

Tourism activity

June 2014

Positive results in tourism accommodation activity but at a slower pace

In June 2014, tourism accommodation activity¹ recorded 4.7 million overnight stays, corresponding to a year-on-year increase² of 8.6% (+12.8% in May³). Overnight stays from residents increased by 6.7% and those from non residents grew by 9.3%, following +18.0% and +11.2%³ in May. With regard to the main inbound markets, the growth of overnight stays from residents of Belgium, Spain and Germany stood out.

Revenue grew in line with overnight stays (+8.1% in total revenue and +8.2% in revenue from accommodation), but considerably less so in comparison to the previous month (+18.9% and +19.7%³, respectively).

Table 1. Global preliminary results from tourism activity

Global preliminar results	Unit	Month		Accumulated	
		Jun 14	Year-on-year change rate (%)	Jan to Jun 14	Year-on-year change rate (%)
Guests	10 ³	1 591.2	7.2	7 119.8	12.1
Overnight stays	10 ³	4 722.1	8.6	19 477.2	11.4
Residents in Portugal	10 ³	1 361.9	6.7	5 440.4	11.9
Non residents	10 ³	3 360.3	9.3	14 036.7	11.2
Average stay	No. of nights	2.97	1.3	2.74	-0.6
Net bed occupancy rate	%	51.5	1.7 p.p.	38.1	2.4 p.p.
Total revenue	10 ⁶ €	222.5	8.1	894.4	12.1
Revenue from accommodation	10 ⁶ €	157.2	8.2	615.9	12.8
RevPAR (Average revenue per available room)	€	38.5	3.5	26.9	8.8

Number of guests and overnight stays increased but at a slower pace

In June 2014, tourism accommodation establishments hosted 1.6 million guests which originated 4.7 million overnight stays, representing, respectively, +7.2% and +8.6% than in the same month of the previous year.

¹ See the explanatory notes.

² Unless stated otherwise, the change rates presented in this press release were calculated in relation to the same period of the previous year, therefore they should be considered as year-on-year change rates.

³ Previous change rates revised due to 2013 final results

These increases stood below the ones of May (+15.0% in guests and +12.8% in overnight stays) and those of the first six months of the year (+12.1% and +11.4%, respectively).

The emphasis went to the evolution of overnight stays in "pousadas" (+16.7%), in tourist apartments (+15.3%) and in hotels (+10.0%), the latter with a corresponding 61.9% of the total overnight stays (61.1% in June 2013).

Table 2. Overnight stays by type and category of the establishment

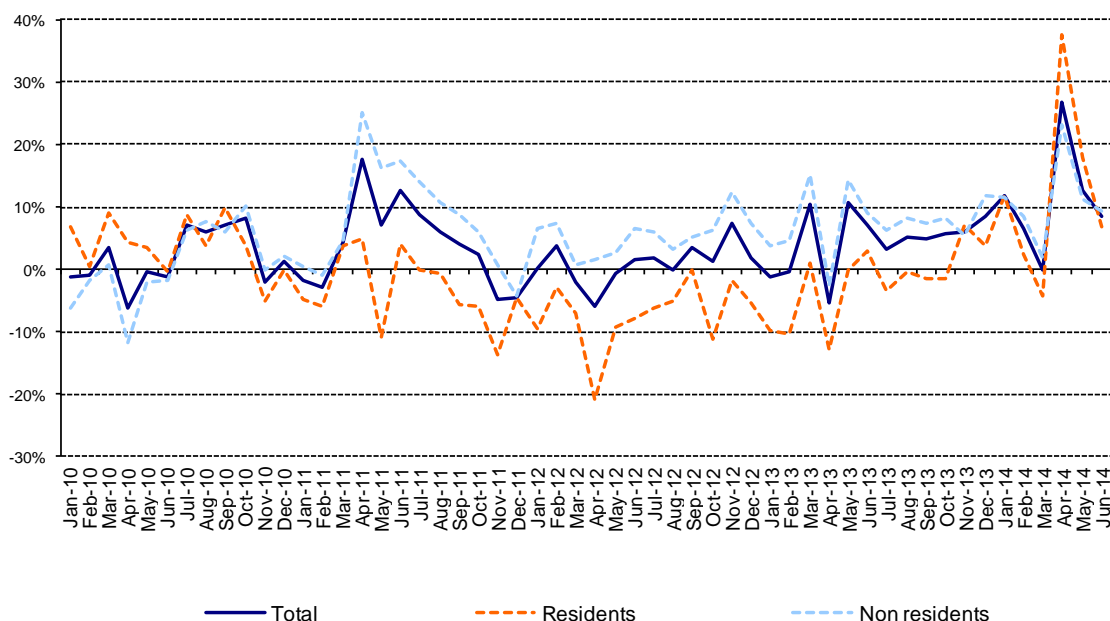
Type of establishment and category	Overnight stays (10 ³)		Year-on-year change rate
	Jun-13	Jun-14	%
Total	4 349.9	4 722.1	8.6
Hotels	2 656.2	2 920.9	10.0
*****	508.1	598.5	17.8
****	1 309.8	1 436.4	9.7
***	593.7	631.6	6.4
** / *	244.6	254.4	4.0
Apartment hotels	717.7	738.8	2.9
*****	47.9	45.1	-5.8
****	520.4	524.6	0.8
*** / **	149.4	169.1	13.2
Pousadas	38.4	44.8	16.7
Tourist apartments	483.0	556.8	15.3
Tourist villages	210.2	227.5	8.2
Other tourist establishments	244.4	233.3	-4.5

Increases in overnight stays from residents and non residents

Overnight stays spent by residents totalled 1.4 million in June 2014 and increased by 6.7%. This growth, although less expressive than the higher increases in the previous 2 months, surpassed the change rates in February and March (+2.4% and -4.4%), leading to a 11.9% growth in the overnight stays from residents during the first half of 2014.

Overnight stays from non residents (3.4 million) grew by 9.3% (+11.2% in May), continuing the positive trend that lasts for more than a year. In the first half of 2014 there was an increase of 11.2% in overnight stays from non residents.

Figure 1. Overnight stays, month-to-month change rate



In June 2014, the group of the 10 main inbound markets⁴ accounted for 81.4% of the total overnight stays from non residents, the same outcome of June 2013.

The United Kingdom, the main inbound market with a 27.4% share in June 2014, recorded a 10.2% increase in overnight stays.

Germany and Spain stood out with noticeable increases of 21.9% and 23.5% in overnight stays from residents in these countries, with weights of 13.7% and 8.2%, respectively.

Concerning France (weighting 9.1% in June), overnight stays grew by 9.7%.

The Belgian market accounted for a significant increase (+24.5%) in overnight stays in June.

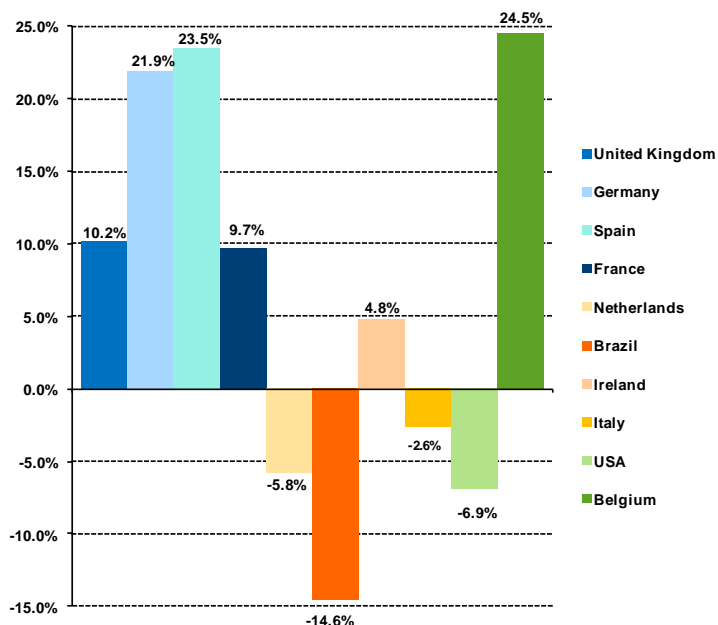
Brazil and the USA presented declining results (-14.6% and -6.9%, respectively), contrary to the results of the previous month (+12.3% and +16.0%).

During the first half of 2014, the emphasis went to the 22.5% increase in overnight stays from residents in Spain, and also to the increases of 13.2% from France, 12.4% from the United Kingdom and 11.0% from Germany.

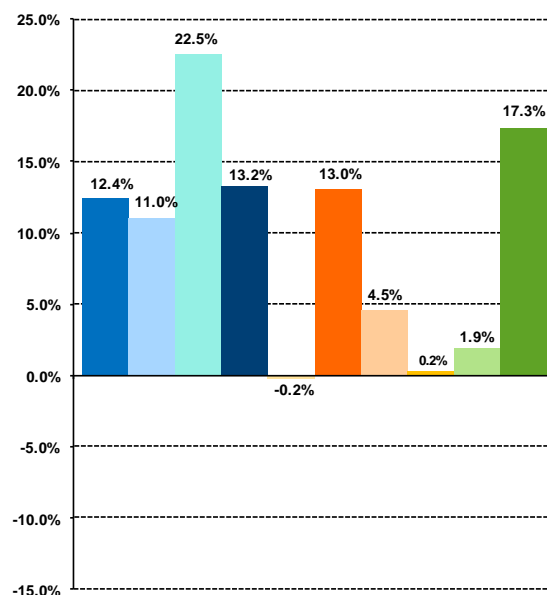
⁴ Based on 2013 results for overnight stays

Figure 2. Overnight stays by main inbound markets ⁽¹⁾ – year-on-year change rates

**2a. Year-on-year change rate
June 2014**



**2b. Year-on-year change rate
January to June 2014**



(1) Main inbound markets according to results from overnight stays in 2013 (in graph by descending order)

Increased demand especially in Algarve and Lisbon

On a regional level, the evolution of overnight stays was mostly positive, more so in Algarve (+13.0%) and Lisbon (+11.4%). In these regions, there was also an increase in supply comparing with the same month of 2013, due to a higher number of operating establishments.

The number of overnight stays from residents have increased in Azores (+23.8%), Algarve (+19.5%) and Lisbon (+7.8%) and declined in the remaining regions. In Algarve there were 38.1% of overnight stays from residents, followed by Lisbon (17.7%), the North (15.7%) and the Centre (15.1%).

The overnight stays from non residents in June recorded increases in overnight stays of 19.0% in Alentejo, 12.5% in Lisbon, 10.8% in Algarve and 10.2% in the North. The Algarve stood for 43.9% of overnight stays from non residents followed by Lisbon with 24.3% and Madeira with 15.4%.

In the first six months of 2014, total overnight stays increased in all regions, mainly in Alentejo (+16.8%), Lisbon (+14.5%) and Algarve (+13.1%).

Table 3. Overnight stays by region (NUTS II)

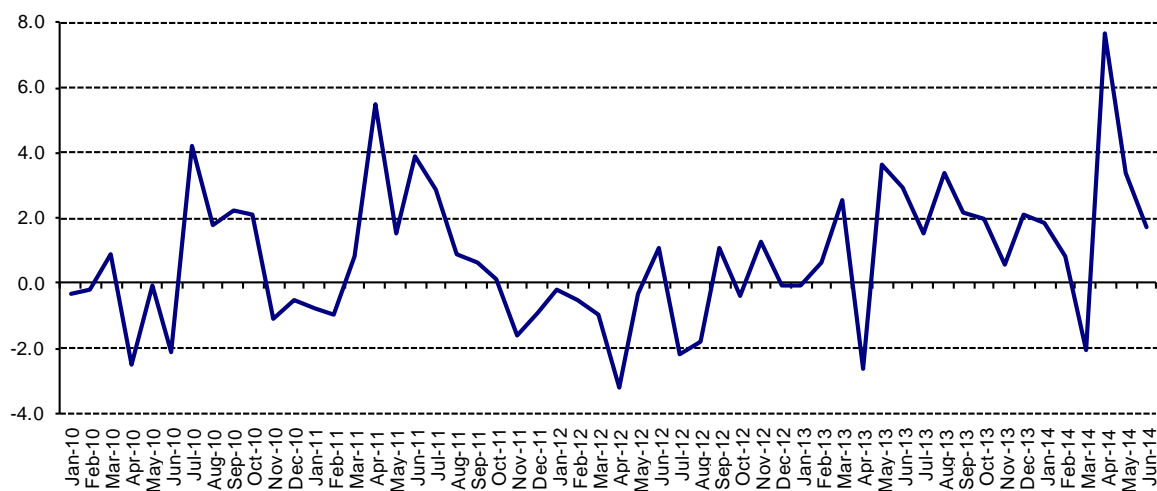
NUTS II	Overnight stays (10 ³)				Residents overnight stays (10 ³)				Non residents overnight stays (10 ³)			
	Jun 14	Year-on-year change rate (%) Jun 14	Jan to Jun 14	Year-on-year change rate (%) Jan-Jun 14	Jun 14	Year-on-year change rate (%) Jun 14	Jan to Jun 14	Year-on-year change rate (%) Jan-Jun 14	Jun 14	Year-on-year change rate (%) Jun 14	Jan to Jun 14	Year-on-year change rate (%) Jan-Jun 14
Portugal	4 722.1	8.6	19 477.2	11.4	1 361.9	6.7	5 440.4	11.9	3 360.3	9.3	14 036.7	11.2
North	489.9	2.8	2 299.3	11.3	213.9	- 5.5	1 115.5	6.9	276.0	10.2	1 183.8	15.8
Centre	366.5	1.0	1 664.9	7.3	205.7	-1.3	995.2	6.6	160.8	4.0	669.7	8.4
Lisbon	1 056.5	11.4	5 095.2	14.5	240.9	7.8	1 257.7	12.3	815.6	12.5	3 837.5	15.3
Alentejo	116.1	2.8	532.6	16.8	77.2	- 3.8	349.9	12.6	38.9	19.0	182.8	25.9
Algarve	1 995.3	13.0	6 543.9	13.1	518.7	19.5	1 262.5	20.4	1 476.7	10.8	5 281.4	11.5
Azores	123.1	2.4	415.2	1.4	47.7	23.8	184.9	9.2	75.3	-7.7	230.3	-4.1
Madeira	574.8	2.2	2 926.0	5.9	57.9	- 10.9	274.7	17.1	516.9	3.9	2 651.4	4.8

Net bed occupancy rates kept increasing results

In June 2014, the net bed occupancy rate in tourism accommodation establishments was 51.5%, higher by 1.7 p.p. in comparison with June 2013. In May 2014 the increase of the net bed occupancy rate (47.7%) had been 3.4 p.p.

In the first six months of 2014 the net occupancy rate was 38.1% (+2.4 p.p.).

Figure 3. Net bed occupancy rate – year-on-year variation (difference in p.p.)



The Algarve and Lisbon presented the highest increases in this indicator in June 2014 (+2.9 p.p. and +1.7 p.p., respectively). Madeira recorded the highest value in the occupancy rate (66.0%), followed by Lisbon (59.5%) and the Algarve (59.2%).

Table 4. Net bed occupancy rate and average stay, by region

NUTS II	Occupancy rate			Average stay		
	%		Year-on-year variation (p.p.)	(No. of nights)		Year-on-year change rate (%)
	Jun-13	Jun-14		Jun-13	Jun-14	
Portugal	49.7	51.5	1.7	2.93	2.97	1.3
North	38.5	38.7	0.2	1.77	1.82	2.8
Centre	29.2	29.6	0.4	1.75	1.73	-1.1
Lisbon	57.8	59.5	1.7	2.28	2.34	2.8
Alentejo	30.3	29.5	-0.8	1.70	1.78	5.0
Algarve	56.3	59.2	2.9	4.60	4.46	-3.0
Azores	46.2	46.7	0.5	3.13	3.12	-0.4
Madeira	65.4	66.0	0.7	5.49	5.38	-2.1

The evolution of this indicator was positive considering the different typologies and categories, more so in the "pousadas" and tourist apartments (+6.8 p.p. and +4.0 p.p., respectively).

The highest occupancy rates were recorded in 4 star apartment hotels (61.8%) and in 4 and 5 star hotels (61.3% and 60.5%, respectively).

Table 5. Net bed occupancy rate and average stay, by type and category of the establishment

Type of establishment and category	Occupancy rate			Average stay		
	%		Year-on-year variation (p.p.)	(No. of nights)		Year-on-year change rate (%)
	Jun-13	Jun-14		Jun-13	Jun-14	
Total	49.7	51.5	1.7	2.93	2.97	1.3
Hotels	52.2	53.6	1.3	2.52	2.58	2.2
*****	59.1	60.5	1.4	2.89	2.90	0.3
****	58.2	61.3	3.1	2.74	2.82	3.2
***	44.6	44.3	-0.3	2.22	2.23	0.4
** / *	38.0	36.6	-1.4	1.86	1.89	1.5
Apartment hotels	56.9	58.0	1.1	4.32	4.47	3.4
*****	50.9	48.5	-2.5	4.21	4.29	1.9
****	60.5	61.8	1.3	4.40	4.46	1.3
*** / **	48.7	51.1	2.3	4.09	4.56	11.3
Pousadas	40.7	47.5	6.8	1.78	1.87	5.3
Tourist apartments	47.1	51.1	4.0	5.22	4.46	-14.6
Tourist villages	42.0	43.2	1.2	4.38	5.13	17.1
Other tourist establishments	31.3	31.7	0.4	2.36	2.34	-0.9

Increases in average stays through most typologies

In June 2014, the average stay was 2.97 nights, which compares with 2.93 nights in June 2013, corresponding to a 1.3% increase.

The average stay in June increased in the Alentejo, Lisbon and the North but declined in the remaining regions. The emphasis in terms of change rate went to the tourist villages (+17.1%) and 3 and 2 star apartment hotels (+11.3%).

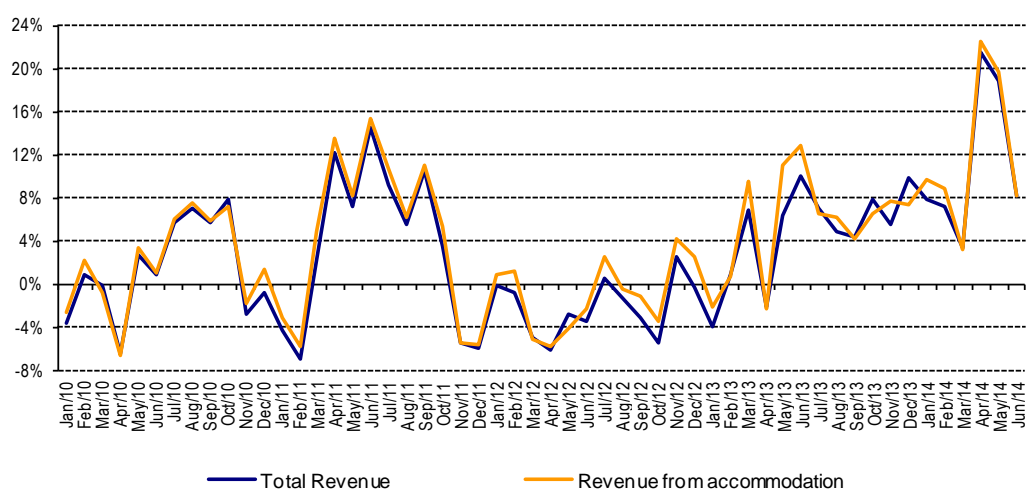
In the period January to June 2014 the average stay presented a slight decline (-0.6%) comparing with the same period of 2013.

Slow down in revenue

In June 2014, tourist accommodation establishments accounted for EUR 222.5 million in total revenue (+8.1%) and EUR 157.2 million in revenue from accommodation (+8.2%).

As happened with overnight stays, these increases stood below the ones of May (+18.9% in total revenue and +19.7% in revenue from accommodation) and those of the first six months of 2014 (+12.1% and +12.8%).

Figure 4. Total revenue and total revenue from accommodation - month-to-month change rate



The Algarve and Madeira presented the highest increases in both indicators. In the region of Lisbon, the growth in revenue was small when compared with the one in overnight stays (+11.4%), unveiling price reductions practices, eventually related to an increase in offer.

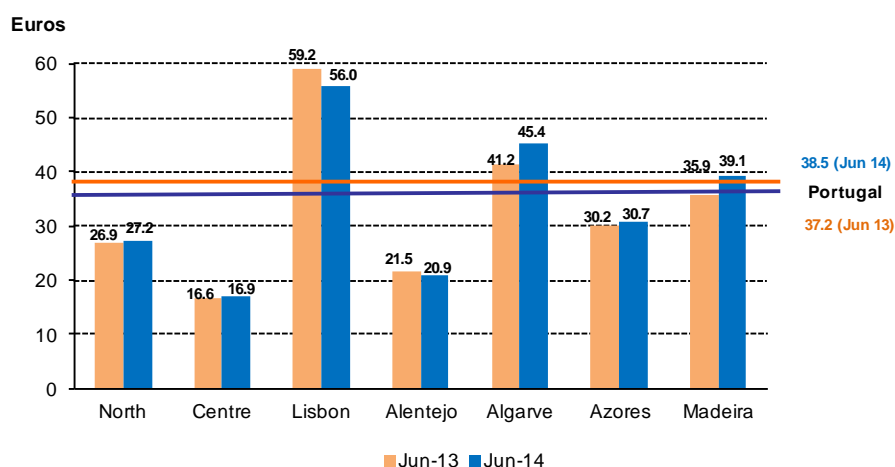
Table 6. Revenue by region (NUTS II)

NUTS II	Total revenue (10 ⁶ euros)		Revenue from accommodation	
	Jun-14	Year-on-year change rate (%)	Jun-14	Year-on-year change rate (%)
Portugal	222.5	8.1	157.2	8.2
North	23.0	4.8	16.5	5.2
Centre	15.3	2.5	10.2	4.1
Lisbon	64.1	2.6	47.7	1.5
Alentejo	5.3	0.3	3.7	0.5
Algarve	82.2	15.3	58.7	16.5
Azores	5.2	2.6	3.9	4.4
Madeira	27.3	10.3	16.5	9.9

In June 2014, the revenue per available room (RevPAR) was EUR 38.5 (+3.5%).

Worth of mention are the increases in RevPAR in the Algarve and Madeira (+10.1% and +9.1%, respectively). The regions of Lisbon and Alentejo recorded reductions of 5.4% and 2.7% in RevPAR. The results from Lisbon are closely related to an increase of the supply of available rooms.

Figure 5. Average revenue per available room



Considering the evolution of RevPAR, the emphasis went to the 5 star apartment hotels, tourist villages and tourist apartments.

Table 7. Average revenue per available room, by type and category of the establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Jun-13	Jun-14	%
Total	37.2	38.5	3.5
Hotels	42.0	42.1	0.2
*****	78.0	77.9	-0.1
****	43.2	43.1	-0.3
***	26.4	26.3	-0.3
** / *	20.8	20.5	-1.6
Apartment hotels	38.7	41.0	5.9
*****	43.2	53.6	24.1
****	42.1	44.4	5.4
*** / **	28.2	29.2	3.3
Pousadas	52.6	54.0	2.7
Tourist apartments	23.9	27.7	15.8
Tourist villages	33.1	38.5	16.2
Other tourist establishments	18.1	18.9	4.4

Camping sites and holiday camps

In June 2014, camping sites hosted 146.0 thousand campers and recorded a total of 455.6 thousand overnight stays. In relation to the same period of the previous year, there was a reduction in the number of campers (-9.2%), but the number of overnight stays stood almost unchanged (-0.3%). In May, results had been clearly positive (+12.3% and +9.3%, respectively).

Overnight stays from residents stood for 72.2% of the total and decreased by 1.1%, while those from non residents grew by 1.9%.

The average was 3.12 nights in June 2014, above the one of June 2013 (2.84 nights).

There were declining results in holiday camps, with a reduction of 3.7% in the number of guests and -16.0% in the number of overnight stays, resulting on a 12.8% reduction in the average stay, that was 1.81 nights.

Table 8. Camping sites, holiday camps and youth hostels, by origin of the guests, June 2014

	Unit	Camping sites				Holiday camps and youth hostels			
		Total	Year-on-year change rate (%)	Residents	Non residents	Total	Year-on-year change rate (%)	Residents	Non residents
Campers / Guests	10 ³	146.0	-9.2	98.7	47.3	37.0	-3.7	29.3	7.7
Overnight stays	10 ³	455.6	-0.3	328.8	126.8	67.1	-16.0	53.8	13.3
Average stay	No. nights	3.12	9.8	3.33	2.68	1.81	-12.8	1.84	1.72

EXPLANATORY NOTES

Data disseminated in this "Press Release" refers to the following data outputs:

2014 – May and June – preliminary data; January to April – provisional data.

2013 – January to December – final data.

Data refers to tourism accommodation establishments in operation, in each reference period.

In between preliminary, provisional and final data, results are revised due to definitive answers instead of provisional and mainly due to the replacement of non response estimates by effective responses, including situations of temporary suspended activity not duly reported. The degree of revision, measured by the difference in percentage points from the year-on-year change rates of provisional versus preliminary data is as follows:

	Overnight stays	Revenue from accommodation
Jan to Apr 14	+0.04 p.p.	-0.08 p.p.

Guest – Individual that spends at least one overnight stay in a tourism accommodation activity establishment.

Overnight stay – Time spent by an individual between midday and midday of the following day.

Average stay – Relation between the number of overnight stays and the number of guests that originated those overnight stays during the reference period.

Net bed occupancy rate – corresponds to the relation between the number of overnight stays and the number of available beds, in the reference period, counting as two beds each double bed.

Total revenue – revenue from the activity of tourism accommodation establishments: room renting, food and beverage and others related to the activity itself (assignment of spaces, laundry, tobacco, communications, etc.).

Revenue from accommodation – revenue from overnight stays spent by guests in all tourist accommodation establishments.

RevPAR – Revenue per available room, measured by the relation between the revenue from accommodation and the number of available rooms, in the reference period.

Hotel accommodation activity – Includes hotels, apartment hotels, "pousadas", tourist apartments and tourist villages, as well as other accommodation establishments namely boarding houses, motels and inns that still maintain the former economic activity classification although currently not recognized as such.

Camp sites – A collective, fenced-off facility for tents, caravans, trailers and mobile homes.

Holiday camp – A holiday complex with appropriate facilities for providing free or low-cost holidays, usually as a social service by public or private entities.

Youth hostel – A non-profit establishment providing accommodation for young people or small groups of young people.

Year-on-year change rates – comparison between the variable level in the reference period and the same period of the year before. The calculation of year-on-year change rates for the main indicators is based on values in units, although in this press release they are visible only in thousands.

Year-on-year variation (p.p.) – comparison between the variable level in the reference period and the same period of the year before presented as a difference in percentage points.

Rounded figures may imply that totals do not correspond to the sum of the parcels.

ABBREVIATIONS

RevPAR – Revenue per Available Room

Date of next press release: 15 September 2014