



AAA / IHS forecast nearly 43 million to travel this Independence Day, the most on record and 5 million more than Memorial Day

U.S. Holiday Travel Overview

A more confident consumer and rising overall economic activity are offsetting a cooling labor market to help boost travel growth. The 43 million travelers during the Independence Day holiday will be the highest on record and 1.3 percent above year-ago levels.

Steady Growth in Auto Travel

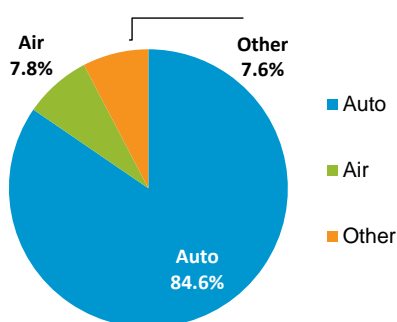
Automobile travel will grow for the sixth time in the last seven years with the 36.3 million auto travelers marking the third consecutive year of all-time high auto travelers. Low gas prices remain an incentive for those hitting the road for the holiday

Air Travel to See Strong Growth

Air travel will grow 2.2 percent this year, rising for the seventh consecutive year. The 3.34 million travelers are helped by declining airfares and rising overall income growth. The 7.8 percent travel share is the highest since 2004.

- The 2016 Independence Day holiday period is defined as Thursday, June 30 to Monday, July 4.
- The 42.9 million travelers and 1.3 percent growth builds off of the 2015 travel volume record.
- Independence Day holiday travelers will grow for the sixth time out of the last seven years. The 2016 total will be 10.7 percent above the 2000-2015 average and 12.7 percent above Memorial Day travel volume.
- The 36.3 million auto travelers will mark the third consecutive year of all-time high auto travelers. Low gas prices remain an incentive for those hitting the road for the holiday.
- Air travel will show the highest growth by mode as airfares are down 15 percent for the year. The 3.34 million travelers is 17.4 percent above the 2000-2015 average.
- Travel by other modes (bus, rail, cruise, etc.) will grow by two percent. Rebounding cruise participation is likely offsetting rail and bus modes.
- Gas prices as of June 20 were 46 cents per gallon below prices from a year ago. Drivers are expected to pay the Independence Day gas prices since 2005 despite record-high fuel demand.
- The broad economic results have started to improve from a weak start to the year and are offsetting a cooling labor market to keep consumer spending strong.
- Surveys on consumer sentiment show higher results than a year ago. The largest improvements are in the present conditions and personal finances sections, which should bode well for an increase in holiday travel.

Share of Travelers by Mode



Independence Day Holiday Travelers by Mode (Million person trips)

	Automobile	Air	Other
2015	35.8	3.27	3.21
2016	36.3	3.34	3.28
Growth	1.2%	2.2%	2.0%

The nearly 43 million travelers forecast by AAA / IHS for the Independence Day holiday period will be 1.3 percent above 2015's record volume. The 2016 volume will be 43 percent above the 2009 recession low.



Holiday Forecast Methodology: A Brief Overview

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'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 U.S. resident travel volume and behavior. DKSA interviews more than 50,000 U.S. households per month on tracking trip incidence, party composition, traveler behavior and spending—all after the trips have been taken.

The travel forecast is reported in person-trips. In particular, AAA and IHS forecast the total U.S. holiday travel volume and expected mode of transportation. The travel forecast presented in this report was prepared the week of May 30, 2016.

Independence Day Holiday Travel Period

For purposes of this forecast, the Independence Day holiday travel period is defined as the five-day period from Thursday, June 30 to Monday, July 4. The five-day holiday length is consistent with the 2015 holiday period.

About AAA

As North America's largest motoring and leisure travel organization, AAA provides more than 56 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. Motorists can map a route, identify gas prices, find discounts, book a hotel and access AAA roadside assistance with the AAA Mobile app for iPhone, iPad and Android. Learn more at AAA.com/mobile. AAA clubs can be visited on the Internet at AAA.com.

About IHS (www.ih.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 150 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 about 8,800 people in 32 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.