15 December 2015

Tourism activity

October 2015

Stable results in overnight stays and total revenue

Hotel establishments recorded 4.5 million overnight stays in October 2015, corresponding to a year-on-year increase[1] of 6.9%, slightly above the result of September (+6.2%). The external markets accelerated (from +6.6% in September to +8.3% in October), contrary to the growth of the internal market (from +5.0% to +2.3%).

The average stay (2.75 nights) kept declining (-2.8%), while the occupancy rate (47.9%) recorded an increase of 2.5 p.p.

Total revenue increased by 14.4% (+14.7% in September) and revenue from accommodation also increased by 14.9% (+16.9% in the previous month).

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	Month		Accumulated	
		Oct-15	Year-on-year change rate (%)	Jan to Oct 15	Tvh (%)
Guests	10^3	1 635.4	10.0	15 461.4	8.7
Overnight stays	10^3	4 489.8	6.9	44 137.2	6.4
Residents in Portugal	10^3	990.1	2.3	12 847.6	4.9
Residents abroad	10^3	3 499.6	8.3	31 289.6	7.1
Average stay	no. of nights	2.75	-2.8	2.85	-2.1
Net bed occupancy rate	%	47.9	2.5 p.p.	49.1	2.1 p.p.
Total revenue	EUR 10^6	228.1	14.4	2 236.1	13.1
Revenue from accommodation	EUR 10^6	157.7	14.9	1 614.3	14.6
RevPAR (Average revenue per available room)	EUR	37.7	14.6	40.1	13.0

Stable evolution in the number of guests and overnight stays

In October 2015, tourism accommodation establishments recorded 1.6 million guests and 4.5 million overnight stays, which resulted in increases of 10.0% and 6.9% respectively. This outcome was similar to the one of the preceding month (+10.7% and +6.2%) and to the one of the period January to October (+8.7% and +6.4%).

[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.

The tourist apartments presented a noteworthy growth in overnight stays (+15.8%), also worth mentioning the *"pousadas"* (+9.8%), tourist villages (+9.3%) and hotels (+7.5%). In the latter, all categories showed increases above 6% in overnight stays.

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

Unit: 10^3

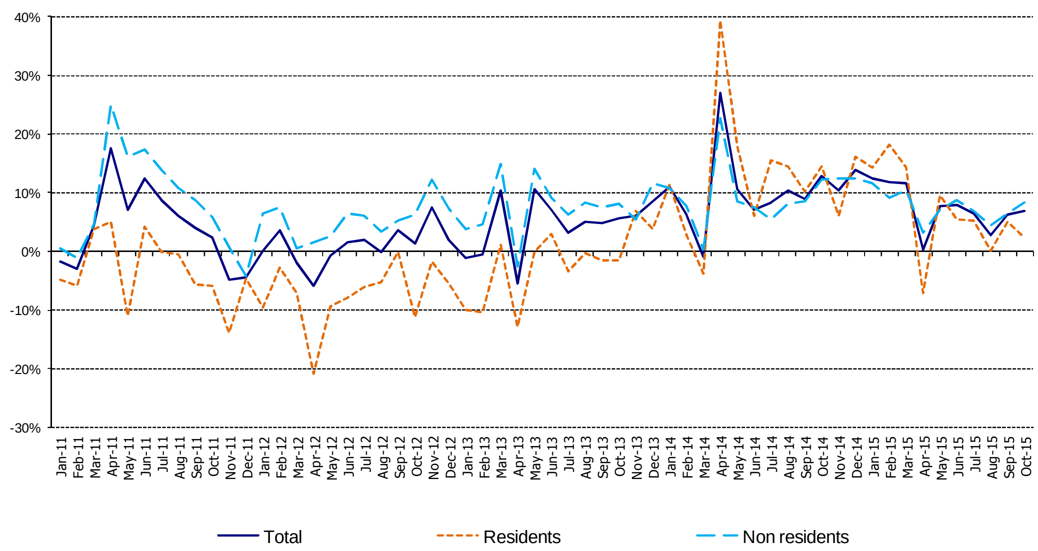
Type of establishment and category	Overnight stays		Year-on-year change rate
	Oct-14	Oct-15	%
Total	**4 200.7**	**4 489.8**	**6.9**
Hotels	**2 807.5**	**3 017.8**	**7.5**
*****	565.3	610.1	7.9
****	1 342.8	1 445.3	7.6
***	631.0	671.0	6.3
** / *	268.5	291.4	8.5
Apartment hotels	**601.7**	**599.9**	**-0.3**
*****	44.0	34.5	-21.7
****	424.3	437.6	3.1
*** / **	133.5	127.8	-4.2
Pousadas	**41.8**	**45.9**	**9.8**
Tourist apartments	**351.2**	**406.6**	**15.8**
Tourist villages	**174.8**	**191.0**	**9.3**
Other tourist establishments	**223.7**	**228.7**	**2.2**

Overnight stays from external markets accelerate

Overnight stays from residents (990.1 thousand) increased by 2.3%, slowing down when compared with the preceding month (+5.0%) and trending below the accumulated results of the period January to October (+4.9%).

The external markets contributed with 3.5 million overnight stays (+8.3%). This result surpassed the one from the latest months (+6.6% in September and +4.5% in August), coming close to the one of June (+8.8%). In the first ten months of the year, overnight stays from non residents increased by 7.1%.

Figure1. Month-on-month change rates



The ten main inbound markets[2] have slightly increased their share (80.0% from 79.7% in October 2014).

The British market presented a noteworthy increase in overnight stays (+12.4%), only surpassed by the one recorded in July (+12.9%). In terms of share there was also an increase (27.7%, with 26.7% in October 2014).

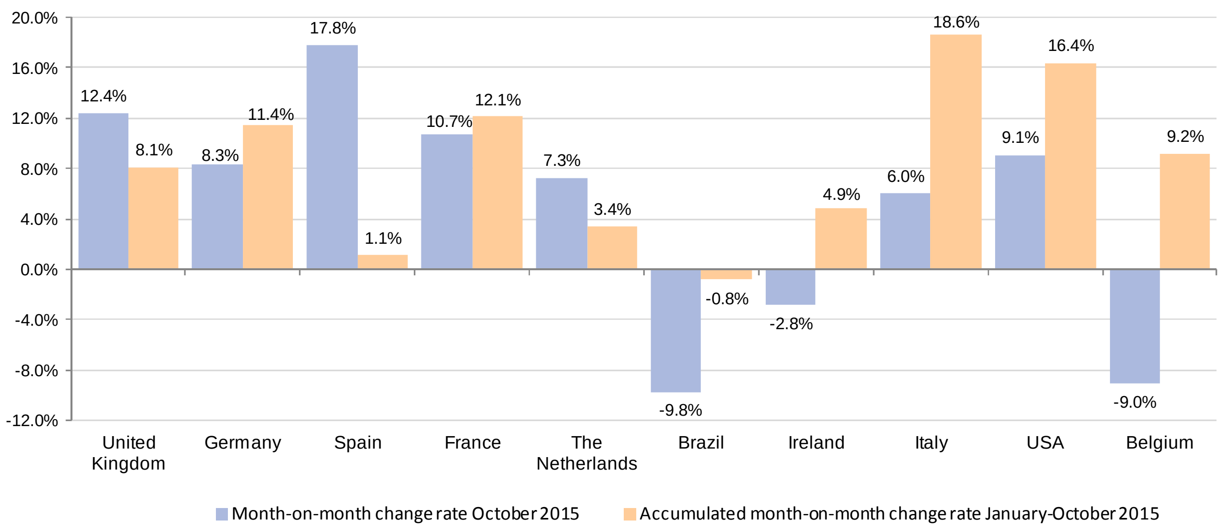
The German market (+8.3%) slowed down slightly in view of the most recent months (+9.5% in September and +13.3% in August). The share for this market stood at 15.8%.

The Spanish and the French markets presented significant increases (+17.8% and +10.7%) and a relative weight of approximately 8% for both. The result from the Spanish market largely surpassed the one from the latest months (+0.7% in September and -2.3% in August).

On the contrary, Brazil, Belgium and Ireland showed declining evolutions (-9.8%, -9.0% and -2.8% respectively) although in terms of the accumulated results in the first ten months of the year only Brazil recorded a slight decrease (-0.8%).

When considering the evolution of these markets since the beginning of the year, the emphasis should be put on Italy and the USA (+18.6% and +16.4% of overnight stays respectively).

Figure 2. Overnight stays by main inbound markets:
Month-on-month and accumulated month-on-month change rates



2 Based on overnight stays in 2014

Azores and the North with outstanding increases in overnight stays

As in the preceding month, overnight stays have increased in all regions, more so in the Azores (+21.9%) and in the North (+14.9%). There were no changes concerning the ranking of the main destinations: Algarve (34.1%), Lisbon (26.4%), North (12.8%) and Madeira (12.5%).

The internal market kept a mostly positive evolution, although slowing down in relation to the preceding month. The Azores (+45.7% from +47.3% in September) and the North (+8.7% with +14.9% in the preceding month) stood out. In Madeira there were signs of a recovery (+4.0% from -7.8% in September).

In terms of overnight stays in the Algarve spent by residents, there was a deepening of the declining results of the latest months (-12.6% in October, -3.0% in September and -6.6% in August).

The regions with the highest number of overnight stays were Lisbon (25.3%), the North (24.5%) and the Centre (20.5%).

The number of overnight stays from non residents increased in all regions, with a greater impact on the Alentejo (+21.1%), the North (+19.9%) and the Centre (+18.6%). In the Algarve, the evolution of the external markets (+7.8%) was determinant for the overall result of the region since the internal market presented a decline. The Algarve was the main destination for non residents (39.8% of overnight stays), followed by Lisbon (26.7%) and Madeira (14.6%).

Table 3. Overnight stays by region (NUTS II)

Unit: 10^3

NUTS II	Total of overnight stays				Overnight stays from residents				Overnight stays from non residents			
	Oct-15		Jan to Oct 15		Oct-15		Jan to Oct 15		Oct-15		Jan to Oct 15	
	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Portugal	**4 489.8**	**6.9**	**44 137.2**	**6.4**	**990.1**	**2.3**	**12 847.6**	**4.9**	**3 499.6**	**8.3**	**31 289.6**	**7.1**
North	574.5	14.9	5 383.0	14.1	242.4	8.7	2 463.4	10.6	332.1	19.9	2 919.6	17.2
Centre	417.7	9.7	4 063.0	10.5	202.5	1.6	2 304.9	10.7	215.2	18.6	1 758.1	10.4
M. A. Lisbon	1185.8	3.7	10 799.3	6.8	250.9	1.0	2 528.6	5.2	934.9	4.5	8 270.7	7.3
Alentejo	115.0	8.9	1 302.2	11.8	62.4	0.4	844.0	11.1	52.5	21.1	458.2	13.0
Algarve	1529.0	5.6	15 649.5	2.2	137.9	-12.6	3 667.0	-3.9	1 391.1	7.8	11 982.5	4.3
A. R. Azores	107.7	21.9	1 157.2	18.2	46.1	45.7	471.6	32.3	61.6	8.6	685.6	10.1
A. R. Madeira	560.2	4.6	5 783.1	4.8	48.0	4.0	568.1	-6.6	512.2	4.7	5 214.9	6.3

Reduction in average stay

The average stays (2.75 nights) stood below the one of the preceding month.

For this outcome, the Centre (-4.4%) and the Algarve (-4.2%) contributed the most. The Alentejo and Madeira were the only regions with increases in this indicator (+3.5% and +2.0% respectively).

In the period January to October, the average stay was 2.85 nights (-2.1%).

Table 4. Average stay and net bed occupancy rate by region (NUTS II)

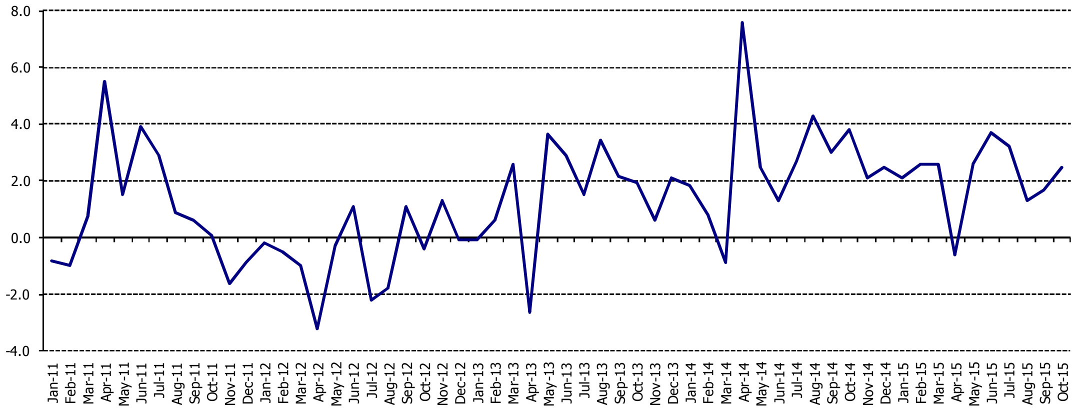
NUTS II	Average stay (No. of nights)		Year-on-year change rate (%)	Occupancy rate %		Year-on-year variation (p.p.)
	Oct-14	Oct-15		Oct-14	Oct-15	
Portugal	**2.82**	**2.75**	**-2.8**	**45.4**	**47.9**	**2.5**
North	1.77	1.77	-0.1	39.2	43.4	4.3
Centre	1.78	1.71	-4.4	30.2	33.3	3.1
M. A. Lisbon	2.34	2.29	-2.2	61.8	60.9	-0.9
Alentejo	1.60	1.65	3.5	27.2	29.7	2.6
Algarve	4.68	4.49	-4.2	43.7	46.1	2.4
A. R. Azores	3.21	3.10	-3.4	32.6	39.2	6.7
A. R. Madeira	5.32	5.43	2.0	60.2	64.8	4.6

Occupancy rates with consolidated growth

The net bed occupancy rate was 47.9% (+2.5 p.p.) and stood above the ones recorded in the latest months (+1.7 p.p. in September and +1.3 p.p. in August).

In the period January to October, the occupancy rate was 49.1% (+2.1 p.p.).

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



The highest net bed occupancy rates came from Madeira and Lisbon (64.8% and 60.9% respectively).

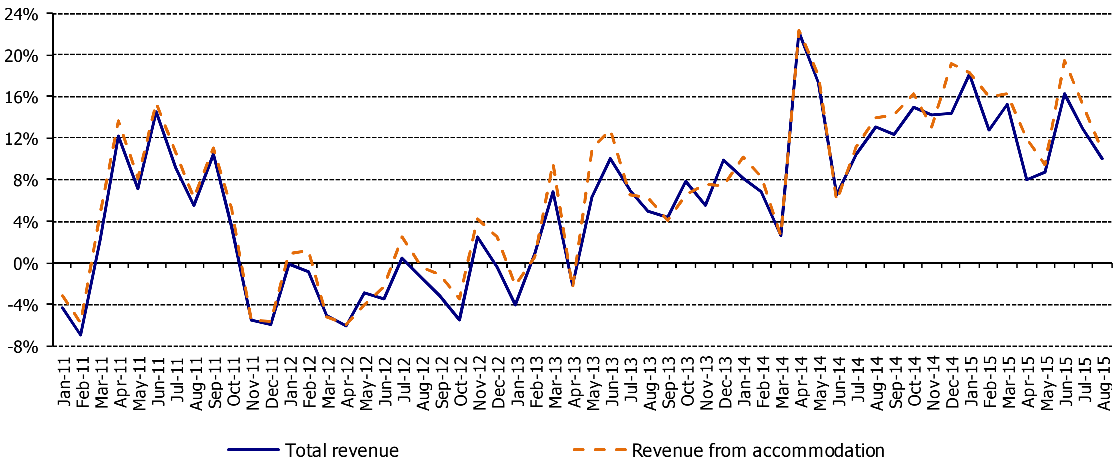
Lisbon presented a slight reduction (-0.9 p.p.) while all the remaining regions recorded increases, more so the Azores (+6.7 p.p.) and Madeira (+4.6 p.p.).

Significant increases in revenue

Total revenue from hotel accommodation activity establishments amounted to EUR 228.1 million and revenue from accommodation reached EUR 157.7 million, corresponding to increases of 14.4% and 14.9% respectively. Results from total revenue stood slightly below the ones from the preceding month (+14.7%), with a sharper slow down in revenue from accommodation (+16.9% in September).

Considering the period January to October, total revenue increased by 13.1% and revenue from accommodation by 1.6%.

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



All regions presented quite considerable increases in revenue, above the ones recorded in overnight stays. Results from revenue in October stood below the ones of September, particularly in Lisbon (+11.9% from +15.5% in total revenue; +12.7% from +17.6% in revenue from accommodation).

Table 5. Revenue by region (NUTS II)

Unit: EUR 10^6

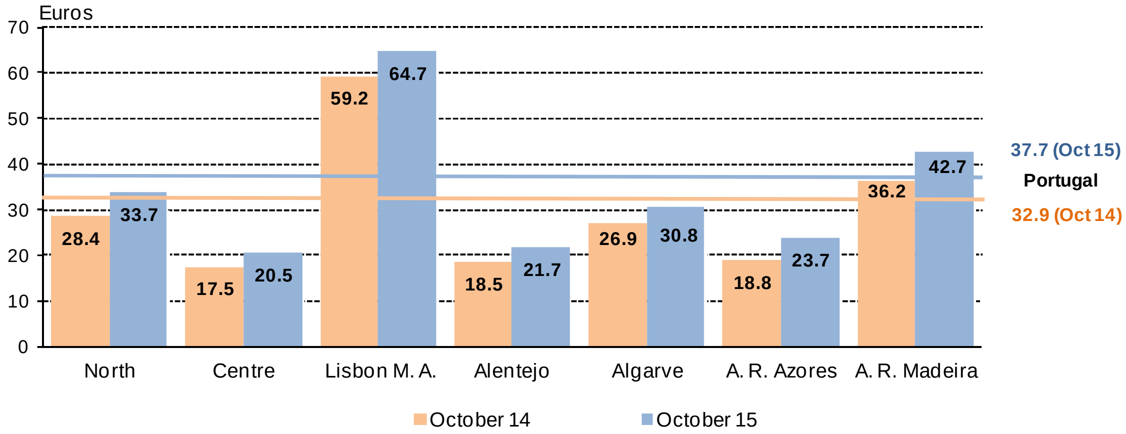
NUTS II	Total revenue		Revenue from accommodation	
	Oct-15	Year-on-year change rate (%)	Oct-15	Year-on-year change rate (%)
Portugal	**228.1**	**14.4**	**157.7**	**14.9**
North	28.9	19.6	21.4	23.2
Centre	19.3	15.7	12.3	14.0
M. A. Lisbon	79.9	11.9	59.0	12.7
Alentejo	5.8	12.5	4.0	17.6
Algarve	61.6	15.3	40.2	13.3
A. R. Azores	4.3	27.6	3.1	26.2
A. R. Madeira	28.3	12.7	17.8	14.5

In October, the average revenue per available room (RevPAR) was EUR 37.7 (+14.6%).

Lisbon recorded the highest value in this indicator (EUR 64.7), followed by Madeira (EUR 42.7).

The evolution in October was overall positive, more so in the Azores (+26.4%) and in the North (+18.5%).

Figure 5. Average revenue per available room



Five star hotels and apartment hotels and also the *"pousadas"* recorded the highest RevPAR values which, in the case of the *"pousadas"* also corresponded to the largest increase (EUR 59.8; +25.2%).

Also worth referring the increases recorded in tourist apartments (+22.3%) and in five star apartment hotels (+21.1%).

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Oct-14	Oct-15	%
Total	**32.9**	**37.7**	**14.6**
Hotels	**38.6**	**43.8**	**13.5**
*****	70.2	79.6	13.4
****	38.3	43.2	12.8
***	25.1	28.9	15.2
** / *	22.0	24.9	13.4
Apartment hotels	**28.0**	**30.8**	**9.8**
*****	38.3	46.4	21.1
****	29.7	31.9	7.5
*** / **	20.5	23.7	15.9
Pousadas	**47.8**	**59.8**	**25.2**
Tourist apartments	**15.3**	**18.7**	**22.3**
Tourist villages	**21.9**	**25.4**	**16.2**
Other tourist establishments	**19.3**	**22.3**	**15.5**

Camping sites and holiday camps

In October 2015, the camping sites hosted 74.8 thousand campers which originated 268.0 thousand overnight stays corresponding to an increase in number of campers (+1.5%) but to a reduction in the number of overnight stays

(-2.4%). This evolution stood quite below the one observed in September (+16.3% and +11.7% respectively). Residents were the sole contributors for the results in overnight stays (-5.6%), since the external markets kept a positive evolution (+2.4%). The average stay declined (3.58 nights; -3.8%), even more so in the case of non residents (3.20 nights; -7.0%).

Holiday camps and youth hostels welcomed 23.6 thousand guests, roughly the same number in comparison with the same month of the preceding year (-0.1%). The number of overnight stays (44.9 thousand) has slightly increased by 2.4%, with the average stay also increasing (1.91 nights; +2.5%).

Table 7. Camping, holiday camps and youth hostels by origin of the guests

Month: October 2015

	Unit	Camping sites						Holiday camps and youth hostels					
		Total	Year-on-year change rate (%)	Residents	Year-on-year change rate (%)	Non residents	Year-on-year change rate (%)	Total	Year-on-year change rate (%)	Residents	Year-on-year change rate (%)	Non residents	Year-on-year change rate (%)
Campers / Guests	10^3	74.8	1.5	40.0	-5.0	34.7	10.2	23.6	-0.1	16.3	8.6	7.3	-15.3
Overnight stays	10^3	268.0	-2.4	156.9	-5.6	111.1	2.4	44.9	2.4	30.6	4.6	14.3	-2.1
Average stay	no. nights	3.58	-3.8	3.92	-0.6	3.20	-7.0	1.91	2.5	1.88	-3.7	1.96	15.7

EXPLANATORY NOTES

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

2015 – September and October – preliminary data; January to August – provisional data.

2014 – 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 15	0.0 p.p.	+0.4 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.

In order to simplify the language, the term "foreigner" might be used instead of "non resident".

The "Lisbon Metropolitan Area" (Lisbon M. A.) is referred to in the text as "Lisbon".

ABBREVIATIONS

RevPAR – Revenue per Available Room

Date of next press release: 14 January 2016