January,16th 2017

Tourism Activity

November 2016

Overnight stays from non residents grew close to 20%

Hotel establishments recorded 1.1 million guests and 2.9 million overnight stays in November 2016, figures that relate to year-on-year increases[1] of 12.6% and 14.7% respectively (+13.1% and +12.8% from October). The internal market slowed down quite significantly (+3.9% compared to +13.0% in the preceding month), in contrast with the acceleration in external markets (+19.5% in November and +12.7% in October), with the contribution of an important international event which took place in Lisbon.

The average stay (2.56 nights) increased slightly (+1.9%), while the net bed occupancy rate went up 3.8 p.p. to 34.8%.

The evolution of revenue was quite considerable (+23.6% in total revenue and +26.2% in revenue from accommodation) and surpassed the figures of the preceding month (+20.4% and +21.8%).

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	October		November		Jan to Nov 16	
		Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Guests	10^3	1 830.7	13.1	1 126.5	12.6	17 995.7	9.9
Overnight stays	10^3	5 035.3	12.8	2 887.1	14.7	51 023.9	9.5
Residents in Portugal	10^3	1 129.1	13.0	797.1	3.9	14 326.3	5.2
Residents abroad	10^3	3 906.2	12.7	2 090.1	19.5	36 697.6	11.3
Average stay	no. of nights	2.75	-0.3	2.56	1.9	2.84	-0.4
Net bed occupancy rate	%	51.4	3.7 p.p.	34.8	3.8 p.p.	50.2	2.4 p.p.
Total revenue	EUR 10^6	271.6	20.4	153.7	23.6	2 764.1	17.1
Revenue from accommodation	EUR 10^6	191.3	21.8	106.2	26.2	2 006.8	18.1
RevPAR (Average revenue per available room)	EUR	43.9	16.4	28.1	23.2	44.3	13.6

Acceleration in overnight stays

In November 2016, tourism accommodation establishments hosted 1.1 million guests and recorded 2.9 million overnight stays (+12.6% and +14.7%) with a slight slowdown in the number of guests (+13.1% in October) and acceleration in overnight stays (+12.8% in the preceding month).

In the period January to November the increases were less expressive (+9.9% and +9.5% respectively).

[1] Unless stated otherwise, the change rates presented in this press release correspond to year-on-year change rates.

Hotels, with a considerable increase (+16.7%), namely in four star units (+21.9%), presented an increase in their respective share (73.6% of total overnight stays, from 72.4% in November 2015). The results from the *"pousadas"* (+21.1%) and from apartment hotels (+17.2%) are also worth noting.

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

Unit: 10^3

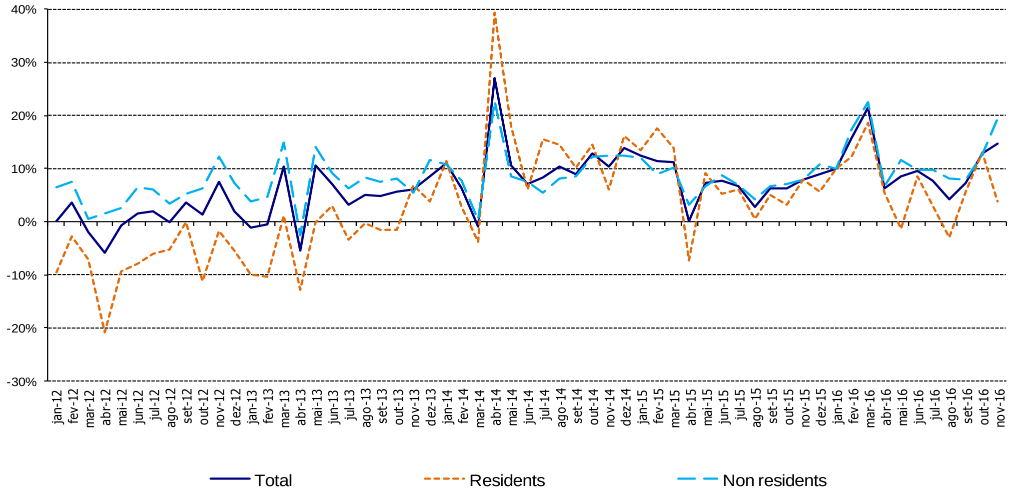
Type of establishment and category	Overnight stays			Year-on-year change rates (%)	
	Nov-15	Nov-16	Jan to Nov 16	Nov-16	Jan to Nov 16
Total	**2 516,1**	**2 887,1**	**51 023,9**	**14,7**	**9,5**
Hotels	**1 820,8**	**2 124,8**	**34 272,2**	**16,7**	**11,8**
*****	348,1	400,4	6 653,7	15,0	9,4
****	856,6	1 044,0	16 777,6	21,9	14,0
***	415,9	459,4	7 472,3	10,5	9,2
** / *	200,1	220,9	3 368,7	10,4	11,9
Apartment hotels	**305,8**	**358,5**	**7 260,3**	**17,2**	**9,4**
*****	21,1	23,6	429,4	11,9	- 2,7
****	220,0	257,2	5 204,8	16,9	10,8
*** / **	64,8	77,7	1 626,1	20,0	8,3
Pousadas	**25,1**	**30,4**	**505,6**	**21,1**	**10,1**
Tourist apartments	**137,6**	**135,2**	**4 419,7**	**-1,7**	**- 0,2**
Tourist villages	**80,5**	**93,2**	**2 326,2**	**15,7**	**13,6**
Other tourist establishments	**146,2**	**144,9**	**2 239,9**	**-0,9**	**- 5,4**

Steep increases in the external markets

The internal market, with 797.1 thousand overnight stays, slowed down strongly (+3.9% in November, from +13.0% in October).The external markets presented a significant growth in overnight stays (+19.5%; 2.1 million), surpassing the figures of the preceding months (+12.7% in October and +7.9% in September).

When considering the first eleven months of the year, there were increases of 5.2% in overnight stays from residents and 11.3% in overnight stays of non residents.

Figure 1. Overnight stays - Month-on-month change rates



Positive evolution of the main markets

The thirteen main inbound markets[2] concentrated 81.5% of overnight stays of non residents (as in November 2015) and presented an overall positive evolution.

The United Kingdom with a share of 19.2% accelerated outstandingly (+13.9% in overnight stays from +4.1% in October), although not reaching the increases of the first four months of the year. In the accumulated period January to November the increase in overnight stays stood at 9.6%.

The German market (16.8% of overnight stays of non residents), presented an equivalent raise to the one in the preceding month (+13.6%), having overnight stays increased by 9.7% in the first eleven months of the year.

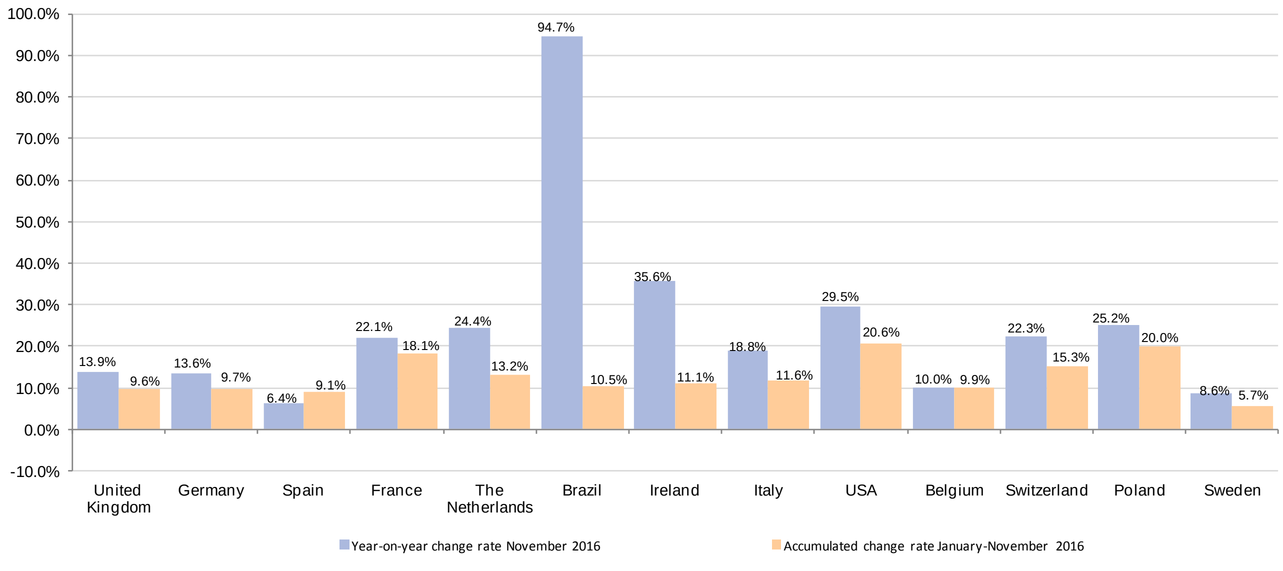
Overnight stays of the Spanish market increased by 6.4%, above the results of October (+2.7%) and September (+4.2%), but below the accumulated result of the first eleven months (+9.1%). Being the third largest market in November, its weight declined (8.2% from 9.2% in November 2015).

France kept a quite strong positive evolution (+22.1%), however below the one in October (+31.9%); it stood for 7.7% of overnight stays of non residents, slightly changing compared with the same month of the preceding year (7.5%).

It should be highlighted the growth of the Brazilian market (+94.7%) even though comparing with quite unfavorable results of the same month a year earlier (-20.1%). Therefore, the representativeness of this market grew from 3.9% in November 2015 to 6.3% in November 2016, with strengthened demand namely through tourist operators.

The evolutions of the Irish (+35.6%) and the North American (+29.5%) markets also stood out.

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



[2] Based on overnight stays in 2015

Overnight stays of non residents grew close to 20% and accelerated 9.8 p.p. in MA Lisbon

All regions presented increases in overnight stays, more so in the Azores (+25.0%), Algarve (+19.5%), Lisbon (+15.6%) and in the North (+15.2%). The most sought after region was Lisbon (31.3% of the total), followed by the Algarve (22.2%) and Madeira (17.4%).

The evolution of the internal market stood higher in Madeira (+14.7%), also worth mentioning the Algarve (+8.9%). The Azores and Lisbon presented no major changes. Residents mostly chose Lisbon (26.9% of overnight stays of the internal market), the North (25.8%) and the Centre (20.4%).

Overnight stays of non residents increased steeply in all regions, mainly in the Azores (+59.6%), the North (+27.1%), Lisbon (+21.5%) and in the Algarve (+21.4%). Lisbon was the most sought after region (32.9%), followed by the Algarve (26.5%) and Madeira (22.3%).

It should be mentioned that the increase of overnight stays in Lisbon from non residents was the largest since February 2015 (+22.1%) and corresponded to an acceleration of 9.8 p.p. when comparing to the preceding month. These results from November are in close relation to an important international event, which may have had impact in other regions of the country.

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			
	Nov-16		Jan to Nov 16		Nov-16		Jan to Nov 16		Nov-16		Jan to Nov 16	
	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	**2 887.1**	**14.7**	**51 023.9**	**9.5**	**797.1**	**3.9**	**14 326.3**	**5.2**	**2 090.1**	**19.5**	**36 697.6**	**11.3**
North	425.1	15.2	6 462.4	12.9	205.5	4.8	2 837.5	7.0	219.5	27.1	3 624.9	18.0
Centre	258.0	7.3	4 662.4	9.5	162.5	3.3	2 600.4	7.6	95.5	14.9	2 062.1	12.1
Lisbon M. A.	902.3	15.6	12 368.2	7.0	214.6	-0.1	2 803.3	2.3	687.7	21.5	9 564.9	8.4
Alentejo	80.9	6.3	1 507.7	11.0	54.9	6.4	983.1	11.2	26.0	6.2	524.5	10.7
Algarve	640.5	19.5	17 650.4	8.9	86.9	8.9	3 755.8	-0.6	553.6	21.4	13 894.7	11.8
A. R. Azores	78.8	25.0	1 487.4	21.9	36.6	0.0	601.1	18.3	42.2	59.6	886.3	24.5
A. R. Madeira	501.5	11.1	6 885.4	9.7	35.9	14.7	745.1	15.8	465.5	10.9	6 140.3	9.1

Recovery in average stay

The average stay increased by 1.9% and stood at 2.56 nights, interrupting the negative trend of the last two months (-0.3% in October and -1.0% in September).

In the period January to November the evolution of this indicator was negative (-0.4%; 2.84 nights).

The Autonomous Regions recorded high average stays (5.68 nights in Madeira and 2.99 nights in the Azores), also worth mentioning the Algarve (4.23 nights).

The Azores recorded the largest increase in overnight stays (+10.8%), while in the Alentejo it declined by 3.1%.

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

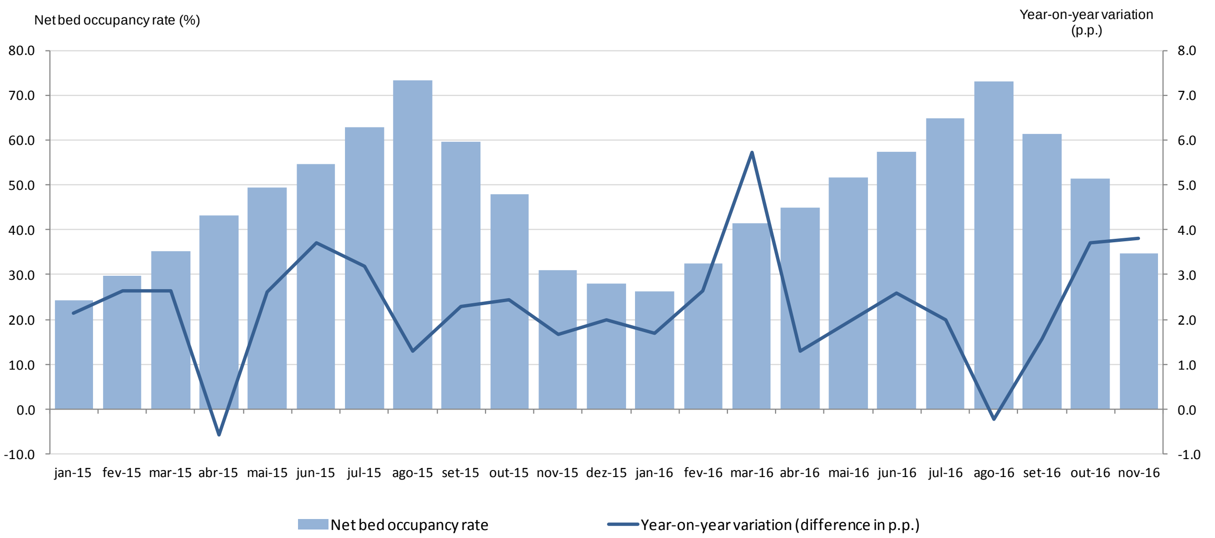
NUTS II	Average stay (No. of nights) Nov-15	Average stay (No. of nights) Nov-16	Average stay Year-on-year change rate (%)	Occupancy rate % Nov-15	Occupancy rate % Nov-16	Occupancy rate Year-on-year variation (p.p.)
Portugal	**2.52**	**2.56**	**1.9**	**31.0**	**34.8**	**3.8**
North	1.65	1.73	4.9	29.0	33.6	4.6
Centre	1.61	1.60	-0.7	20.7	21.2	0.5
Lisbon M. A.	2.22	2.24	1.1	40.8	46.3	5.5
Alentejo	1.66	1.61	-3.1	22.0	21.3	-0.7
Algarve	4.29	4.23	-1.2	22.6	26.9	4.3
A. R. Azores	2.70	2.99	10.8	25.5	28.2	2.7
A. R. Madeira	5.61	5.68	1.2	55.8	61.0	5.3

Occupancy rate kept increasing

The net bed occupancy rate stood at 34.8%, corresponding to an increase of 3.8 p.p., similar to the one of the preceding month (+3.7 p.p.).

When considering the first eleven months of the year, the occupancy rate was 50.2% (+2.4 p.p.).

Figure 3. Net bed occupancy rate



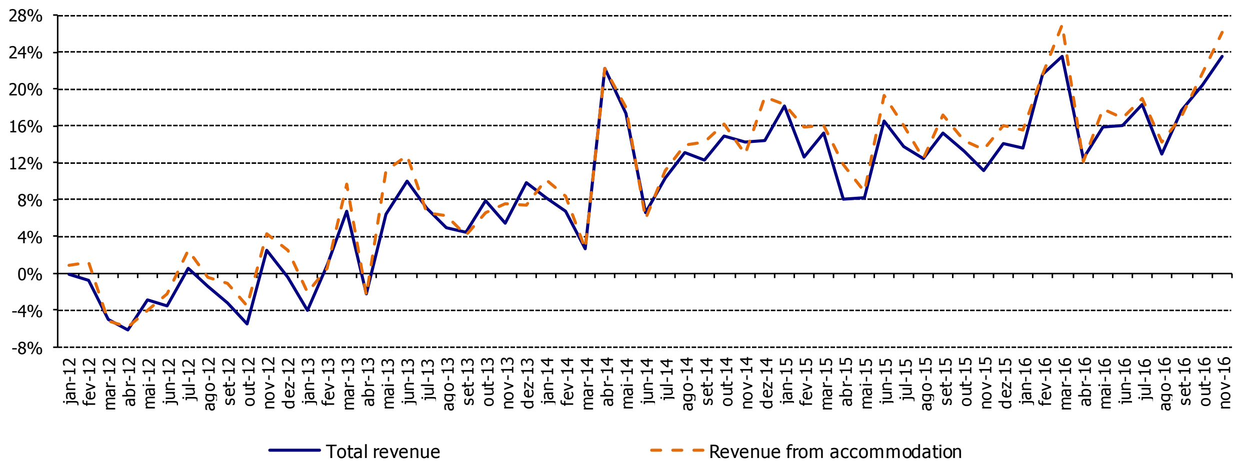
The highest net bed occupancy rates occurred in Madeira (61.0%), Lisbon (46.3%) and in the North (33.6%), with Lisbon and Madeira achieving the largest increases (+5.5 p.p. and +5.3 p.p.). The Alentejo was the only region with a declining evolution (-0.7 p.p.).

Significant raise in revenue

Total revenue from hotel accommodation activity amounted to EUR 153.7 million and revenue from accommodation amounted to EUR 106.2 million (+23.6% and +26.2%), accelerating compared to the preceding month (+20.4% and +21.8%).

In the period January to November, the evolution was not as expressive (+17.1% in total revenue and +18.1% in revenue from accommodation).

Figure 4. Total revenue and total revenue from accommodation- Year-on-year change rate



All regions presented significant increases, mainly in Lisbon (+30.6% in total revenue and +34.4% in revenue from accommodation, vis-à-vis +17.6% and +18.4% in October), also worth mentioning the North (+23.5% and +28.0%) and the Algarve (+25.5% and +26.5%).

Table 5. Revenue by region (NUTS II)

Unit: EUR 10^6

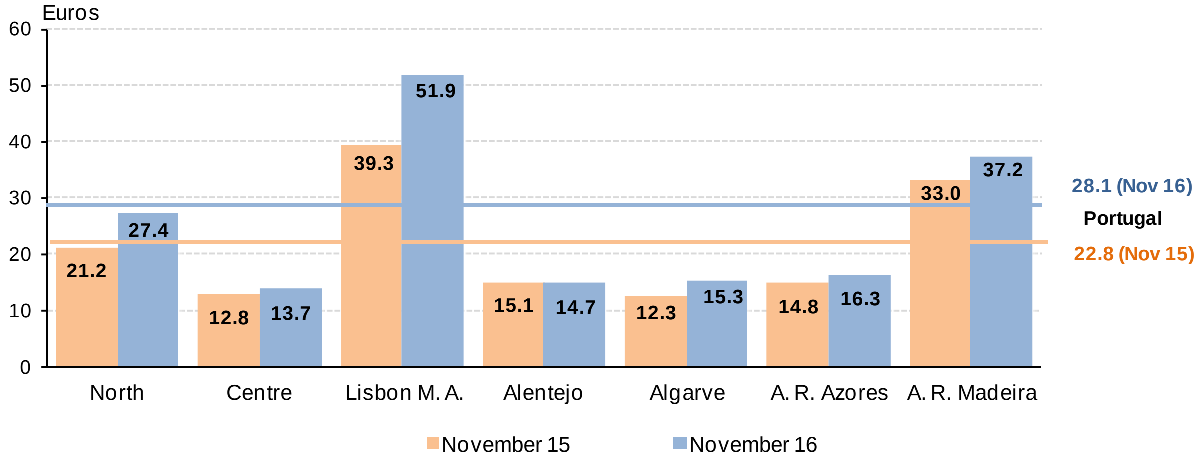
NUTS II	Total revenue		Revenue from accommodation	
	Nov-16	Year-on-year change rate (%)	Nov-16	Year-on-year change rate (%)
Portugal	**153.7**	**23.6**	**106.2**	**26.2**
North	22.5	23.5	16.5	28.0
Centre	12.2	11.0	8.0	11.8
Lisbon M. A.	64.4	30.6	47.2	34.4
Alentejo	4.0	9.5	2.6	7.2
Algarve	23.6	25.5	14.9	26.5
A. R. Azores	3.1	26.0	2.1	23.2
A. R. Madeira	23.9	14.3	14.8	14.3

The average revenue per available room (RevPAR) recorded a noteworthy increase (+23.2%; EUR 28.1), above the ones recorded in the most recent months (+16.4% in October and +12.1% in September).

When considering the first eleven months of the year, RevPAR stood at EUR 44.3 (+13.6%).

Lisbon was the region with the highest RevPAR (EUR 51.9) and with the largest increase (+31.8%). The regions of the North and the Algarve stood out with increases of 29.3% and 24.2% respectively.

Figure 5. Average revenue per available room



Among the various categories, four and five star hotels stood out with steep increases in RevPAR (28.8% and 20.2%) to EUR 33.4 and EUR 57.4; also worth referring the raises in three and two star apartment hotels (+19.0%) and in tourist apartments (+18.9%).

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Nov-15	Nov-16	%
Total	**22.8**	**28.1**	**23.2**
Hotels	**26.6**	**32.8**	**23.5**
*****	47.8	57.4	20.2
****	25.9	33.4	28.8
***	18.1	20.9	15.7
** / *	17.0	19.5	14.6
Apartment hotels	**17.6**	**20.6**	**17.0**
*****	19.3	19.2	-0.1
****	19.5	22.6	15.5
*** / **	12.2	14.6	19.0
Pousadas	**30.3**	**34.0**	**12.3**
Tourist apartments	**8.5**	**10.1**	**18.9**
Tourist villages	**11.6**	**11.8**	**0.9**
Other tourist establishments	**15.2**	**18.3**	**20.6**

Camping sites and holiday camps

In November 2016, camping sites hosted 43.3 thousand campers and recorded 187.2 thousand overnight stays to which corresponded increases of 8.0% and 17.4% respectively. The evolution of overnight stays resulted from the contribution of both residents (+16.1%) and non residents (+18.8%), with the internal market having a 53.2% share.

The average stay has increased (+8.7%, 4.32 nights), more so as regards the internal market (+9.7%; 3.61 nights).

Results from holiday camps and youth hostels kept declining with reductions of 6.4% in guests (14.7 thousand) and 1.1% in overnight stays (30.1 thousand). Overnight stays from residents stood for 75.6% of the total and declined by 6.8%, contrary to the evolution of the external markets (+22.0% of overnight stays).

The average stay (2.04 nights) increased by 5.6% with the main contribution of the internal market (+6.1%; 2.00 nights).

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

nov 16	Unit	Camping sites						Holiday camps and youth hostels					
		Total	Y-o-y change rate (%)	Residents	Y-o-y change rate (%)	Non residents	Y-o-y change rate (%)	Total	Y-o-y change rate (%)	Residents	Y-o-y change rate (%)	Non residents	Y-o-y change rate (%)
Campers / Guests	10^3	43.3	8.0	27.5	5.9	15.8	11.9	14.7	-6.4	11.3	-12.2	3.4	20.3
Overnight stays	10^3	187.2	17.4	99.6	16.1	87.7	18.8	30.1	-1.1	22.7	-6.8	7.3	22.0
Average stay	no. nights	4.32	8.7	3.61	9.7	5.56	6.2	2.04	5.6	2.00	6.1	2.17	1.4

EXPLANATORY NOTES

Data disseminated in this "Press Release" includes tourism accommodation establishments in operation, in each reference period, and refers to:

2016 – November: preliminary results; January to October: provisional results.

2015 – January to December: final results.

Note: Beginning January 2016, preliminary data is revised in the month immediately after (then becoming provisional data), with final data still becoming available when the dissemination of annual data occurs.

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. These effective responses include situations of suspended activity (seasonal, temporarily for other reasons or definitive) not duly reported, resulting on substitution of estimates by null result, a situation with higher occurrence during the low season.

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 Oct 16	+0.1 p.p.	+0.1 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 might 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 in the text as "Lisbon".

ABBREVIATIONS

RevPAR – Revenue per Available Room

Date of next press release: 15th February 2017