hotel demand. In Saskatchewan, hotel demand could be due to shifting of evacuees to hotels.



Key Takeaways

- The impact of wildfires can be seen on the sentiment towards Manitoba and Saskatchewan, especially amongst domestic travellers.
- Higher hotel occupancy rates could be driven by accommodations of evacuees.
- The impact of wildfires is yet to be seen on overnight arrivals into Manitoba and Saskatchewan (based on leading indicators which track arrivals at the international port of entry).

APPENDIX: DETAILED DATA

MONITORING THE SITUATION

To monitor the impact of the evolving tariff situation as well as wildfires on tourism in Canada, Destination Canada will track the following travel-related metrics monthly and share key takeaways with our partners. This report comprises data for the key metrics until 31 May 2025. Destination Canada will also do a pulse check on metrics bi-weekly to monitor for notable changes.

Type	Indicator	Source	Markets Monitored	Destinations Monitored	Specific Metrics	Frequency	Detailed Data
1 Sentiment	Destination Index Key Sentiment Metrics	YouGov DestinationIndex	Canada / United States / Overseas	Canada / United States	Destination Attention, Destination Value Perception, Destination Recommend, Destination Travel Intent	Weekly (Every Monday)	Link
2 Sentiment	Resident Sentiment Indicators	TRAVELSAT Resident Sentiment Index	Canada	Canada	Sentiments towards tourists from Canada, US, Overseas	Monthly (First business day of month)	Link
3 Sentiment	Destination Index Key Sentiment Metrics	YouGov DestinationIndex	Canada / United States	Canada / Manitoba/ Saskatchewan	Sentiment, Impression, Recommend	Monthly	Link
4 Brand Sentiment	BERA Love	BERA	Canada/ United States	Canada	BERA Brand Sentiment	Monthly	Link
5 Booking	IATA Forward Flight sales	IATA	Global	Global	Forward bookings	Monthly	Link
6 Booking	Hotel Occupancy	CoStar Accommodation Reports	Canada	Global	Hotel Occupancy by Month	Monthly (8 th of every month)	Link
7 Booking	Business Events	Destination Canada National Business Events Pace Report	Canada / United States / Global	Canada	Business events for current year and future years (tentative and definite)	Monthly (mid month)	Link
8 Tourism Flows	Arrivals based on leading indicators and frontier counts	Statistics Canada	Canada / United States / Global	Canada / United States	Overnight arrivals by various modes of travel	Monthly (10 th of every month)	Link
9 Impact of Wildfires	Sentiment, Search, Arrivals, Hotel bookings	Multiple	Canada / United States / Global	Canada	Sentiment, Search, Arrivals, Hotel bookings	Monthly	Link

TOURISM DEFICIT

Overall Tourism Deficit
Tourism Deficit with the US



St. John's
Newfoundland

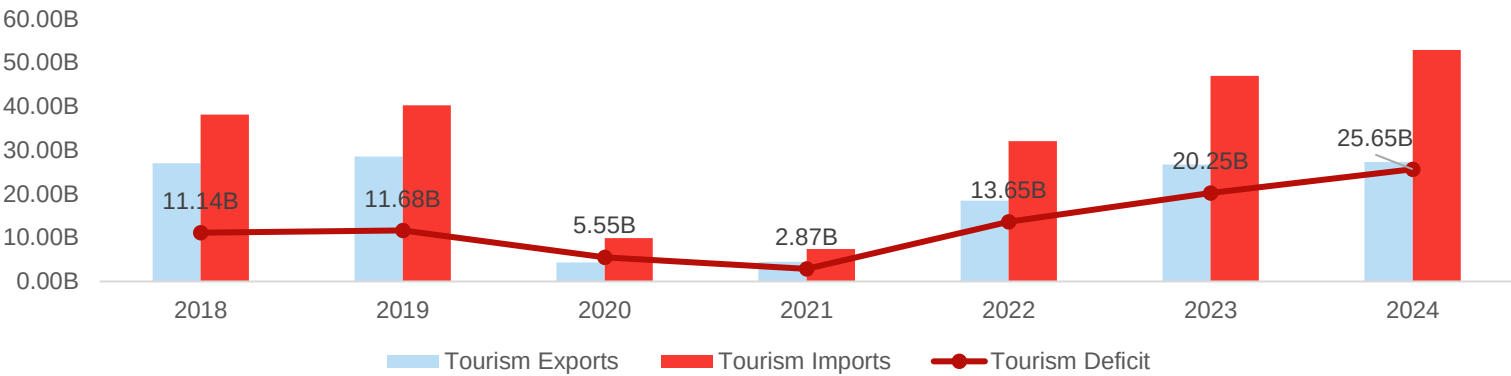
TRADE DEFICIT IN TOURISM*



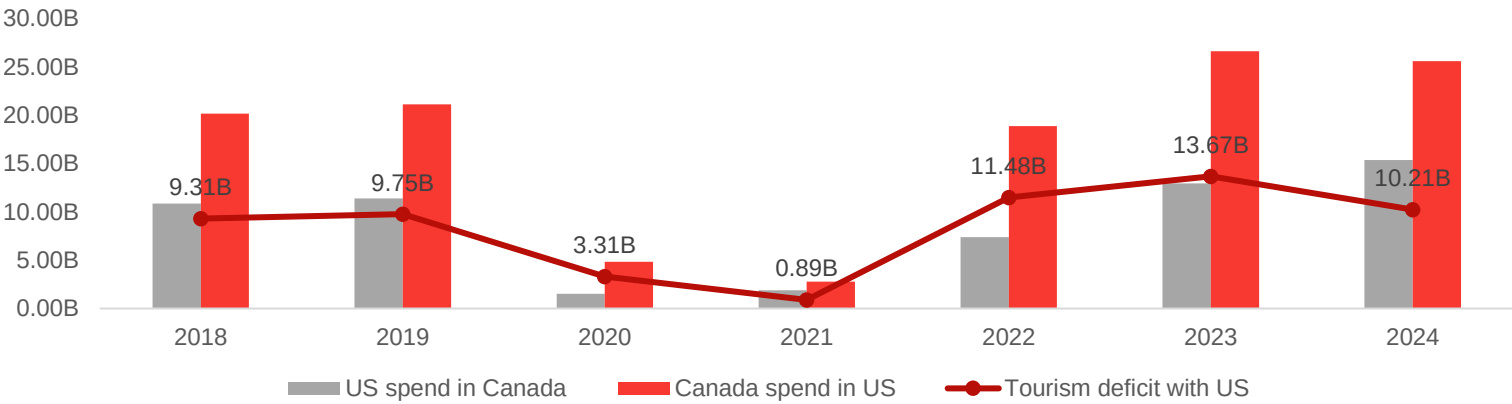
Tourism exports refer to the spending by inbound international tourists to Canada, tourism imports refer to the spending by outbound Canadian tourists in other countries



Overall Tourism Deficit for Canada



Tourism Deficit with US



Key Insights

- Canada had a trade deficit in the tourism sector in the last seven years. (i.e. inbound international spend by tourists in Canada is less than outbound spend by Canadians travelling abroad).
- Trade deficit with US decreased significantly in 2024 while trade deficit with the world increased by 26.7%. This is because outbound Canadian travel to other countries increased while travel to US reduced year-over-year.

SENTIMENT METRICS

Value perceptions

Travel recommendations

Travel intentions



Peggy's Cove
Nova Scotia

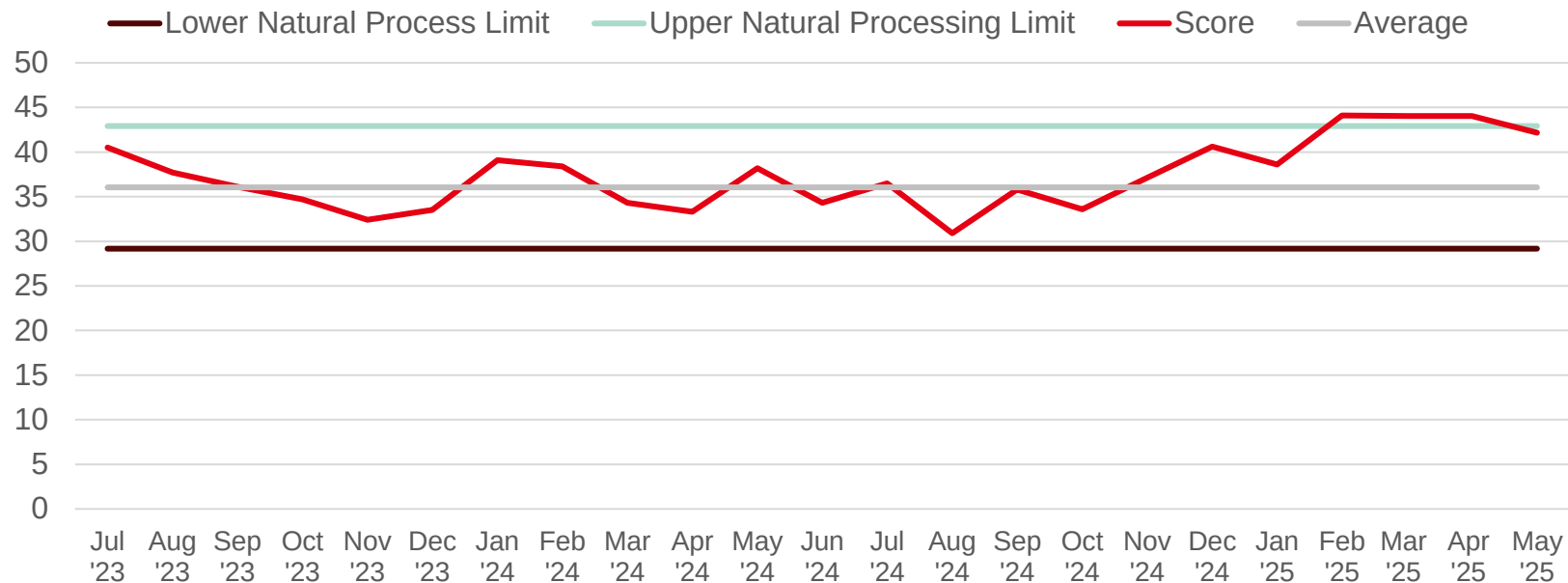
Sentiment Metrics

DOMESTIC

DOMESTIC VALUE PERCEPTION MONITORING



Canada to Canada Value Perception By Month
Which of the following destinations do you think represents good value for money? [Canada]



Key Insights

- Domestic Travel Value Perception for Canada increased significantly in Feb '25 and remains elevated in May '25, hovering around the upper natural processing limit

Which of the following destinations do you think represents good value for money?
By that we don't mean 'cheap' but that the destination offers visitors a lot in return for the price paid.

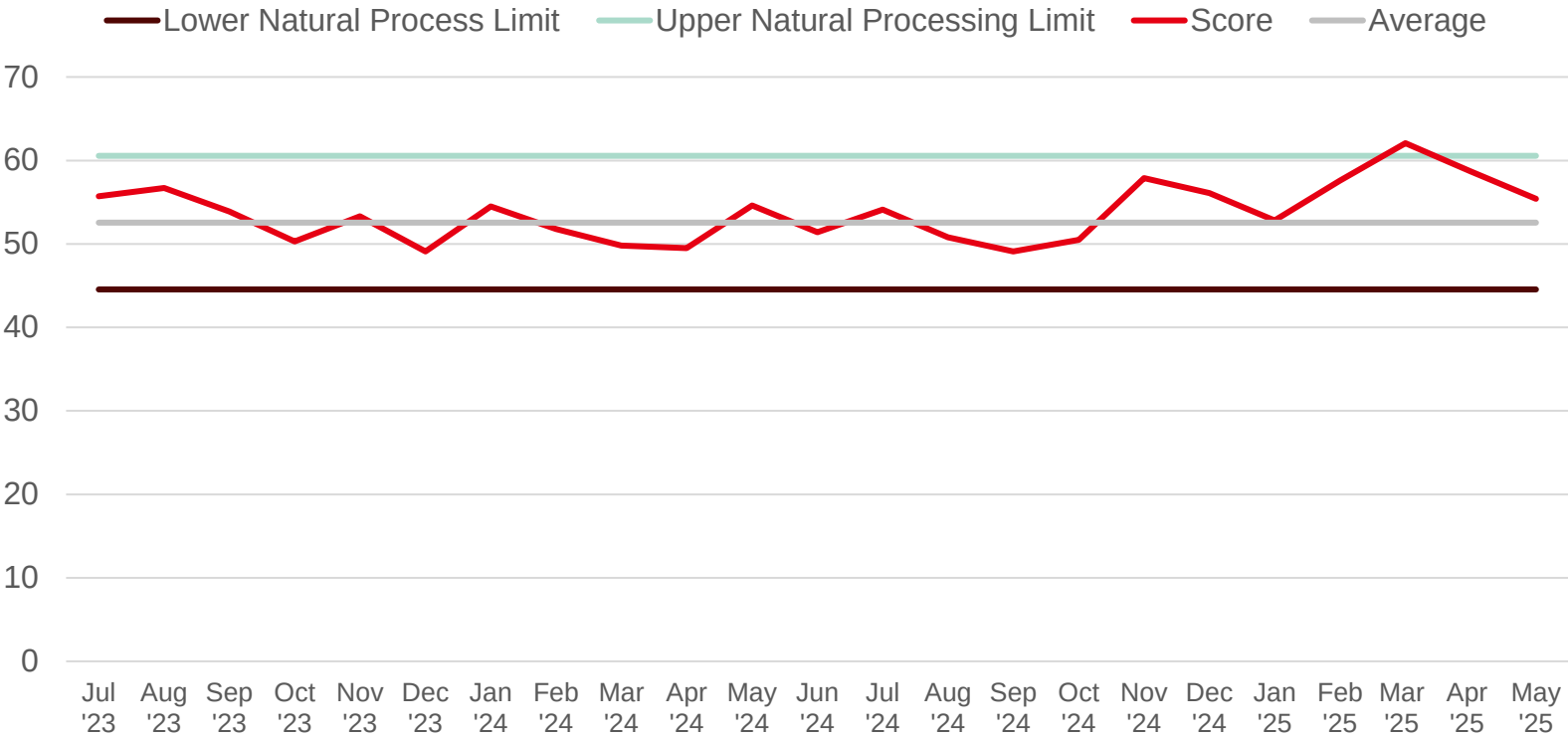


DOMESTIC TRAVEL RECOMMEND MONITORING



Canada Domestic Travel Recommend By Month

Which of the following destinations would you recommend to a friend or colleague? [Canada]



Key Insights

- Likelihood amongst Canadians to recommend domestic travel has been relatively high since Nov '24. However, this metric has softened a bit in the last two months.

Which of the following destinations would you recommend to a friend or colleague?

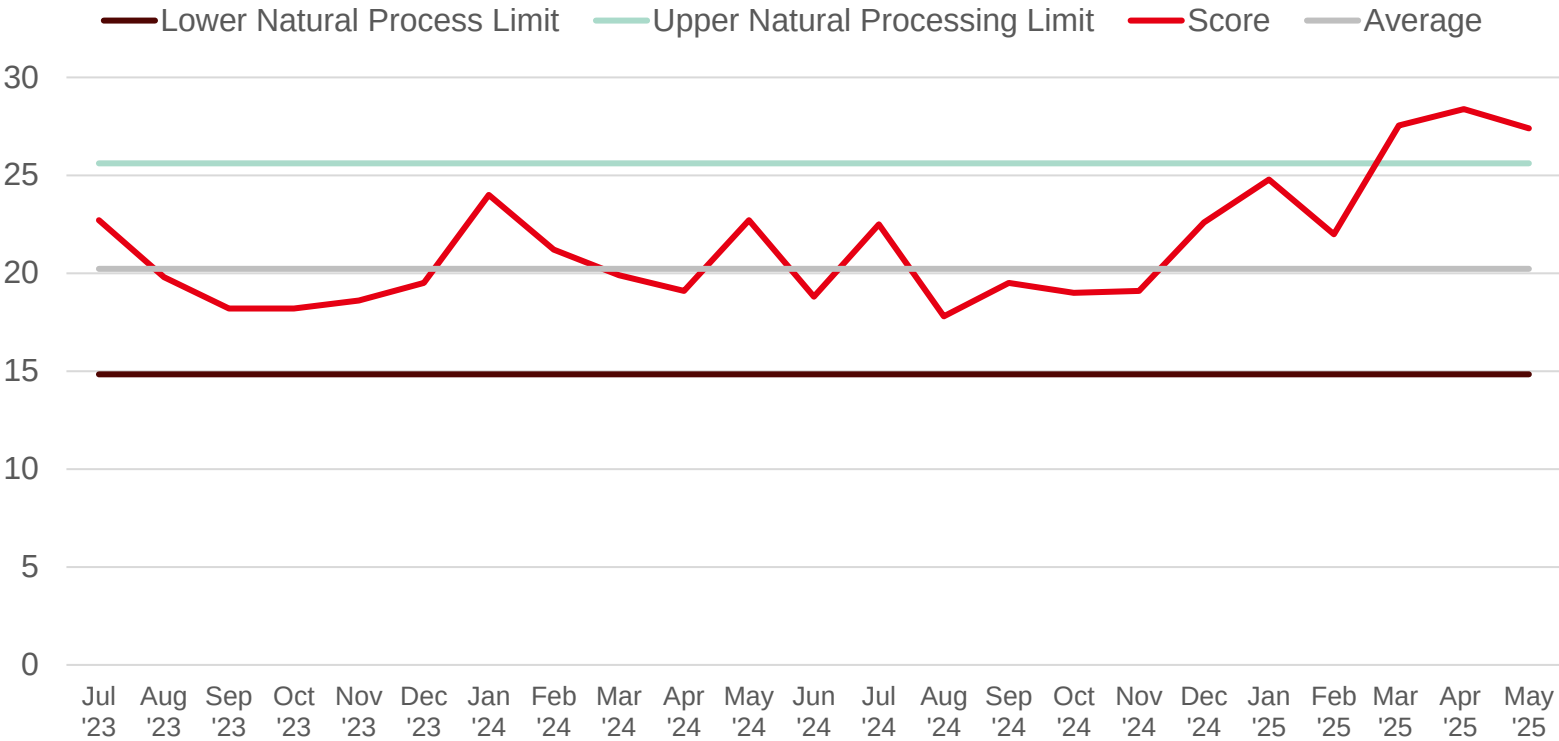


DOMESTIC TRAVEL INTENT MONITORING



Canada Domestic Travel Intent By Month

Of the destinations considered, which are you most likely to visit? [Canada]



Key Insights

- Domestic Travel Intent amongst Canadians has been strong since Nov '24 as Canadians appear to be shifting travel plans to domestic destinations.
- In spite of a slight decrease month-over-month, it is still above the upper natural processing limit.

Of the destinations considered, which are you most likely to visit?



Sentiment Metrics

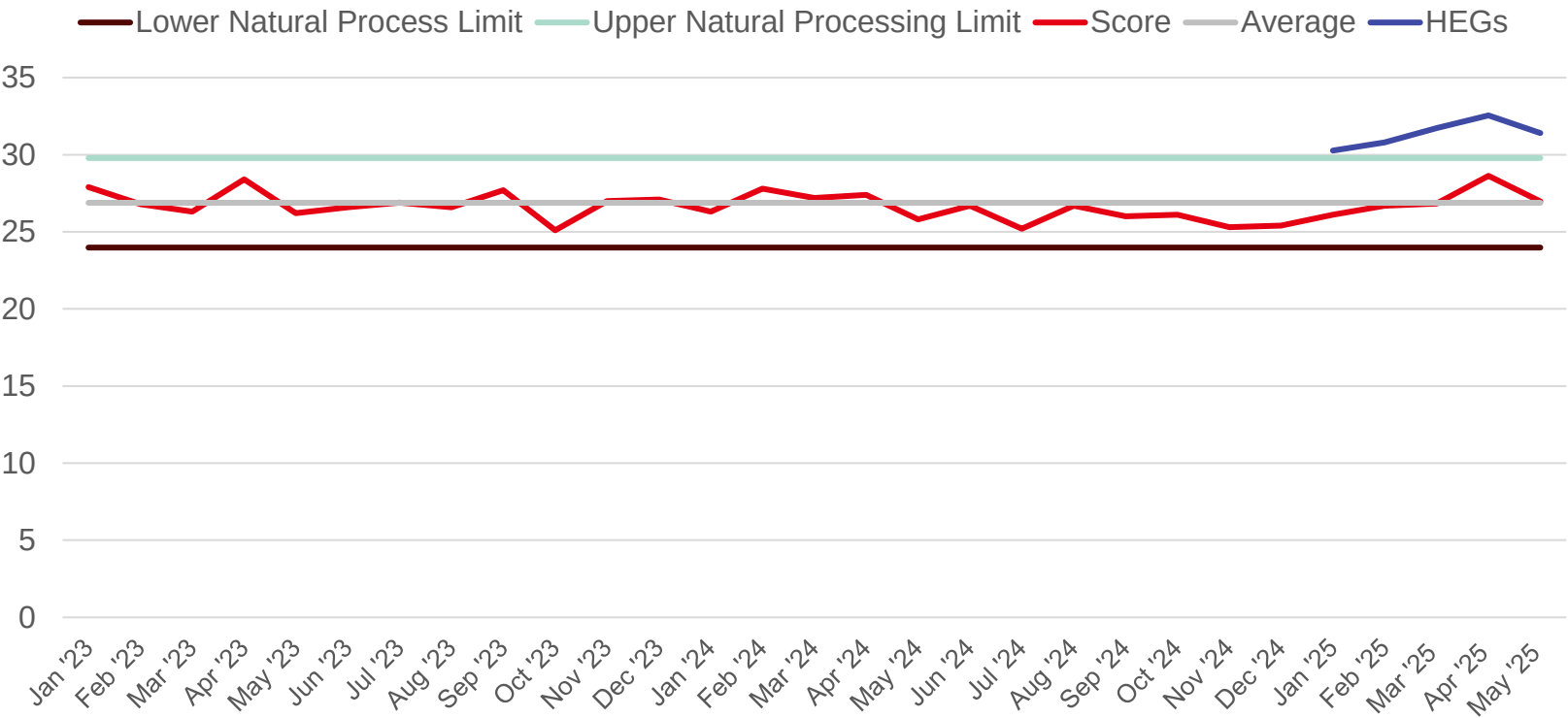
US TO CANADA

US TO CANADA VALUE PERCEPTION MONITORING



US to Canada Value Perception By Month

Which of the following destinations do you think represents good value for money?



Key Insights

- Perception of value for travel to Canada has grown over the past few months among Americans—especially Highly Engaged Guests.
- The slight decline in May '25 brought this metric closer to the historical average. The travel intent among HEGs continues to remain above the upper natural processing limit.

Note - Highly Engaged Guests (HEGs) are the traveller segments identified by Destination Canada as having higher economic and responsible values that best support Canadian communities.

Which of the following destinations do you think represents good value for money? By that we don't mean 'cheap' but that the destination offers visitors a lot in return for the price paid.

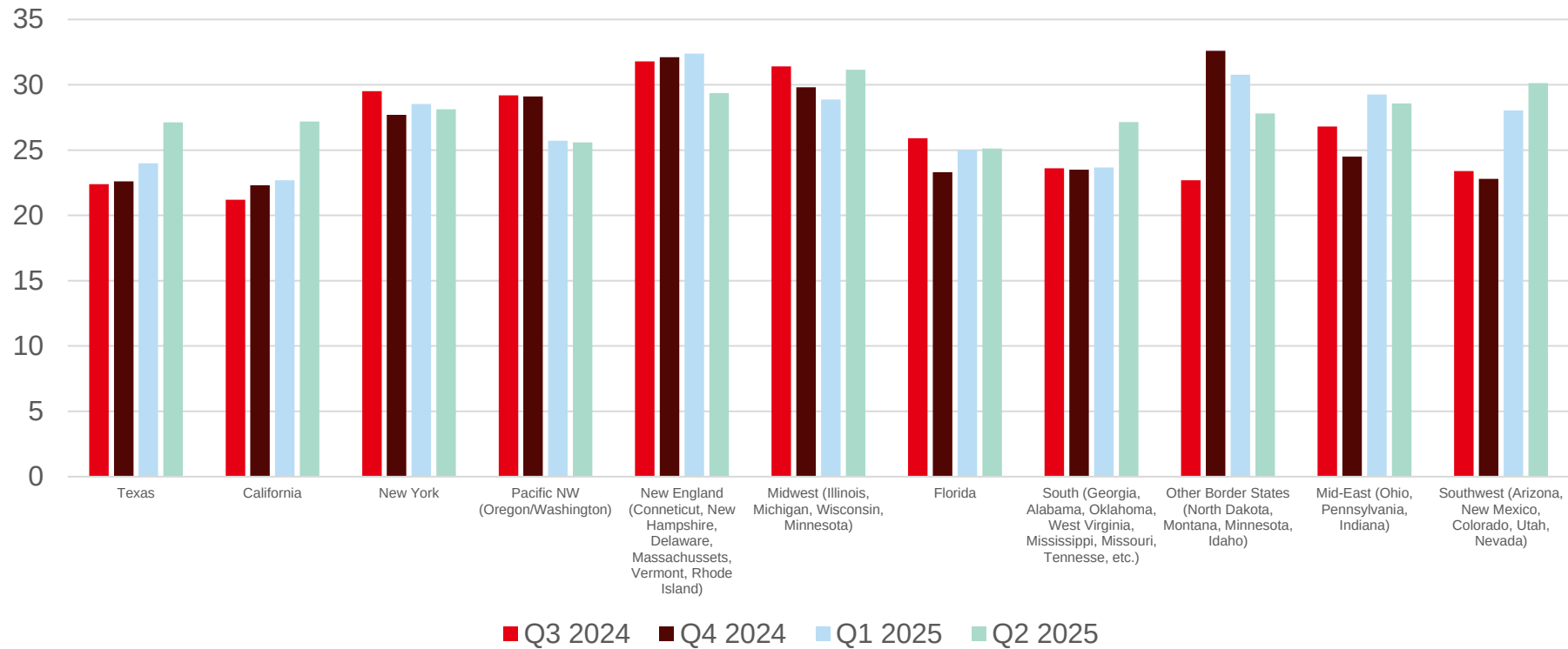


US TO CANADA VALUE PERCEPTION MONITORING



US States to Canada Value Perception By Quarter

Which of the following destinations do you think represents good value for money?



Key Insights

- Value perceptions for Canada are growing across many US states, most notably Texas, California, South and South-West.
- South and South-West are trending at their two-year highs.

Note – Q2 2025 includes data up to the end of May 2025.

Which of the following destinations do you think represents good value for money? By that we don't mean 'cheap' but that the destination offers visitors a lot in return for the price paid.



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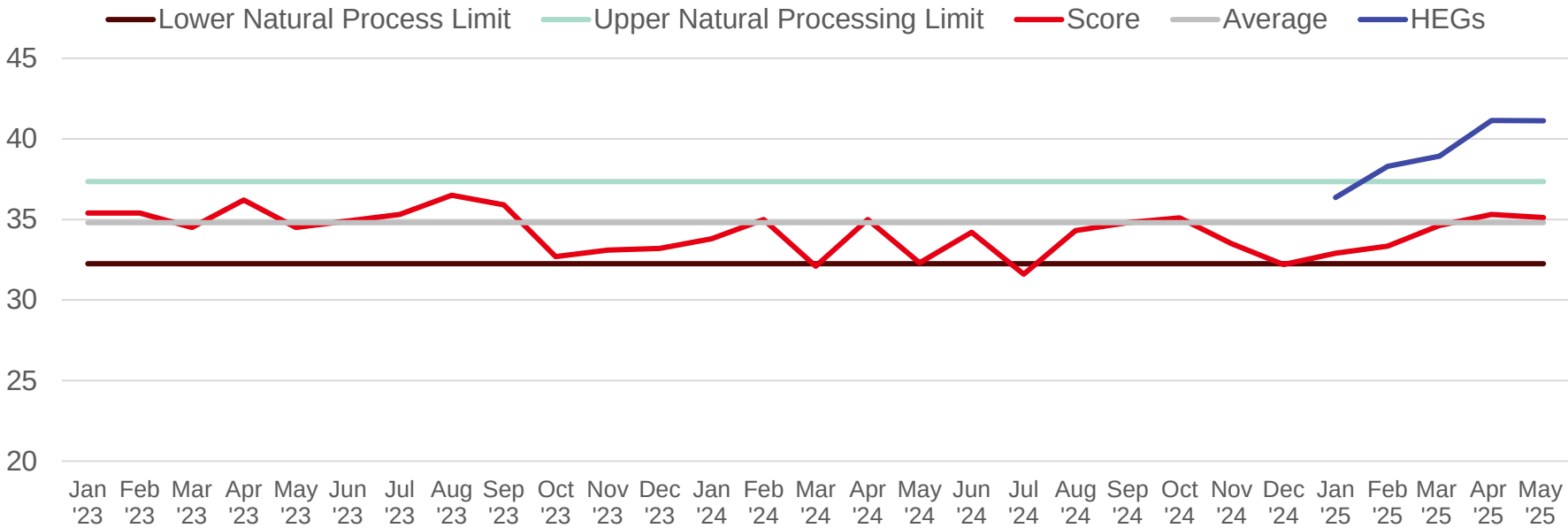
Source: Destination Index, YouGov

US TO CANADA DESTINATION RECOMMEND MONITORING



US to Canada Destination Recommend By Month

Which of the following destinations would you recommend to a friend or colleague?



Key Insights

- Likelihood for Americans to recommend Canada as a travel destination was in a low period coinciding with the US election but has recovered since and is trending near historical average.
- Likelihood to recommend continues to trend higher and is at a historical high.

Note - Highly Engaged Guests (HEGs) are the traveller segments identified by Destination Canada as having higher economic and responsible values that best support Canadian communities.

Which of the following destinations would you recommend to a friend or colleague?

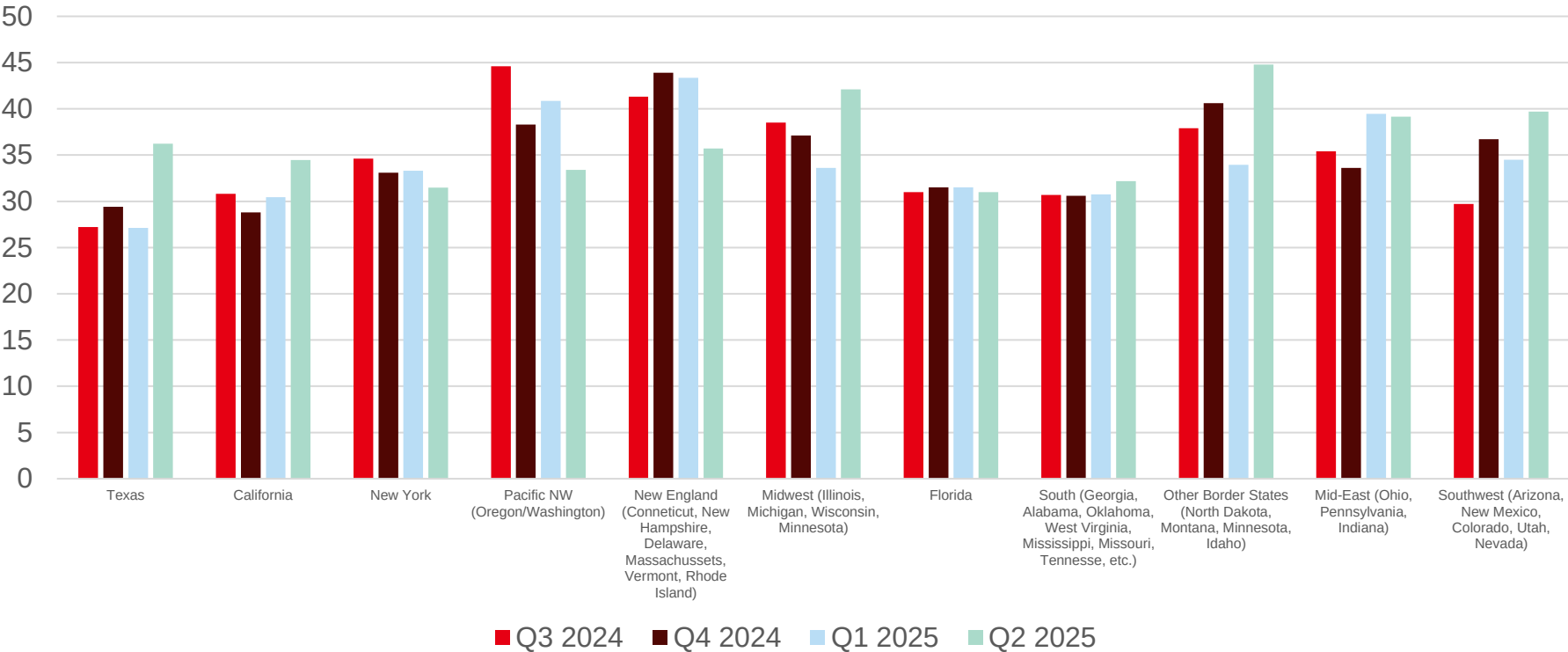


US TO CANADA DESTINATION RECOMMEND MONITORING



US States to Canada Destination Recommend By Quarter

Which of the following destinations would you recommend to a friend or colleague?



Key Insights

- Texas, California, South-west, Mid-West and border states are recommending Canada more in this quarter compared to the previous quarter.
- Texas, Mid-West, South-West and border states are also trending at their two-year highs.

Note – Q2 2025 includes data up to the end of April 2025.



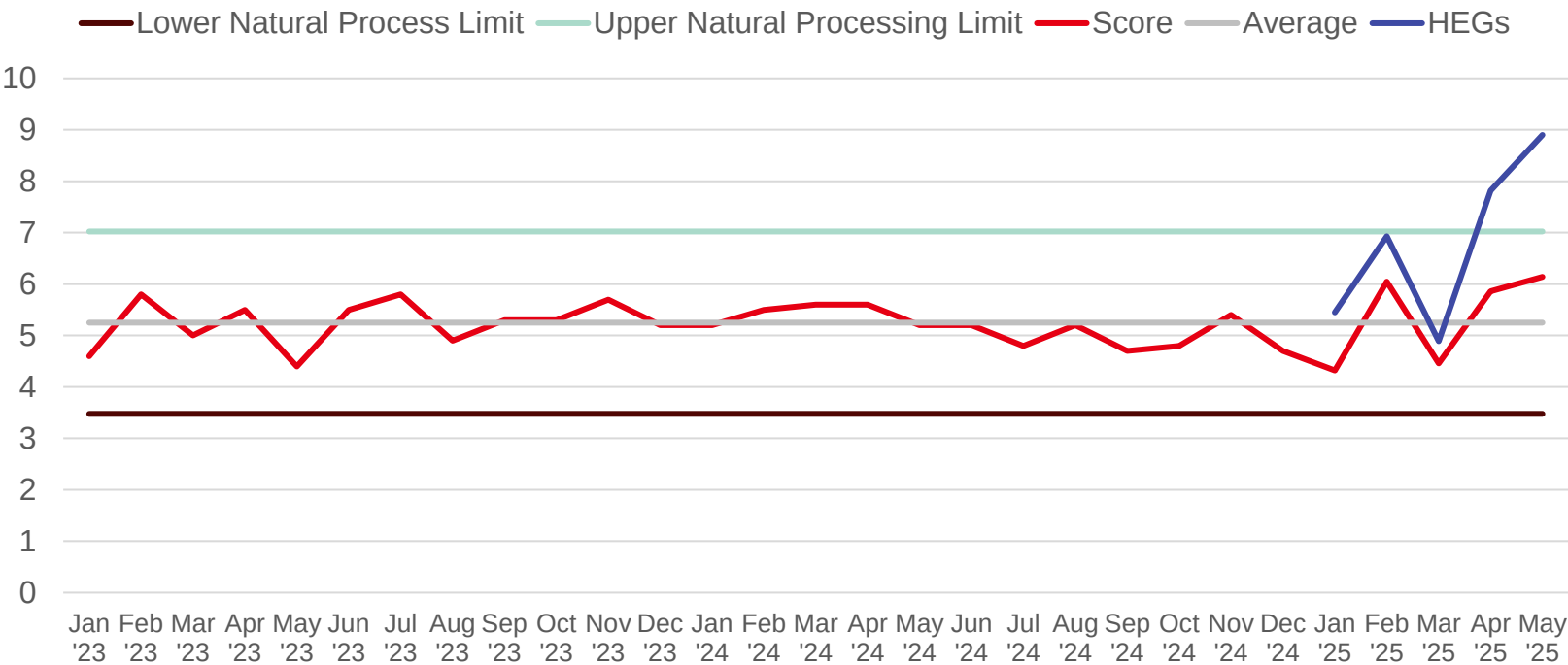
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Source: Destination Index, YouGov

US TO CANADA TRAVEL INTENT MONITORING



US to Canada Travel Intent By Month
Of the destinations considered, which are you most likely to visit?



Key Insights

- US intent to travel to Canada has been volatile since Nov '25. For the last two months, it has increased to trend above the historical average.
- Travel intent amongst HEGs have reached a new high in May '25. After dipping below average in March, this rebound continues to show strong potential for summer visitation.
- HEG travel intent was 45% higher than the general population.

Note - Highly Engaged Guests (HEGs) are the traveller segments identified by Destination Canada as having higher economic and responsible values that best support Canadian communities.

Of the destinations considered, which are you most likely to visit?

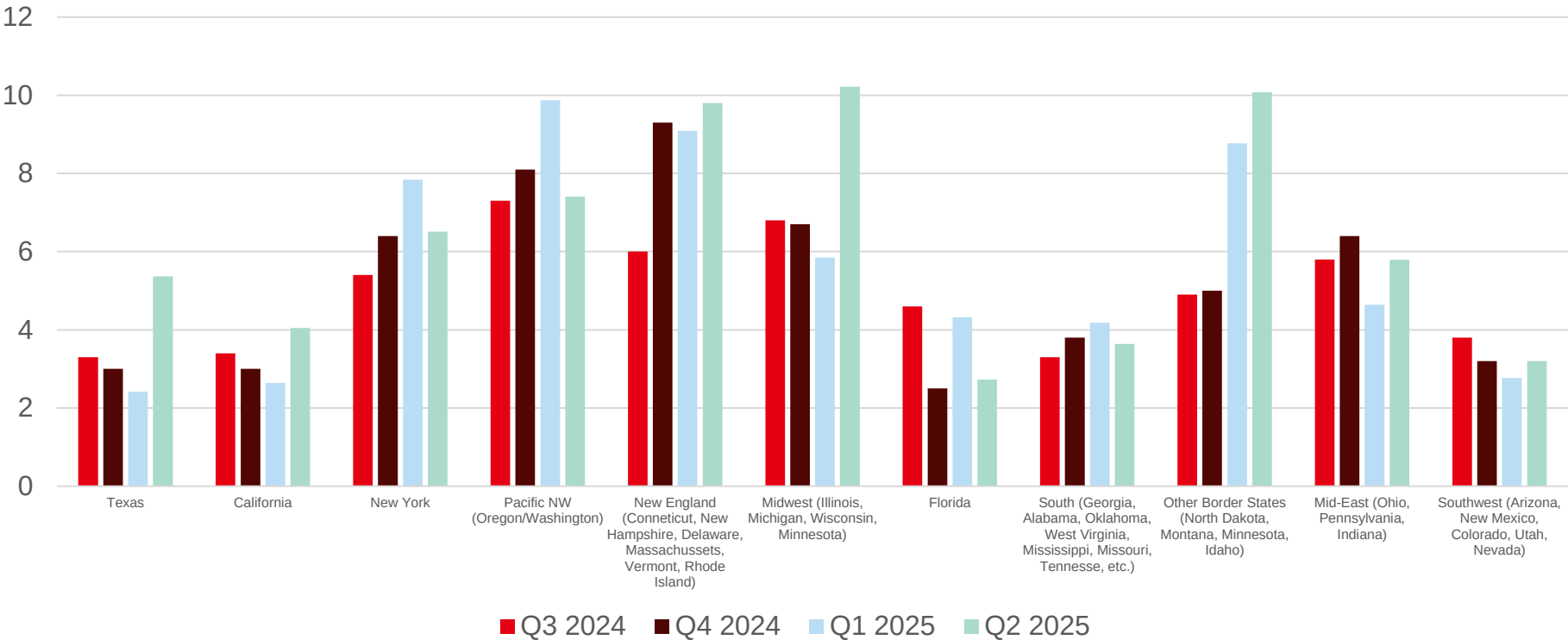


US TO CANADA TRAVEL INTENT MONITORING



US States to Canada Travel Intent By Quarter

Of the destinations considered, which are you most likely to visit?



Key Insights

- US Travel Intent to Canada rose significantly (Q-o-Q) for most of the states.
- Travel intent from Texas, New England and Mid-West are at historical highs.

Note – Q2 2025 includes data up to the end of April 2025.

Of the destinations considered, which are you most likely to visit?



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Source: Destination Index, YouGov

Sentiment Metrics

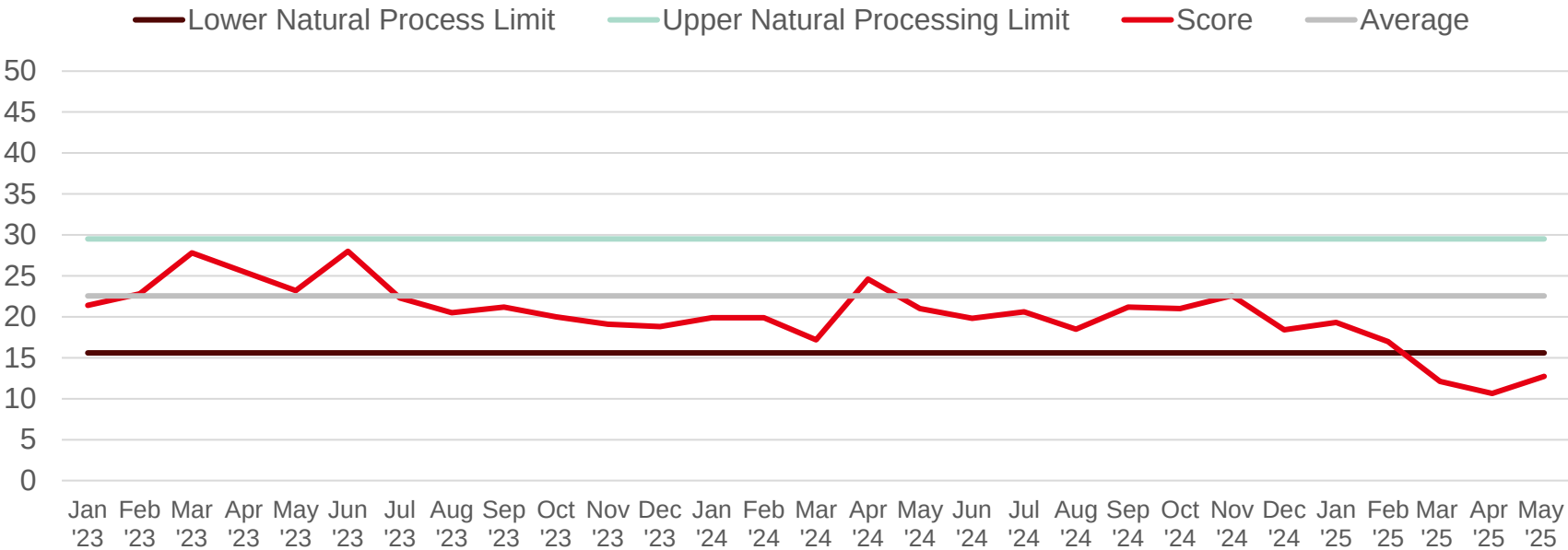
CANADA TO US

CANADA TO US VALUE PERCEPTION MONITORING



Canada to US Value Perception By Month

Which of the following destinations do you think represents good value for money?



Key Insights

- Value perception of U.S. travel value among Canadians showed a slight recovery in May 2025,
- Although it remains below the lower natural processing limit, this marks the first uptick since Nov '24.

Which of the following destinations do you think represents good value for money? By that we don't mean 'cheap' but that the destination offers visitors a lot in return for the price paid

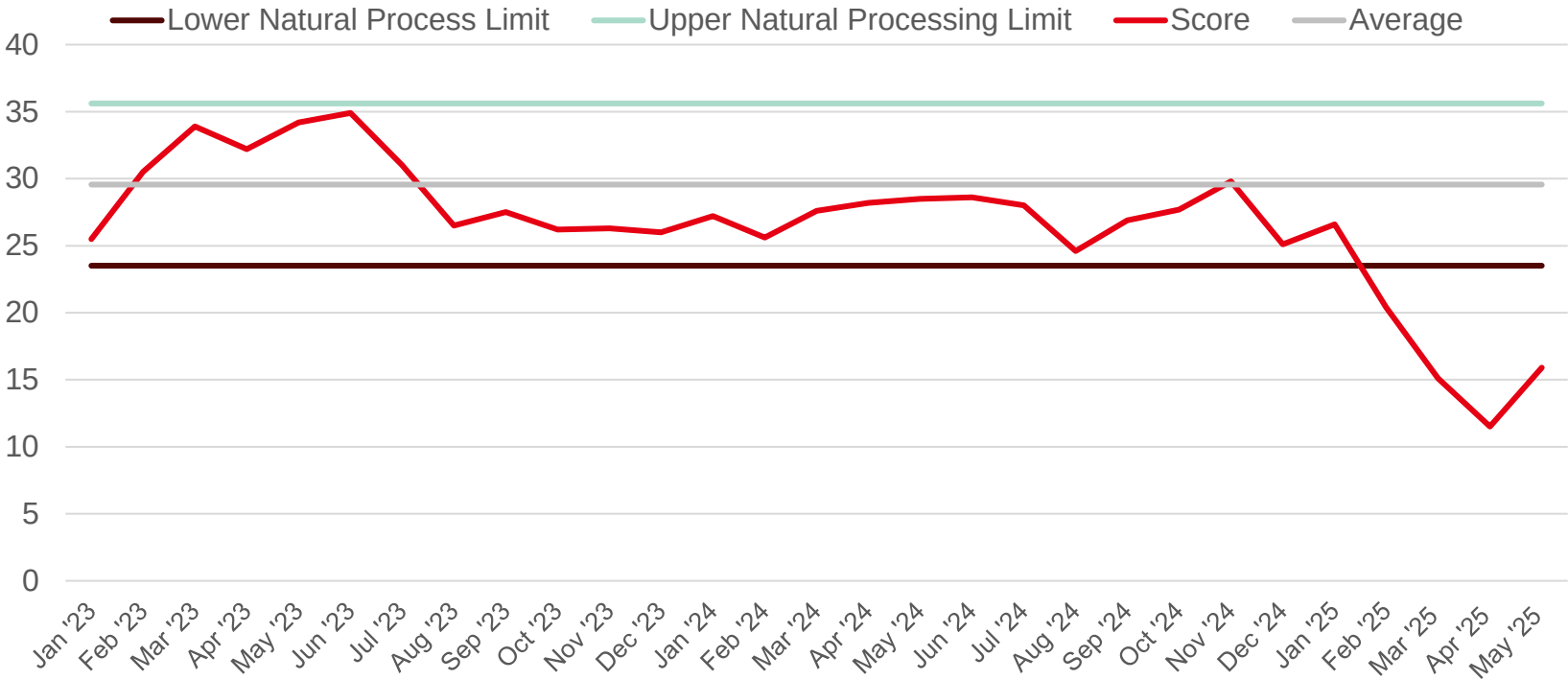


CANADA TO US TRAVEL RECOMMEND MONITORING



Canada to US Travel Recommend By Month

Which of the following destinations would you recommend to a friend or colleague?



Key Insights

- Likelihood among Canadians to recommend US as a destination has been relatively low since late 2023 and has declined significantly since Jan '25.
- May '25 marks the first uptick since then.

Which of the following destinations would you recommend to a friend or colleague?

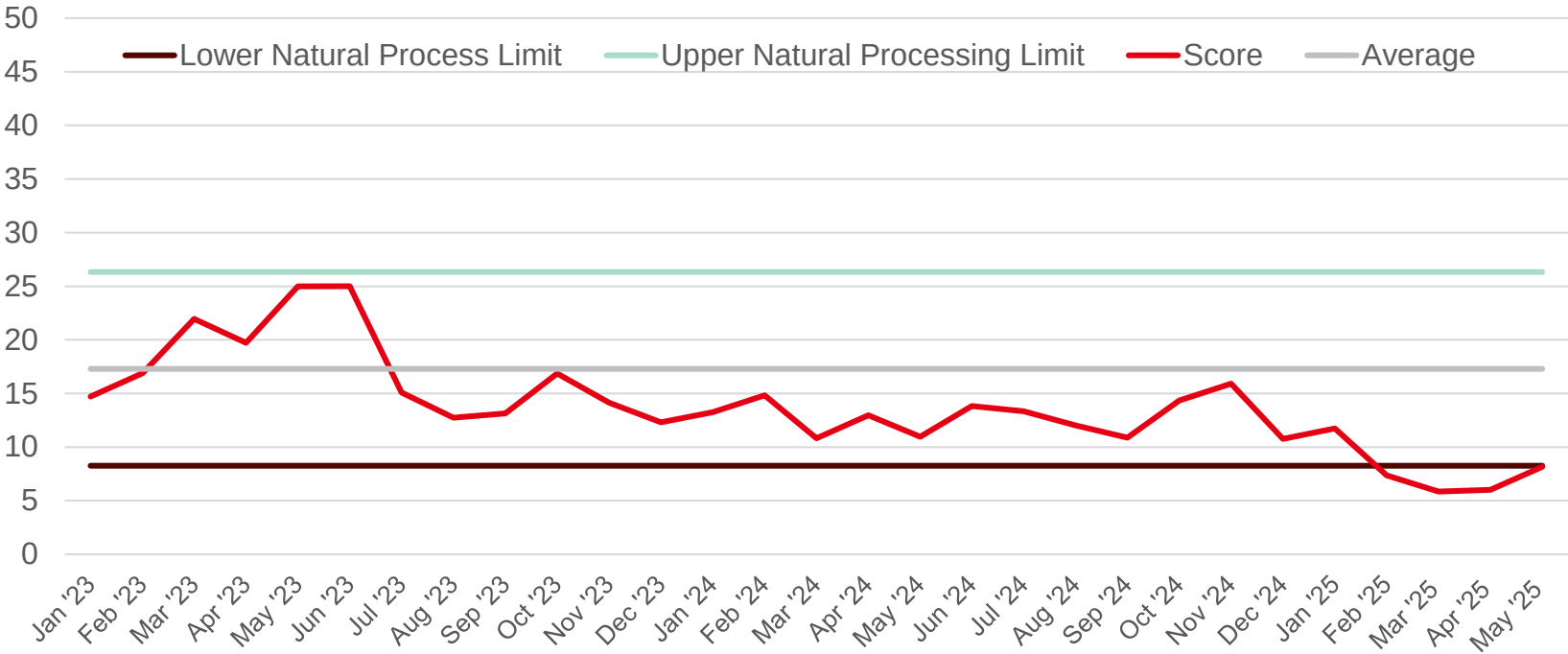


CANADA TO US TRAVEL INTENT MONITORING



Canada to US Travel Intent By Month

Of the destinations considered, which are you most likely to visit?



Key Insights

- The increase in travel intent continued in May.
- It has moved close to the lower natural processing limit and signals a broader reversal in the declining travel sentiment towards US.

Of the destinations considered, which are you most likely to visit?



Sentiment Metrics

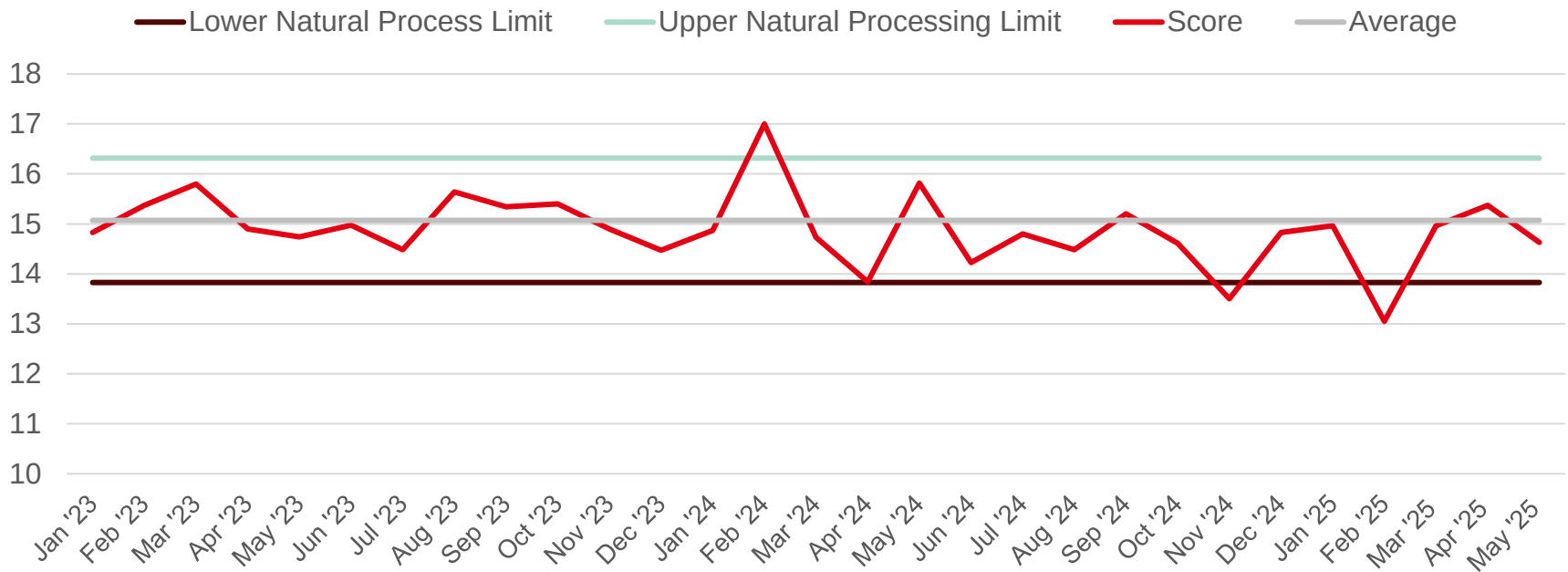
OVERSEAS TO CANADA

OVERSEAS TO CANADA VALUE PERCEPTION MONITORING



Overseas to Canada Value Perception By Month

Which of the following destinations do you think represents good value for money?



Key Insights

- Value perception of Canada in overseas markets remains volatile in 2025.
- May '25 marked a decline below the historical average.

NOTE – 'Overseas' is an average score across United Kingdom, France, Germany, Japan, South Korea, Australia, and Mexico. China not included due to volatile sample size.

Which of the following destinations do you think represents good value for money? By that we don't mean 'cheap' but that the destination offers visitors a lot in return for the price paid.

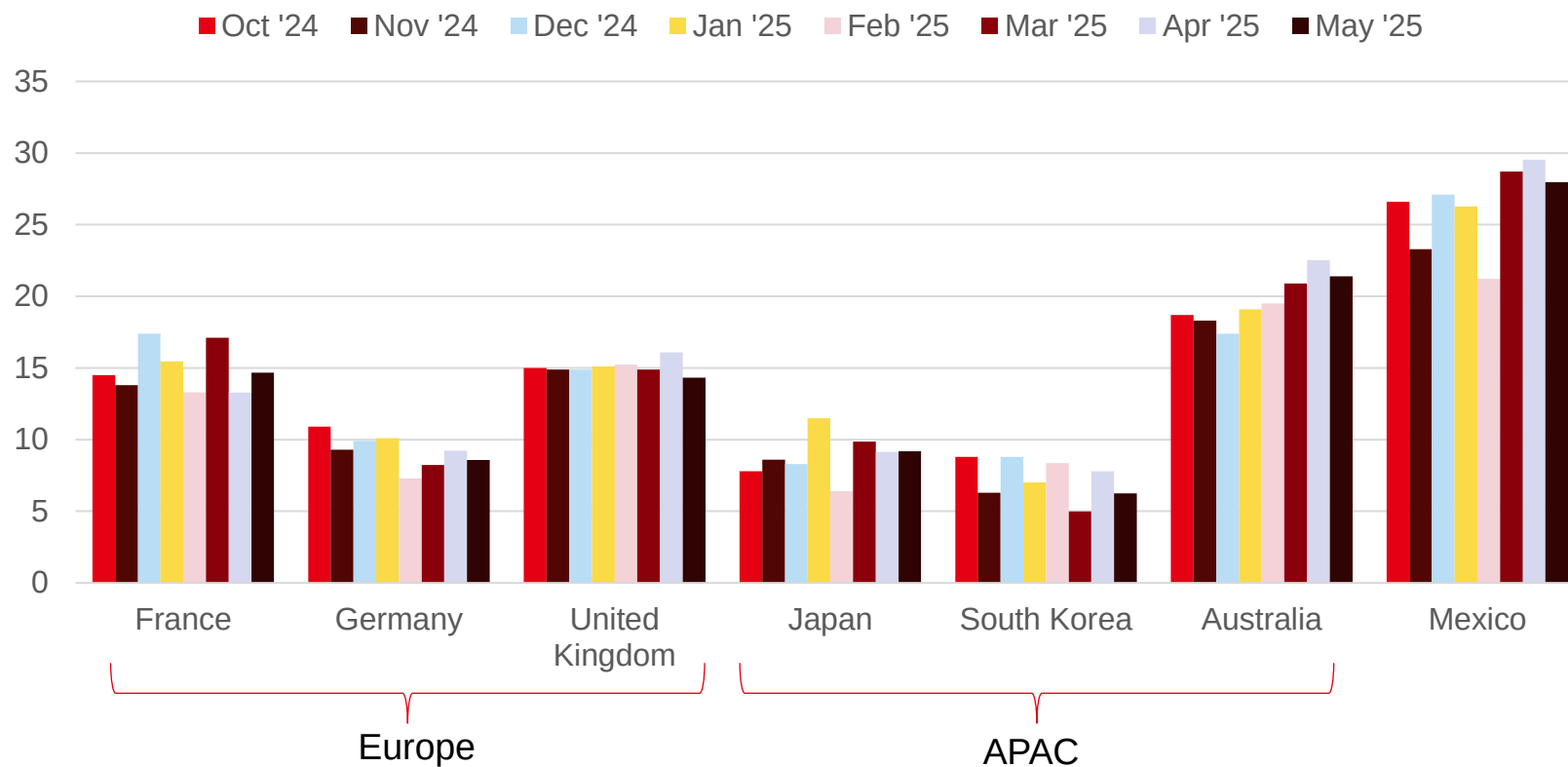


OVERSEAS TO CANADA VALUE PERCEPTION MONITORING



Overseas to Canada Value Perception By Month

Which of the following destinations do you think represents good value for money?



Key Insights

- Value perception saw a slight month-over-month decline across most international markets in May '25, with France being the only exception.
- Australia is the only market where the value perception towards Canada is trending above the upper processing limit.

Which of the following destinations do you think represents good value for money? By that we don't mean 'cheap' but that the destination offers visitors a lot in return for the price paid.



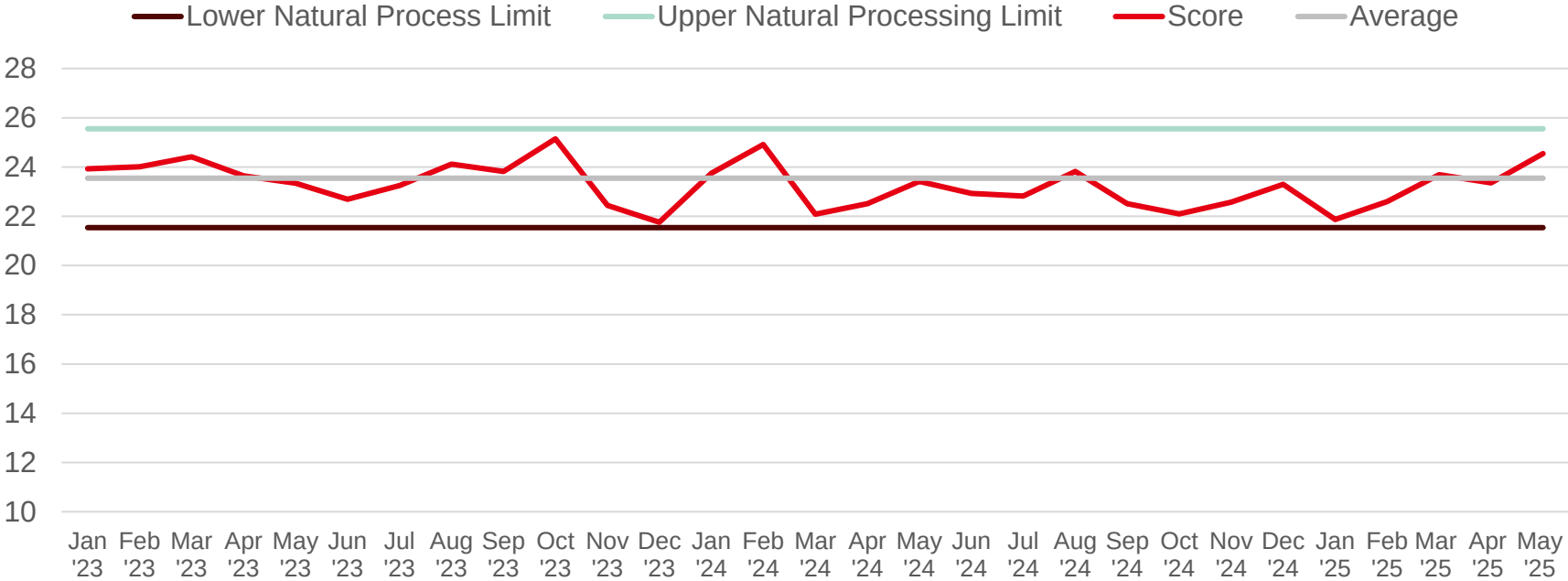
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OVERSEAS TO CANADA TRAVEL RECOMMEND MONITORING



Overseas to Canada Travel Recommend By Month

Which of the following destinations would you recommend to a friend or colleague?



Key Insights

- Overseas likelihood to recommend Canada increased in May '25 to reach above the historical average.
- Likelihood to recommend for Australia and Europe markets is trending above their respective historical averages.

NOTE – 'Overseas' is an average score across United Kingdom, France, Germany, Japan, South Korea, Australia, and Mexico. China not included due to volatile sample size.

Which of the following destinations would you recommend to a friend or colleague?

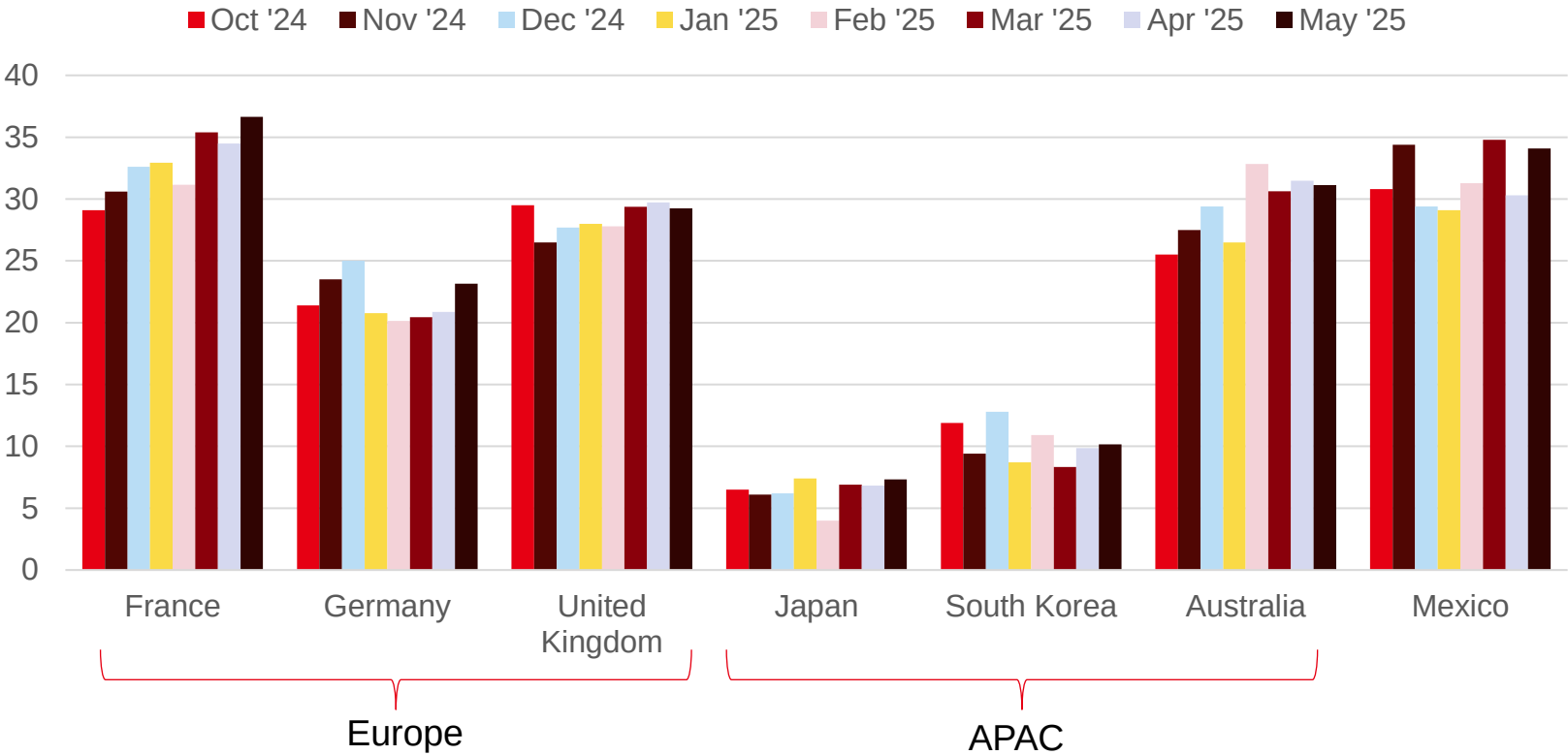


OVERSEAS TO CANADA TRAVEL RECOMMEND MONITORING



Overseas to Canada Travel Recommend By Month

Which of the following destinations would you recommend to a friend or colleague?



Key Insights

- Likelihood to recommend Canada as a travel destination has remained steady in most markets with upwards momentum in Europe. The values for these markets are above historical averages.

Which of the following destinations would you recommend to a friend or colleague?

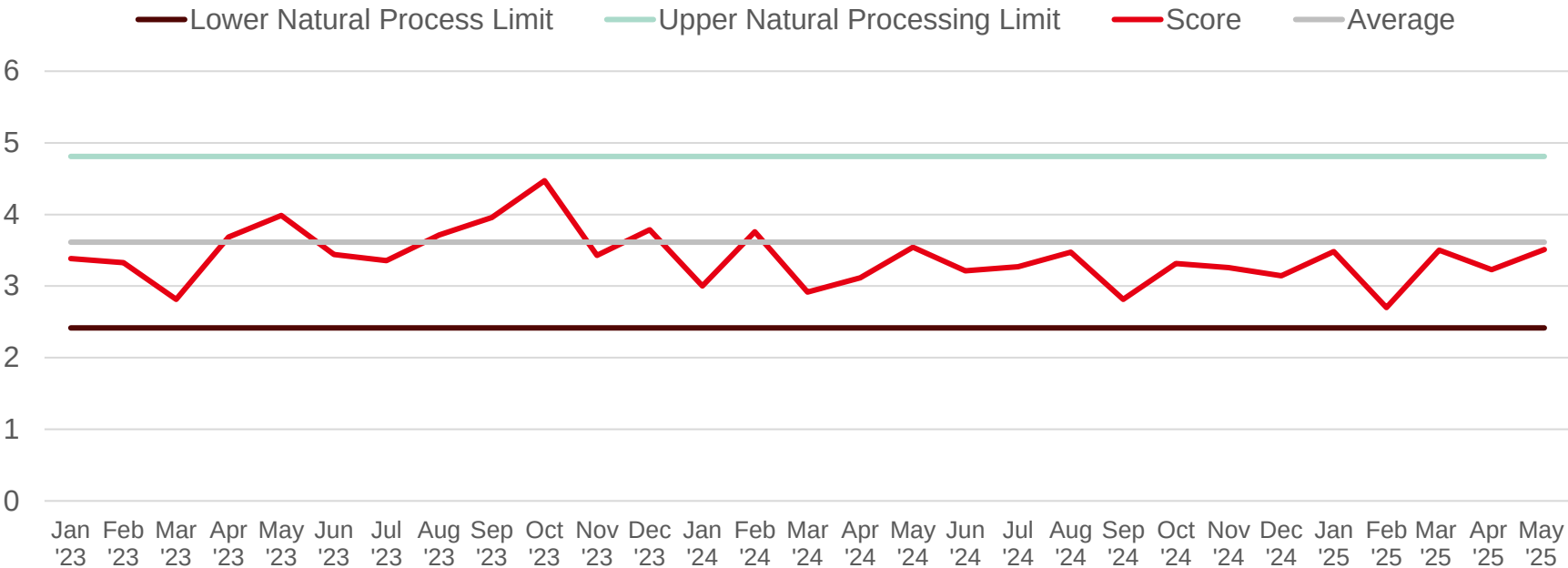


OVERSEAS TO CANADA TRAVEL INTENT MONITORING



Overseas to Canada Travel Intent By Month

Of the destinations considered, which are you most likely to visit?



Key Insights

→ Travel intent to Canada from overseas markets was generally softer in 2024 and 2025, compared to 2023. The first quarter of 2025 has been volatile, with May '25 intent rebounding close to the historical average.

NOTE – 'Overseas' is an average score across United Kingdom, France, Germany, Japan, South Korea, Australia, and Mexico. China not included due to volatile sample size.

Of the destinations considered, which are you most likely to visit?

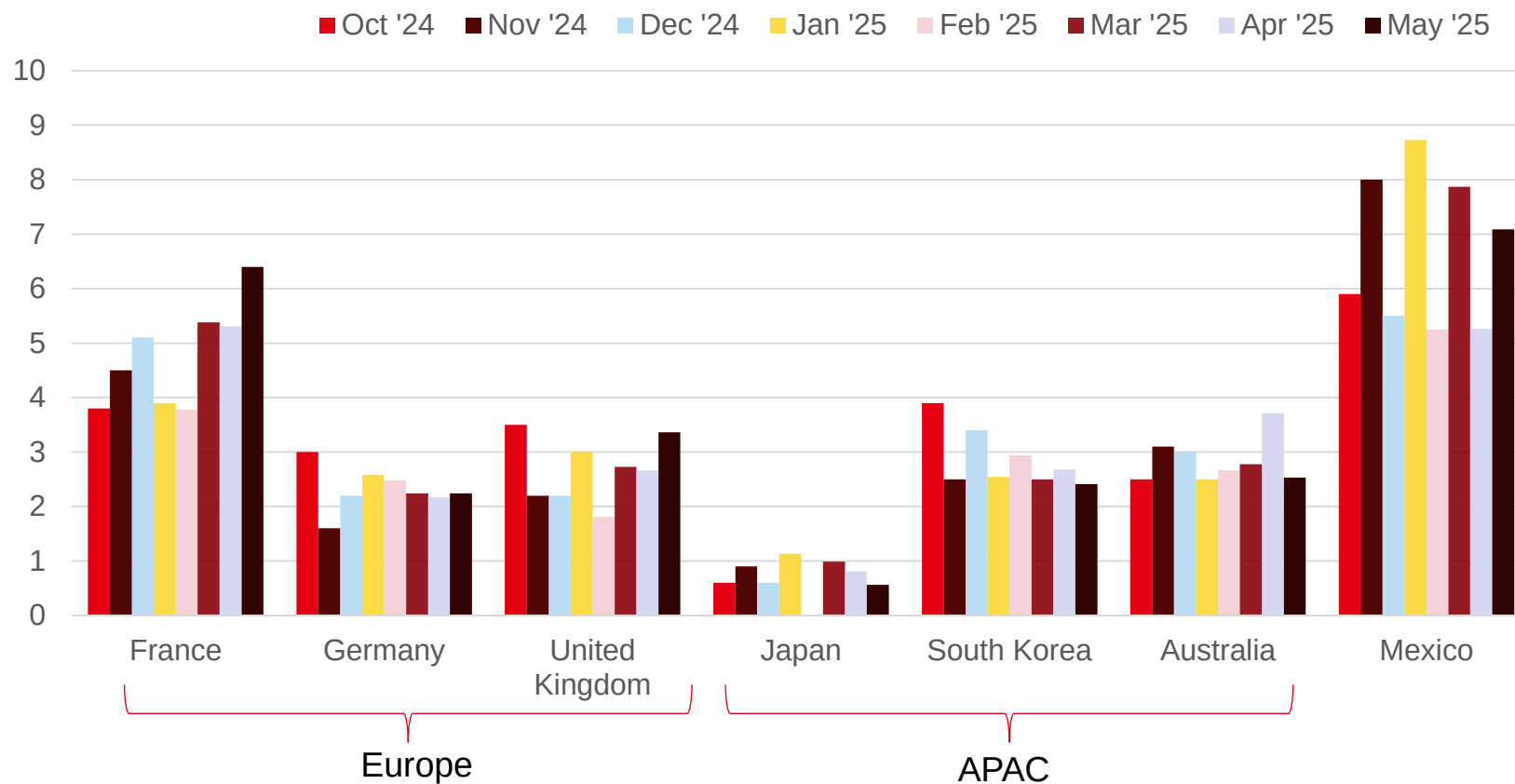


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OVERSEAS TO CANADA TRAVEL INTENT MONITORING

Overseas to Canada Travel Intent By Month

Of the destinations considered, which are you most likely to visit?



Key Insights

- France and UK has seen an increase in Canada travel intent, while Mexico remains volatile.
- European markets are the only ones where the travel intent to Canada is trending above their historical averages.



Of the destinations considered, which are you most likely to visit?

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Sentiment Metrics

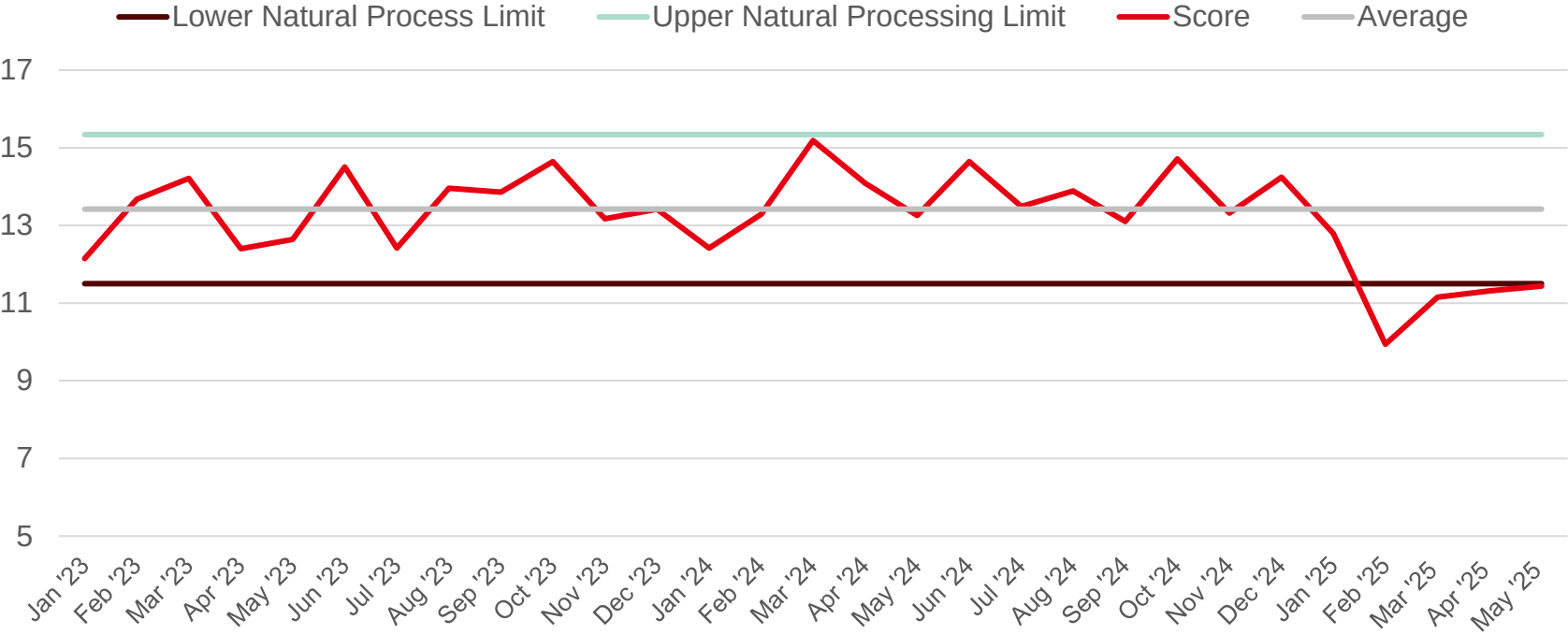
OVERSEAS TO US

OVERSEAS TO US VALUE PERCEPTION MONITORING



Overseas to US Value Perception By Month

Which of the following destinations do you think represents good value for money?



Key Insights

- Overseas value perception of the US continued to be below the lower processing limit in spite of the marginal increase in May '25.

NOTE – ‘Overseas’ is an average score across United Kingdom, France, Germany, Japan, South Korea, Australia, and Mexico. China not included due to volatile sample size.

Which of the following destinations do you think represents good value for money? By that we don't mean 'cheap' but that the destination offers visitors a lot in return for the price paid.

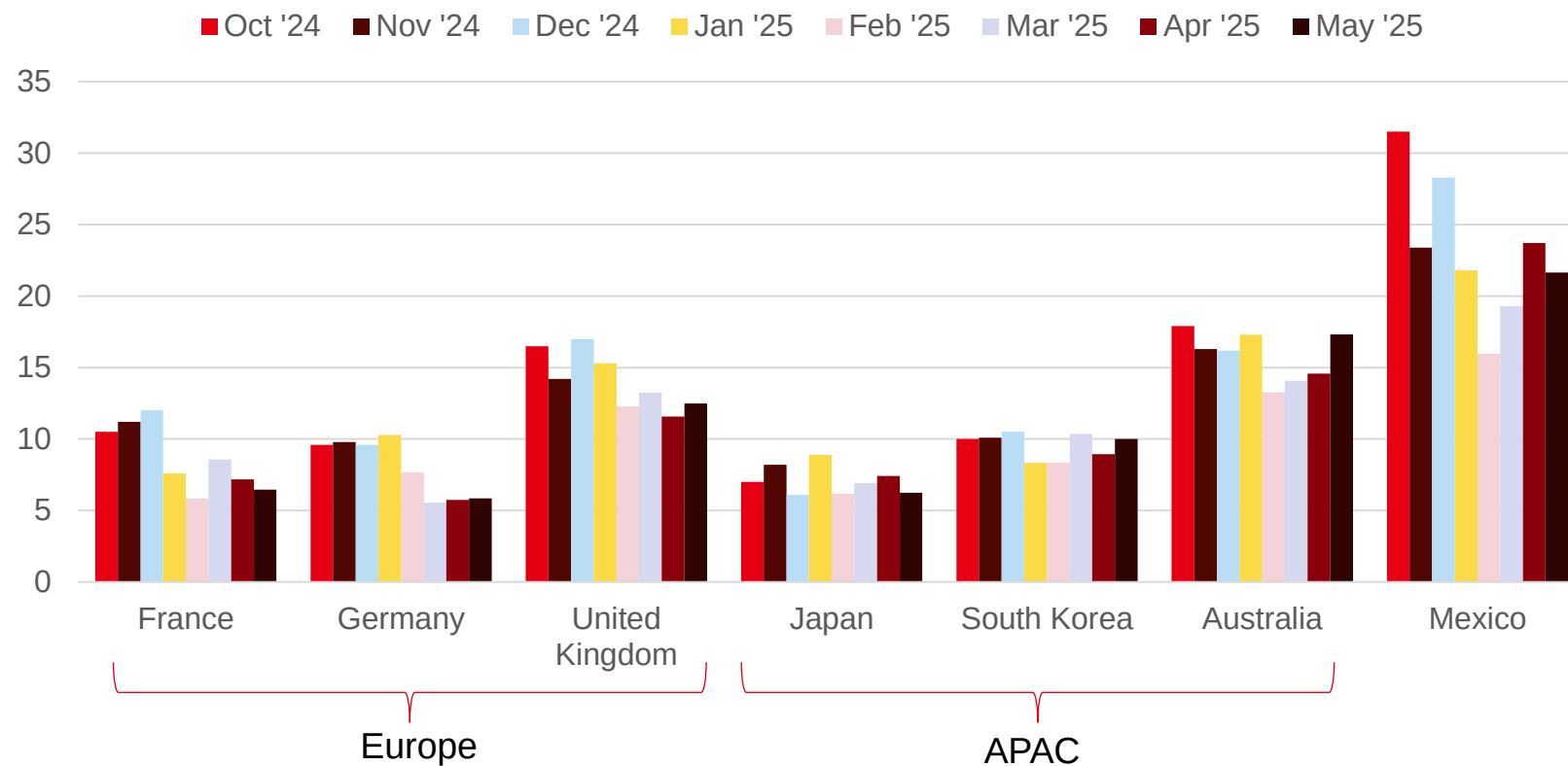


OVERSEAS TO US VALUE PERCEPTION MONITORING



Overseas to US Value Perception By Month

Which of the following destinations do you think represents good value for money?



Key Insights

- Compared to Nov '24 and Dec '24, value perception of the U.S. as a destination among overseas markets has been on a declining trend.
- For Australia, value perception has been on an increasing trend since Feb '25.

Which of the following destinations do you think represents good value for money? By that we don't mean 'cheap' but that the destination offers visitors a lot in return for the price paid.



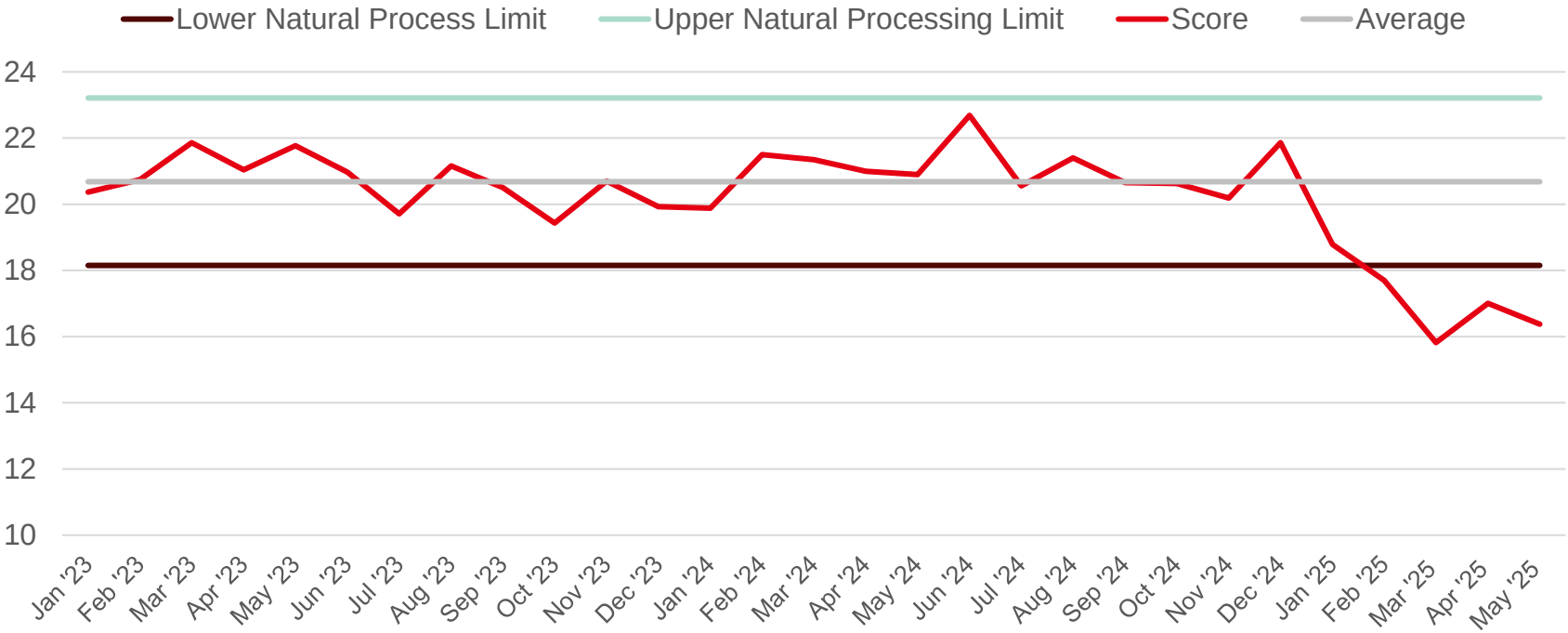
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OVERSEAS TO US TRAVEL RECOMMEND MONITORING



Overseas to US Travel Recommend By Month

Which of the following destinations would you recommend to a friend or colleague?



Which of the following destinations would you recommend to a friend or colleague?

Key Insights

- Overseas likelihood to recommend US as a travel destination has declined sharply in recent months.
- There was a rebound in Apr '25, followed by a marginal decline in May '25.

NOTE – 'Overseas' is an average score across United Kingdom, France, Germany, Japan, South Korea, Australia, and Mexico. China not included due to volatile sample size.

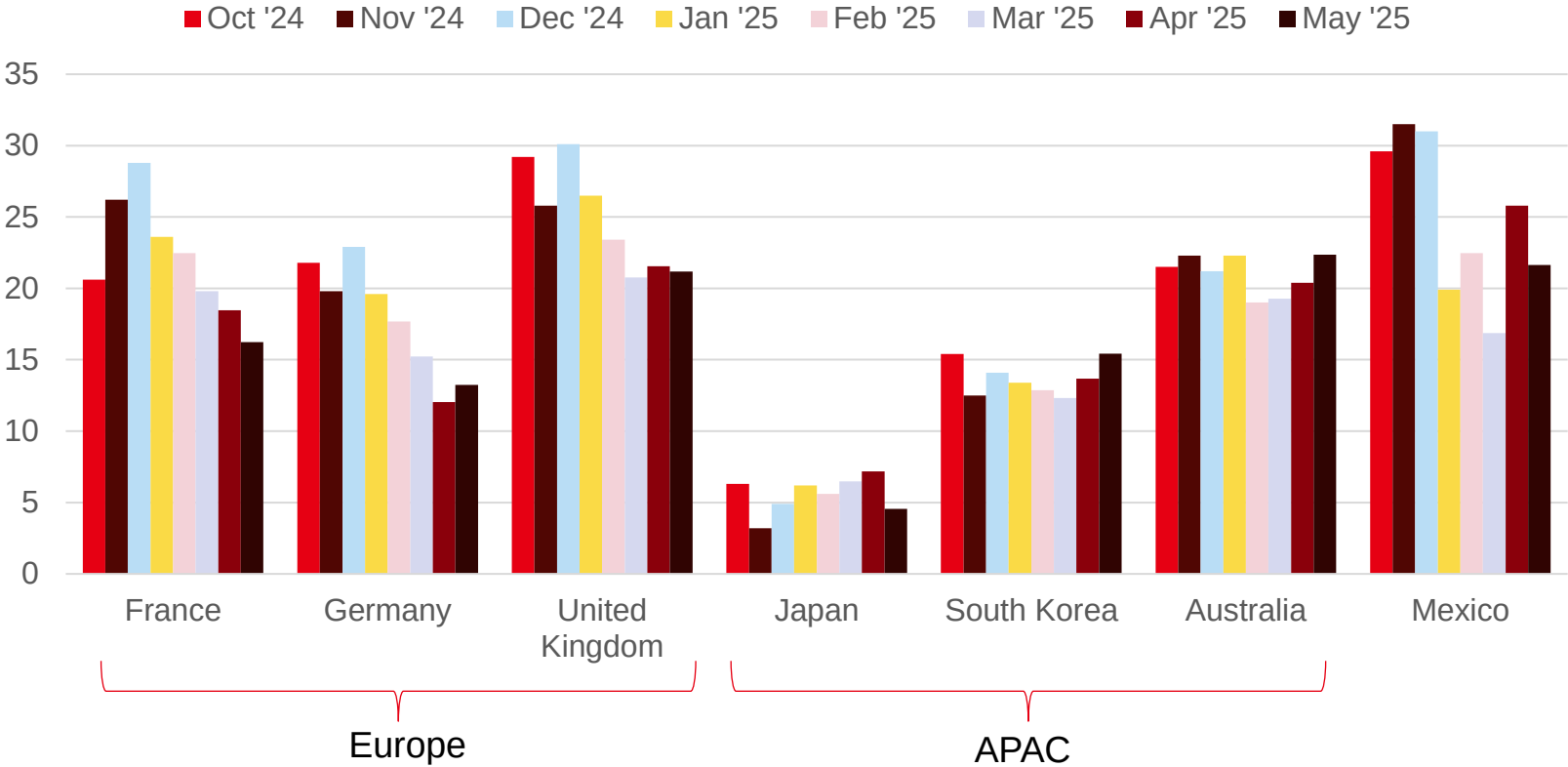


OVERSEAS TO US TRAVEL RECOMMEND MONITORING



Overseas to US Travel Recommend By Month

Which of the following destinations would you recommend to a friend or colleague?



Key Insights

- Likelihood to recommend the U.S. as a travel destination has been trending downward, particularly in the European markets.
- In contrast, APAC markets show a more stable trend.

Which of the following destinations would you recommend to a friend or colleague?



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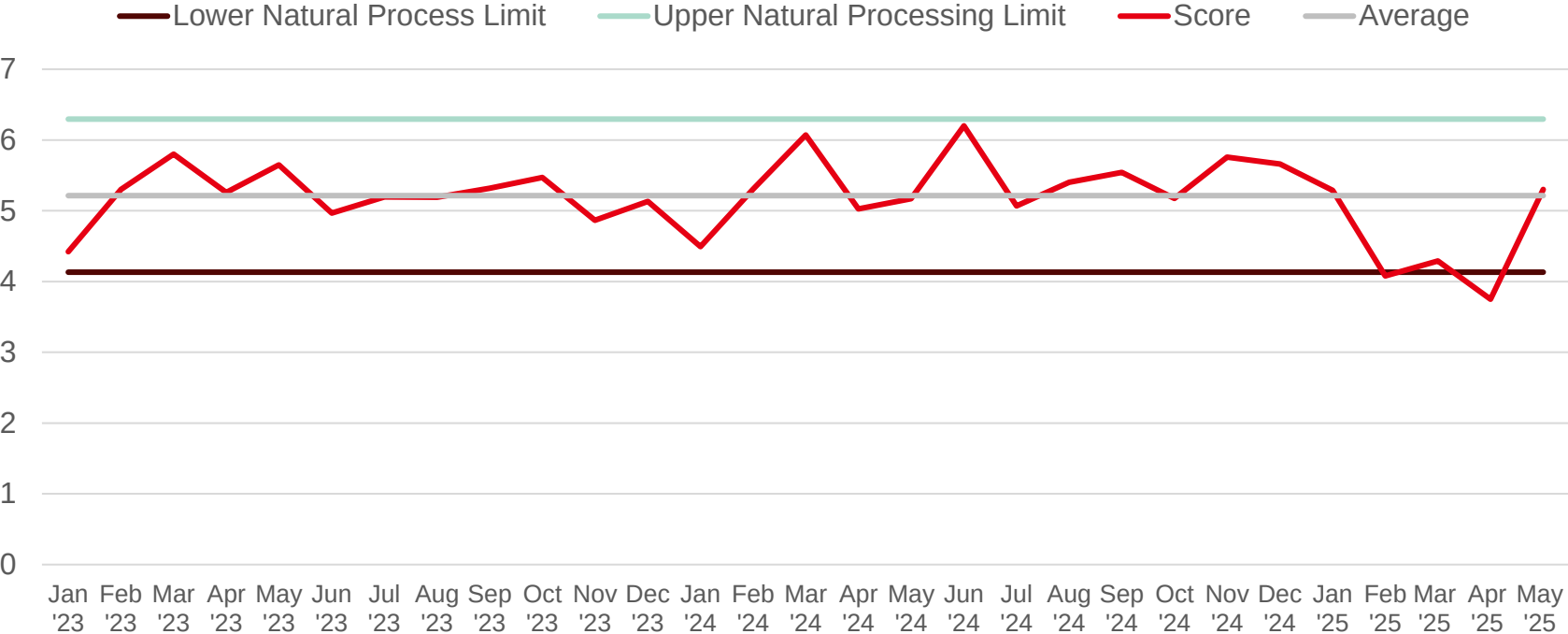
Source: Destination Index, YouGov

OVERSEAS TO US TRAVEL INTENT MONITORING



Overseas to US Travel Intent By Month

Of the destinations considered, which are you most likely to visit?



Key Insights

- Overseas intent rebounded strongly in May '25 to cross the historical average for the first time since Jan '25.
- This increase is driven by South Korea and Mexico.

NOTE – 'Overseas' is an average score across United Kingdom, France, Germany, Japan, South Korea, Australia, and Mexico. China not included due to volatile sample size.

Of the destinations considered, which are you most likely to visit?



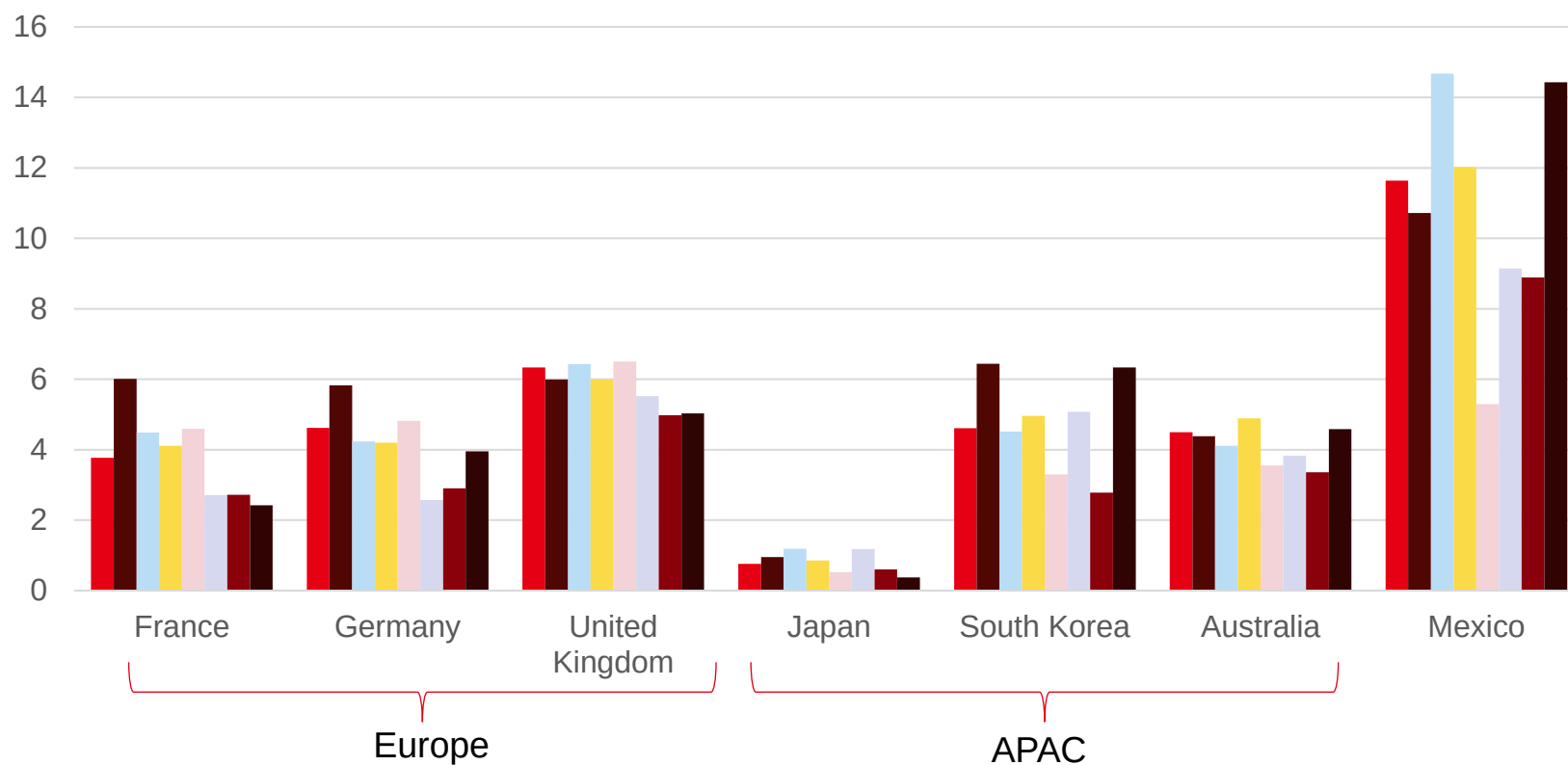
OVERSEAS TO US TRAVEL INTENT MONITORING



Overseas to US Travel Intent By Month

Of the destinations considered, which are you most likely to visit?

■ Oct '24 ■ Nov '24 ■ Dec '24 ■ Jan '25 ■ Feb '25 ■ Mar '25 ■ Apr '25 ■ May '25



Key Insights

- Travel intent is gaining increased significantly in South Korea, Mexico, and Australia.
- For Mexican travellers to US, the announcement of World Cup fan fests and Shakira and Coldplay concerts in US in May/June may have played a role in the spike in travel intent.
- For South Korean travellers to US, discounted airline price promotions on US routes, holiday & seasonal demand, cultural & event-driven demand and strong search demand for specific areas such as Hawaii and New York may have contributed to the increase in travel intent.
- France and Japan remain the only two countries showing a continued decline in travel intent.



Of the destinations considered, which are you most likely to visit?

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CANADIAN RESIDENT SENTIMENT

Resident Sentiment Indicators

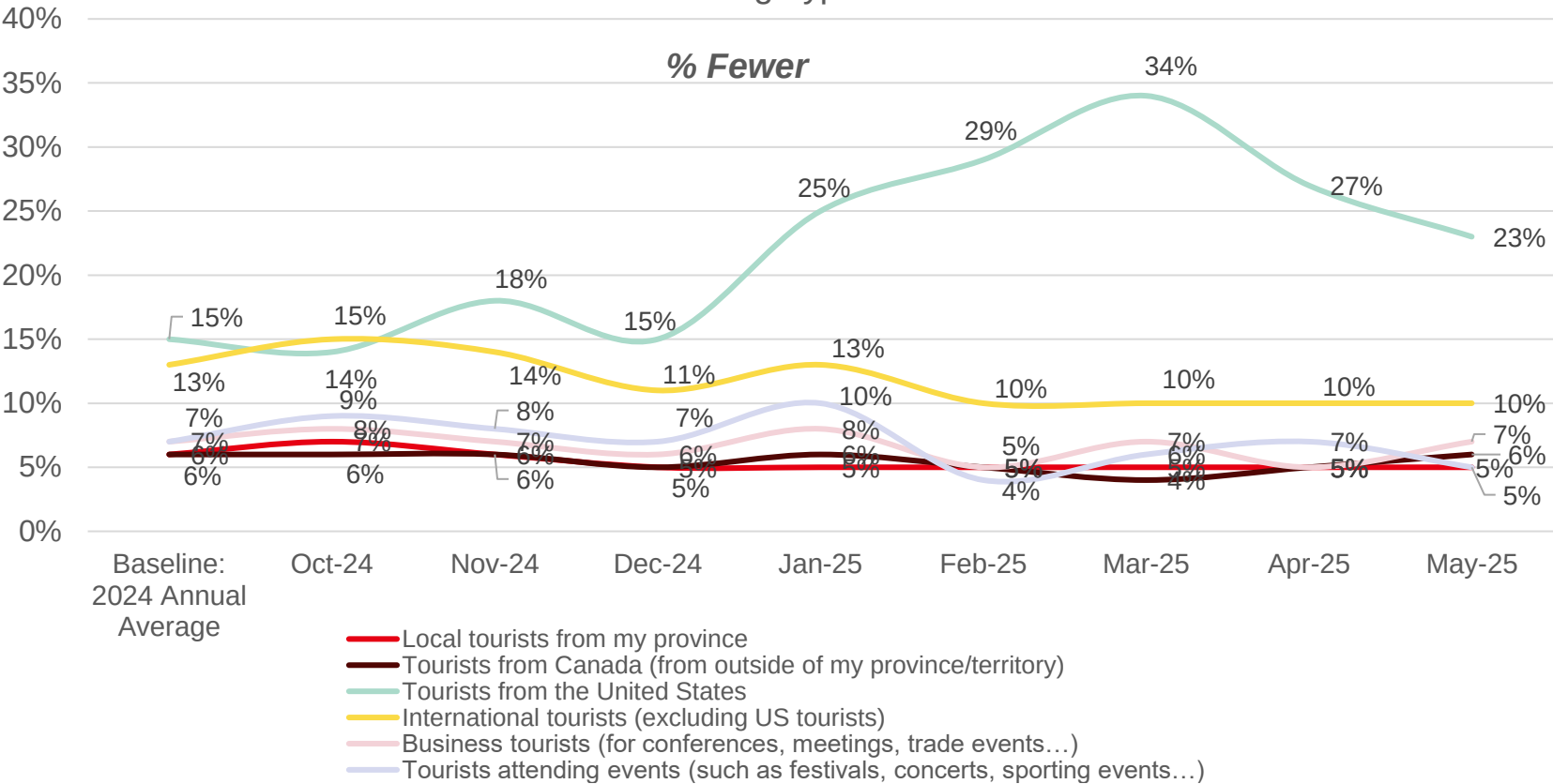


Winnipeg/Esplanade Riel Bridge
Manitoba

RESIDENT SENTIMENT MONITORING



Percent share of respondents stating that Canada should attract **Fewer** Visitors of the following types in the future



Key Insights

- The percentage of Canadian residents who want to attract fewer visitors from the US trended sharply upward until Mar '25 but dropped considerably in Apr and May '25, signalling a welcome reversal.
- This metric should be monitored closely as it is still considerably higher than the rate seen in Dec '24, which may be a constraint in sustaining inbound US visitation to Canada.

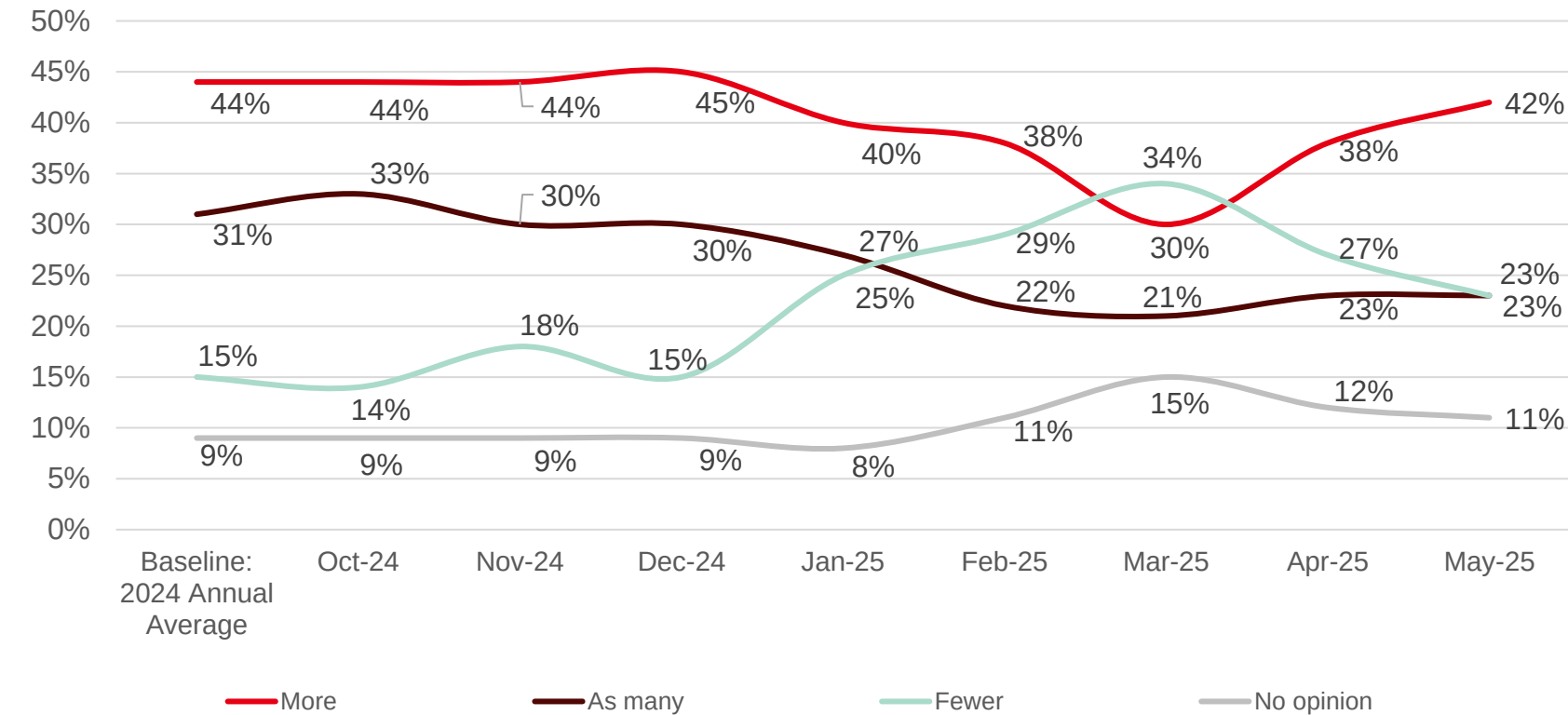
Question: In your opinion, should Canada attract more, as many, or fewer of the following types of visitors in the future? – Option “Fewer”



RESIDENT SENTIMENT MONITORING



Resident perceptions of attracting tourists from the US



Key Insights

- Resident sentiment towards attracting tourists from the US has been improving since hitting a low point in Mar '25.
- The percentage of Canadians who want to attract “More” or “As many” tourists from US has increased from 51% in Mar '25 to 61% in Apr '25 to 65% in May '25.

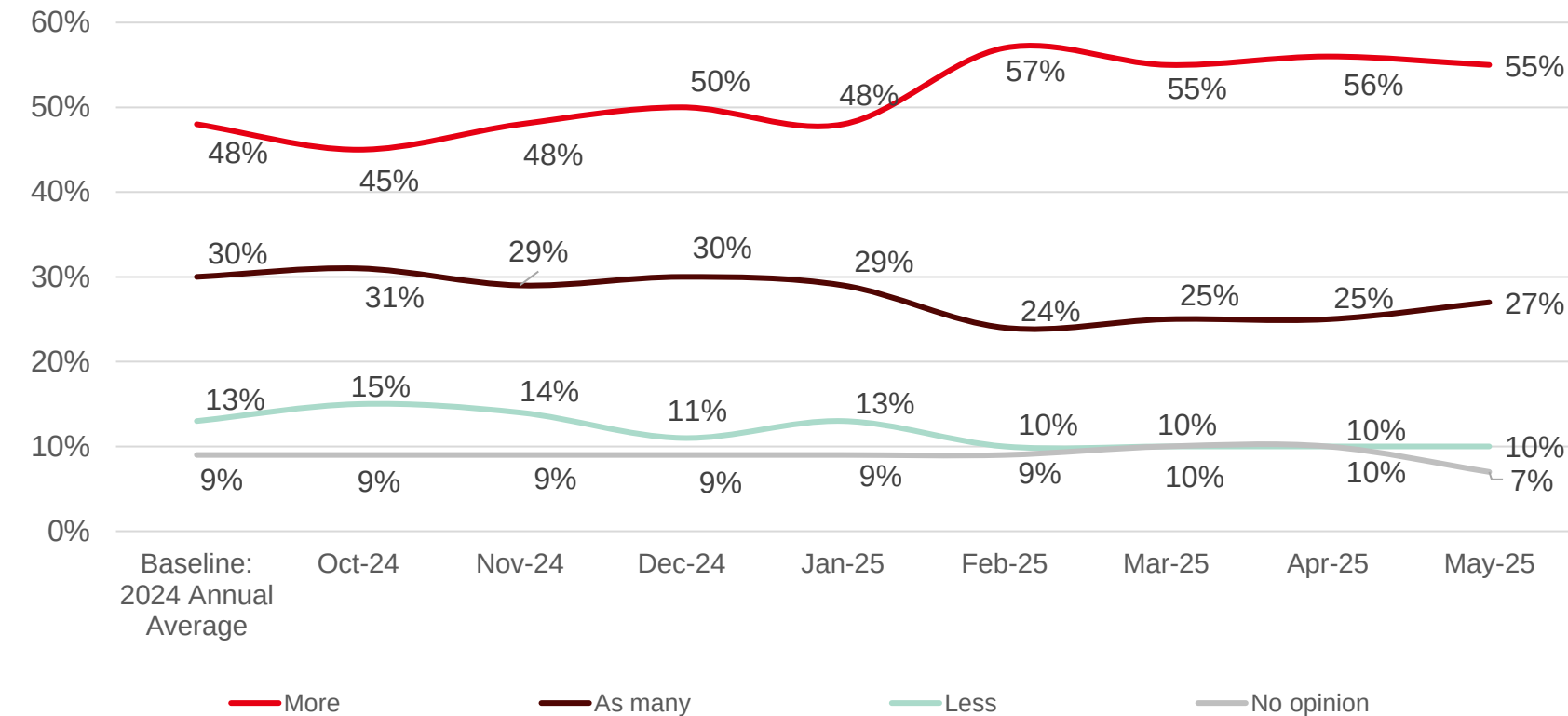
Question: In your opinion, should Canada attract more, as many, or fewer of the following types of visitors in the future? – “Tourists from the United States”



RESIDENT SENTIMENT MONITORING



Resident perceptions of attracting international (non-US) tourists



Key Insights

- Residents of Canada still wanted to attract more tourists from non-US international markets in May '25.
- This trend has been stable since Feb '25.

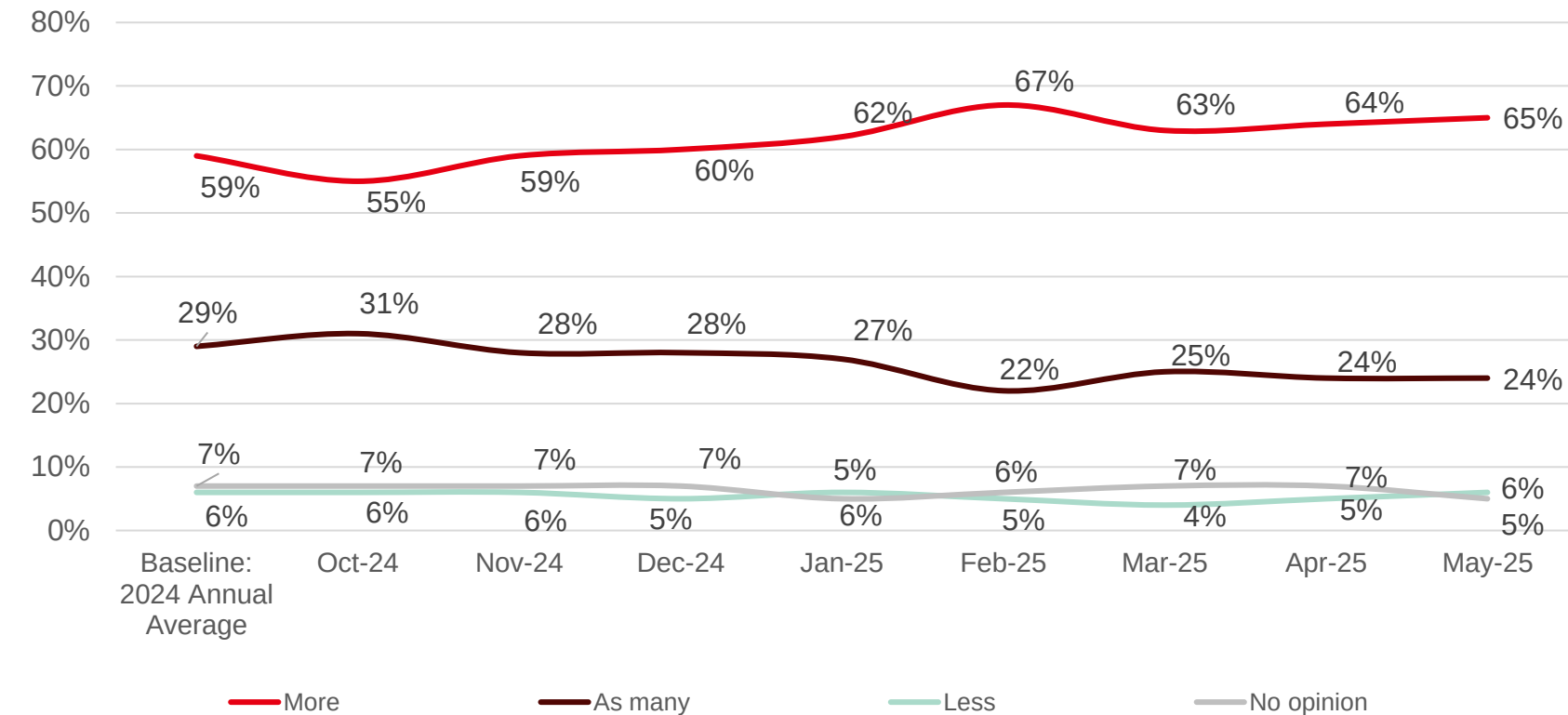
Question: In your opinion, should Canada attract more, as many, or fewer of the following types of visitors in the future? – “International tourists (excluding US tourist)”



RESIDENT SENTIMENT MONITORING



Resident perceptions of attracting domestic out-of-province tourists



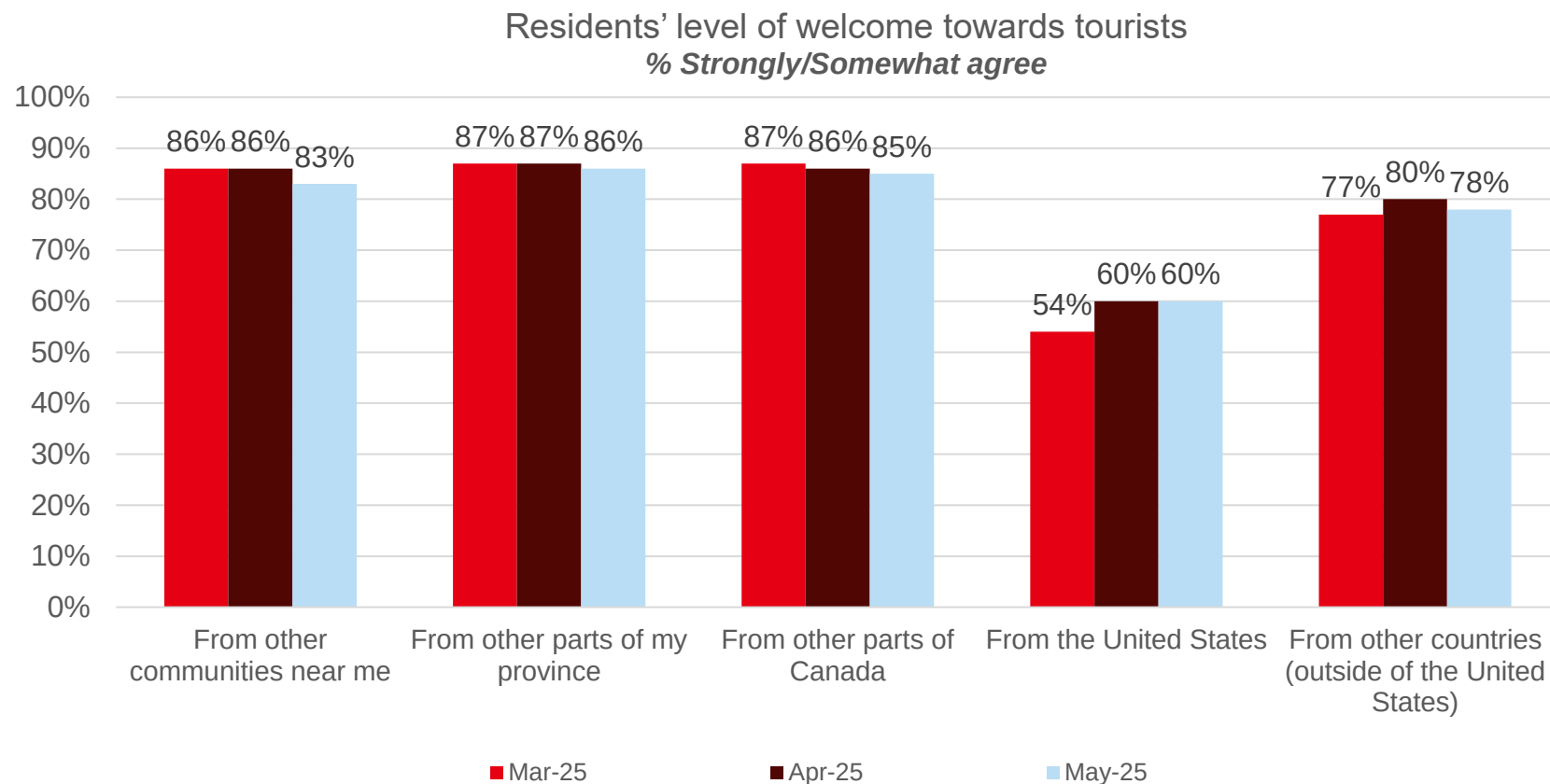
Key Insights

- Residents of Canada still want to attract more domestic travellers from outside their home province in May '25.
- This trends has been stable since Feb '25.

Question: In your opinion, should Canada attract more, as many, or fewer of the following types of visitors in the future? – “Tourists from Canada (from outside of my province)”



RESIDENT SENTIMENT MONITORING



Key Insights

- Residents of Canada express a notably lower level of welcome towards US tourists as compared with domestic tourists or international tourists from other countries.
- There was an encouraging increase in Apr' 25 in the percentage of Canadians willing to welcome tourists from US, and this number held steady in May '25.
- Level of welcome towards domestic and overseas tourists has remained stable.

Question: To what extent do you agree or disagree with the following statements? –
“I would welcome visitors travelling to my community...” –
% Strongly/Somewhat agree



BRAND LOVE

BERA Brand Sentiment

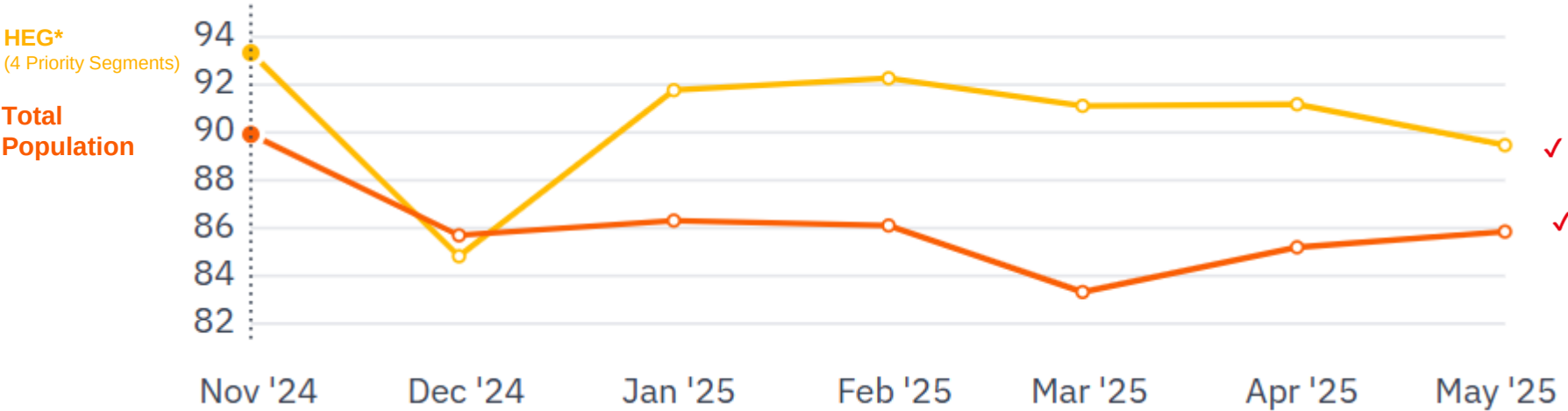


Peggy's Cove
Nova Scotia

TRACKING LOVE OF CANADA AS A COUNTRY BRAND AMONG AMERICANS



Brand Score (overall love score)



Name	Nov '24	May '25	Change	Trend	Sample
HEG - All 4 Segments	93.34	89.47	-3.87 ✓		2,78K
Total Population	89.92	85.85	-4.07 ✓		8,59K

Key Insights

→ Although Canada's country brand ranking has declined by 3.87 percentile points among our priority US segments and by 4.07 points among the total US population since November 2024, it still sits at the 89th percentile with priority segments and the 85th percentile with the total population, underscoring a strong baseline of brand love for Canada as a travel destination.

Note: The Y-axis shows scores in percentiles, which indicate Canada's relative position compared to 2,000 brands tracked by BERA. For example, a 70th percentile means Canada's brand equity is higher than 70% of other brands, placing it in the top 30%

Note: BERA Score is a measure of brand love that incorporates Familiarity, Regard, Meaning, and Uniqueness. For more information visit bera.ai

✓: statistically significant decrease

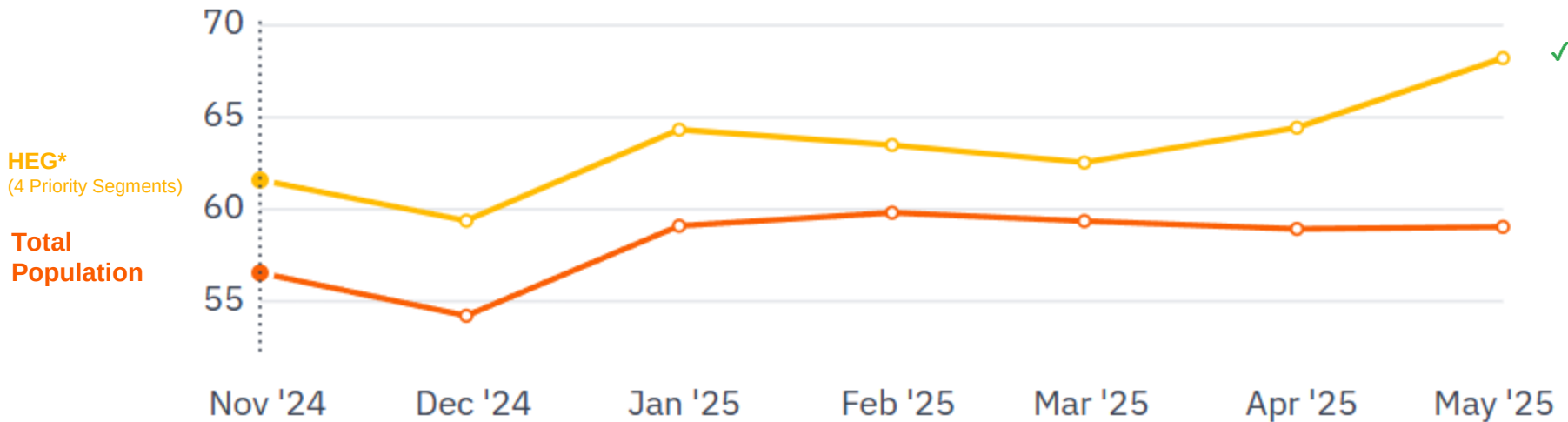
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TRACKING LOVE OF CANADA AS A TOURISMBRAND AMONG AMERICANS



BERA Score (overall love score)



Name	Nov '24	May '25	Change	Trend	Sample
HEG - All 4 Segments	61.59	68.22	6.63 ✓	↑	3.92K
Total Population	56.54	59.04	2.5		11.39K

✓: statistically significant increase

Key Insights

- Our consumer brand is consistently more loved with our priority US segments than with the Total US Population.
- Since November 2024, our consumer brand has gained statistically significant ground (+6.63 percentile points) with our priority US segments, while no statistically significant change has been detected with the total US population.

Note: The Y-axis shows scores in percentiles, which indicate Canada's relative position compared to 2,000 brands tracked by BERA. For example, a 70th percentile means Canada's brand equity is higher than 70% of other brands, placing it in the top 30%

Note: BERA Score is a measure of brand love that incorporates Familiarity, Regard, Meaning, and Uniqueness. For more information visit bera.ai

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BUSINESS EVENTS

Business events indicators



Winnipeg/Esplanade Riel Bridge
Manitoba

KEY MARKET SIGNALS - BUSINESS EVENTS EXPECTED ARRIVALS



This slide compares business events forecasted to be held in Canada for the 2025 calendar year* (as of May 2025) vs business events forecasted to be held in Canada for the 2024 calendar year (as of May 2024)

Comparison	Metric	   Canada to Canada	   US to Canada	   Overseas to Canada
Y-o-Y	# of Business Events	-6%	+2%	-20%
	# of Delegates	+6%	+29%	-9%



Key Insights

- The U.S. market remains positive as of May 2025 in terms of number of business events, while there is strong growth in number of delegates. This indicates bigger events from the US, held and forecasted in 2025, in Canada.
- Overall momentum for business events in Canada from domestic and overseas markets has softened. However, domestic events are projecting larger events in 2025 compared to 2024.

KEY MARKET SIGNALS - BUSINESS EVENTS (BE) TENTATIVE & DEFINITE BOOKINGS FOR FUTURE YEARS



This slide compares current forecasts for 2025+ business events in Canada as of May 2025 to forecasts made in May 2024 for 2024+ business events

Comparison	Metrics	 Canada to Canada	 US to Canada	 Overseas to Canada
Y-o-Y Tentative Business Events	Events	+5%	-3%	+21%
	Delegates	+15%	+2%	+7%
Y-o-Y Definite Business Events	Events	-1%	0%	+6%
	Delegates	+5%	-4%	+3%

Tentative Business Events: opportunities that are pending decision to be held in Canada
Definite Business Events Bookings: won business events booked for Canada

Key Insights

- The Canadian and overseas markets are showing strong positive signs for tentative business events in the pipeline. While the US market trails 2024 in tentative event count, the events appear larger, with higher delegate numbers.
- The overseas markets are showing marginally positive signals for future-year business events bookings in terms of the number of events.
- There seems to be a marginal reduction in the size of the definite business events from the US while the size of the definite events from overseas countries seems slightly smaller compared to previous years.
- Given the long planning cycle for business events for future years, the effects of the current geopolitical uncertainty need to be monitored closely in the future months to assess the impact.

BOOKING INDICATORS

Air Booking
Accommodation

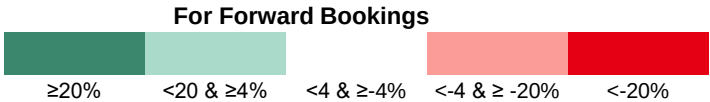


Toronto Island/Toronto
Ontario

FLIGHT FORWARD BOOKINGS



 ↓ Performance Indicator	 Canada to Canada	 US to Canada	 Canada to US	 Overseas to Canada	 Overseas to US
Y-o-Y	+4%	-5%	-20%	+2%	-11%
YTD	+1%	+1%	-16%	+2%	-6%

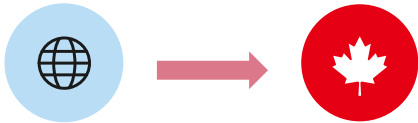


Key Insights

- Domestic forward bookings increased in May '25 and showed a marginal increase YTD.
- US to Canada forward bookings decreased Y-o-Y but is marginally up YTD.
- Overseas to Canada forward bookings increased for the third consecutive month.
- Just as with the sentiment metrics, Canada is being differentiated with the US as far as forward bookings from overseas are concerned.

- Y-o-Y is calculated for the change in May 2025 over May 2024
- YTD is calculated for change for the period January - May 2025 compared to the period January – April 2024
- This represents only a portion of the total booking data from IATA

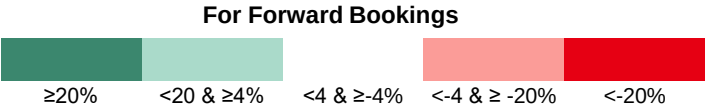
FLIGHT FORWARD BOOKINGS



Key Markets (to Canada)	Forward Bookings (YOY)	Forward Bookings (YTD)
Australia	0%	+5%
Mexico	-9%	-30%
France	+7%	0%
Germany	+4%	-2%
UK	+12%	+14%
China	+36%	+19%
Japan	-42%	-13%
South Korea	-9%	-5%



Key Markets (to US)	Forward Bookings (YOY)	Forward Bookings (YTD)
Australia	-13%	-5%
Mexico	0%	-8%
France	-17%	-10%
Germany	-16%	-18%
UK	+2%	+1%
China	-17%	-5%
Japan	-30%	-3%
South Korea	+4%	-4%



Key Insights

- Aggregate overseas forward bookings to Canada increased for the third consecutive month in May '25. Just as with the overseas travel sentiment, Canada is positively differentiating itself from the US in terms of overseas forward bookings.
- UK and China showed a double-digit growth in forward bookings for Canada both year-over-year and YTD.
- There was a significant drop in forward bookings from Japan for both US and Canada in Apr '25 and May '25.
- Mexico to Canada YTD bookings are still in deep red mainly due to the impact of the Visa policy implemented in late Feb '24.

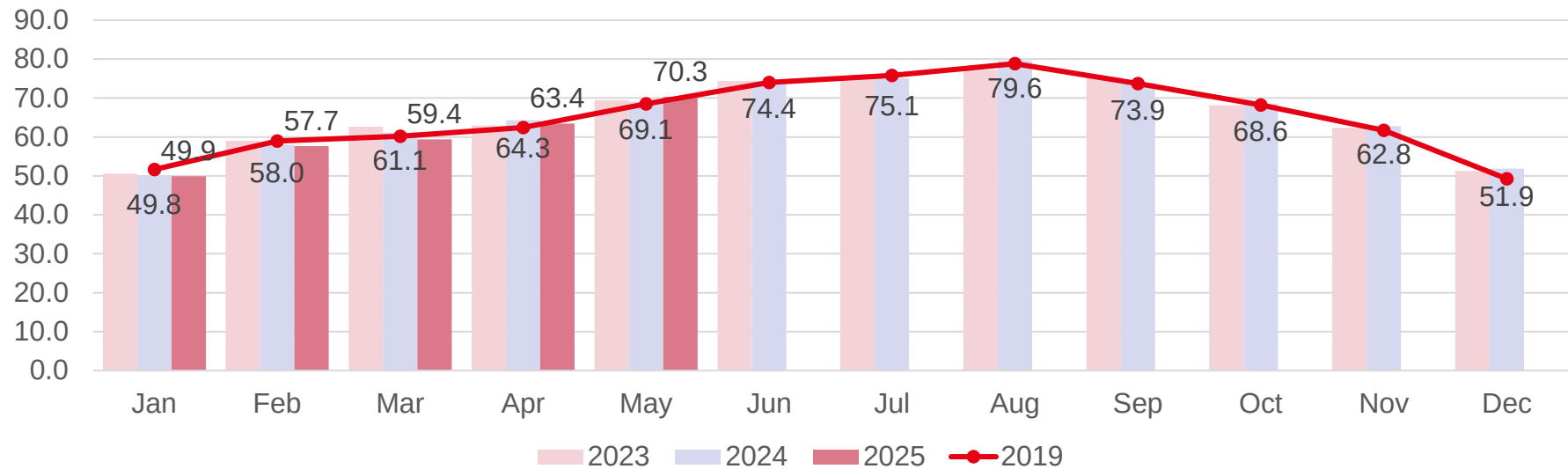
- Y-o-Y is calculated for the change in May 2025 over May 2024
- YTD is calculated for change for the period January – May 2025 compared to the period January – May 2024

Source: Source: Data extracted from IATA as of 11 June, 2025;

MONTHLY HOTEL OCCUPANCY RATES



Average Monthly Occupancy Rates
Commercial Accommodations in Canada
Updated to 31 May, 2025



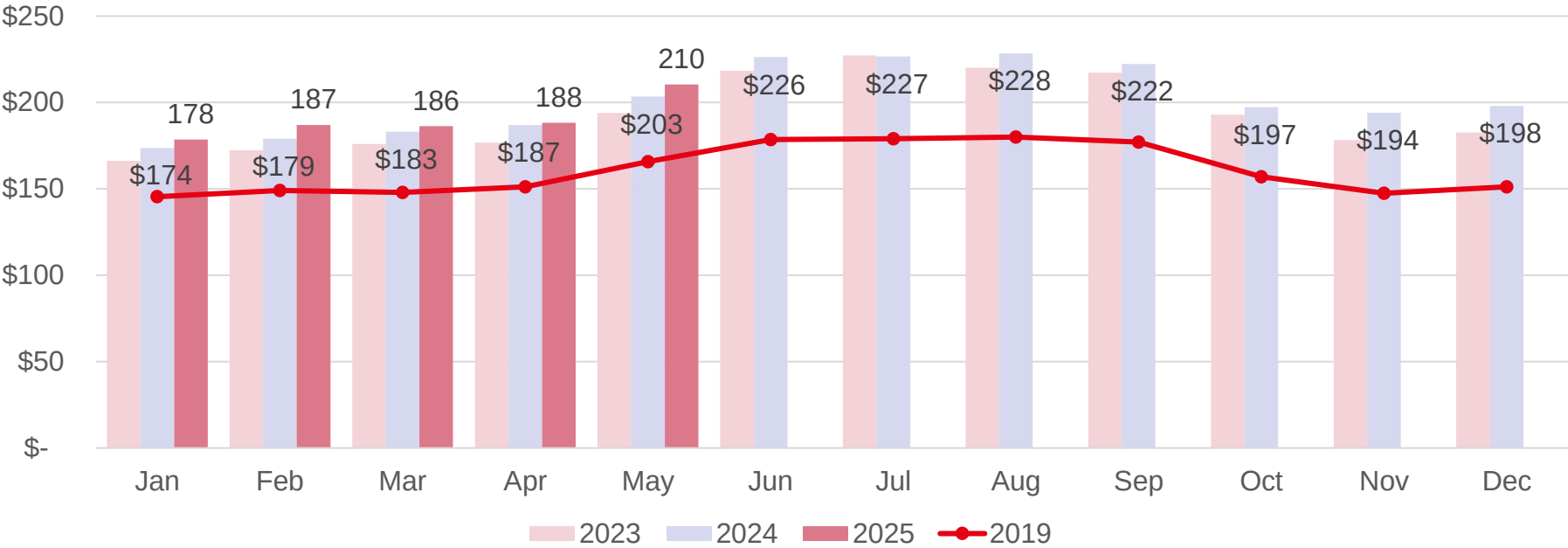
Key Insights

- Average occupancy rates increased by 1.2 percentage points in May '25 compared to May '24.
- This was the largest year-over-year increase in occupancy for any month in this year.

MONTHLY AVERAGE DAILY RATES (ADR)



Monthly Average Daily Rates
Commercial Accommodations in Canada
Updated to 31 May, 2025

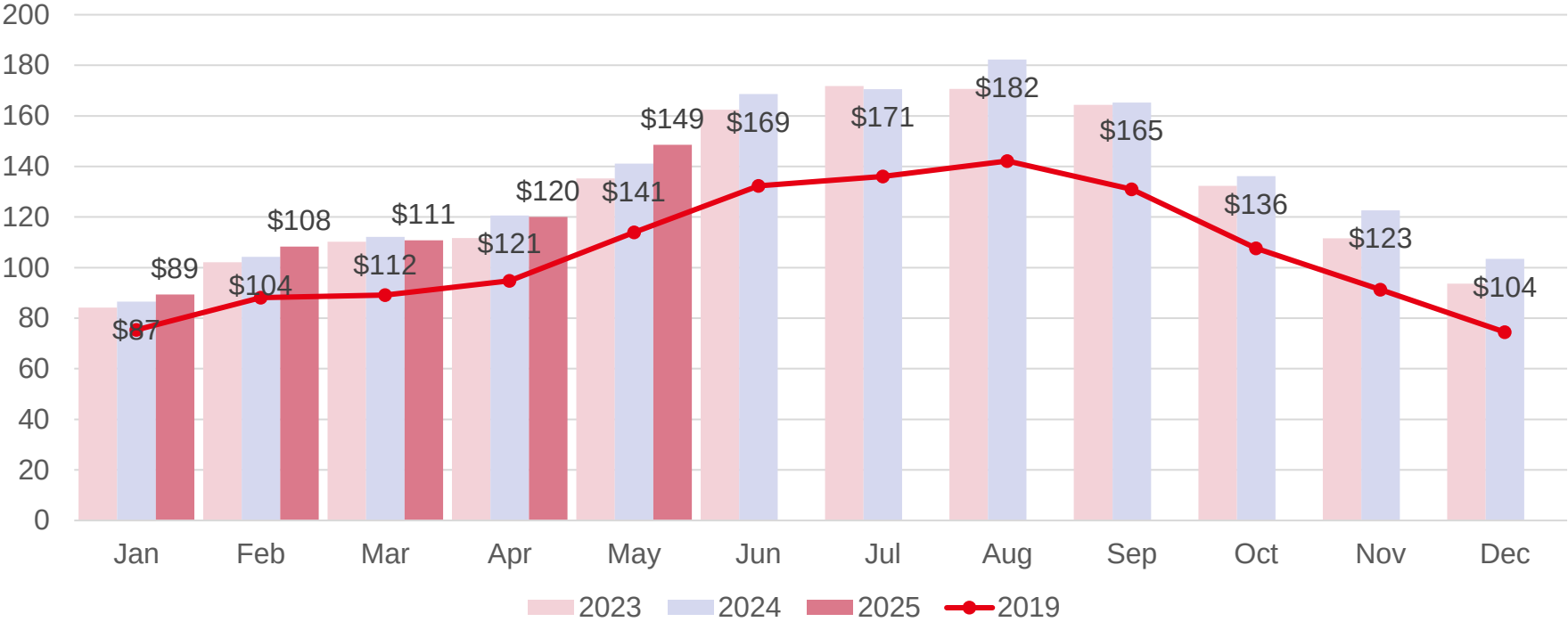


Key Insights

- Monthly ADR has increased by 3.4% in May '25 compared to May '24.
- This was in line with the consistent increase in ADR for more than a year.



Monthly RevPAR
Commercial accommodations in Canada
Updated to 31 May, 2025



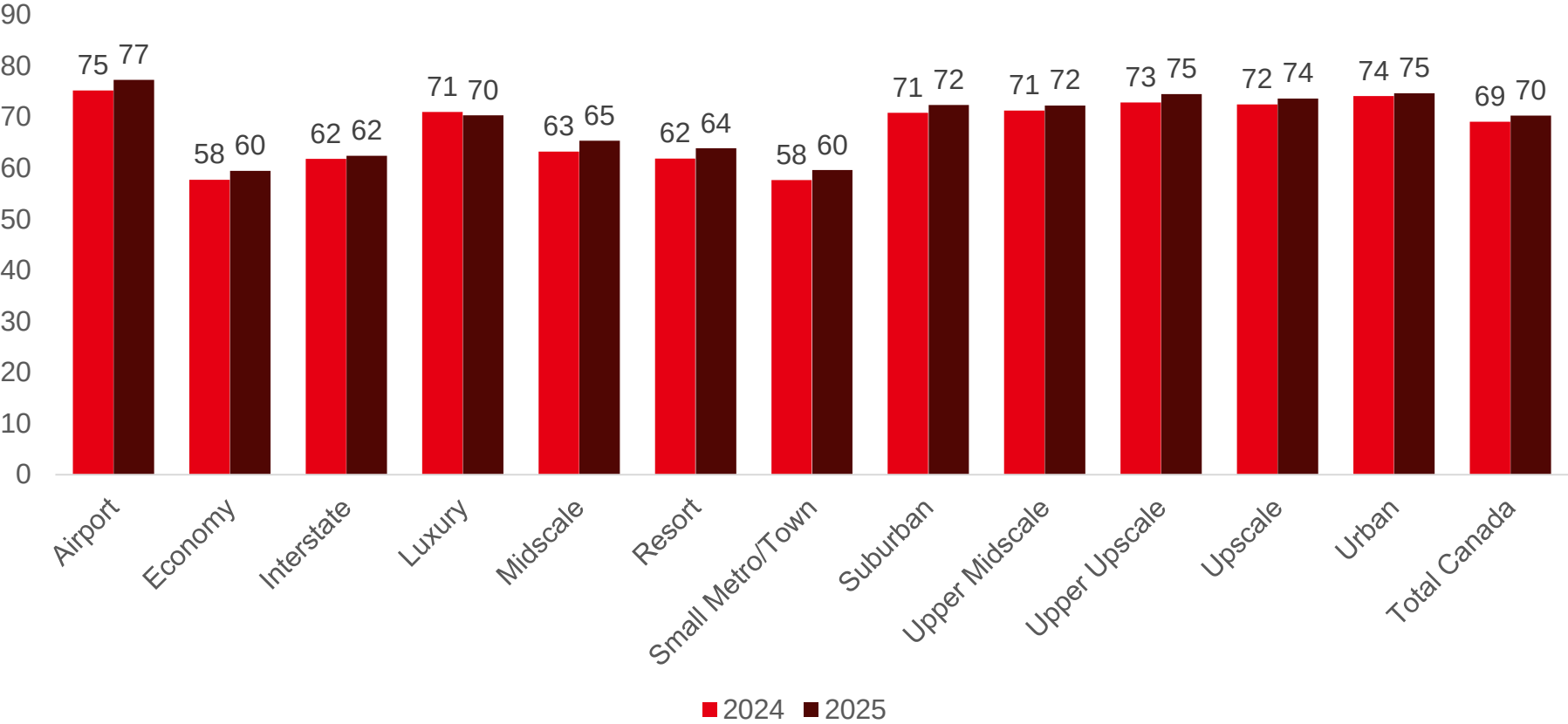
Key Insights

- Monthly RevPAR increased by 5.3% in May '25 as compared to May '24.
- This marked the highest year-over-year increase in RevPAR in 2025.

OCCUPANCY RATES FOR MAY 2025 VS MAY 2024



Monthly Occupancy (in %)



Key Insights

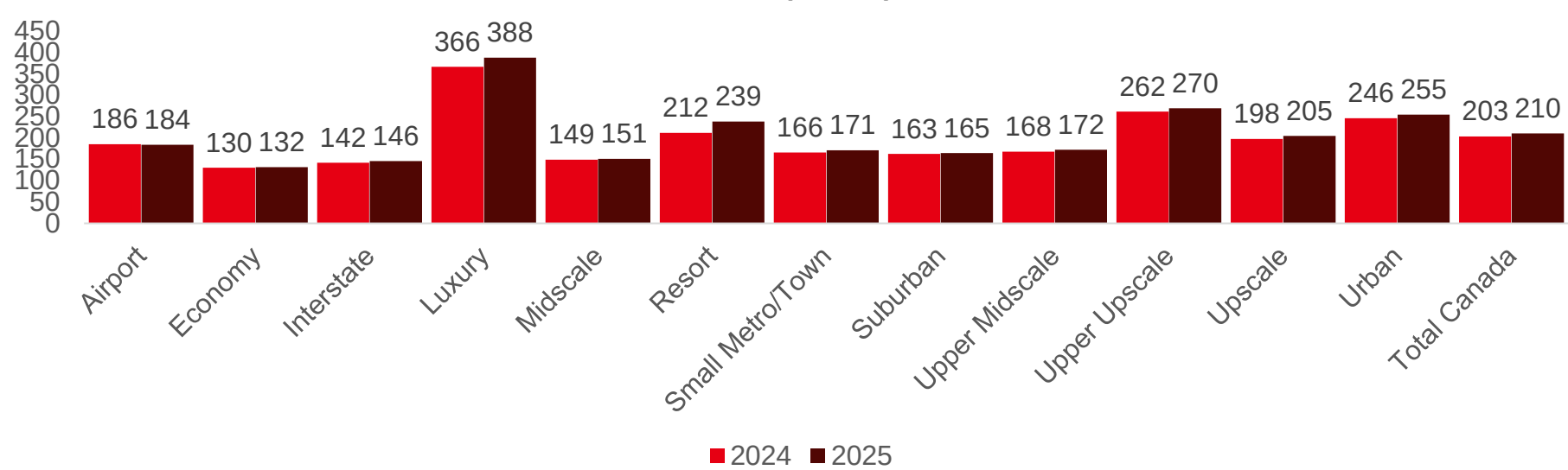
- Other than luxury hotels, all types of properties experienced an increase in occupancy in May '25.
- Airport hotels experienced the largest increase in occupancy. This was the first time in this year when airport hotels witnessed an increase in occupancy.

*This is the week starting 23 February 2025 compared to the week starting 24 February 2024
**Interstate hotels, as defined by the data provider, generally refer to hotels located near major highways

AVERAGE DAILY RATES FOR MAY 2025 VS MAY 2024



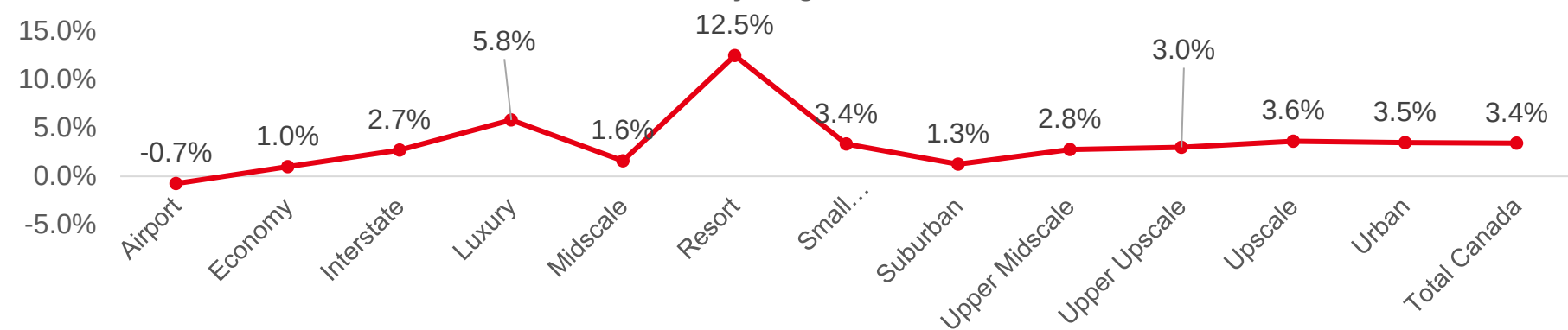
ADRs (in CAD)



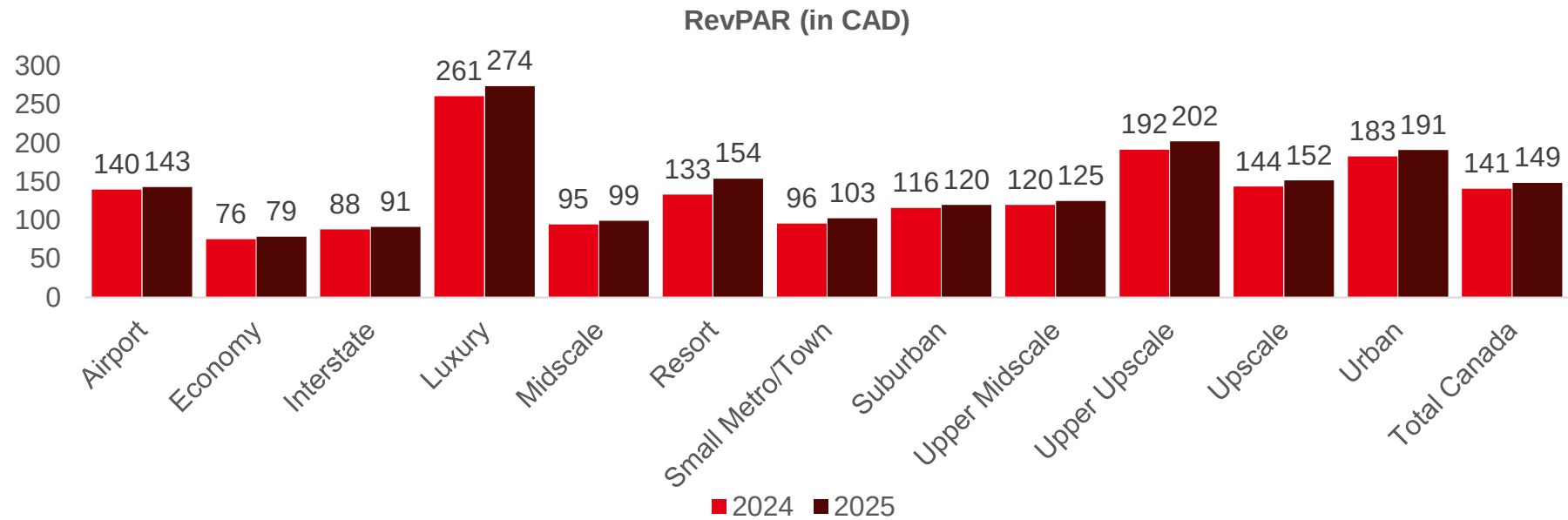
Key Insights

- ➔ Biggest increase in ADRs was for resorts, followed by luxury and upscale properties.
- ➔ Only airport hotels saw a decline in ADR in May '25

Year-over-year growth in ADRs

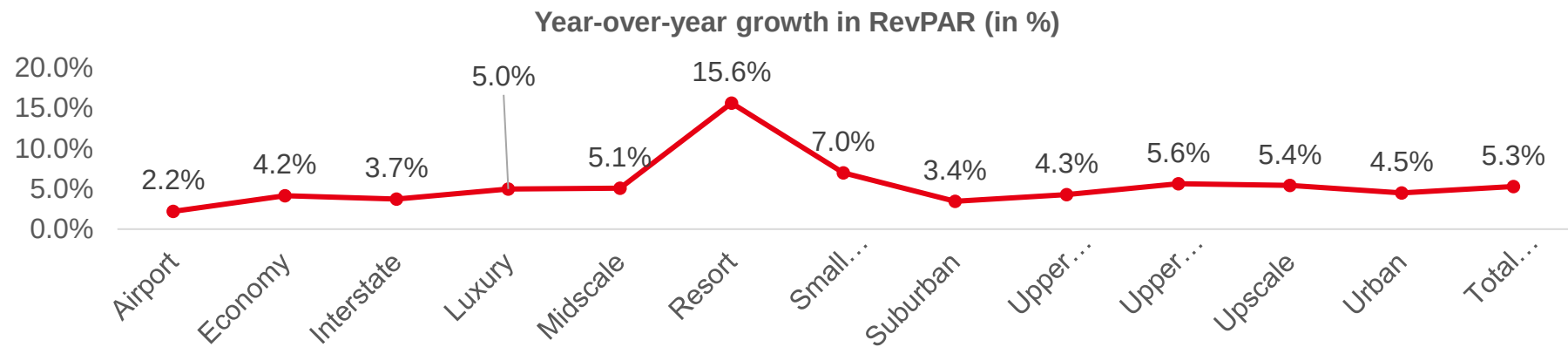


RevPAR for May 2025 vs May 2024



Key Insights

- All the properties experienced an increase in RevPAR in May '25.
- Resorts saw the highest increase and airport hotels experienced the lowest increase.



TOURISM FLOW

Arrivals Leading Indicators



Confederation Bridge
Prince Edward Island

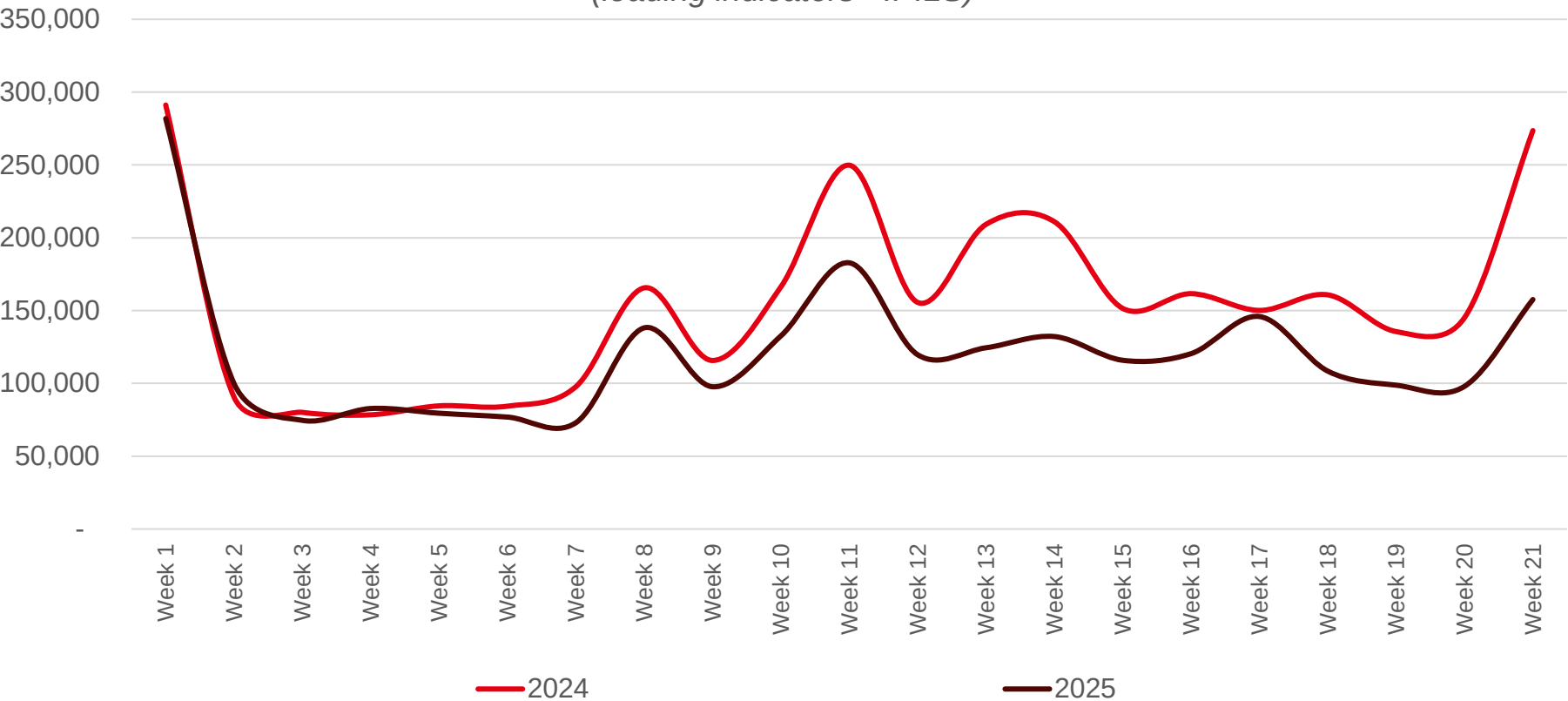
Arrivals Leading Indicators

CANADIAN OUTBOUND TRAVEL

LEADING INDICATORS – CANADIANS RETURNING FROM THE US BY LAND



Weekly Canadian resident **overnight** arrivals by land (returning from the US)
(leading indicators - IPILS)



Key Insights

- The leading indicators data for Canadians returning from overnight trips to the US by land showed a consistent decline for several months which has been intensifying over the first few months of 2025. This decline is likely symptomatic of the declining sentiment of Canadians towards visiting the US.
- It is particularly notable that Canadian residents' overnight trips by land continued to fall in Apr '25, despite the shift in the timing of the Easter long weekend between 2024 and 2025.
- The decline continued in May '25, with the expected weekly spike for Memorial Day weekend being much lower in 2025 than in 2024.

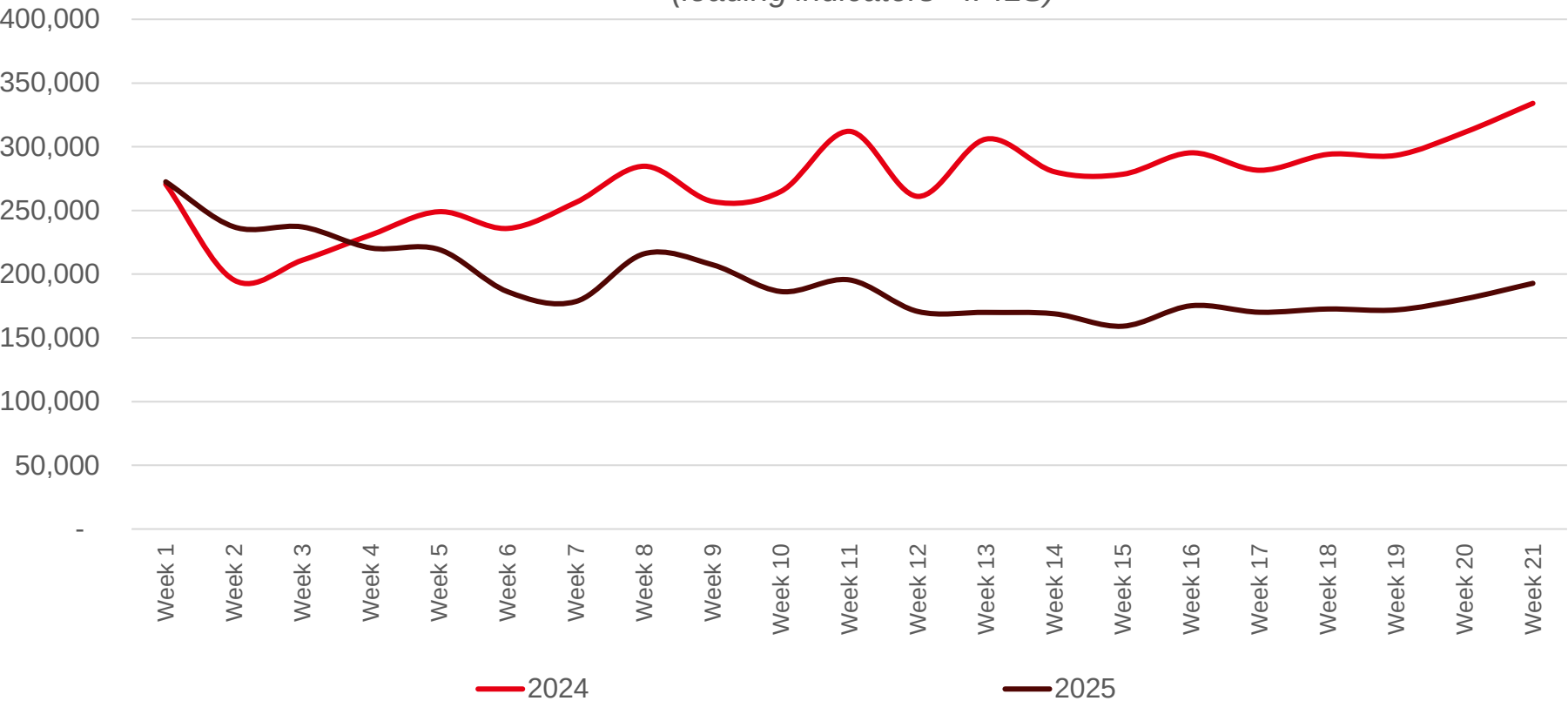
Monthly Year-Over-Year Change							
October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025
-3%	-2%	+18%	-10%	-17%	-26%	-26%	-34%



LEADING INDICATORS – CANADIANS RETURNING FROM THE US BY LAND



Weekly Canadian resident **same-day** arrivals by land (returning from the US)
(leading indicators - IPILS)



Key Insights

- The leading indicators data for Canadians returning from same-day trips to the US by land showed a sharp year-over-year drop in Feb '25. This decline intensified in Mar '25 and again in Apr '25, symptomatic of the declining sentiment of Canadians towards visiting the US.
- It is a particularly notable shift, since up until Jan '25 Canadian residents' same-day trips by land to the US had been consistently higher than the previous year.

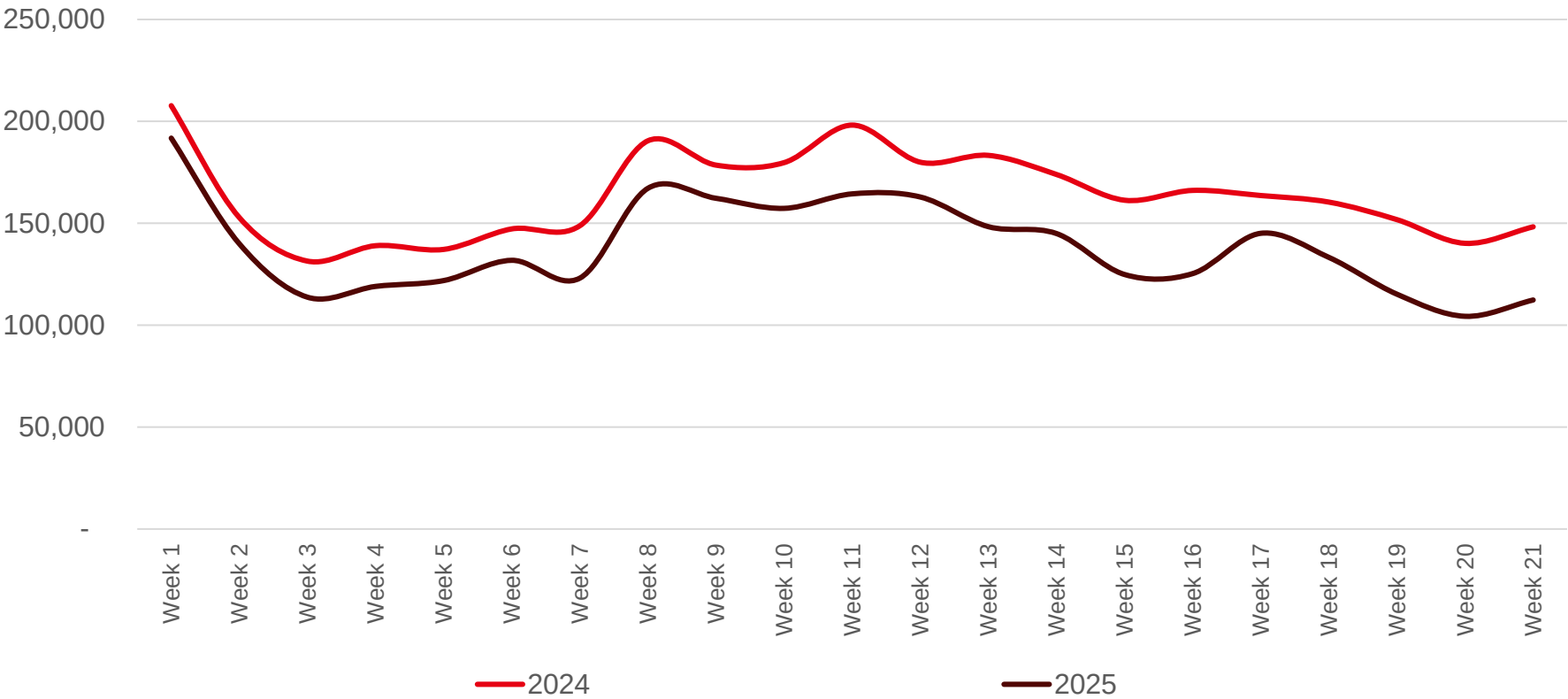
Monthly Year-Over-Year Change							
October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025
+8%	+10%	+2%	+4%	-26%	-36%	-40%	-40%



LEADING INDICATORS – CANADIANS RETURNING FROM THE US BY AIR



Weekly Canadian resident **overnight** arrivals by air (returning from the US)
(leading indicators - PIK)

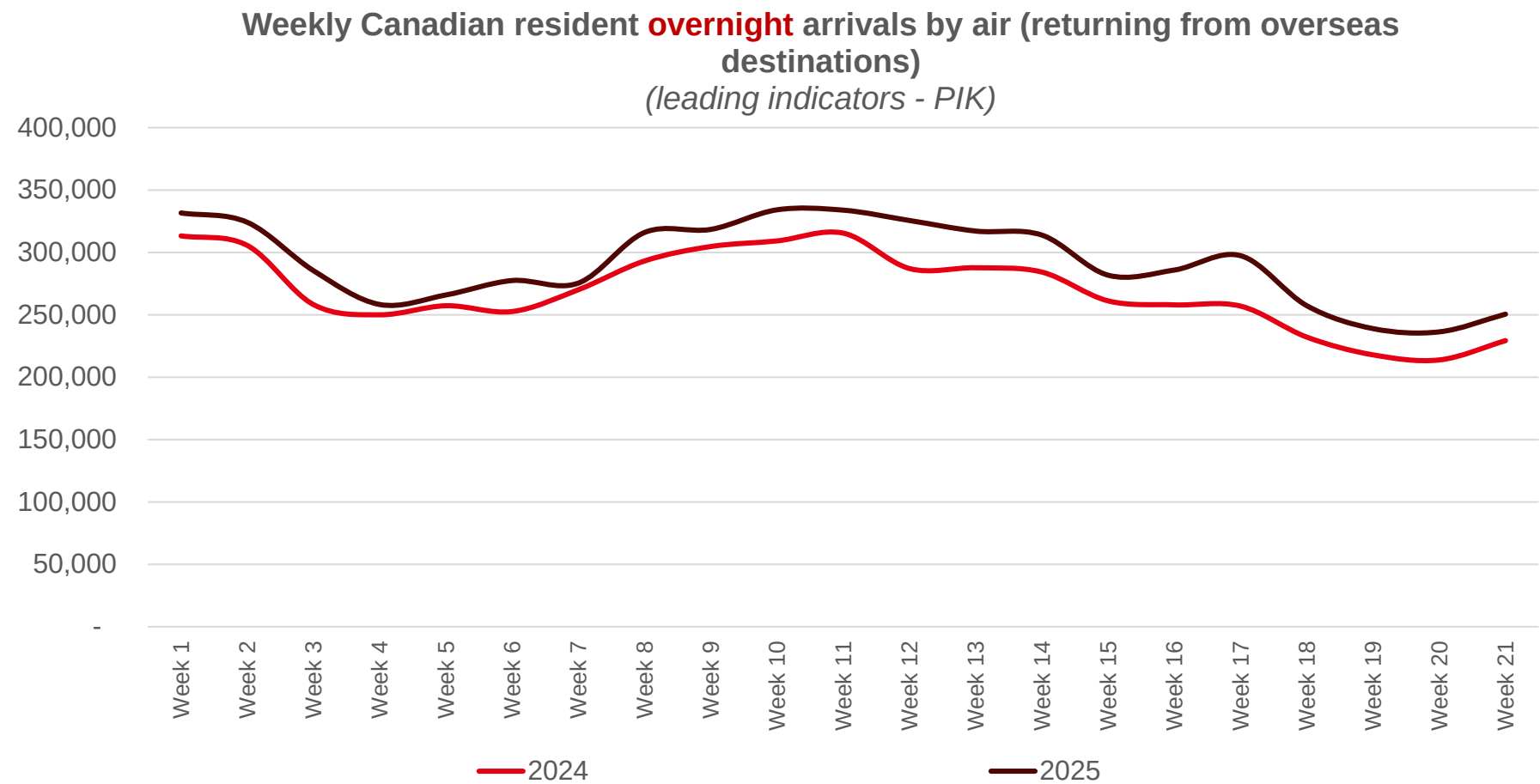


Key Insights

- Leading indicators data for Canadians returning from the US by air showed a consistent year-over-year decline for more than a year.
- While the air travel from Canada to the US is below 2024 levels, it has followed a similar weekly trend. But the gap seems to have widened in Apr '25.
- The decline intensified in Apr '25, despite the shift in the timing of the Easter long weekend between 2024 and 2025.
- The greater decline in Apr '25 and May '25 compared to the previous months may be a result of the declining travel sentiment towards the US.

Monthly Year-Over-Year Change							
October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025
-13%	-12%	-5%	-14%	-13%	-14%	-20%	-24%







Key Insights

→ Leading indicators data shows that Canadians’ overseas travel continued to follow a similar trend to last year, increasing every month compared to previous year.

Monthly Year-Over-Year Change							
October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025
+19%	+22%	+9%	+4%	+4%	+9%	+10%	+10%



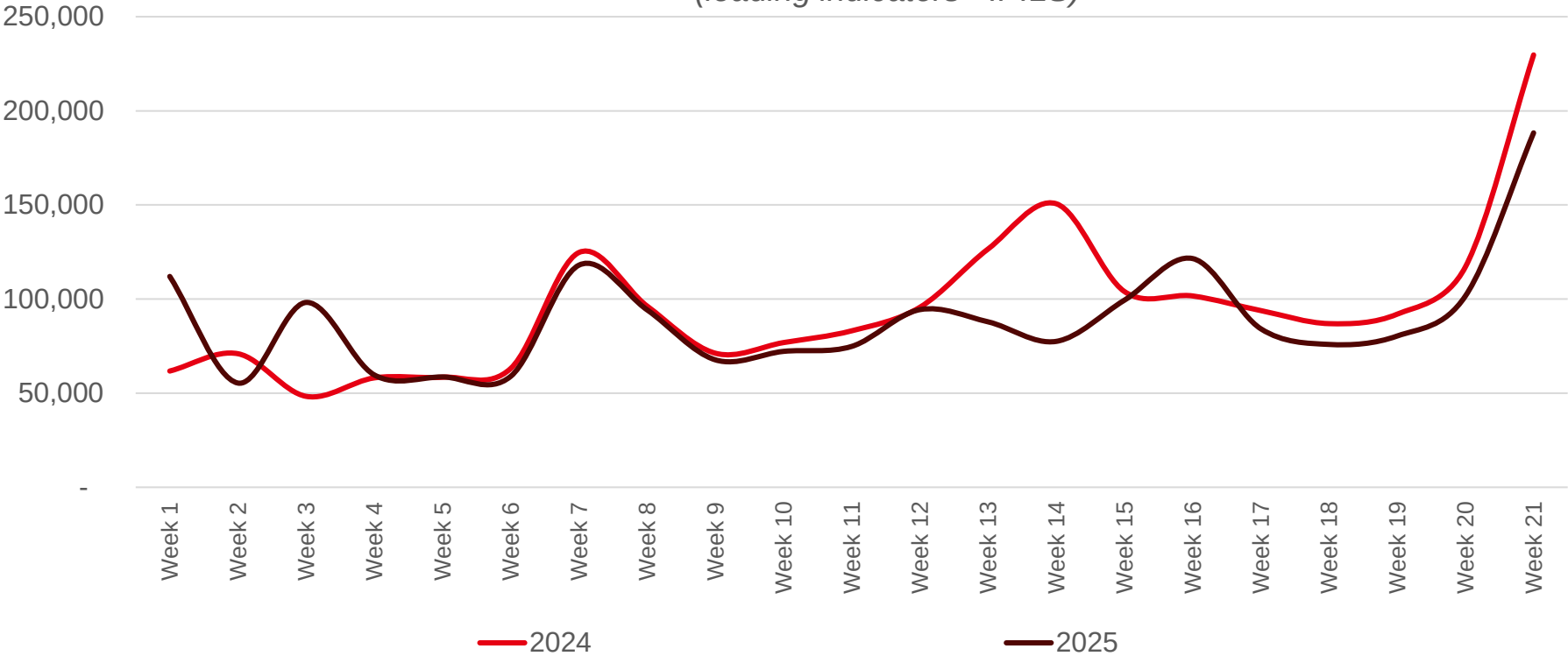
Arrivals Leading Indicators

US ARRIVALS

LEADING INDICATORS – US LAND ARRIVALS



Weekly US **overnight** arrivals by land
(leading indicators - IPILS)



Key Insights

- Leading indicators data shows that US overnight arrivals by land declined year-over-year from Feb '25 through Apr '25, after months of consistent year-over-year growth up until Jan '25.
- Despite the shift in the timing of the Easter long weekend between 2024 and 2025, US overnight land arrivals declined at a relatively consistent rate in both May '25 and Apr '25.
- The declining visitation could be due to the declining consumer confidence in the US, which was observed until May '25.
- The trend needs to be monitored closely to gauge the effect on the summer months, which are peak months for US visitors.

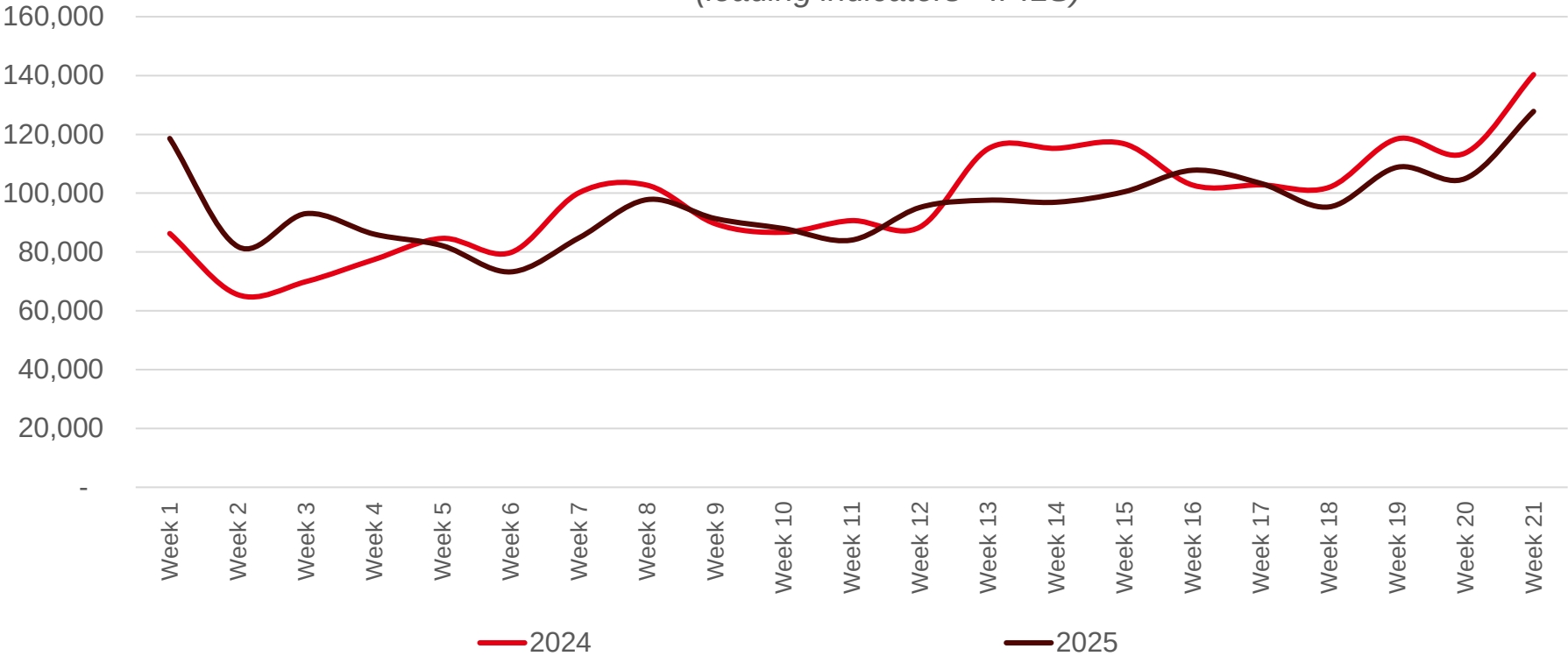
Monthly Year-Over-Year Change							
October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025
+13%	+26%	+11%	+27%	-7%	-16%	-15%	-11%

Note: The March/April shift in weekly overnight land arrivals can be attributed to the timing of the Easter holiday period. In 2025, the holiday period began a few weeks later than in 2024.



LEADING INDICATORS – US LAND ARRIVALS

Weekly US **same-day** arrivals by land
(leading indicators - IPILS)



Key Insights

- Leading indicators data shows that US same-day arrivals by land declined year-over-year from Feb '25 through May '25.
- This reverses the long-term trend of increasing same-day land arrivals from the US, and the decline does not appear to have been significantly impacted by the shift in the timing of the Easter long weekend between 2024 and 2025.

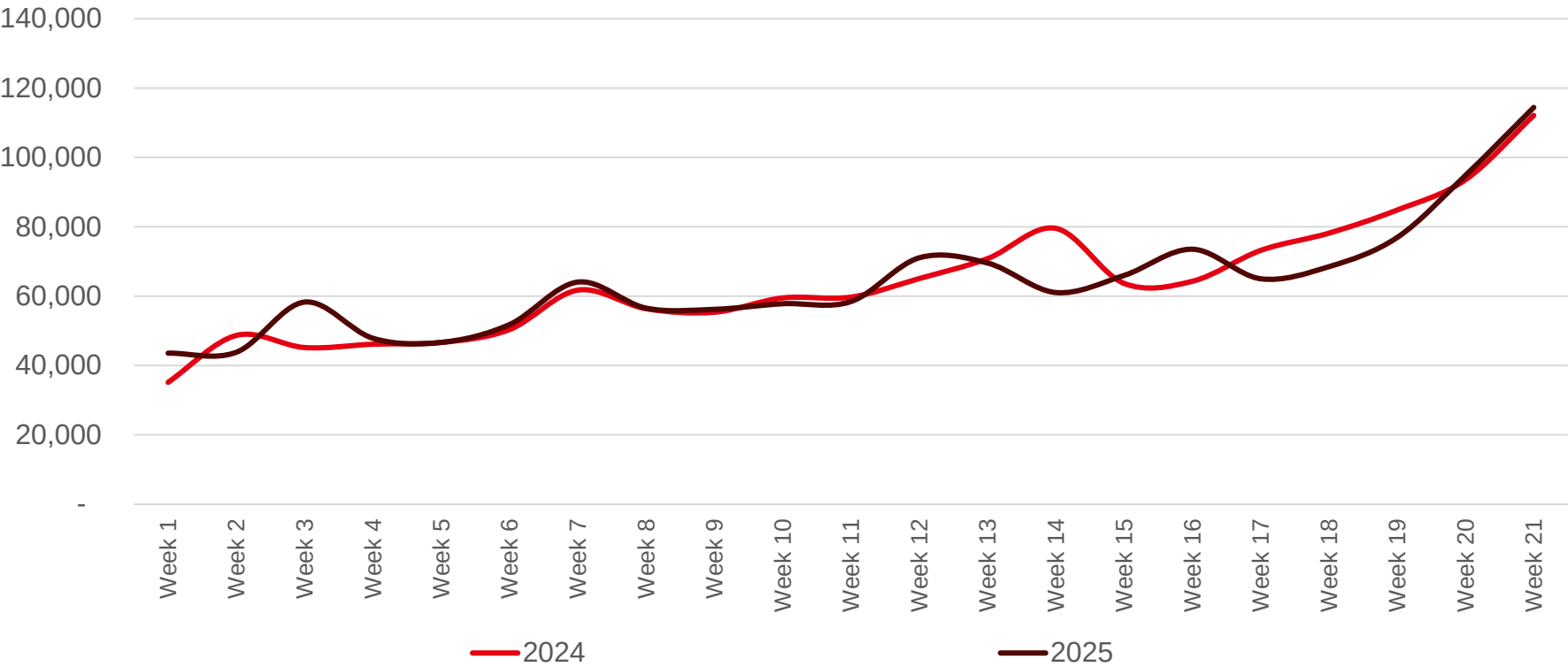
Monthly Year-Over-Year Change							
October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025
+8%	+17%	+5%	+21%	-9%	-5%	-6%	-5%



LEADING INDICATORS – US AIR ARRIVALS



Weekly US **overnight** arrivals by air
(leading indicators - PIK)



Key Insights

- Leading indicators data shows a slight year-over-year decline in US air arrivals in Feb '25 followed by a marginal increase in Mar '25 before a larger drop in Apr '25. Arrivals showed a marginal decline in May '25.
- The drop in April air arrivals is particularly notable, since with the shift in the timing of the Easter long weekend between 2024 and 2025 the normal expectation would have been a year-over-year increase in Apr '25 arrivals.
- This trend needs to be monitored closely to gauge the effect on the summer months, which are peak months for US visitors.
- The decline in overseas land arrivals is greater than the decline in air arrivals.

Monthly Year-Over-Year Change							
October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025
+9%	+14%	+15%	+10%	-1%	+1%	-6%	-0.4%

Note: The March/April shift in weekly overnight land arrivals can be attributed to the timing of the Easter holiday period. In 2025, the holiday period began a few weeks later than in 2024.



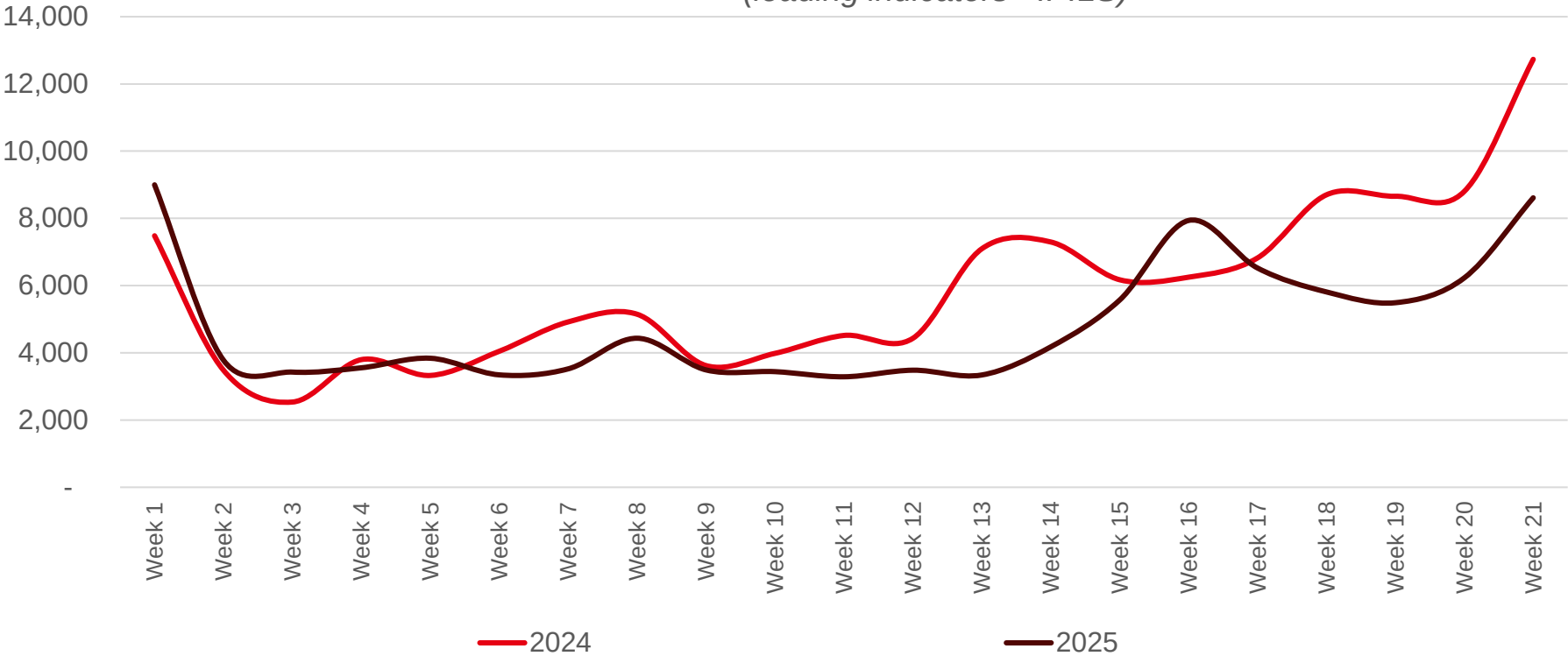
Arrivals Leading Indicators

OVERSEAS ARRIVALS

LEADING INDICATORS – LAND ARRIVALS – OVERSEAS MARKETS



Weekly overseas **overnight** arrivals by land
(leading indicators - IPILS)



Key Insights

- Leading indicators data shows that overnight arrivals by land from residents of overseas markets declined year-over-year suddenly and sharply in Feb '25 and Mar '25. That decline continued at a softer rate in Apr '25 and intensified in May '25.
- This decline may be indicative of a decline in dual US-Canada visitation related to declining sentiment towards visiting the US.
- The more subdued year-over-year decline in Apr '25 is likely attributable to the shift in the timing of the Easter long weekend between 2024 and 2025 and the impact on travel trends from some overseas markets.

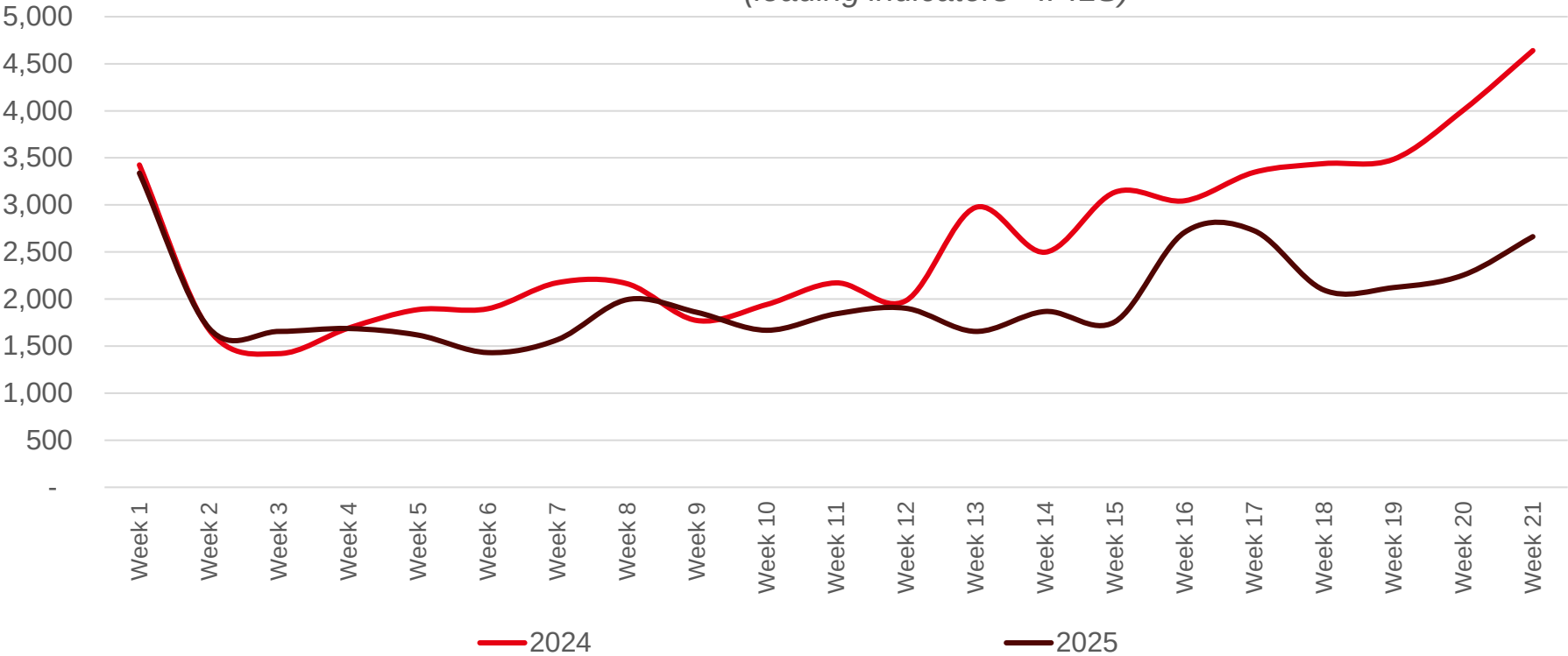
Monthly Year-Over-Year Change							
October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025
+3%	+8%	+1%	+8%	-22%	-28%	-10%	-30%

Note: The March/April shift in weekly overnight land arrivals can be attributed to the timing of the Easter holiday period. In 2025, the holiday period began a few weeks later than in 2024. This shift may also be a contributor to the monthly year-over-year decline being stronger in March and more subdued in April.



LEADING INDICATORS – LAND ARRIVALS – OVERSEAS MARKETS

Weekly overseas **same-day** arrivals by land
(leading indicators - IPILS)



Key Insights

- Leading indicators data shows that same-day arrivals by land from residents of overseas markets has been consistently declining year-over-year since late 2024, and that trend has intensified since Feb '25.
- This decline may be indicative of a decline in dual US-Canada visitation related to declining sentiment towards visiting the US.

Monthly Year-Over-Year Change

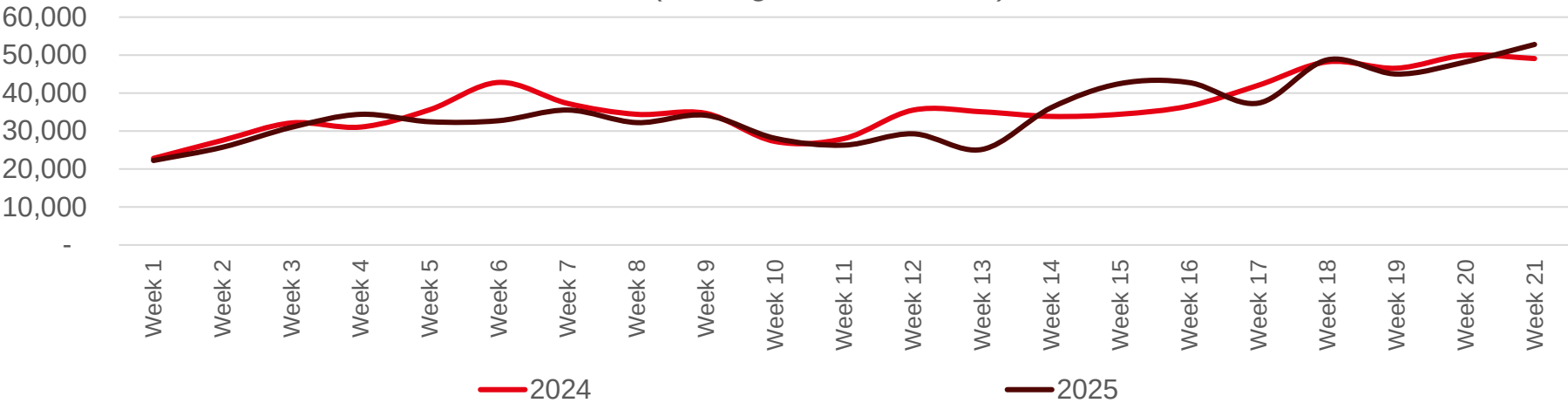
October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025
+14%	-21%	-7%	-2%	-20%	-20%	-25%	-39%



LEADING INDICATORS – AIR ARRIVALS – DC OVERSEAS MARKETS



Weekly **overnight** arrivals by air – DC Overseas
(leading indicators - PIK)



Key Insights

- The leading indicators data for air arrivals from DC's key overseas markets showed an unusual year-over-year drop across most markets in Feb '25 and Mar '25.
- Though many markets appeared to bounce back in Apr '25, this trend may be connected to the shift in the timing of the Easter long weekend between 2024 and 2025 and the impact on travel trends from some overseas markets.
- The uptick in overseas overnight arrivals continued in May '25, driven largely by China, South Korea, Japan, Australia, and UK.
- This trend needs to be monitored closely to gauge the impact on the summer months.

Note: The January/February shift in air arrivals from China can be at least partially attributed to the timing of the Lunar New Year holiday period. In 2025, the holiday period began in January, while in 2024 it began in February. Similarly, the March/April shift from several markets can be partially attributed to the timing of the Easter holiday period. In 2025, the holiday period began in April, while in 2024 it began in March.

Monthly Year-Over-Year Change								
	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025
Total DC Overseas	-3%	-6%	-7%	+2%	-15%	-12%	+9	+2%
Mexico	-39%	-33%	-41%	-31%	-40%	-20%	+24%	-5%
France	-3%	1%	2%	1%	-6%	-8%	-9%	-2%
Germany	4%	-1%	15%	9%	-4%	-18%	+9%	-3%
United Kingdom	3%	3%	4%	-0.3%	-1%	-19%	+25%	+4%
China	23%	4%	16%	68%	-33%	-1%	+4%	+11%
Japan	15%	5%	35%	25%	21%	+8%	-12%	+12%
South Korea	-1%	13%	17%	35%	-12%	+2%	+11%	+10%
Australia	2%	3%	-3%	-0.4%	1%	-7%	+8%	+6%



Confidential – Do not Distribute

Source: Statistics Canada, Table 24-10-0056-01

ASSESSING IMPACT OF WILDFIRES

TRAVEL SENTIMENT

Sentiment

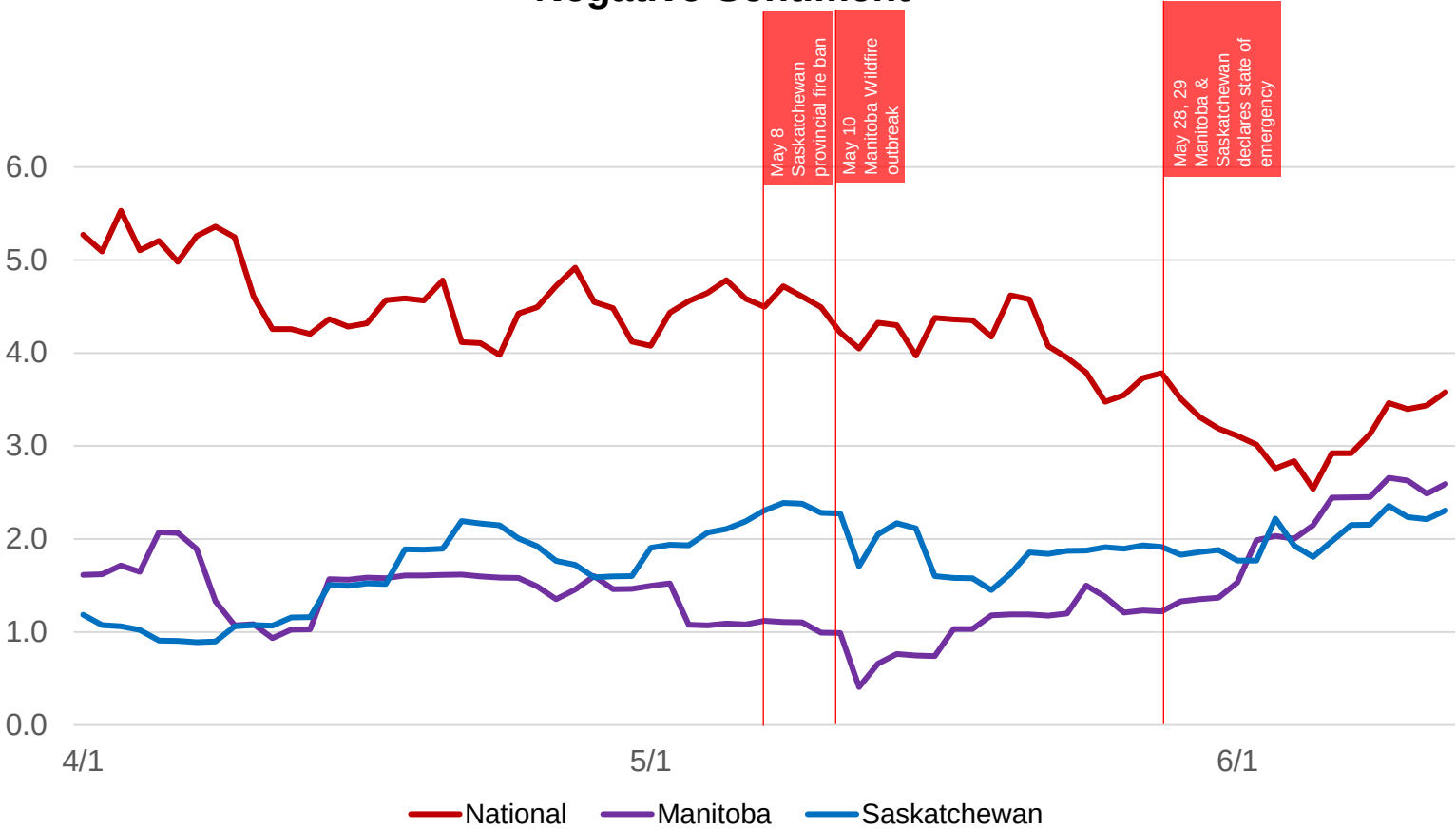
Impression

Recommend

DOMESTIC NEGATIVE SENTIMENT



Negative Sentiment



Key Insights

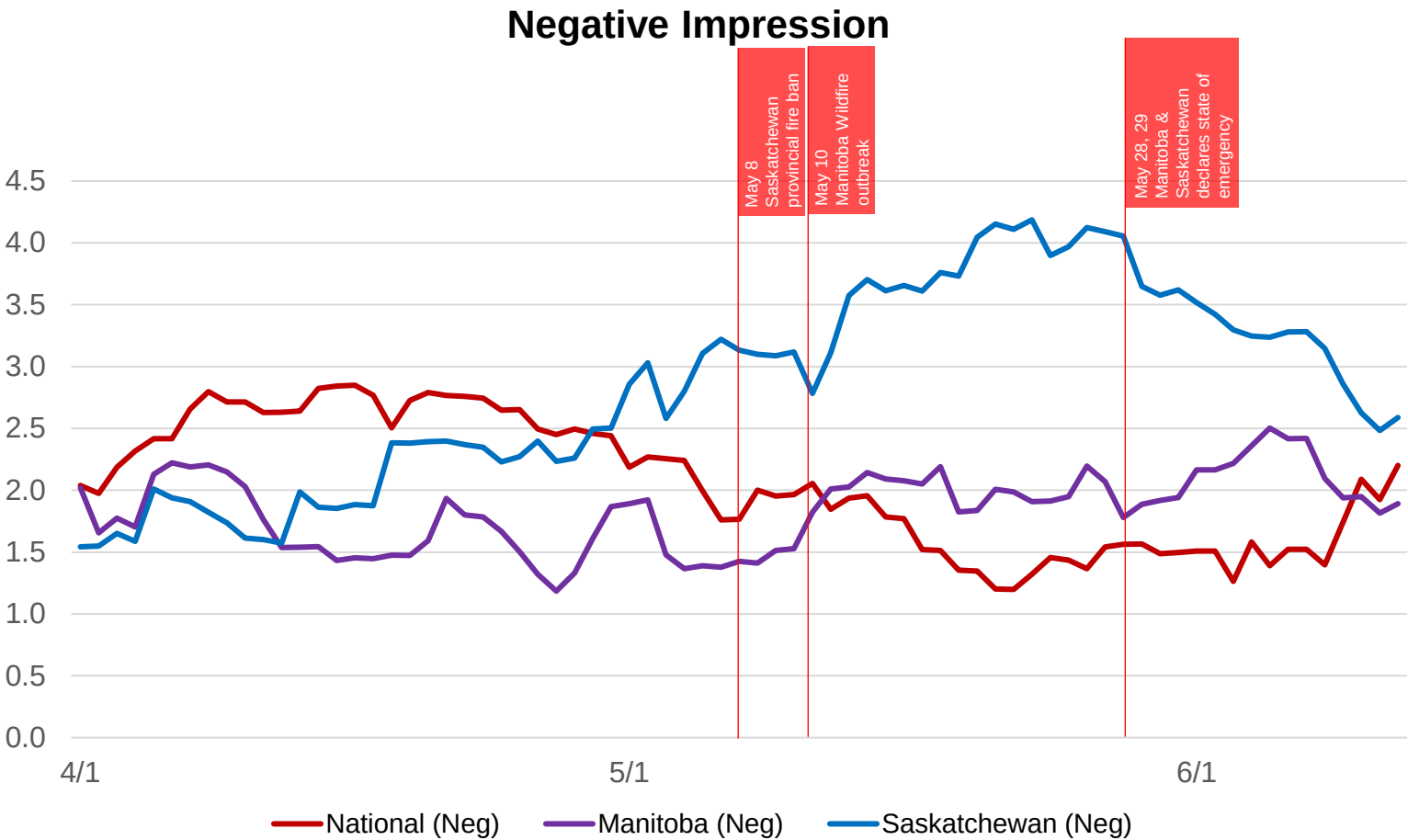
- From 2023 data, it was concluded that Negative Sentiment was the indicator most immediately impacted by wildfires / climate events. As such, this remains a metric to track.
- Negative Sentiment gained traction in beginning of June 2025, likely due to the issue of state of emergency in Manitoba and Saskatchewan. On a national level we see a slight delay in the uptick.



Base: Total CA population 18+ (4-week moving average)
Question: Now which of the following have you heard something NEGATIVE about over the PAST TWO WEEKS?

Confidential – Do not Distribute

DOMESTIC NEGATIVE IMPRESSION



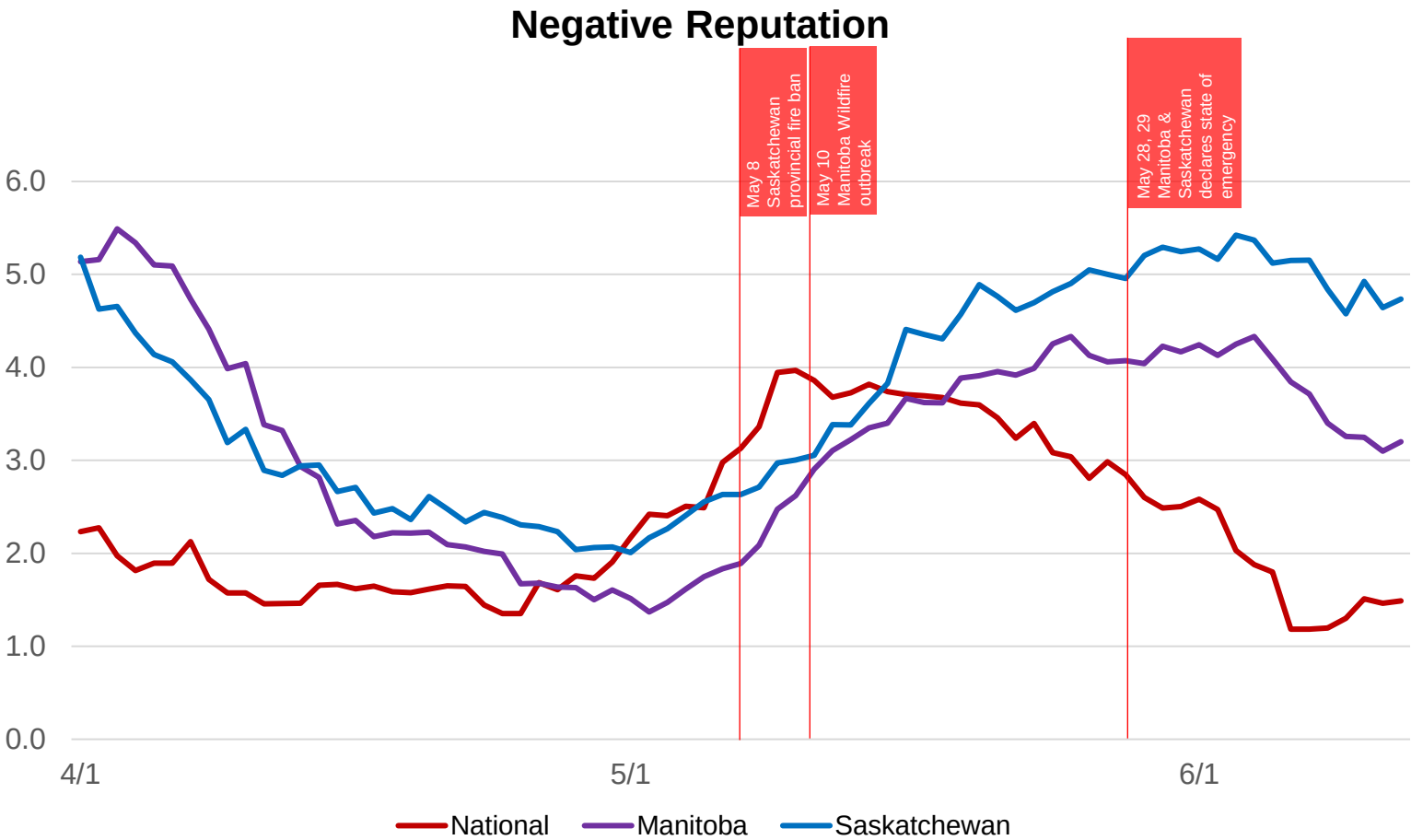
Key Insights

- Negative impression of Saskatchewan reached its highest point in two months following the announcement of the provincial fire ban, and started to decline after the declaration of the state of emergency.
- The rise in the negative sentiment for Manitoba was much more subdued.

Base: Total CA population 18+ (4-week moving average)
Question: Now which of the following destinations do you have an overall NEGATIVE impression?



DOMESTIC NEGATIVE REPUTATION



Key Insights

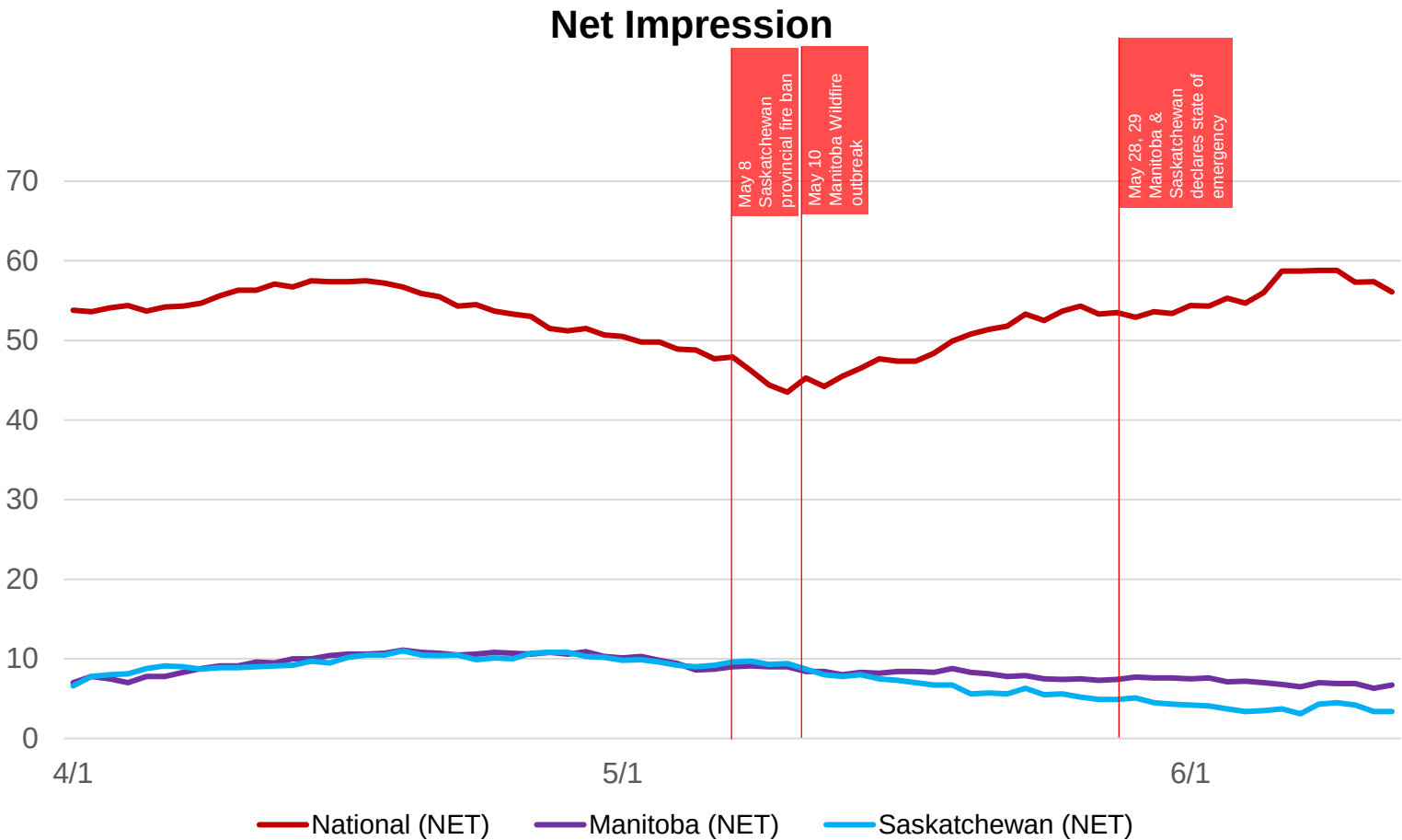
- ➔ Negative reputation for Manitoba, Saskatchewan, and Canada followed a similar pattern to negative impression, showing a slight peak as the wildfires intensified, but beginning to subside after the first week of June.



Base: Total CA population 18+ (4-week moving average)
Question: Imagine you were looking for a job (or advising a friend looking for a job).which of the following brands would you be EMBARRASSED TO WORK FOR? Imagine you (or your friend) were applying for the same sort of role at the following brands that you currently have or would apply for.

Confidential – Do not Distribute

DOMESTIC NET IMPRESSION



Key Insights

- Net Impression (% Positive minus % Negative) has remained stable, indicating that Canada's overall brand perception has not been significantly affected so far by the 2025 wildfires.

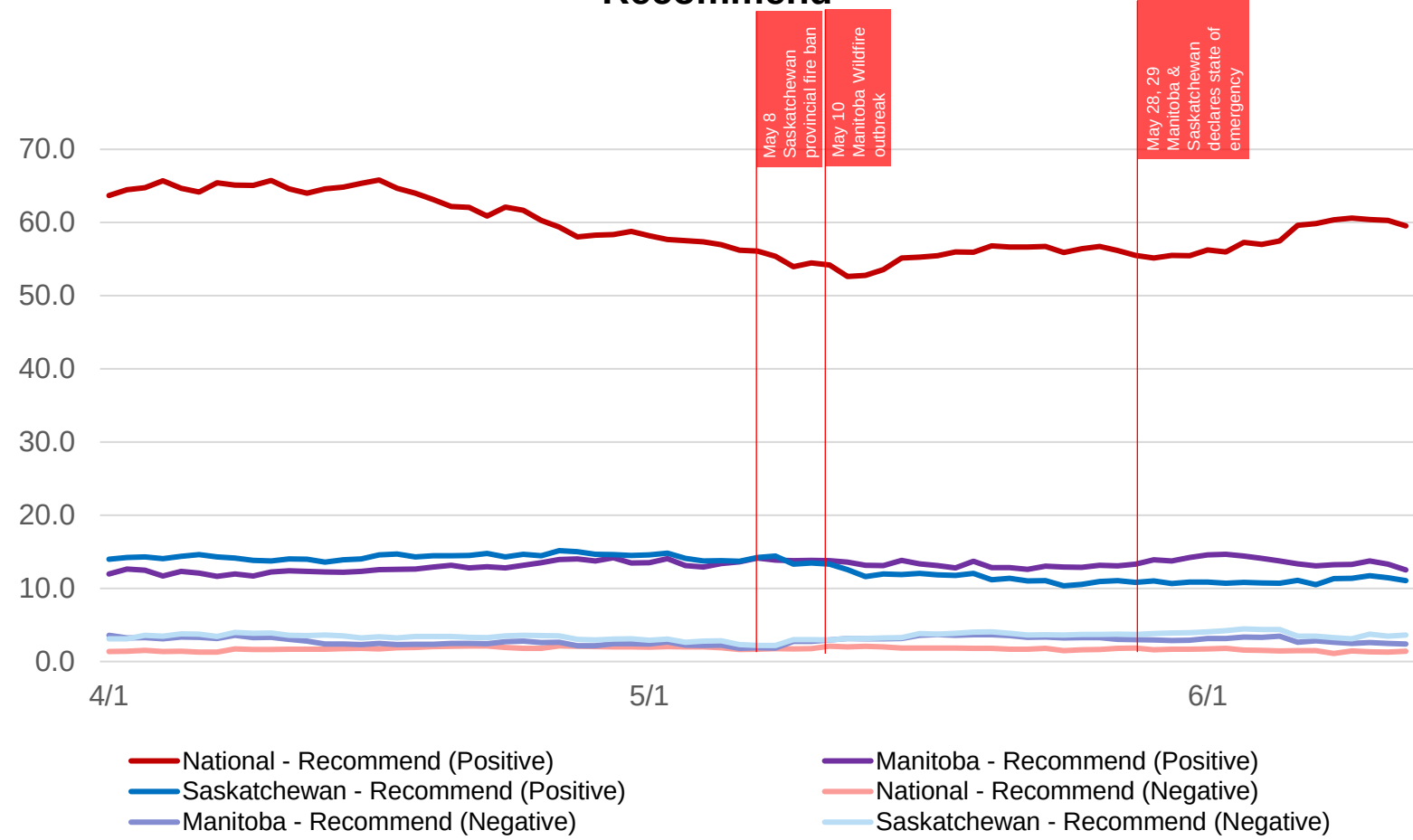
Base: Total CA population 18+ (4-week moving average)
Question: Now which of the following destinations do you have an overall NEGATIVE impression?



Confidential – Do not Distribute



Recommend



Key Insights

→ The same trend applies to likelihood to recommend. Wildfires do not appear to be affecting people's willingness to recommend. Likewise, there is no noticeable increase in intent to avoid, indicating that most people remain largely unaffected by the wildfire events.

Base: Total CA population 18+ (4-week moving average)
Question: Which of the following destinations would you RECOMMEND to a friend or colleague? | And which of the following destinations would you tell a friend or colleague to AVOID?

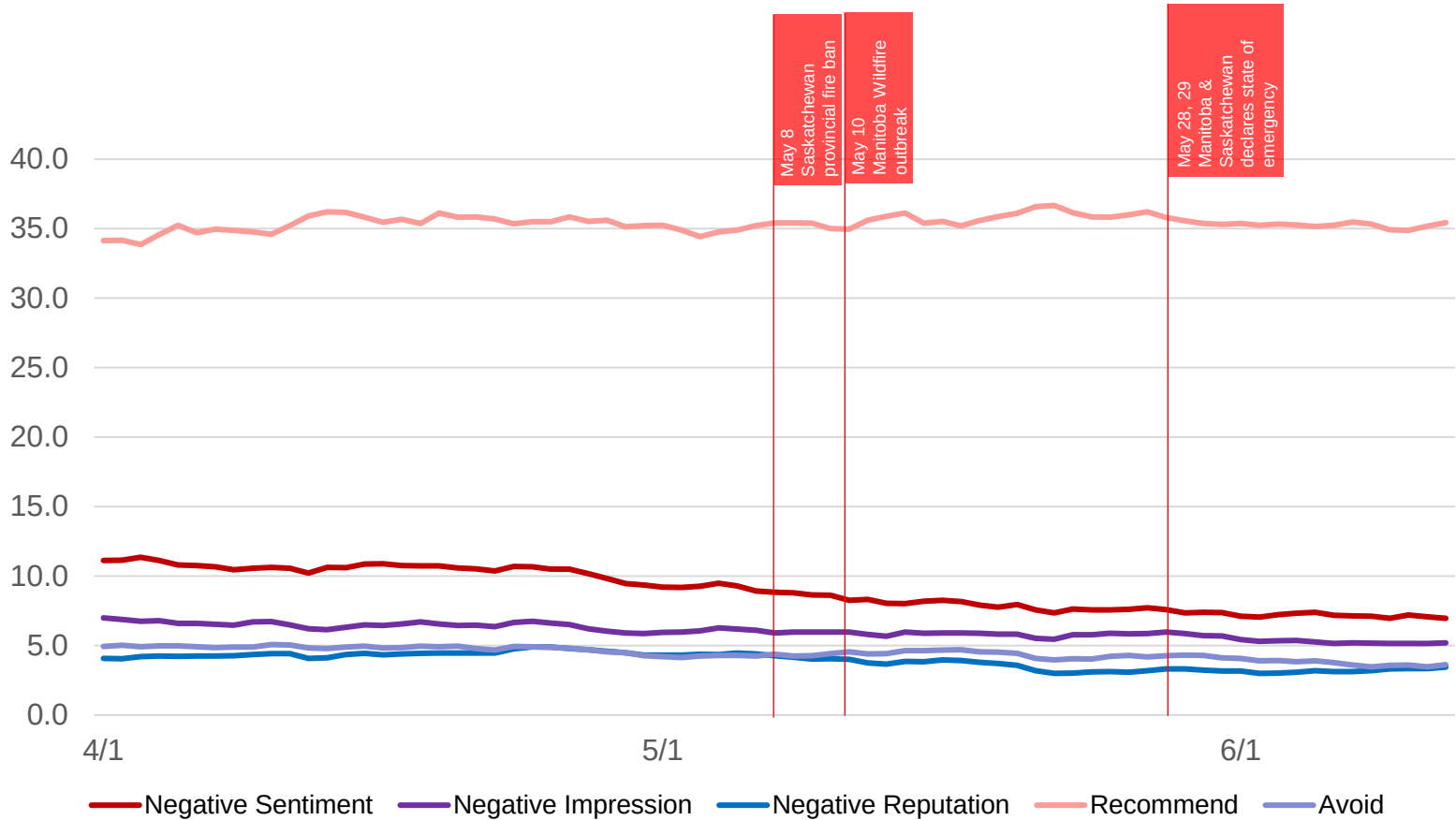


US ON CANADA WILDFIRE



Key Insights

- U.S. travellers do not appear to be influenced by the wildfires, with key metrics remaining stable throughout the first half of 2025.



Base: Total CA population 18+ (4-week moving average)
Question: Which of the following destinations would you RECOMMEND to a friend or colleague? | And which of the following destinations would you tell a friend or colleague to AVOID?

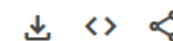


SEARCH INDICATORS

Google Search

GOOGLE TRENDS – CANADA WILDFIRES

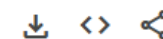
Interest over time ?



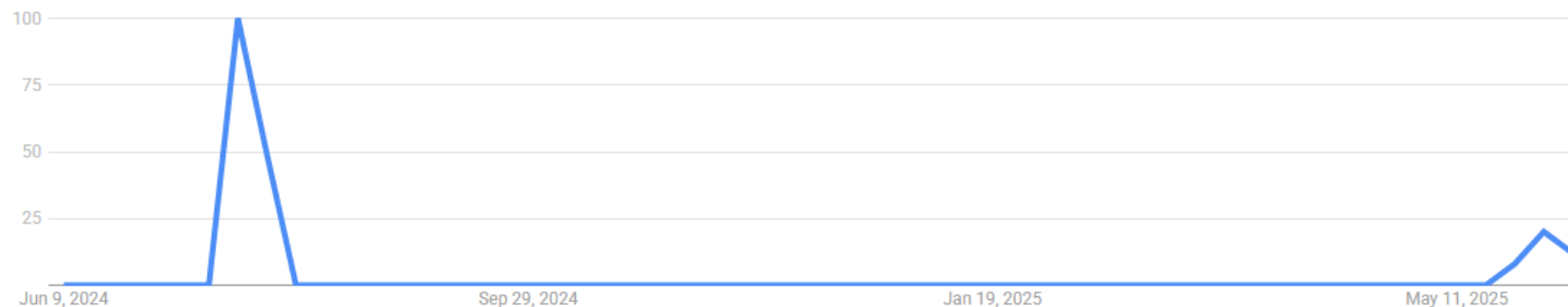
All Search Query Types (USA)



Interest over time ?



Travel Search Query Types (USA)



Key Insights

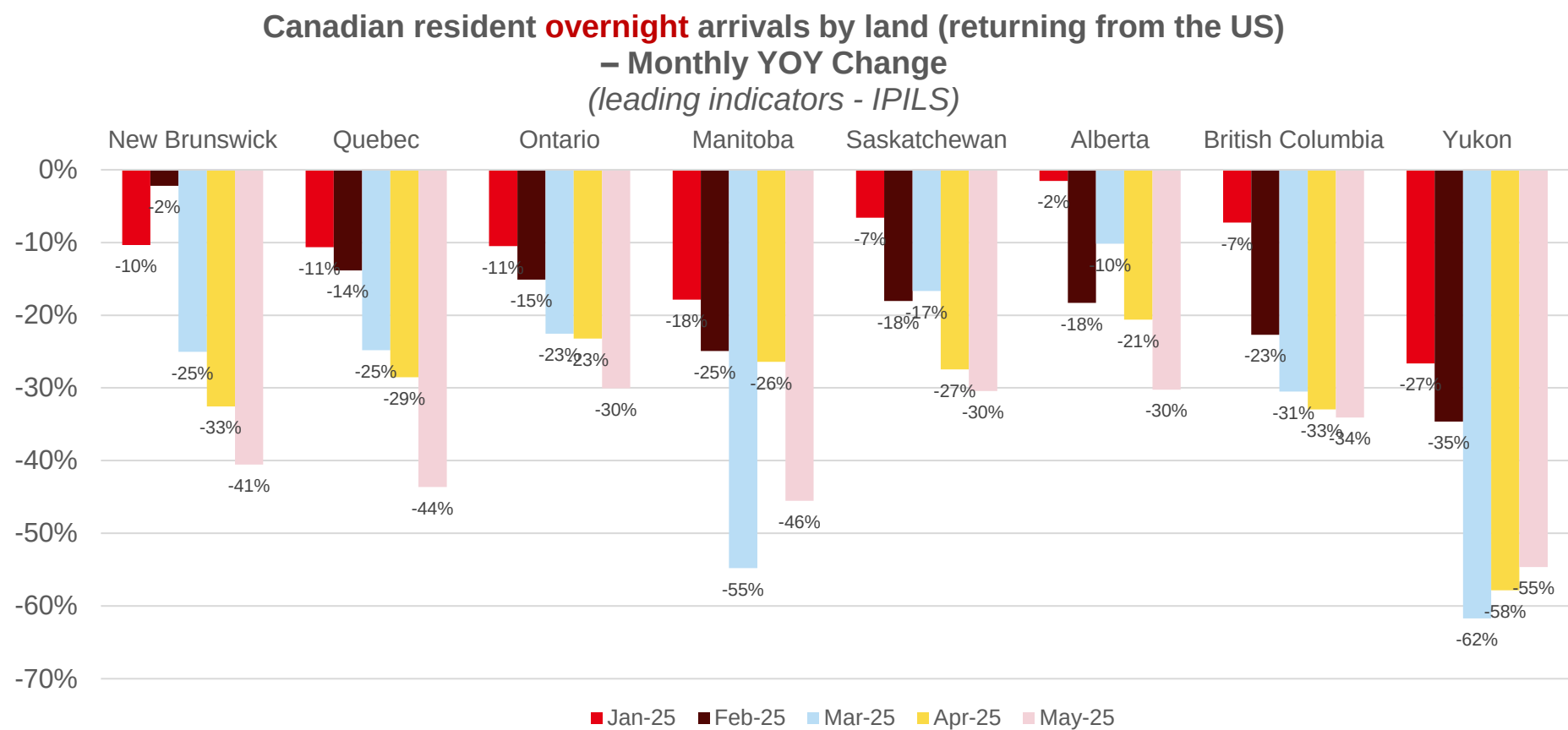
- In the US, we are seeing significant searches for “Canada Wildfire”, above 2025 levels.
- However, when contextualized for travel queries only, we are seeing a much lower impact
- We are seeing impacts in additional markets (UK, AU, JP, MX) however impact to travel search is unknown (limited data).



PROVINCIAL ARRIVALS SLIDES

Arrivals Leading Indicators

LEADING INDICATORS – CANADIANS RETURNING FROM THE US BY LAND



Key Insights

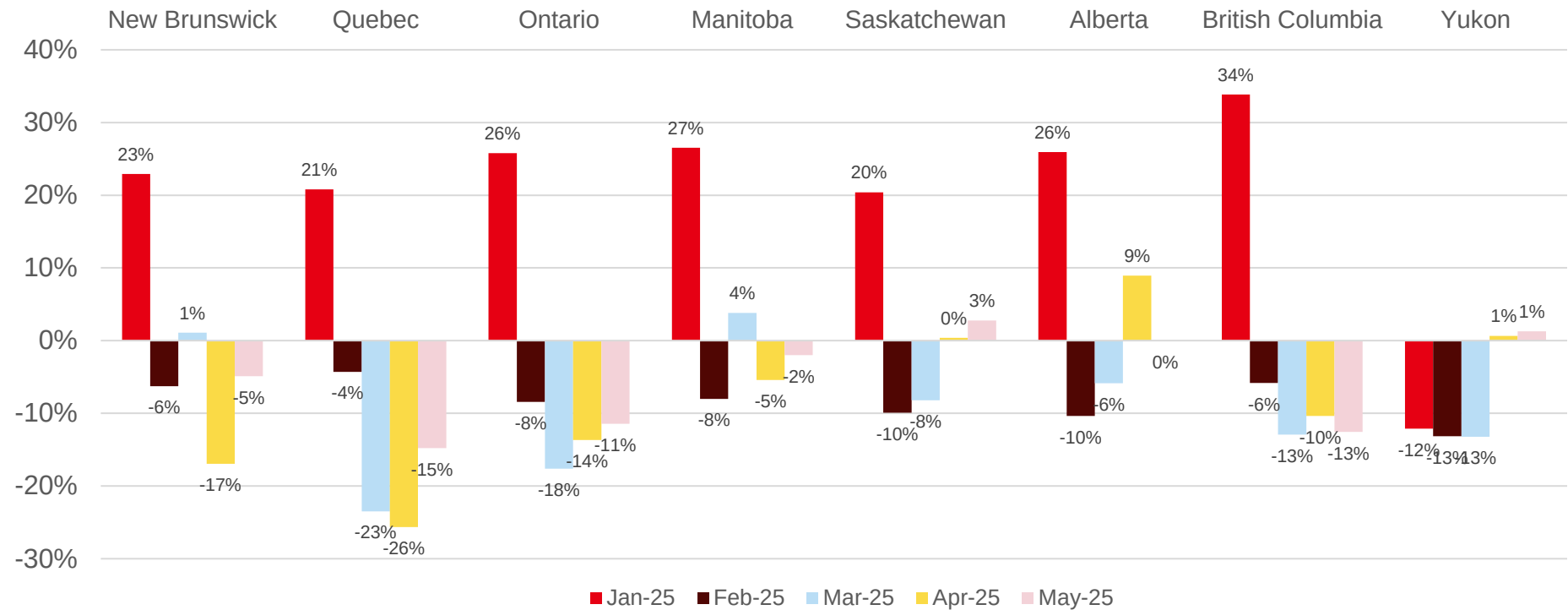
- Overnight outbound visitors from Canada to US by land has decreased in line with the declining travel sentiment towards US.
- While there was a larger decline for Manitoba and Saskatchewan in May '25 (the provinces affected by wildfires in May '25), this is in line with the trend for other provinces.

Monthly Year-Over-Year Change – Total Canada				
January 2025	February 2025	March 2025	April 2025	May 2025
-10%	-17%	-26%	-26%	-34%



LEADING INDICATORS – US LAND ARRIVALS

US **overnight** arrivals by land – Monthly YOY Change
(leading indicators - IPILS)



Key Insights

- ➔ Overnight arrivals by land from US visitors decline for the fourth straight month.
- ➔ Arrivals to Saskatchewan increased marginally and those to Manitoba decreased marginally in May '25. Other provinces such as Quebec, British Columbia and Ontario suffered a greater decline. This shows that the effect of wildfires is yet to be seen on US land arrivals in May '25.

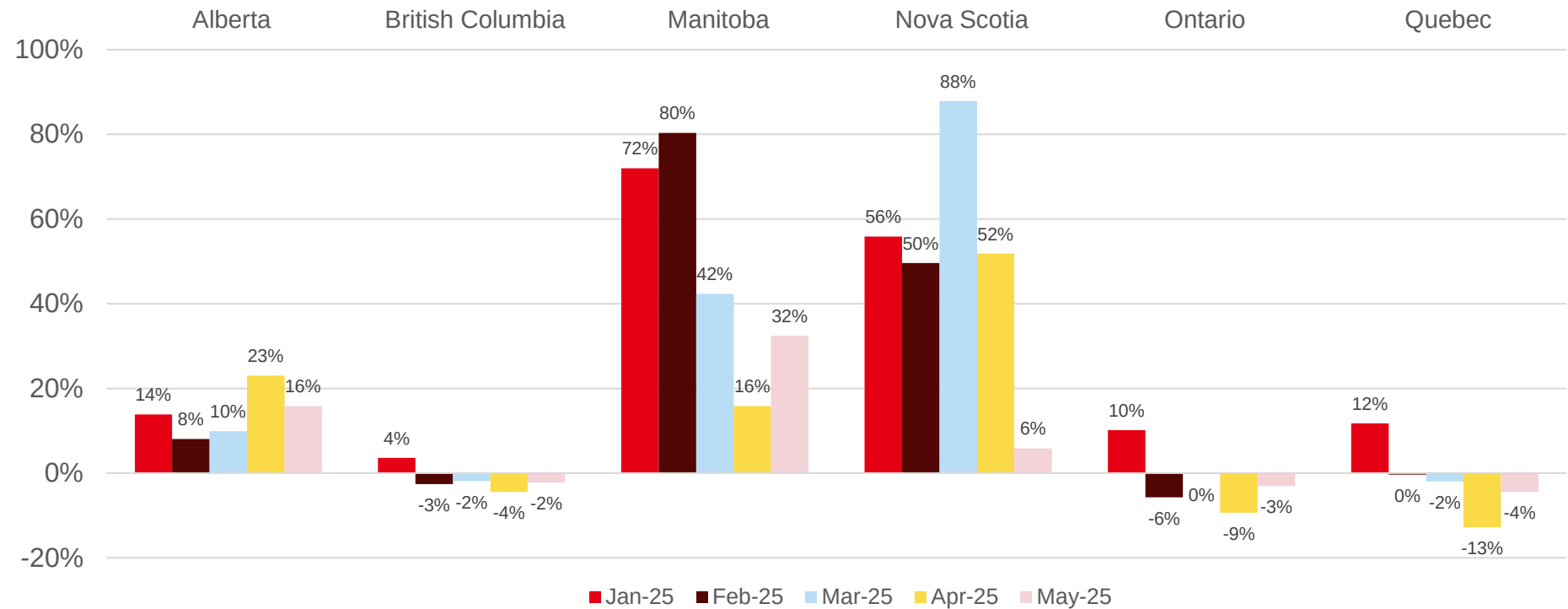
Monthly Year-Over-Year Change – Total Canada				
January 2025	February 2025	March 2025	April 2025	May 2025
+27%	-7%	-16%	-15%	-11%



LEADING INDICATORS – US AIR ARRIVALS



US **overnight** arrivals by air – Monthly YOY Change
(leading indicators - PIK)



Key Insights

- Overnight arrivals by air from US visitors was almost flat YTD.
- Arrivals to Manitoba and Nova Scotia showed a high growth compared to the last year. However, this growth came over a very small base as the number of air arrivals to airports from these provinces.

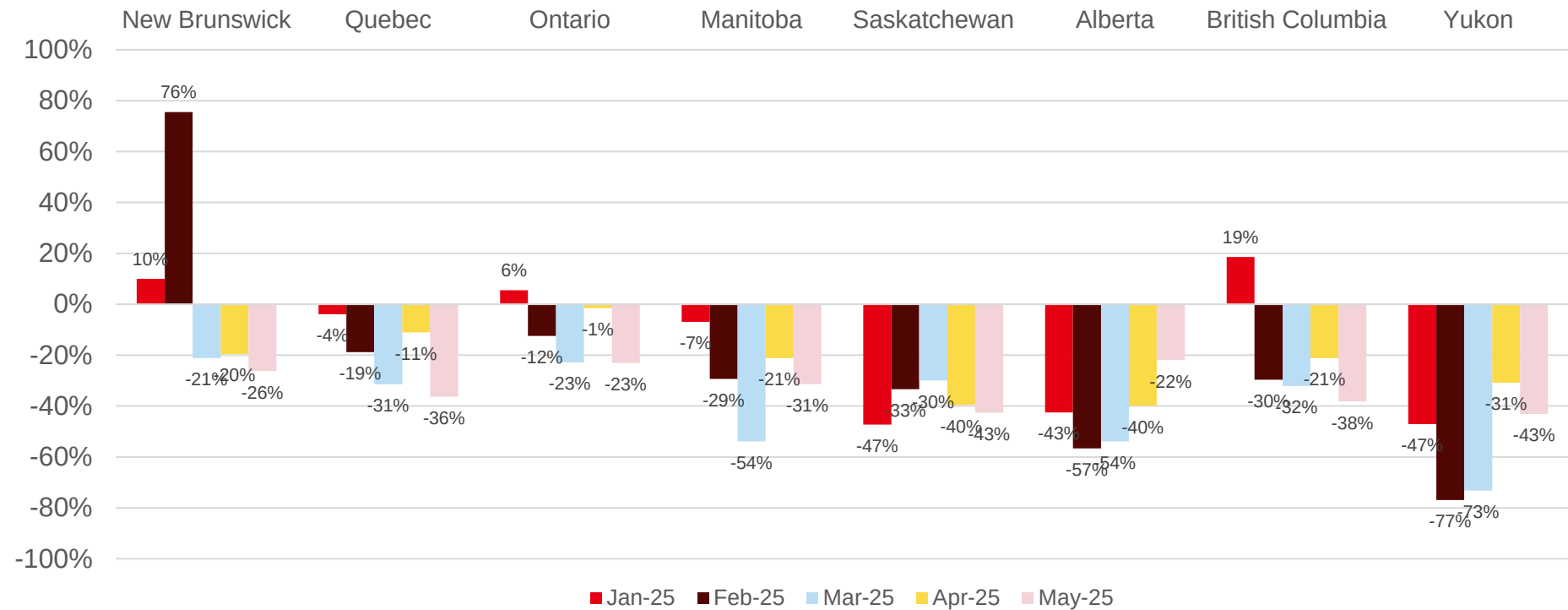
Monthly Year-Over-Year Change				
January 2025	February 2025	March 2025	April 2025	May 2025
+10%	-1%	+1%	-6%	-0.4%



LEADING INDICATORS – LAND ARRIVALS – OVERSEAS MARKETS



Overseas **overnight** arrivals by land – Monthly YOY Change
(leading indicators - IPILS)



Key Insights

→ The massive decline in land arrivals from overseas markets is linked to the dual visitation for US and Canada as all the land arrivals happen

Monthly Year-Over-Year Change – Total Canada				
January 2025	February 2025	March 2025	April 2025	May 2025
+8%	-22%	-28%	-10%	-30%

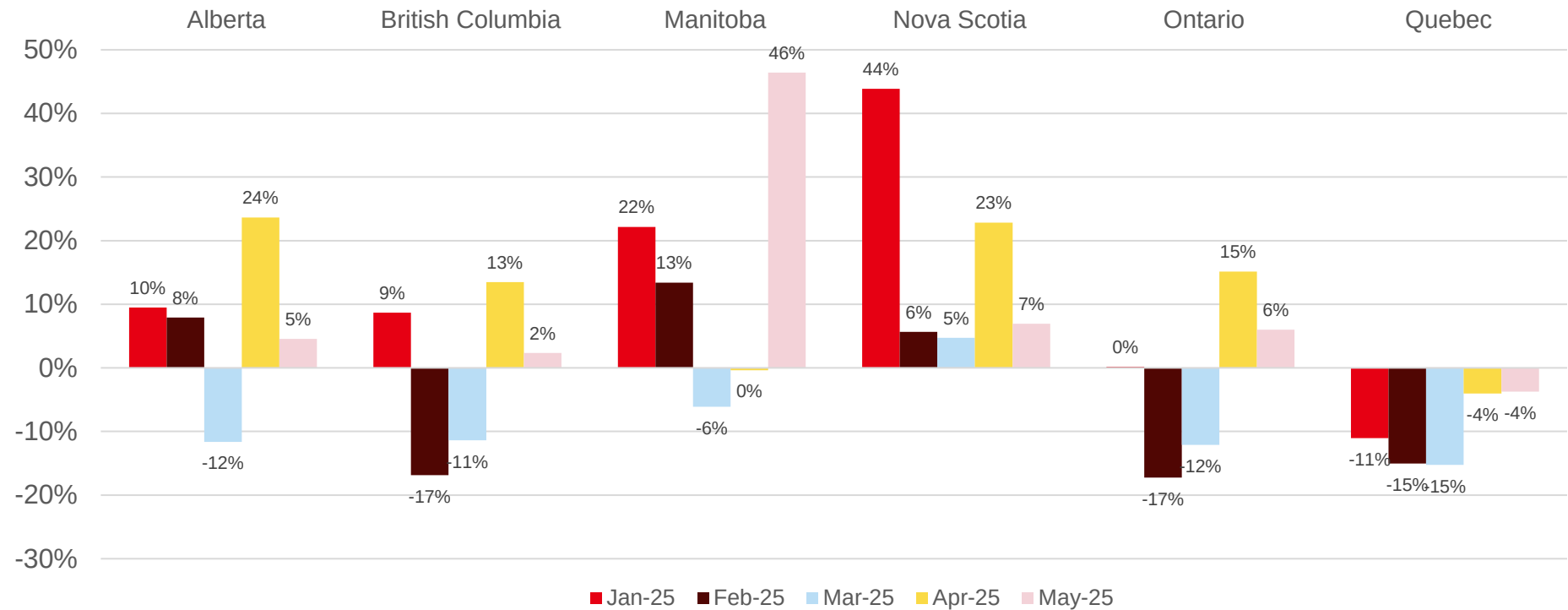
Caution: Small base sizes for some provinces and territories, including New Brunswick, Manitoba, Saskatchewan, and Yukon. Trends should be interpreted with caution.



LEADING INDICATORS – OVERSEAS AIR ARRIVALS



Overseas **overnight** arrivals by air – Monthly YOY Change
(leading indicators - PIK)



Key Insights

- Overnight arrivals by air from overseas visitors grew in the last two months.
- Arrivals to Manitoba grew significantly in May '25. This could be due to multiple large-scale conferences in Winnipeg in the month of May '25. Secondly, the growth observed is on a much smaller base as the overseas air arrivals (through port of entry) to Manitoba is much lower compared to other provinces.

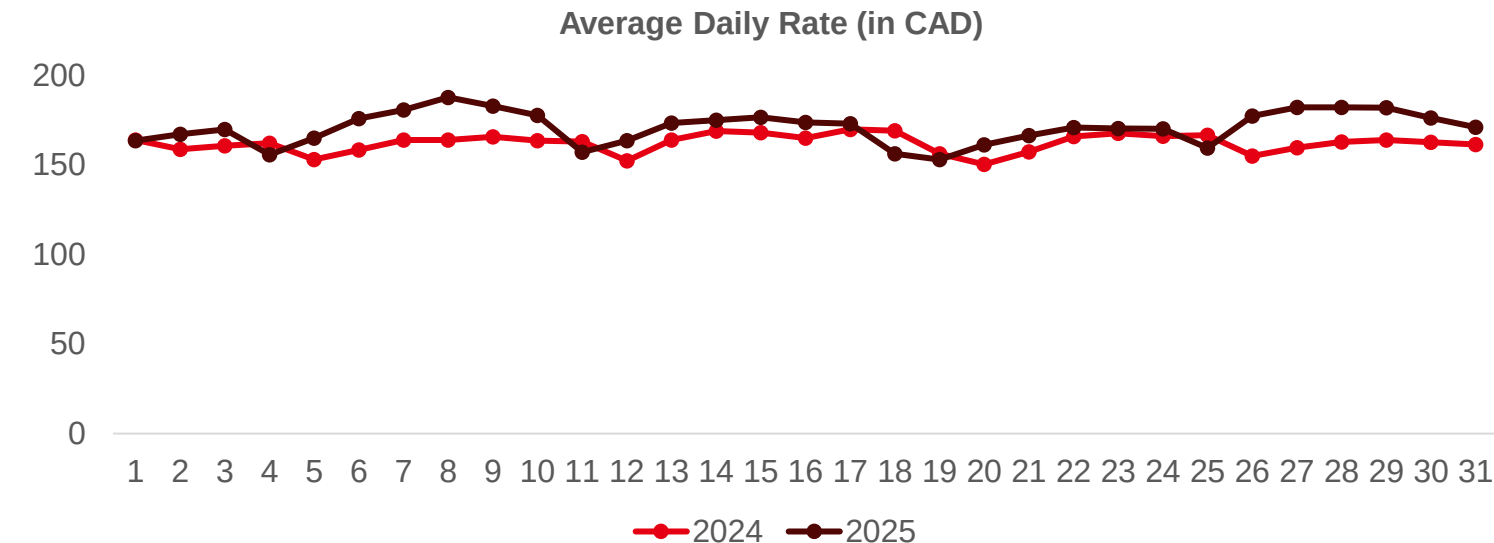
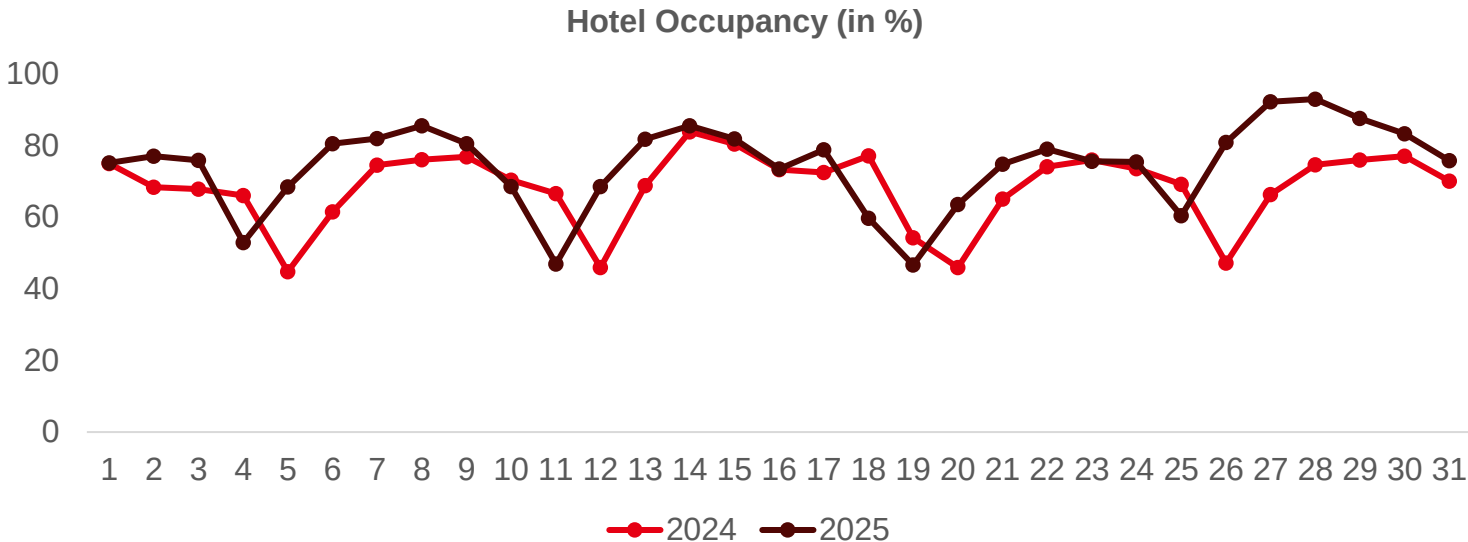
Monthly Year-Over-Year Change				
Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025
+2%	-15%	-12%	+9	+2%



BOOKING INDICATORS

Airline and Hotel bookings

HOTEL BOOKINGS FOR MANITOBA (MAY Y-O-Y)



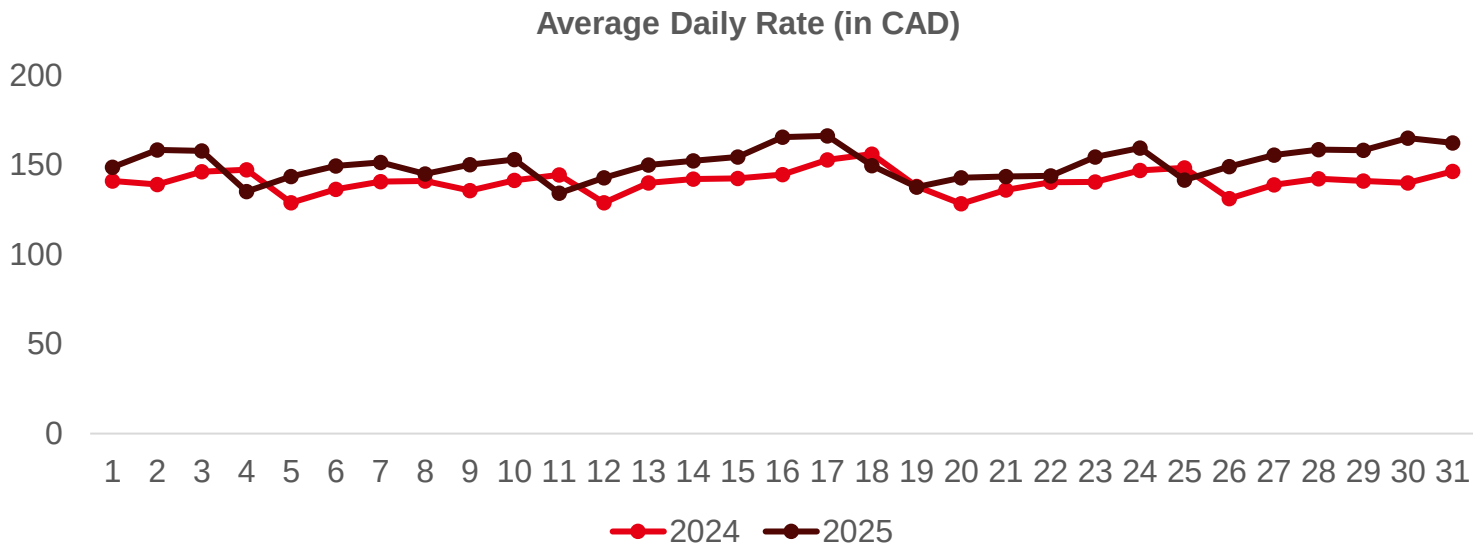
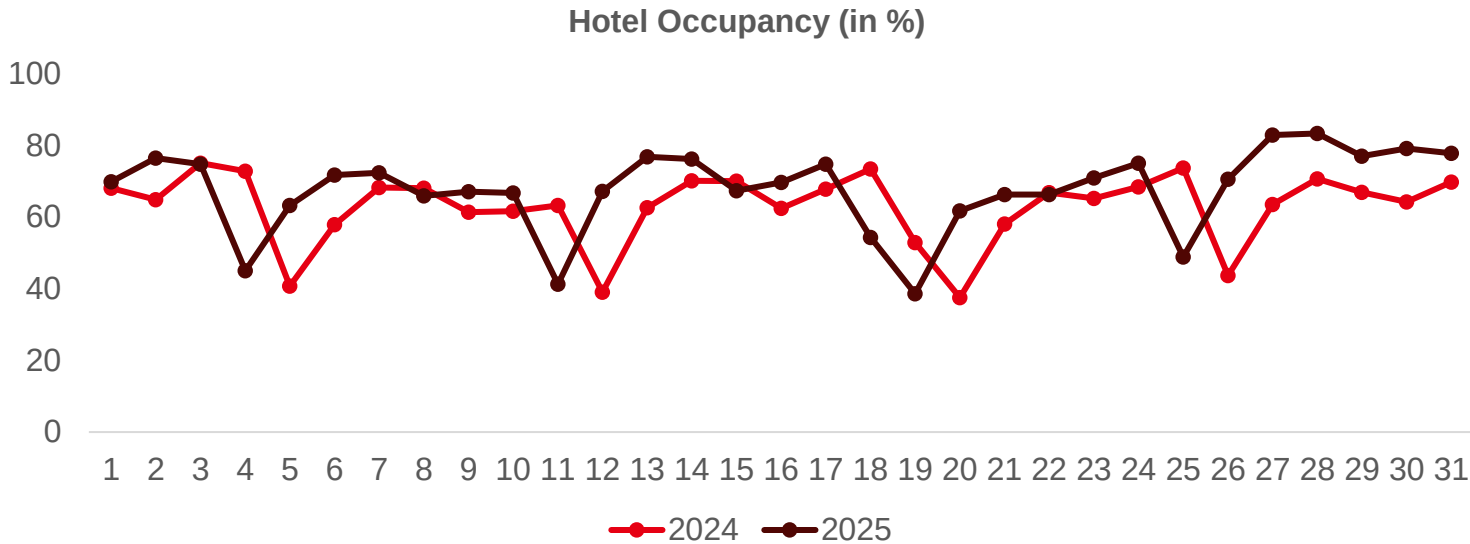
Key Insights

- The average daily occupancy for hotels in Manitoba were trending higher in May '25 as compared to May '24. This trend was more pronounced in the last week of May. The increase in ADRs is driven by Thompson and Winnipeg*.
- One reason of higher occupancy during this week is the presence of several large conferences hosted in Winnipeg.
- Another possibility is the evacuees being sent to the hotels in Winnipeg and Thompson, which may also drive up the occupancy.
- A similar trend was observed for the ADRs as well.

*Based on insights from Travel Manitoba



HOTEL BOOKINGS FOR SASKATCHEWAN (MAY Y-O-Y)



Key Insights

- The average daily occupancy for hotels in Saskatchewan were trending higher in May '25 as compared to May '24. This trend was more pronounced in the last week of May.
- This could be due to the wildfire evacuations as most of the evacuees were sent to hotels in Saskatoon and Prince Albert*.
- A similar trend was observed for the ADRs as well.

*Based on insights from Tourism Saskatchewan



INSIGHTS FROM SECONDARY RESEARCH

Collating insights from other thought
leadership publications



Port Saint John/Saint John
New Brunswick

CANADA TIED FOR #1 REPUTATION



Reputation
Lab



Reputation,
the intangible asset par excellence

Reputation is the set of **feelings** generated from **perceptions**, judgments and evaluations of **stakeholders** about a company, organization or country.

According to the RepCore ® Nations 2025 study , prepared by the consulting firm Reputation Lab and used to rank the reputation of the 60 countries with the highest GDP in the eyes of the G7 (USA, UK, France, Germany, Italy, Japan, and Canada), **Canada** and Switzerland maintain their **leadership in terms of international reputation**. They are closely followed by Nordic countries such as Norway, Sweden, and Finland, which maintain their prominent international image.

A positive reputation is linked to growth in tourism visitation and yield.





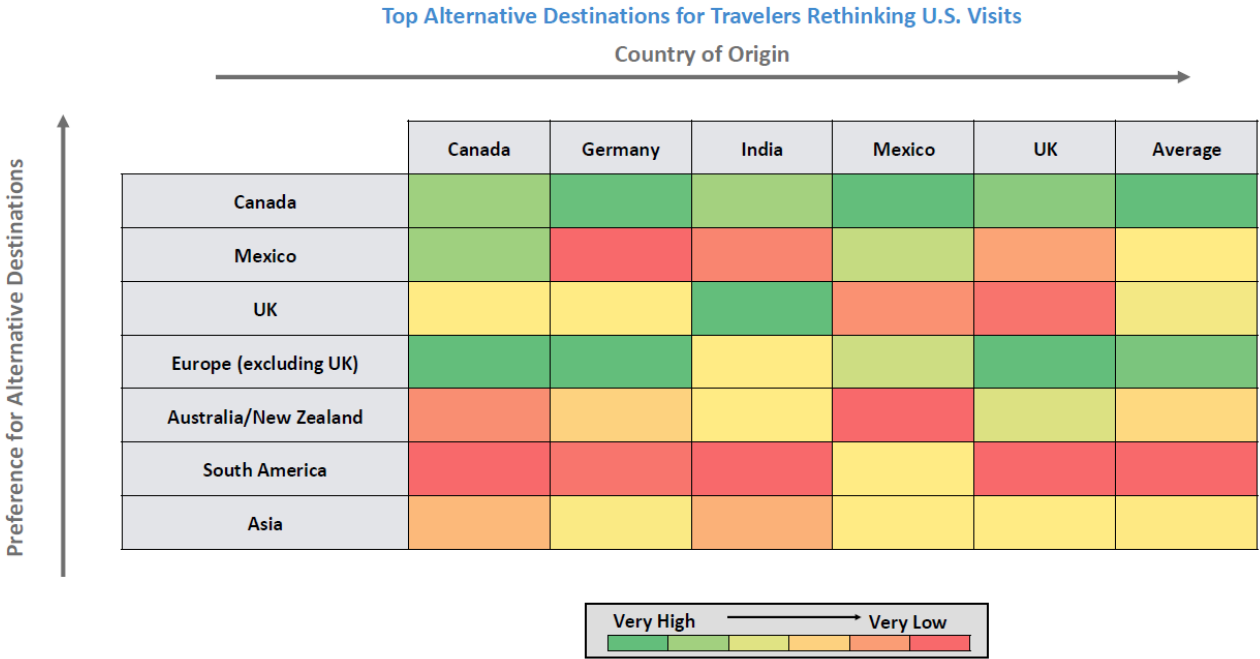
Canadian travel intentions and emerging trends¹

- Summer travel intention amongst Canadians to travel domestically has increased in 2025, compared to 2024.
- Plan to travel to the US is significantly down, compared to last year.
- Of the people surveyed, 21% have cancelled a previously booked trip to the US and 6% are considering to cancel a trip to the US.
- Canadians aged 18-54 leading the surge in interprovincial travel and are eager to explore new parts of the country. This could be a good target segment to tap into through digital-first campaigns.

Attitudes towards extreme weather events²

- The proportion of Canadian residents who had a perception of a greater frequency of wildfires was higher in Manitoba and Saskatchewan.
- 27% of the respondents mentioned that they had to postpone or cancel their travel plans due to extreme weather events. The proportion of such people is highest in the 18-34 age bracket.
- 62% of the respondents are concerned about increasingly hot summers and future waves, which is 8 percentage points down from last year.
- Concerns on the impact of climate change have reduced from last year.

CANADA IS THE #1 ALTERNATIVE FOR THOSE WHO ARE RECONSIDERING US TRAVEL.



Key Insights

- Based on a Skift Research April 2025 Survey, Canada has emerged as the #1 alternative for 56% of those who are reconsidering US travel.

THANK YOU