

Tourism activity

October 2014

Results from tourism accommodation activity with strong growth

The number of overnight stays spent in tourism accommodation activity establishments reached 4.2 million in October 2014, corresponding to a year-on-year increase¹ of 13.9% (+9.9% in September). Both residents (+12.5%) and non residents (+14.4%) contributed for this outcome with results above the ones attained in September (+10.5% and +9.7%).

The 10 main inbound markets recorded positive evolutions, with the emphasis on Italy (+31.6%), Belgium (+30.4%) and France (+23.0%).

The average stay was 2.85 (similar to October 2013) and the net bed occupancy rate stood at 45.0% (+3.4 p.p.).

Total revenue increased by 15.2% and revenue from accommodation grew by 16.3%, slightly more than in September (+13.3% and +14.1%). There was an 11.6% increase in RevPAR (+9.5% in September) corresponding to EUR 32.6.

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	Month		Accumulated	
		Oct 14	Year-on-year change rate (%)	Jan to Oct 14	Year-on-year change rate (%)
Guests	10 ³	1 486.6	14.0	14 251.0	11.9
Overnight stays	10 ³	4 244.2	13.9	41 714.4	10.8
Residents in Portugal	10 ³	951.5	12.5	12 255.4	13.1
Non residents	10 ³	3 292.7	14.4	29 459.0	9.9
Average stay	No. of nights	2.85	0.0	2.93	-1.0
Net bed occupancy rate	%	45.0	3.4 p.p.	46.8	2.7 p.p.
Total revenue	10 ⁶ €	199.7	15.2	1 987.1	12.5
Revenue from accommodation	10 ⁶ €	137.4	16.3	1 412.9	13.2
RevPAR (Average revenue per available room)	€	32.6	11.6	35.6	9.1

Guests and overnight stays consolidated growth

In October 2014, tourism accommodation establishments hosted 1.5 million guests which in turn originated 4.2 million overnight stays. These figures stood for increases of 14.0% and 13.9%, respectively, and also stood above the results of the previous month (+10.6% and +9.9%) as well as those of the period January to October (+11.9% and +10.8%).

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.

Tourist apartments recorded relevant increases in overnight stays (+18.7%), as well as hotels (+16.3%) namely five star units (+18.0%). Overnight stays in hotels represented 66.4% of the total.

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
	Oct-13	Oct-14	%
Total	3 725.0	4 244.2	13.9
Hotels	2 423.1	2 817.5	16.3
*****	491.2	579.4	18.0
****	1 156.0	1 342.5	16.1
***	542.3	627.3	15.7
** / *	233.7	268.3	14.8
Apartment hotels	558.1	614.7	10.1
*****	42.9	43.1	0.3
****	386.9	437.4	13.0
*** / **	128.3	134.3	4.7
Pousadas	37.4	41.8	11.8
Tourist apartments	313.6	372.1	18.7
Tourist villages	167.1	174.9	4.7
Other tourist establishments	225.7	223.2	-1.1

Significant increase in overnight stays from non residents

Overnight stays spent by residents (951.5 thousand) increased by 12.5%, slightly above the previous month (+10.5%) and came close to the accumulated change rate of the period January to October (+13.1%).

Overnight stays from non residents attained 3.3 million (+14.4%), a result that surpassed the ones of the previous months (+9.7% in September, +88.2% in August and +5.5% in July) and also the accumulated results of January to October (+9.9%).

It should be mentioned that the expressive growth in overnight stays might be linked with a number of international events related to nautical sports in October as well as the particularly uncommon good weather conditions favourable to leisure activities.

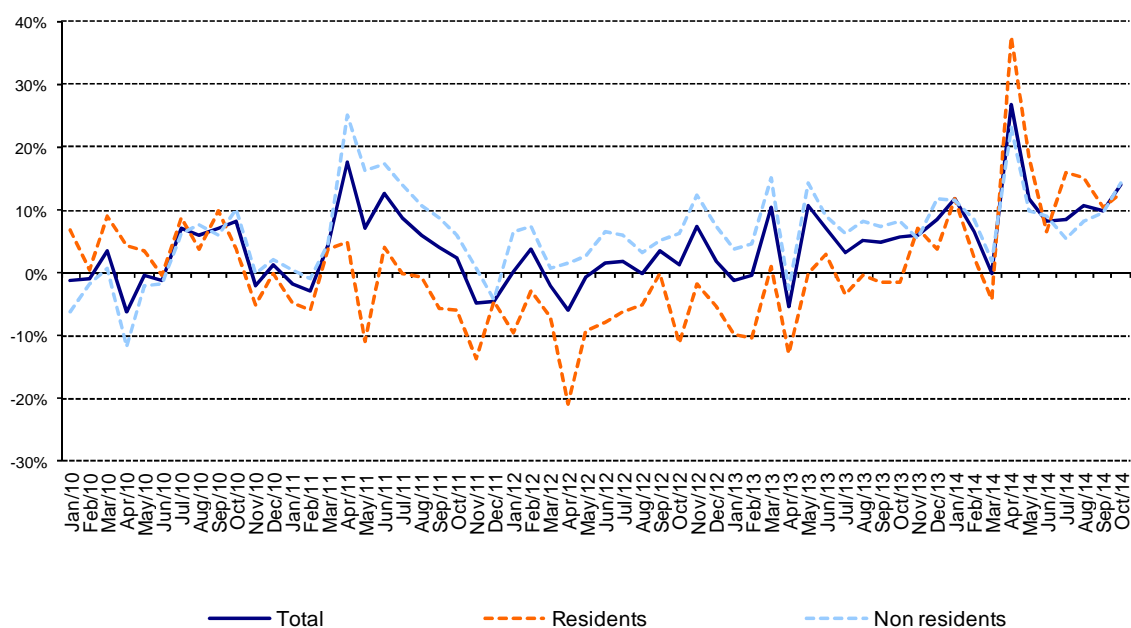
The month of October was characterized, in meteorological terms, by average temperature values much higher than normal, and was the hottest October since 1931. In the second half a heat wave occurred, which was considered as the most significant for the month of October over the last 70 years, both due to its duration (6-9 days) or its spatial extent.

Table 3. Average air temperature in October and deviation

	Air temperature (° C)					
	Mainland		North of Tejo		South of Tejo	
	Oct 13	Oct 14	Oct 13	Oct 14	Oct 13	Oct 14
Month average	17,6	18,9	16,3	17,7	19,3	20,4
Deviation (average 1971-2000)	1,4	2,7	1,0	2,5	1,7	2,8

Source: Instituto Português do Mar e da Atmosfera, IP

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



In October 2014, the group of the ten main inbound markets² accounted for 80.0% of the total overnight stays from non residents (78.6% in October 2013) and all recorded increases above 10%.

The British market (27.0% share) grew by 14.4%, the best result of the last five months. In the period January to October the growth stood at 10.5%.

Overnight stays from residents in Germany also grew (+12.0%) more than in the previous month (+8.6%), corresponding to 15.9% of the total overnight stays from non residents.

The French and Spanish markets performed similarly (+23.0% and +19.8% respectively from +21.9% and +11.2% in September). Their shares were 7.8% for France and 7.3% for Spain.

Italy and Belgium presented quite significant increases, above 30%.

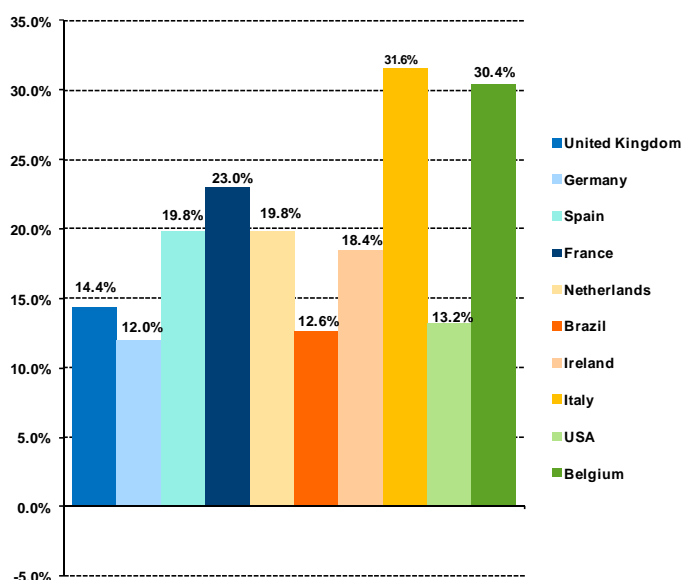
When considering the period January to October, the emphasis should be put on the evolutions of Belgium (+18.7%), France (+16.1%) and Spain (+16.0%).

² Based on 2013 results for overnight stays

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

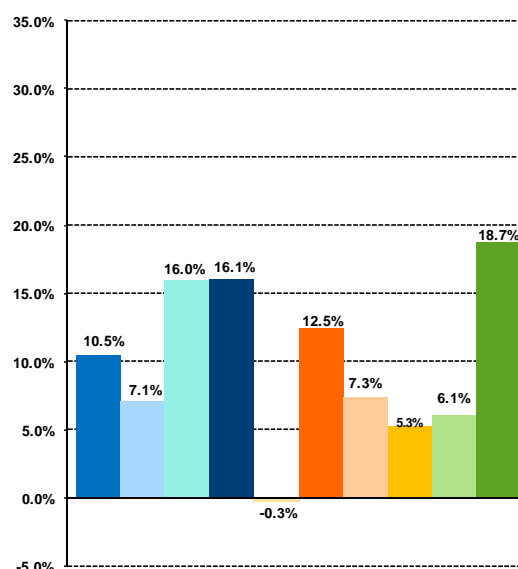
2a. Year-on-year change rate

October 2014



2b. Year-on-year change rate

January to October 2014



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

Alentejo and Algarve with considerable increases in overnight stays

While keeping the growth trend of the previous months, overnight stays spent in the Mainland regions increased considerably, more so in the Alentejo (+19.6%) and Algarve (+17.1%). Madeira recorded a growth of 5.6%, after stabilizing in the previous month, and Azores accounted for a slight reduction (-1.2%). Demand was mostly focussed in Algarve (34.9%), Lisbon (26.9%), Madeira (12.9%) and in the North (11.9%).

In the Algarve, overnight stays from residents kept increasing (+24.5% in October and +15.5% in the preceding month), as well as in the Centre (+16.7% and +11.6% in September) while in Madeira there was an interruption in the declining results from residents (+13.3% in October). In Lisbon there was a slowdown in the growth of overnight stays from residents (+9.9% in October and +13.8% in September), but it still stood as the most sought after region (24.3%).

Overnight stays from non residents kept noteworthy increases in the Mainland.

The emphasis should be put on the Alentejo which, in spite of bearing a relative weight of 1.4%, attained a growth of 40.0% in overnight stays from foreign guests (from +36.2% in September) namely from France. This region benefited from promotional campaigns and several event organizations, nautical and other. Lisbon and Algarve accounted for increases of 17.5% and 16.2% respectively and were the most sought after regions (27.7% and 40.1% respectively).

Table 4. Overnight stays by region (NUTS II)

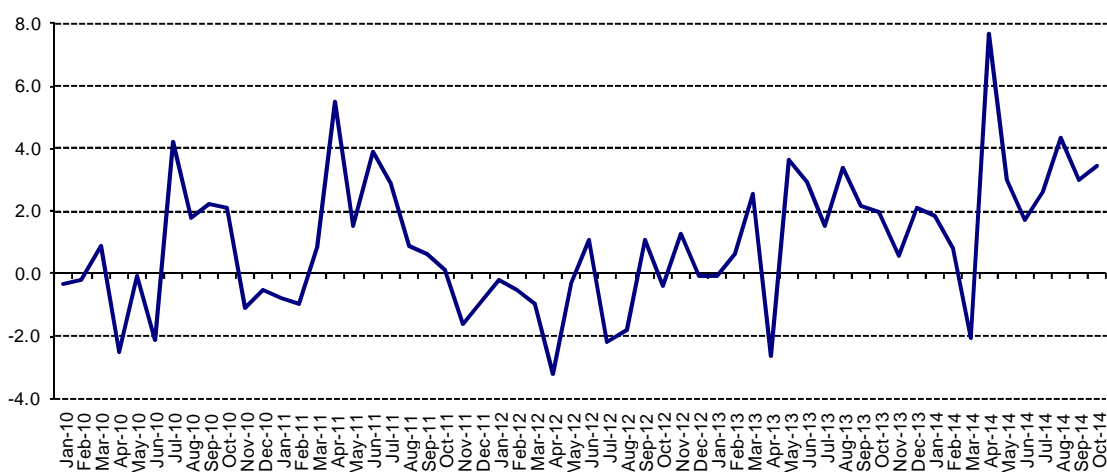
NUTS II	Overnight stays (10 ³)				Residents overnight stays (10 ³)				Non residents overnight stays (10 ³)			
	Oct 14	Year-on-year change rate (%) Oct 14	Jan to Oct 14	Year-on-year change rate (%) Jan-Oct 14	Oct 14	Year-on-year change rate (%) Oct 14	Jan to Oct 14	Year-on-year change rate (%) Jan-Oct 14	Oct 14	Year-on-year change rate (%) Oct 14	Jan to Oct 14	Year-on-year change rate (%) Jan-Oct 14
Portugal	4 244.2	13.9	41 714.4	10.8	951.5	12.5	12 255.4	13.1	3 292.7	14.4	29 459.0	9.9
North	506.9	10.8	4 726.8	10.8	225.6	7.7	2 207.4	7.7	281.3	13.4	2 519.5	13.8
Centre	372.5	16.4	3 664.1	10.3	197.6	16.7	2 102.8	9.1	174.9	16.0	1 561.3	12.1
Lisbon	1 143.5	15.8	10 142.5	14.9	231.6	9.9	2 370.7	14.2	911.9	17.5	7 771.8	15.1
Alentejo	103.6	19.6	1 171.4	18.0	56.6	6.7	758.5	12.8	47.0	40.0	412.9	28.9
Algarve	1 482.1	17.1	15 501.5	11.2	160.6	24.5	3 859.8	19.5	1 321.6	16.2	11 641.7	8.7
Azores	88.4	-1.2	979.0	-0.7	31.7	-0.4	356.5	6.1	56.7	-1.7	622.5	-4.2
Madeira	547.2	5.6	5 529.2	4.1	47.9	13.3	599.8	9.8	499.3	5.0	4 929.4	3.5

Net bed occupancy rates kept a positive evolution

In October 2014, the net bed occupancy rate in tourism accommodation establishments was 45.0% (+3.4 p.p.) almost matching the rate observed in the previous month (+3.0 p.p.).

In the period January to October 2014, this indicator stood at 46.8% (+2.7 p.p.).

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



Lisbon recorded the highest net bed occupancy rate (61.2%), which also corresponded to the highest increase (+6.4 p.p.), closely followed by Madeira with 60.1% (+1.5 p.p.). Worth noting in October the rates attained in Algarve (42.7%) and in the North (39.6%) with corresponding increases of 2.3 p.p. and 3.4 p.p.

Table 5. 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 (%)
	Oct-13	Oct-14		Oct-13	Oct-14	
Portugal	41.6	45.0	3.4	2.86	2.85	0.0
North	36.2	39.6	3.4	1.75	1.77	0.8
Centre	25.6	30.0	4.4	1.78	1.76	-1.0
Lisbon	54.9	61.2	6.4	2.35	2.42	2.9
Alentejo	23.6	26.8	3.2	1.59	1.60	0.3
Algarve	40.4	42.7	2.3	4.66	4.61	-0.9
Azores	34.2	32.6	-1.6	3.42	3.21	-6.2
Madeira	58.5	60.1	1.5	5.63	5.33	-5.4

Five star apartment hotels increased by 6.5 p.p. in occupancy rate, and it is also worth mentioning four star hotels (+5.8 p.p.) and the "pousadas" (+4.3 p.p.). The highest values in net bed occupancy rates came from five and four star hotels (56.4% and 54.8%) and also from five star apartment hotels (50.9%).

Table 6. 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 (%)
	Oct-13	Oct-14		Oct-13	Oct-14	
Total	41.6	45.0	3.4	2.86	2.85	0.0
Hotels	45.1	49.9	4.8	2.49	2.51	0.8
*****	52.8	56.4	3.6	2.77	2.83	1.9
****	49.0	54.8	5.8	2.68	2.70	0.9
***	38.5	42.7	4.2	2.24	2.23	-0.3
** / *	35.1	38.5	3.4	1.89	1.90	0.7
Apartment hotels	45.0	47.1	2.1	4.36	4.37	0.2
*****	44.4	50.9	6.5	4.61	4.83	4.7
****	46.5	49.0	2.5	4.28	4.29	0.2
*** / **	41.0	41.0	0.0	4.50	4.47	-0.8
Pousadas	38.8	43.1	4.3	1.85	1.78	-3.8
Tourist apartments	31.5	31.3	-0.2	5.48	5.23	-4.6
Tourist villages	33.3	34.5	1.2	5.43	5.61	3.3
Other tourist establishments	29.7	32.3	2.6	2.42	2.33	-3.8

Stability in average stay

The average stay was 2.85 nights in October, quite similar to the one of October 2013 (2.86 nights).

Madeira, as usual, recorded the longest stays (5.33 nights on average), followed by the Algarve (4.61) and Azores (3.21). However, these values stood for declining evolutions (-5.4%, -0.9% and -6.2%).

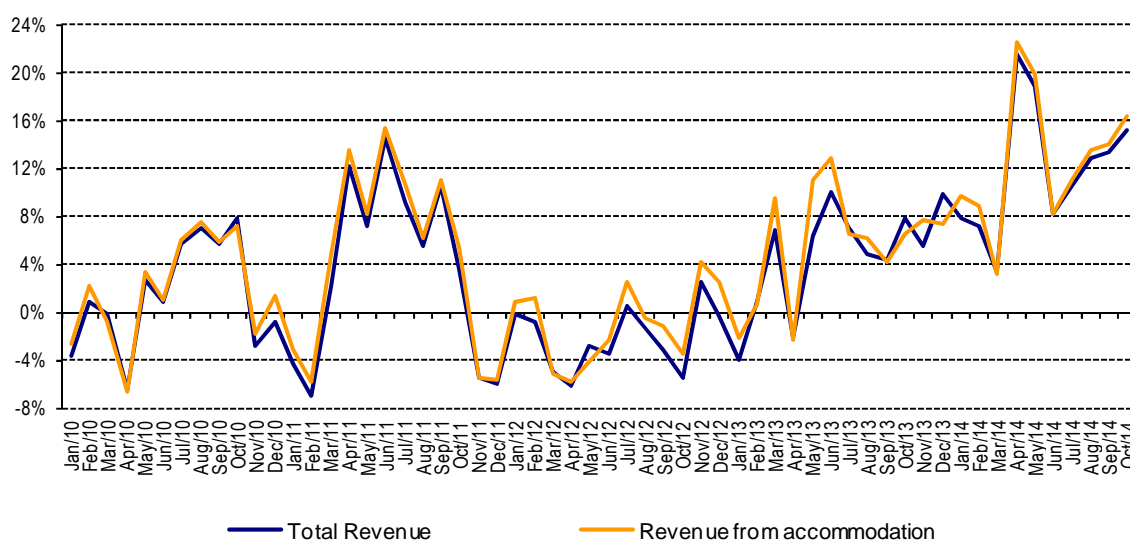
Lisbon grew the most (+2.9 p.p.), corresponding to 2.42 nights on average.

Revenue continued to grow

In October 2014, tourist accommodation establishments accounted for EUR 199.7 million in total revenue (+15.2%) and EUR 137.4 million in revenue from accommodation (+16.3%).

These results are slightly above the ones from a month earlier (+13.3% and +14.1%) and also above the total of the period January to October (+12.5% and +13.2%).

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



Lisbon had the highest increases (+18.2% in total revenue and +20.2% in revenue from accommodation). Likewise, the Algarve presented noteworthy results in revenue, similar to the ones in overnight stays. In Azores, the reduction in revenue was deeper than the slight decrease in overnight stays.

Table 7. Revenue by region (NUTS II)

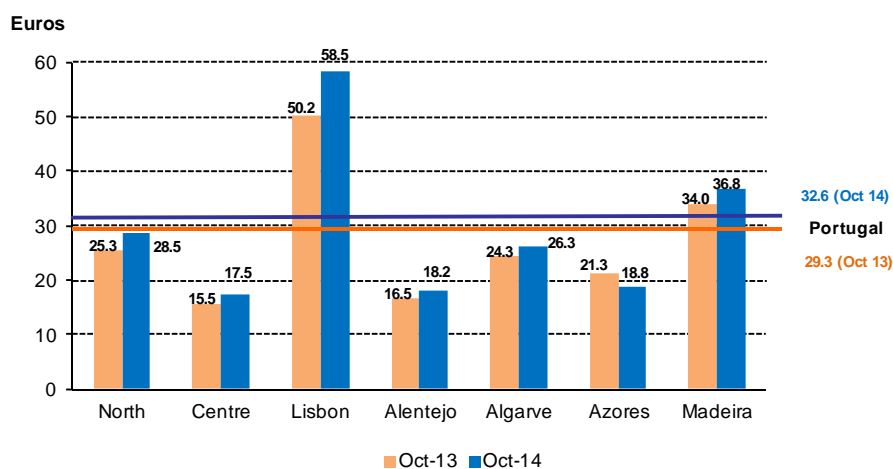
NUTS II	Total revenue (10 ⁶ euros)		Revenue from accommodation	
	Oct-14	Year-on-year change rate (%)	Oct-14	Year-on-year change rate (%)
Portugal	199.7	15.2	137.4	16.3
North	24.2	12.7	17.5	13.0
Centre	16.2	14.3	10.6	13.4
Lisbon	70.9	18.2	51.8	20.2
Alentejo	4.9	14.6	3.3	17.9
Algarve	54.0	15.9	35.6	18.0
Azores	3.4	-6.3	2.4	-8.3
Madeira	26.2	12.4	16.2	11.0

The revenue per available room (RevPAR) was EUR 32.6 in October (+11.6% compared to +9.5% in September).

Lisbon recorded the highest value in this indicator (EUR 58.5) followed by Madeira (EUR 36.8), with the former also recording the highest increase (+16.6%). The Centre and the North followed (+12.9% and +12.6%).

The Azores kept declining in revenue per available room (-11.5%).

Figure 5. Average revenue per available room



Five star hotels and "pousadas" presented noteworthy results (EUR 70.0 and EUR 48.2, respectively), corresponding to increases of 10.7% and 7.1%. Nonetheless, the highest increases came from three star hotels (+17.6%) and from two and one star category (+15.7%).

Table 8. Average revenue per available room, by type and category of the establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Oct-13	Oct-14	%
Total	29.3	32.6	11.6
Hotels	34.2	38.7	13.1
*****	63.2	70.0	10.7
****	34.1	37.8	11.1
***	21.9	25.7	17.6
** / *	19.1	22.1	15.7
Apartment hotels	26.9	27.2	1.2
*****	33.9	37.7	11.2
****	28.7	29.8	4.0
*** / **	19.7	17.2	-12.4
Pousadas	45.0	48.2	7.1
Tourist apartments	13.5	15.2	12.4
Tourist villages	19.8	20.3	2.7
Other tourist establishments	16.9	19.2	13.4

Camping sites and holiday camps

In October 2014, camping sites hosted 74.8 thousand campers and recorded 269.3 thousand overnight stays. These figures stood for remarkable increases of 21.0% and 22.7%, respectively. Overnight stays from residents represented 59.0% of the total and have increased by 15.7% with the number of campers also increasing (+15.3%). Non residents presented a positive evolution as well but even more so (+30.2% campers and +34.5% overnight stays).

The average stay was 3.60 nights (+1.4%), with quite similar results from residents (3.62 nights) and non residents (3.57 nights).

This outcome comes in contrast with the ones from recent months, namely September, which had the number of campers reduced by 6.7% and a slight change in overnight stays (+1.5%). Worth noting the change in behaviour of residents (+15.7% overnight stays in October from -0.8% in September) somehow related to good weather conditions favouring the practice of camping.

Holiday camps and youth hostels also presented positive evolutions. The number of guests stood at 23.7 thousand and overnight stays totalled 43.9 thousand (+2.2% and +1.9%, respectively). Non residents contributed expressively for this outcome (27.5% more overnight stays) since residents kept declining (-8.5%).

The average stay was 1.85 nights in October, slightly below (-0.4%) the one from October 2013.

Table 9. Camping sites, holiday camps and youth hostels, by origin of the guests, October 2014

	Unit	Camping sites				Holiday camps and youth hostels			
		Total	Year-on-year change rate (%) oct 14	Residents	Non residents	Total	Year-on-year change rate (%) oct 14	Residents	Non residents
Campers / Guests	10 ³	74.8	21.0	43.9	30.9	23.7	2.2	15.0	8.7
Overnight stays	10 ³	269.3	22.7	158.9	110.4	43.9	1.9	28.1	15.8
Average stay	no. nights	3.60	1.4	3.62	3.57	1.85	-0.4	1.87	1.81

EXPLANATORY NOTES

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

2014 – September and October – preliminary data; January to August – 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 Aug 14	-0.48 p.p.	-0.51 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: 19 January 2015