

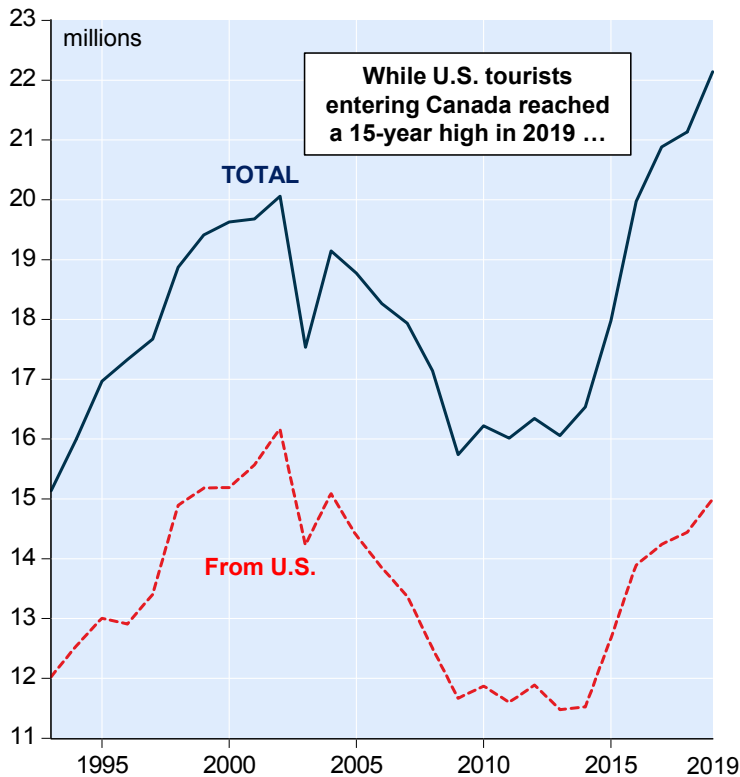
## Canada Watch

By Krishen Rangasamy

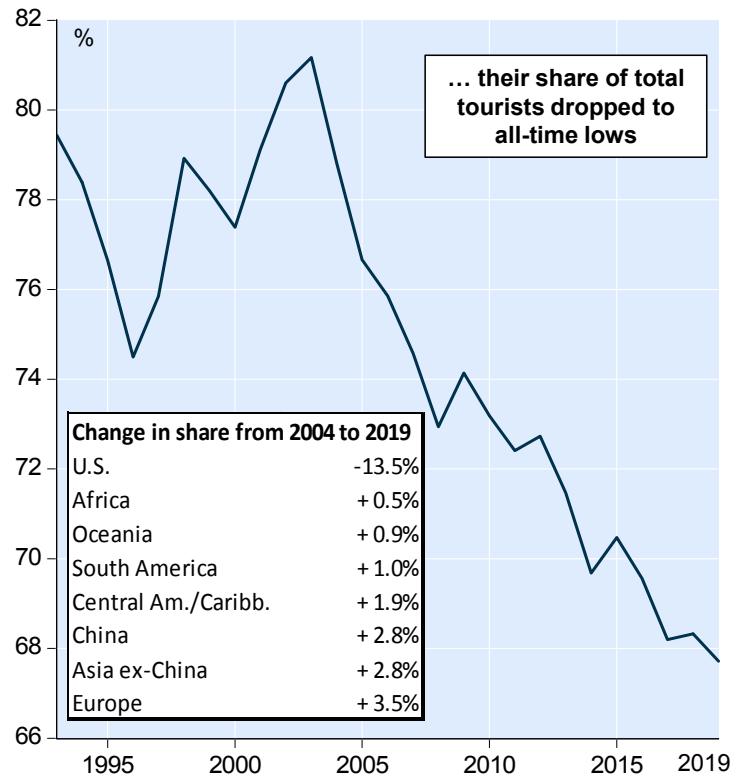
Canada's tourism industry had a strong 2019, with a record 22.1 million international tourists entering the country according to latest data from Statistics Canada. While the number of American arrivals climbed to a 15-year high of 15 million, the U.S. share of total tourists fell to 67.7% last year, the lowest on records. As today's *Hot Charts* show, since hitting a peak of 81.2% in 2004, the U.S. share of tourists entering Canada has fallen by more than 13 percentage points, as Europe and others sent an increasing number of visitors. The 2020 outlook for tourism has arguably darkened amid disruptions caused by the COVID-19 virus — a major Canadian airline has even cancelled direct flights to China (this country accounts for roughly 4% of tourists coming to Canada annually). That's not to say 2020 is a write-off considering the January-March period accounts for less than 15% of the annual tourist tally. In other words, there's still time for the tourism industry to recoup some of its losses if the virus can be contained before peak season. Should COVID-19 prove more persistent than expected, Canada's GDP will take a hit, albeit not significantly from tourism (which accounts for less than 3% of GDP) but rather from weakening commodity prices and declining investment amid a deteriorating global economic outlook.

### Canada: A good year for tourism

Number of tourists entering Canada



U.S. share of tourists entering Canada



## Economics and Strategy

### Montreal Office

514-879-2529

#### Stéfane Marion

*Chief Economist and Strategist*  
stefane.marion@nbc.ca

#### Matthieu Arseneau

*Deputy Chief Economist*  
matthieu.arseneau@nbc.ca

#### Krishen Rangasamy

*Senior Economist*  
krishen.rangasamy@nbc.ca

#### Paul-André Pinsonnault

*Senior Economist*  
paulandre.pinsonnault@nbc.ca

#### Marc Pinsonneault

*Senior Economist*  
marc.pinsonneault@nbc.ca

#### Kyle Dahms

*Economist*  
kyle.dahms@nbc.ca

#### Jocelyn Paquet

*Economist*  
jocelyn.paquet@nbc.ca

#### Angelo Katsoras

*Geopolitical Analyst*  
angelo.katsoras@nbc.ca

### Toronto Office

416-869-8598

#### Warren Lovely

*Chief Rate Strategist, Economics and Strategy*  
warren.lovely@nbc.ca

#### Taylor Schleich

*Associate, Rates Strategist, Economics and Strategy*  
taylor.schleich@nbc.ca

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