



AAA / IHS Forecast Calls for 36.1 Million Travelers this Holiday, an increase of 1.5 percent from 2013

US Holiday Travel Overview

The economic picture continues on its slow and steady path towards improvement, with gains in nearly all fundamentals helping to drive the travel forecast up 1.5 percent from 2013, with 36.1 million people expected to travel this Memorial Day holiday.

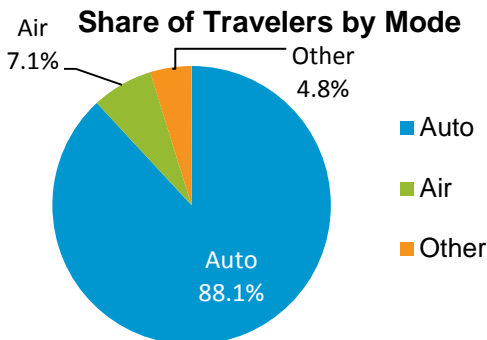
Travelers by Car Holding Steady

Automobile travel is expected to increase 1.2 percent from 2013 with 31.8 million travelers expected to hit the road. The share of people traveling by car is expected to fall slightly to 88.1 percent. Gas prices are expected to be relatively similar to one year ago for the holiday.

Air Travel Expected to Increase

Air travel is expected to be up 2.4 percent this year, as 2.6 million travelers are expected to fly to their holiday destination. Air travel share of overall trips will increase slightly to 7.1 percent as a result of the gain.

- The Memorial Day holiday is defined as Thursday, May 22 to Monday, May 26.
- The 2014 forecast of 36.1 million travelers will mark the second highest Memorial Day Holiday travel volume since 2000.
- While auto travelers are at their highest volume since 2005, air travel has been stuck between 2.5 and 2.7 million since the recession.
- Q2 GDP is forecast to be 2.7 percent above last year, while the unemployment rate should be a full point lower.
- Household net worth is up nearly 8 percent over last year, and personal income is up 3.4 percent.
- Consumer Comfort, Consumer Sentiment and Consumer Confidence surveys all show improvement compared to year ago levels.
- A 2 percent increase in real disposable income should help drive consumer spending 3.6 percent above year ago levels.



Memorial Day Travelers by Mode			
	Automobile	Air	Other
2014	31.8	2.6	1.7
2013	31.4	2.5	1.6
Growth	1.2%	2.4%	6.5%

AAA and IHS forecast an increase in travelers this Memorial Day holiday of 1.5 percent, with 36.1 million travelers expected. This marks the third consecutive year of traveler growth for Memorial Day and the 2014 forecast is 2.6 percent higher than the 35.2 million average seen during the previous ten years.



Holiday Forecast Methodology: A Brief Overview

The *AAA 2014 Memorial Day Holiday Travel Forecast* combines information from multiple sources to provide a forecast of travel patterns for the upcoming holiday period. This report comprises two key components—the **Travel Forecast** and the **IHS/AAA US Travel Sentiment Index (UTSI)**. The Travel Forecast is based on economic conditions while the US Travel Sentiment Index is developed by analyzing social media around travel. This approach combines a quantitative and qualitative view of holiday travel at both the national and regional levels.

Travel Forecast

In cooperation with AAA, IHS developed a unique methodology to forecast actual domestic travel volumes. The economic variables used to forecast travel for the current holiday are leveraged from IHS Global Insight's proprietary databases. These data include macroeconomic drivers such as employment, output, household net worth, asset prices including stock indices, interest rates, housing market indicators, and variables related to travel and tourism, including prices of gasoline, airline travel, and hotel stays.

Historical travel volume estimates come from the ongoing travel survey database of D.K. Shifflet & Associates (DKSA), the premier source of US resident travel volume and behavior. DKSA interviews more than 50,000 US households per month tracking trip incidence, party composition, traveler behavior, and spending—all after the trips have been taken.

The Travel Forecast is reported in person-trips, which are defined as round-trips that involve travel of 50 miles or more away from home. In particular, AAA and IHS forecast total US holiday travel and travel by mode of transportation. The Travel Forecast presented in this report was prepared the week of April 28, 2014.

Memorial Day Holiday Travel Period

For purposes of this forecast, the Memorial Day holiday travel period is defined as trips that include travel of 50 miles or more away from home during the five-day period from Thursday, May 22 to Monday, May 26.

About AAA

As North America's largest motoring and leisure travel organization, AAA provides more than 54 million members with travel, insurance, financial and automotive-related services. Since its founding in 1902, the not-for-profit, fully tax-paying AAA has been a leader and advocate for the safety and security of all travelers. AAA clubs can be visited on the Internet at AAA.com.

About IHS (www.ihs.com): IHS (NYSE: IHS) is the leading source of information, insight and analytics in critical areas that shape today's business landscape. Businesses and governments in more than 165 countries around the globe rely on the comprehensive content, expert independent analysis and flexible delivery methods of IHS to make high-impact decisions and develop strategies with speed and confidence. IHS has been in business since 1959 and became a publicly traded company on the New York Stock Exchange in 2005. Headquartered in Englewood, Colorado, USA, IHS is committed to sustainable, profitable growth and employs approximately 8,000 people in 31 countries around the world.

About DKSA

DKSA's TRAVEL PERFORMANCE/MonitorSM is a comprehensive study measuring the travel behavior of US residents. DKSA contacts 50,000 distinct U.S. households monthly and has done so since 1991. DKSA is able to provide current behavior and long term trended analyses on a wide range of travel.