

Tourism activity

July 2014

Guests, overnight stays and revenue continue to be buoyant

Tourism accommodation activity recorded 5.8 million overnight stays in July 2014, which corresponded to a year-on-year increase¹ of 9.4% (+8.6% in June 2014). Overnight stays from residents grew considerably (+15.4%, compared with +6.7% in June), while the increase of overnight stays spent by non residents slowed down (+6.9% in July 2014 and +9.3% in June). With regard to the main inbound markets, the growing overnight stays from guests coming from the United Kingdom, Spain and France stood out. On the contrary, the reduction of the German market was noticeable. However, in the accumulated period between January and July 2014, with the exception of the Netherlands, the main inbound markets showed increases, including Germany, with the emphasis on Spain with a 19.4% growth.

Total revenue increased by 10.7% and revenue from accommodation 12.0% (+8.1% and +8.2%, respectively, in June).

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	Month		Accumulated	
		Jul 14	Year-on-year change rate (%)	Jan to Jul 14	Year-on-year change rate (%)
Guests	10 ³	1 728.2	9.4	8 847.7	11.6
Overnight stays	10 ³	5 761.7	9.4	25 204.9	10.8
Residents in Portugal	10 ³	1 766.6	15.4	7 212.6	12.9
Non residents	10 ³	3 995.1	6.9	17 992.3	10.0
Average stay	No. of nights	3.33	0.0	2.85	-0.7
Net bed occupancy rate	%	60.0	3.0 p.p.	41.5	2.4 p.p.
Total revenue	10 ⁶ €	280.5	10.7	1 174.7	11.8
Revenue from accommodation	10 ⁶ €	207.1	12.0	823.1	12.6
RevPAR (Average revenue per available room)	€	48.9	8.4	30.4	8.7

Guests and overnight stays keep trending positively

In July 2014, tourism accommodation establishments hosted 1.7 million guests and recorded 5.8 million overnight stays, which corresponded to a growth of 9.4% for both indicators.

These results stood slightly above the ones of the previous month (+7.2% in guests and +8.6% in overnight stays), but below the results of January to July 2014 (+11.6% and +10.8%, respectively).

¹ 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.

Overnight stays spent in hotels increased by 12.4% and represented 59.5% of the total. In apartment hotels (+6.4%), the decrease in overnight stays spent in five star units was compensated by the positive results of the remaining categories.

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
	Jul-13	Jul-14	%
Total	5 265.9	5 761.7	9.4
Hotels	3 048.9	3 425.5	12.4
*****	609.0	707.8	16.2
****	1 494.4	1 645.6	10.1
***	666.6	758.7	13.8
** / *	278.8	313.3	12.4
Apartment hotels	895.1	952.4	6.4
*****	66.2	59.1	-10.7
****	616.5	673.5	9.3
*** / **	212.5	219.8	3.5
Pousadas	47.8	50.9	6.5
Tourist apartments	680.5	725.8	6.7
Tourist villages	314.8	326.4	3.7
Other tourist establishments	278.8	280.7	0.7

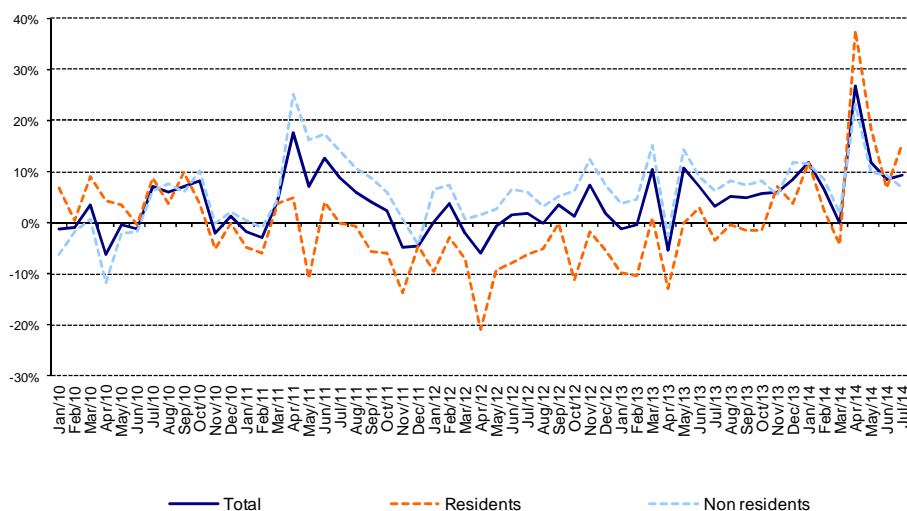
Sharp rise in overnight stays from residents

Overnight stays spent by residents totalled 1.8 million (+15.4%) in July 2014. This increase stood quite considerably above the one of the previous month (+6.7%).

Overnight stays from non residents attained 4.0 million with a resulting 6.9% growth, although it means a slowdown of the growth of the most recent months (+9.3% in June and +9.9% in May).

In the period January to July 2014, overnight stays from residents increased by 12.9% and those from non residents rose by 10.0%.

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



In July 2014, the group of the ten main inbound markets² accounted for 78.8% of the total overnight stays from non residents (79.3% in July 2013).

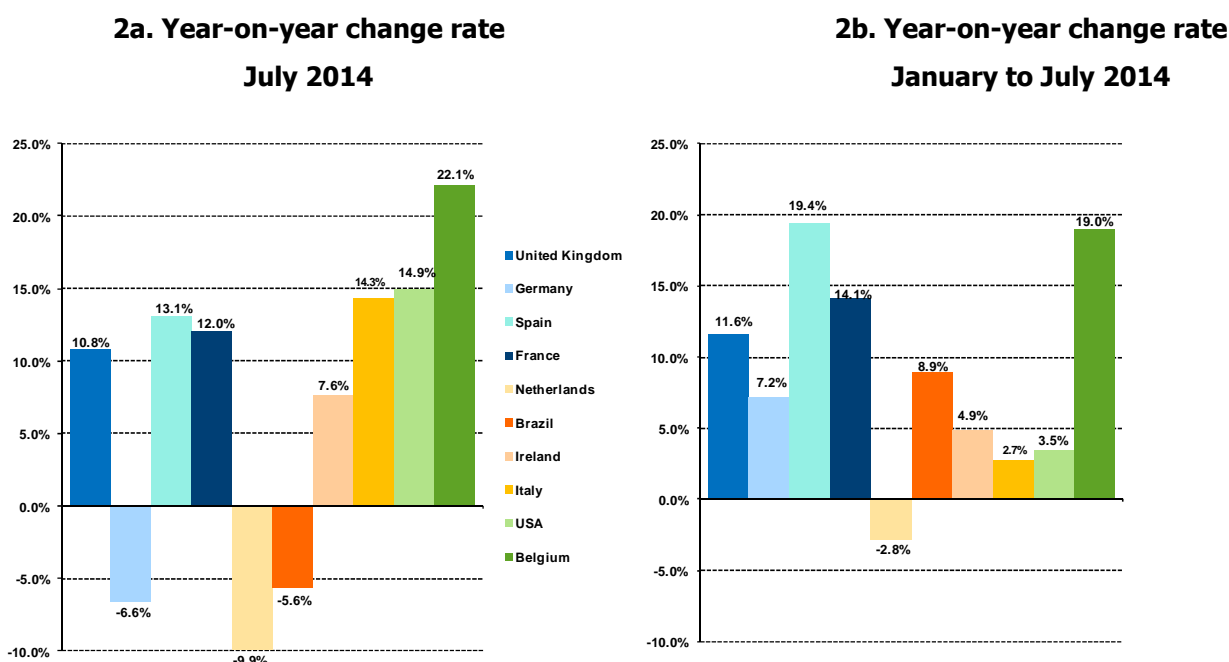
The British market, the main with a 23.8% share, recorded a 10.8% increase in overnight stays from its residents. The Spanish market is also worth mentioning (+13.1%), ranking second in terms of share (13.1% weight), as well as the French (+12.0% in overnight stays and 8.2% share in July).

Germany presented declining results in July (-6.6%), reversing the trend of the most recent months (+21.9% in June and +5.3% in May). In July, the share attained 9.6% in terms of overnight stays from non residents.

The Belgian market accounted for the highest growth in July (+22.1%), followed by the USA (+14.9%) and Italy (+14.3%).

In the period January to July 2014, the emphasis went to the increases in overnight stays from residents in Spain (+19.4%), Belgium (+19.0%), France (+14.1%) and the United Kingdom (+11.6%).

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



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

North and Lisbon with the highest increases in demand

The number of overnight stays increased in all regions of the Mainland, more so in the North (+14.7%) and in Lisbon (+13.9%). In Algarve (+9.6%), the growth stood below the one recorded in the most recent months (+13.0% in June

² Based on 2013 results for overnight stays

and +13.8% in May), while in the regions of Azores and Madeira there were declines (-4.8% and -1.0%, respectively). The North had a 10.1% share in total overnight stays in July 2014, a close outcome to the one of Madeira (11.6%).

The number of overnight stays from residents grew considerably in all regions, more so in Algarve (+22.2%), main destination for the internal market (43.6%). Azores recorded a 6.2% increase while Madeira was the only region with a declining evolution (-10.1%).

As far as overnight stays from non residents are concerned, there were expressive increases in the North (+15.5%), Lisbon (+14.0%) and Alentejo (+13.6%). In Algarve, the increase in demand from non residents (+4.9%) slowed down (+10.8% in June), but this region concentrated 44.4% of overnight stays from non residents. Lisbon ranked second as destination of residents abroad (23.8% of overnight stays from these guests).

When considering the first seven months of 2014, total overnight stays increased in all regions, except in Azores (-0.6%). The region of Alentejo recorded the highest increase (+16.2%) followed by Lisbon (+14.2%).

Table 3. Overnight stays by region (NUTS II)

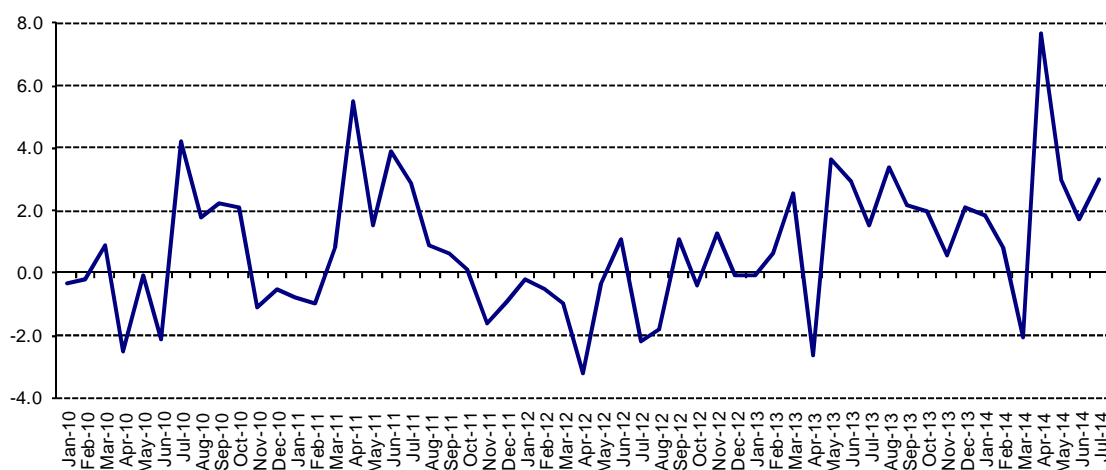
NUTS II	Overnight stays (10 ³)				Residents overnight stays (10 ³)				Non residents overnight stays (10 ³)			
	Jul 14	Year-on-year change rate (%) Jul 14	Jan to Jul 14	Year-on-year change rate (%) Jan-Jul 14	Jul 14	Year-on-year change rate (%) Jul 14	Jan to Jul 14	Year-on-year change rate (%) Jan-Jul 14	Jul 14	Year-on-year change rate (%) Jul 14	Jan to Jul 14	Year-on-year change rate (%) Jan-Jul 14
Portugal	5 761.7	9.4	25 204.9	10.8	1 766.6	15.4	7 212.6	12.9	3 995.1	6.9	17 992.3	10.0
North	582.5	14.7	2 873.8	11.7	260.8	13.7	1 379.3	8.3	321.7	15.5	1 494.5	14.9
Centre	459.7	12.0	2 126.8	8.4	254.9	12.7	1 248.1	7.6	204.8	11.2	878.7	9.5
Lisbon	1 217.1	13.9	6 302.9	14.2	265.5	13.5	1 528.3	12.9	951.6	14.0	4 774.6	14.7
Alentejo	148.0	12.1	683.4	16.2	100.4	11.4	452.6	12.9	47.6	13.6	230.8	23.4
Algarve	2 543.7	9.6	9 061.5	11.8	769.5	22.2	2 033.2	21.1	1 774.2	4.9	7 028.3	9.3
Azores	160.6	-4.8	574.8	-0.6	44.8	6.2	229.5	8.6	115.9	-8.4	345.3	-5.9
Madeira	650.0	-1.0	3 581.7	4.7	70.6	-10.1	341.6	9.1	579.4	0.3	3 240.1	4.3

Net bed occupancy rates increased

The net bed occupancy rate in tourism accommodation establishments was 60.0% in July 2014, higher by 3.0 p.p. in comparison with July 2013. This increase also stood higher than the one of the previous month (+1.3 p.p. than in June).

From January to July 2014, the occupancy rate was 41.5% (+2.4 p.p.).

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



The regions of Lisbon and North recorded the highest increases in net bed occupancy rates (+5.5 p.p. and +4.2 p.p., respectively).

The regions with the highest values in this indicator were the Algarve (71.8%) and Madeira (71.5%).

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 (%)
	Jul-13	Jul-14		Jul-13	Jul-14	
Portugal	57.0	60.0	3.0	3.33	3.33	0.0
North	39.3	43.6	4.2	1.91	1.91	0.3
Centre	31.8	35.3	3.6	2.01	1.98	-1.2
Lisbon	60.7	66.2	5.5	2.51	2.61	4.1
Alentejo	34.1	36.9	2.9	1.98	2.01	1.6
Algarve	69.8	71.8	2.1	5.11	5.21	1.9
Azores	62.5	58.8	-3.7	3.44	3.18	-7.5
Madeira	72.4	71.5	-0.8	5.81	5.71	-1.7

Apartment hotels recorded the highest net bed occupancy rates (71.4%), particularly in four star units (74.5%). The year-on-year change rate of the net bed occupancy rate was mostly positive amongst the various typologies and categories, with the emphasis on hotels (+3.4 p.p.), including five star units (+3.7 p.p.).

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 (%)
	Jul-13	Jul-14		Jul-13	Jul-14	
Total	57.0	60.0	3.0	3.33	3.33	0.0
Hotels	56.6	60.0	3.4	2.81	2.82	0.3
*****	65.0	68.7	3.7	3.35	3.29	-1.7
****	63.2	66.6	3.4	3.11	3.10	-0.3
***	47.5	51.1	3.6	2.39	2.44	1.9
** / *	40.8	43.7	2.8	1.95	1.99	2.1
Apartment hotels	68.4	71.4	3.0	4.85	5.04	3.9
*****	68.4	69.8	1.4	4.88	5.04	3.3
****	69.3	74.5	5.2	5.01	5.11	2.0
*** / **	66.0	63.7	-2.3	4.44	4.84	9.1
Pousadas	47.8	46.0	-1.8	2.03	2.15	5.6
Tourist apartments	62.0	63.5	1.5	5.82	5.64	-3.1
Tourist villages	60.2	60.5	0.2	5.57	6.15	10.3
Other tourist establishments	34.0	36.4	2.4	2.44	2.35	-3.6

Stability in average stays

The average stay was 3.33 nights, the same as in July 2013.

Tourist villages and the "pousadas" presented noteworthy increases in average stay (+10.3% and +5.6% respectively).

When considering the three main regions in terms of overnight stays, the average stay recorded +4.1% in Lisbon, +1.9% in Algarve and -1.7% in Madeira in July 2014.

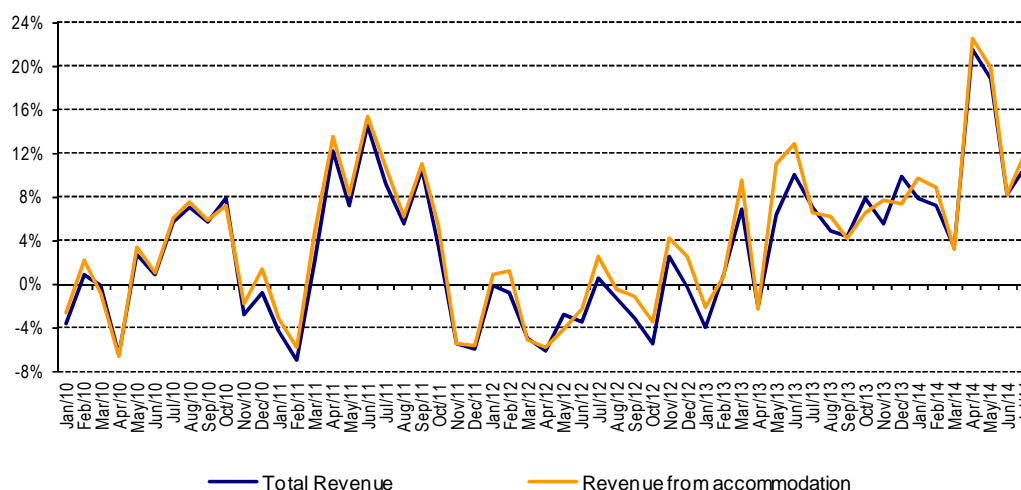
In the period January to July 2014 the average stay was 2.85 nights (-0.7%).

Revenue increased

In July 2014, tourist accommodation establishments accounted for EUR 280.5 million in total revenue (+10.7%) and EUR 207.1 million in revenue from accommodation (+12.0%).

The increases recorded in July were above the ones of June (+8.1% and +8.2% respectively), as occurred in overnight stays, but nevertheless below the ones of the accumulated results of the period January to July 2014 (+11.8% and +12.6% respectively for total revenue and revenue from accommodation).

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



The Algarve presented the best results for both indicators, with this region reaching 45.0% of the total national revenue in July (44.1% when considering overnight stays).

In Alentejo, the growth in revenue (about 3% in both variables) stood quite below the evolution of overnight stays (+12.1%), possibly due to promotional campaigns.

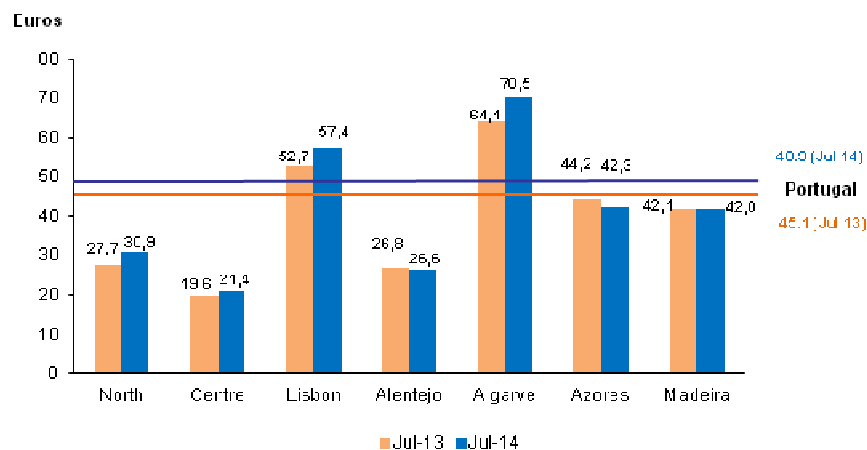
Table 6. Revenue by region (NUTS II)

NUTS II	Total revenue (10 ⁶ euros)		Revenue from accommodation	
	Jul-14	Year-on-year change rate (%)	Jul-14	Year-on-year change rate (%)
Portugal	280.5	10.7	207.1	12.0
North	25.8	12.8	19.3	14.5
Centre	19.0	10.9	13.5	11.9
Lisbon	66.2	6.7	50.5	13.0
Alentejo	6.8	3.3	4.8	2.9
Algarve	126.2	16.5	94.9	14.8
Azores	7.2	-2.5	5.6	-1.6
Madeira	29.3	1.1	18.4	0.6

The revenue per available room (RevPAR) was EUR 48.9 in July 2014 (+8.4%).

In the Mainland, with the exception of the Alentejo, RevPAR increased in all the regions especially in the North (+11.6%). In Azores and Madeira results declined.

Figure 5. Average revenue per available room



There was an overall increase in this indicator amongst the various typologies, with the emphasis on Tourist Apartments (+9.4%) and Hotels (+8.2%).

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
	Jul-13	Jul-14	%
Total	45.1	48.9	8.4
Hotels	46.2	50.0	8.2
*****	84.7	90.3	6.5
****	47.8	51.2	7.2
***	28.6	31.9	11.6
** / *	22.4	25.2	12.5
Apartment hotels	57.6	61.9	7.4
*****	71.8	87.4	21.6
****	61.4	66.0	7.6
*** / **	42.6	44.3	3.9
Pousadas	58.3	59.7	2.4
Tourist apartments	41.6	45.5	9.4
Tourist villages	53.1	56.9	7.2
Other tourist establishments	20.8	22.2	6.5

Camping sites and holiday camps

In July 2014, camping sites hosted 289.7 thousand campers and recorded 1.1 million overnight stays. In relation to the same month of 2013, the number of campers decreased by 6.2% and overnight stays had a slight decrease (-0.4%), keeping the same trend of the previous month (-9.2% and -0.3%, respectively).

Overnight stays from non residents increased by 7.6% but those from residents declined 3.0%, with these having represented 73.8% of the total.

The average was 3.63 nights, 6.1% above the one of July 2013.

The number of guests in holiday camps and in youth hostels recorded a slight increase in July 2014 (+0.7%), but overnight stays recorded a decline (-24.6%) due to the fact that guests opted for shorter stays (average of 2.06 nights in July 2014, 2.74 nights in July 2013).

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

	Unit	Camping sites				Holiday camps and youth hostels			
		Total	Year-on-year change rate (%) jul 14	Residents	Non residents	Total	Year-on-year change rate (%) jul 14	Residents	Non residents
Campers / Guests	10 ³	289.7	-6.2	196.1	93.6	54.9	0.7	42.3	12.6
Overnight stays	10 ³	1 052.3	-0.4	777.0	275.3	112.8	-24.6	87.3	25.6
Average stay	No. nights	3.63	6.1	3.96	2.94	2.06	-25.1	2.06	2.03

EXPLANATORY NOTES

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

2014 – June and July – preliminary data; January to May – 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 May 14	-0.32 p.p.	-0.22 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 October 2014