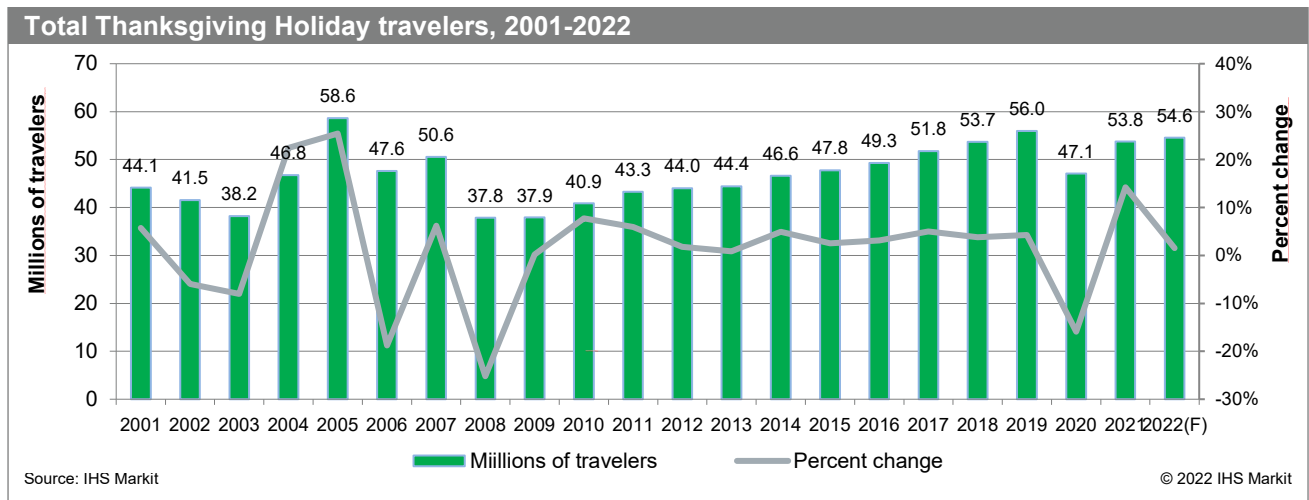




**Travel during Thanksgiving will rise to 54.6 million, the third highest volume since 2000**

AAA and IHS Markit forecast 54.6 million travelers during the five-day 2022 Thanksgiving holiday period (Nov 23 – Nov 27). The 2022 total will be an increase of 1.5%, or an additional 800,000 travelers, over 2021.

- The 2022 total will be nearly 98% of the 2019 volume and will be 7.5 million more (+16%) than during the pandemic in 2020.
- This year’s volume of 54.6 million is more than 10% higher than the 10-year average of 2012 through 2021.
- Continued higher costs of living and gas prices, coupled with concerns about inflation, are slowing travel volumes from exceeding pre-pandemic levels.



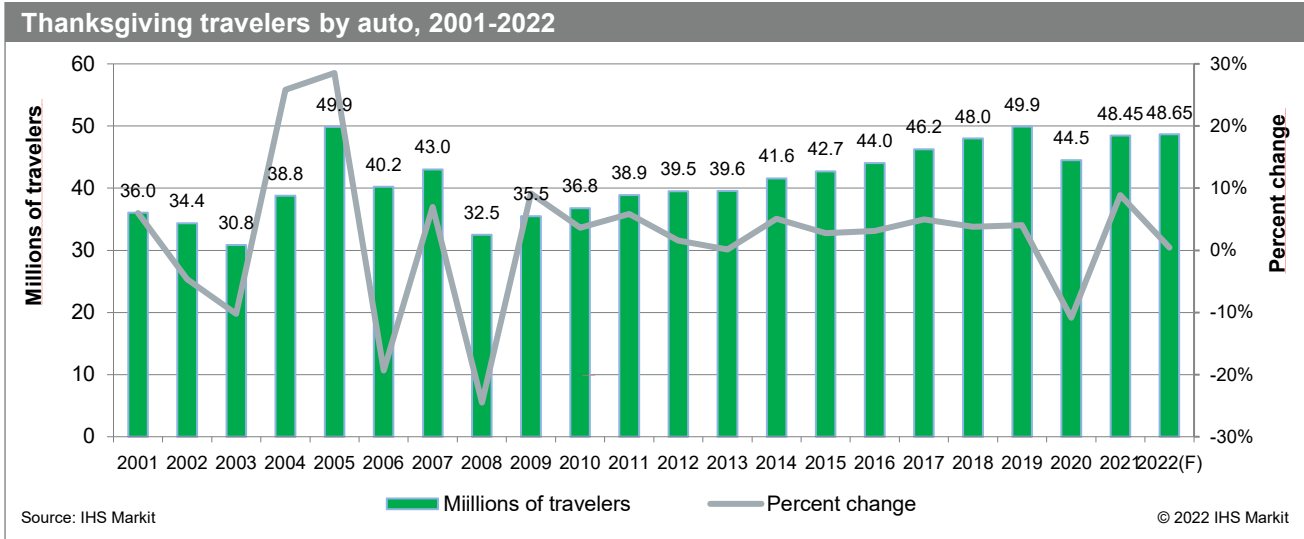
**Travel by Mode**

**During the Thanksgiving holiday, car travel is essentially flat (an increase of 0.4%) over 2021 to 48.7 million**

- Despite gas prices being nearly \$0.36 higher/gallon than last year, nearly 49 million travelers are expected to hit the road during the 2022 Thanksgiving holiday period.
- The 0.4% increase represents an additional 200,000 cars on the road.
- The 2022 volume by car will also be nearly 98% of the 2019 level.
- The share of trips by car spiked in 2020 to 94.55%, but the 2022 share of 89.1% will be just below the 89.2% share seen in 2019. During the pandemic, people were more comfortable with traveling by car, resulting in a shift in share of trips. As conditions continue to improve, the share of travel by car is starting to move back toward pre-pandemic levels.

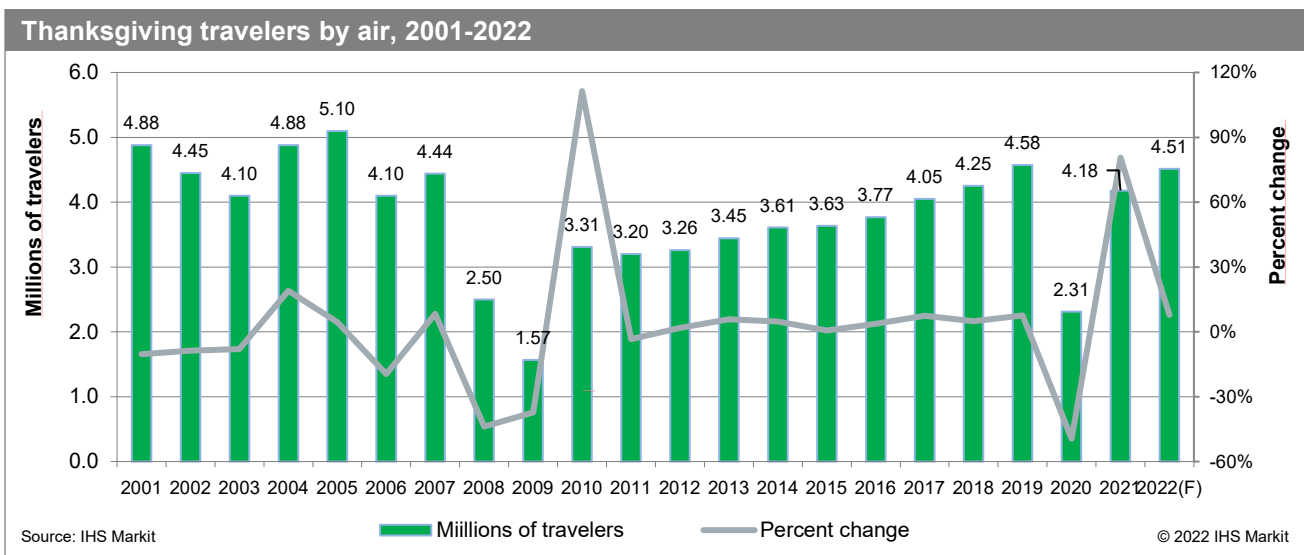


## 2022 Thanksgiving Holiday Travel Forecast Review



### Air travel during the Thanksgiving holiday will grow nearly 8% YOY, soaring to 4.5 million

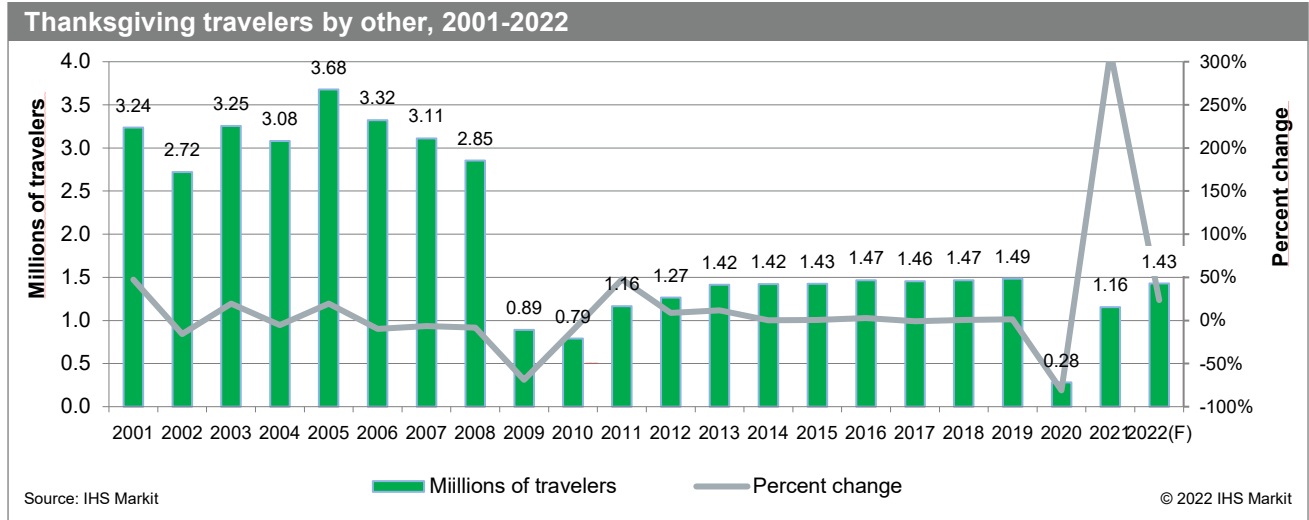
- Despite a year of chaotic air travel with delays, cancellations, and limited inventory, more than 4.5 million travelers will fly during the 2022 Thanksgiving holiday. The third highest volume since AAA started tracking in 2000.
- Air travel will rise 8%, an increase of more than 330,000 from 2021 and nearly 99% of the 2019 volume.
- The 2022 total air travel will be nearly 22% higher than the 10-year average pre-pandemic.
- The 2022 share of travel via air will be 8.3%, the highest since prior to the recession in 2007.





## Travel by other modes will increase to 1.43 million travelers

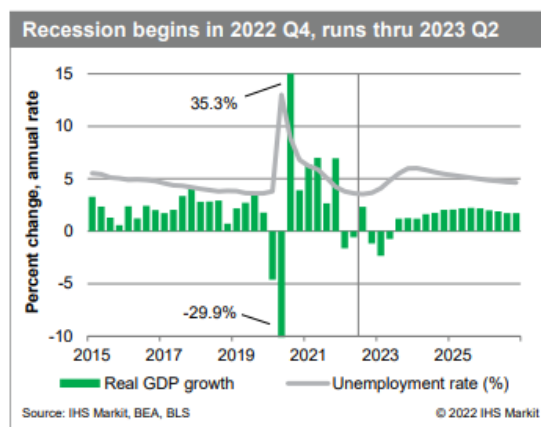
- More than 1.4 million will travel by other modes (including bus, train, and cruise ship) this Thanksgiving holiday period, an increase of 23% from 2021 and will bring travel via this mode back to 96% of the 2019 volume.



## What is driving travel during the 2022 Thanksgiving Day holiday?

**Forecast summary:** Our base forecast now includes a mild recession from the fourth quarter of this year through the second quarter of next year. GDP declines 1.1% peak-to-trough. The recession will be investment-led as we project consumer spending to eke out modest gains this year and next, but expect fixed investment to decline in both 2022 and 2023, particularly in the housing sector.

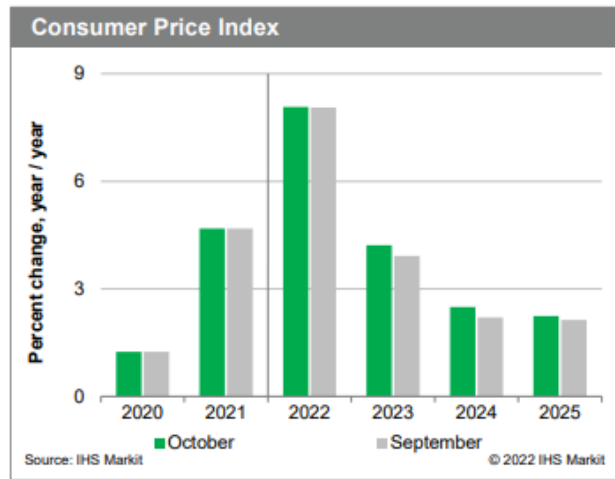
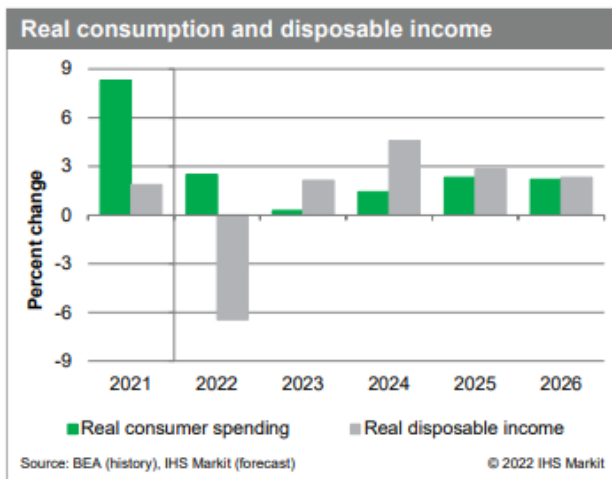
**Economic Indicators:** We expect to see real GDP growth turning from +2.3% in the third quarter to -1.2% in the fourth quarter. Underlying the sharp switch from positive to negative growth of GDP is a more gradual deceleration of domestic final sales (final sales to domestic purchasers) driven again by the housing sector. Real GDP growth forecast for 2022 is now expected to be just 1.7%. We've revised down our projection of real GDP growth in 2023 from 0.9% to -0.5%.



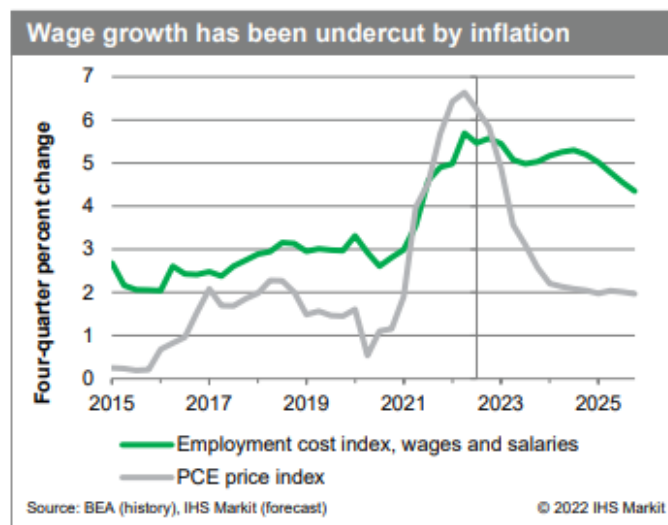
**Consumer spending remains strong:** Our outlook for consumer spending is shaped by the normalization of spending habits, strong but weakening consumer fundamentals, and the impact of current events on consumer demand. Real personal consumption expenditures (PCE) edged 0.1% higher in August, as gains in nominal income slightly outpaced inflation. Spending on services rose



0.2% while spending on goods fell 0.2%. Real PCE for goods has declined 4.8% since peaking in March 2021 while real PCE for services has risen 6.9% over the same period. The personal saving rate was unchanged at 3.5% but has drifted down this year as declining real incomes have forced some consumers to draw down on savings; after growing 1.9% in 2021, real disposable income is expected to decline 6.4% in 2022. Tighter financial conditions have lowered our forecast of equity values and real household net worth for the remainder of 2022 and 2023 which have lowered our short-term forecast of consumer spending. On a quarterly basis, we estimate that real PCE grew 0.8% in the third quarter, revised down 0.8 percentage point from last month and forecast growth of 0.1% in the fourth quarter, revised down 2.0 percentage points from last month. We expect growth of 2.5% in 2022, unchanged from last month and 0.3% in 2023.

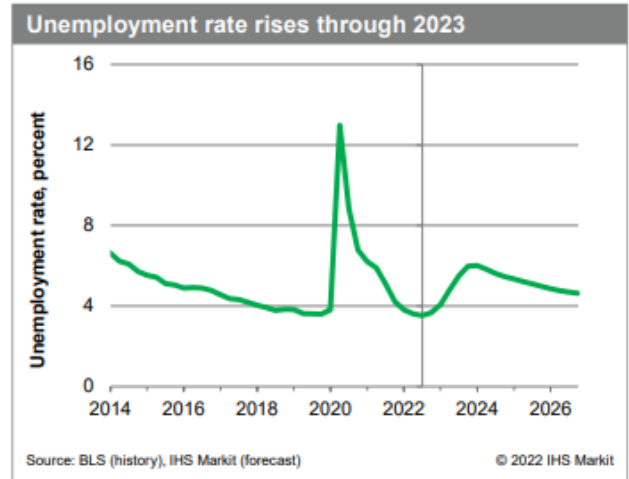
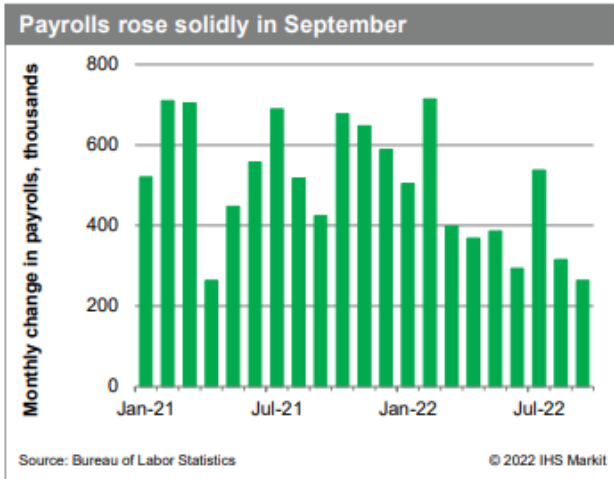


**Real disposable income:** According to BEA's third estimate, real disposable personal income (DPI) fell at a 1.5% annual rate in the second quarter of 2022. Personal income rose 0.3% in August, supported by a 0.3% increase in wages and salaries. Real DPI increased 0.1%, as the increase in nominal disposable income slightly outpaced the rise in consumer prices. US households accumulated some \$2.4 trillion in excess savings through 2020 and the first half of 2021, as they refrained from spending on services and saved a large proportion of the direct stimulus payments. We expect the "wealth effect" of these savings to support a moderately higher level of spending and a lower savings rate for some time. We estimate positive growth of real DPI in the third quarter, at a rate near 0.9% (annualized), and forecast growth of 0.9% (annualized) in the fourth quarter.



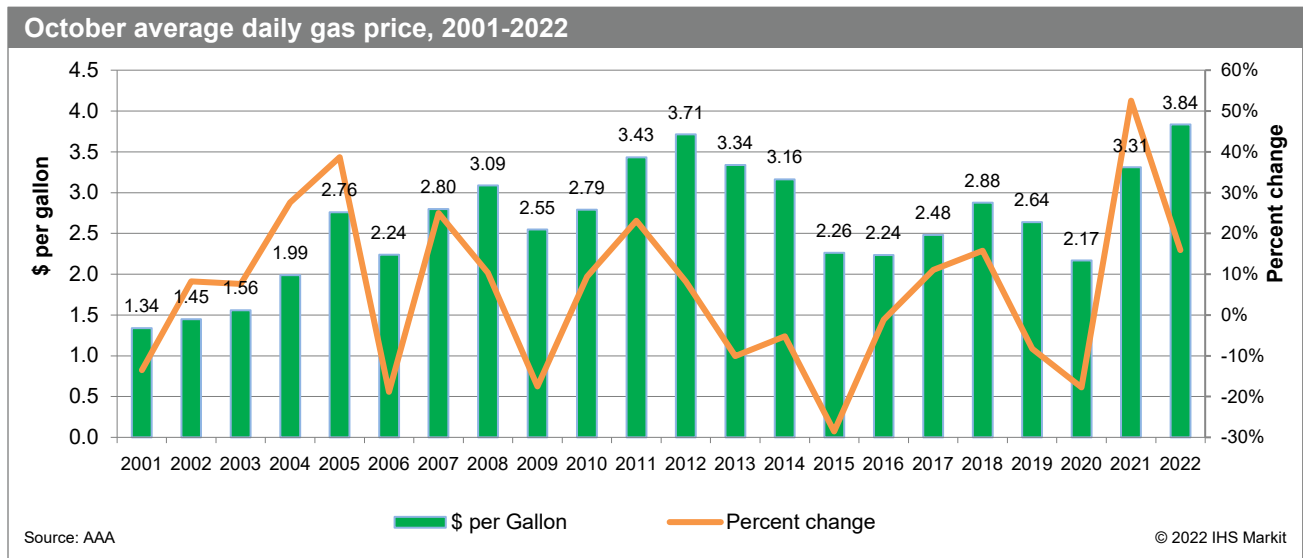


**Unemployment is declining amid record high job openings:** Nonfarm payroll employment rose 263 thousand in September, and the unemployment rate declined 0.2 percentage point to 3.5%. After declining to 3.6% in April, the unemployment rate has trended sideways, as businesses have struggled to fill open jobs and as households have halted what had been increases in the participation rate. We expect the unemployment rate will begin to rise in the fourth quarter and reach a peak, in quarterly average terms, of 6.0% by the end of 2023.



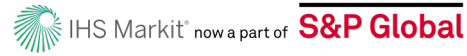
**What is the impact of gasoline prices on the forecast?\***

- Gas prices in October averaged \$3.84/gallon, which is the most expensive price point for October in the past 21 years.





2022 Thanksgiving Holiday Travel  
Forecast Review



Addendum 1: U.S. and Regional Population and Travel Share Data

	Population (Millions)	Travel Volume (Thousands)				Share of Population			
		Automobile	Air	Other	Total	Automobile	Air	Other	Total
<i>National</i>									
United States	332,848	48,655	4,512	1,427	54,594	14.6%	1.4%	0.4%	16.4%
<i>Census Divisions</i>									
New England	15,102	2,120	316	41	2,477	14.0%	2.1%	0.3%	16.4%
Middle Atlantic	41,827	5,938	623	128	6,689	14.2%	1.5%	0.3%	16.0%
South Atlantic	67,143	9,124	690	169	9,984	13.6%	1.0%	0.3%	14.9%
East North Central	47,105	7,949	862	247	9,058	16.9%	1.8%	0.5%	19.2%
East South Central	19,554	2,986	94	34	3,114	15.3%	0.5%	0.2%	15.9%
West North Central	21,685	3,877	225	200	4,302	17.9%	1.0%	0.9%	19.8%
West South Central	41,579	4,695	327	111	5,133	11.3%	0.8%	0.3%	12.3%
Mountain	25,566	3,658	213	264	4,135	14.3%	0.8%	1.0%	16.2%
Pacific	53,288	8,307	1,162	233	9,702	15.6%	2.2%	0.4%	18.2%

**Census Region definitions:**

East North Central (ENC): IL, IN, MI, OH, WI

East South Central (ESC): AL, KY, MS, TN

Middle Atlantic (MATL): NJ, NY, PA

Mountain (MTN): AZ, CO, ID, MT, NM, NV, UT, WY

New England (NENG): CT, MA, ME, NH, RI, VT

South Atlantic (SATL): DC, DE, FL, GA, MD, NC, SC, VA, WV

West South Central (WSC): AR, LA, OK,  
TX

West North Central (WNC): IA, KS, MN, MO, ND, NE,  
SD

Pacific (PAC): AK, CA, HI, OR, WA