

Tourism Activity

December 2016

**Preliminary results for 2016:  
increases of 5.2% and 11.4% in overnight stays from residents and non residents**

Hotel establishments recorded 1.1 million guests and 2.5 million overnight stays in **December 2016**, figures that relate to year-on-year increases<sup>1</sup> of 8.1% and 11.0%, respectively, below the ones of November (+12.9% and +14.9%). Overnights stays of the internal market increased by 5.0%, in line with the outcome of the previous month (+5.3%), while the external markets slowed down (+14.8%) comparing with November (+19.2%), partly influenced by an important international event that occurred in November.

The average stay increased (+2.7%; 2.35 nights), as well as the net bed occupancy rate (+1.7 p.p.; 29.8%).

Results from revenue were expressive (+15.1% in total revenue and +16.1% in revenue from accommodation) although slowing down (+24.1% and +26.6% in November).

Considering the **year 2016 as a whole** (preliminary data), hotel establishments recorded 19.1 million guests and 53.5 million overnight stays, corresponding to increases of 9.8% and 9.6% respectively (**+8.1%** and **+6.5%** in **2015**). The internal market contributed with 15.2 million overnight stays (+5.2%) and the external markets with 38.3 million (+11.4%). Non resident guests accounted for 71.5% of total overnight stays (70.4% in the previous year). Total revenue increased by 17.0% and revenue from accommodation by 18.0%, overcoming the previous year's growth (+13.0% and +14.7% in 2015).

**Table 1. Global preliminary results from tourism activity**

Global preliminary results	Unit	November		December		Jan to Dec 16	
		Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Guests	10 <sup>3</sup>	1 129.3	12.9	1 060.8	8.1	19 059.3	9.8
Overnight stays	10 <sup>3</sup>	2 891.8	14.9	2 497.8	11.0	53 526.4	9.6
Residents in Portugal	10 <sup>3</sup>	808.1	5.3	901.5	5.0	15 238.8	5.2
Residents abroad	10 <sup>3</sup>	2 083.7	19.2	1 596.3	14.8	38 287.6	11.4
Average stay	no. of nights	2.56	1.8	2.35	2.7	2.81	-0.2
Net bed occupancy rate	%	34.8	3.9 p.p.	29.8	1.7 p.p.	48.6	2.4 p.p.
Total revenue	EUR 10 <sup>6</sup>	154.3	24.1	136.0	15.1	2 900.7	17.0
Revenue from accommodation	EUR 10 <sup>6</sup>	106.5	26.6	89.8	16.1	2 096.8	18.0
RevPAR (Average revenue per available room)	EUR	28.1	23.3	23.4	10.5	42.6	13.4

<sup>1</sup> Unless stated otherwise, the change rates presented in this press release correspond to year-on-year change rates.

## Guests and overnight stays decelerated

In December 2016, hotel establishments welcomed 1.1 million guests (+8.1%) which spent 2.5 million overnight stays (+11.0%), slowing down in view of the results of November (+12.9% and +14.9%).

Overnight stays in hotels (72.7% of the total) recorded an increase of 12.7%, with the emphasis on four star units (+16.4%). The evolution of apartment hotels was also worthy of mention (+13.6%, with a weight of 12.2% in total overnight stays), as well as the "pousadas" (+20.4%).

Considering preliminary results of **2016**, the number of guests attained 19.1 million and overnight stays stood at 53.5 million (+9.8% and +9.6%), an evolution that surpassed the one of the previous year (+8.1% and +6.5%), especially in the case of overnight stays (+3.1 p.p.), revealing longer stays.

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

Unit: 10<sup>3</sup>

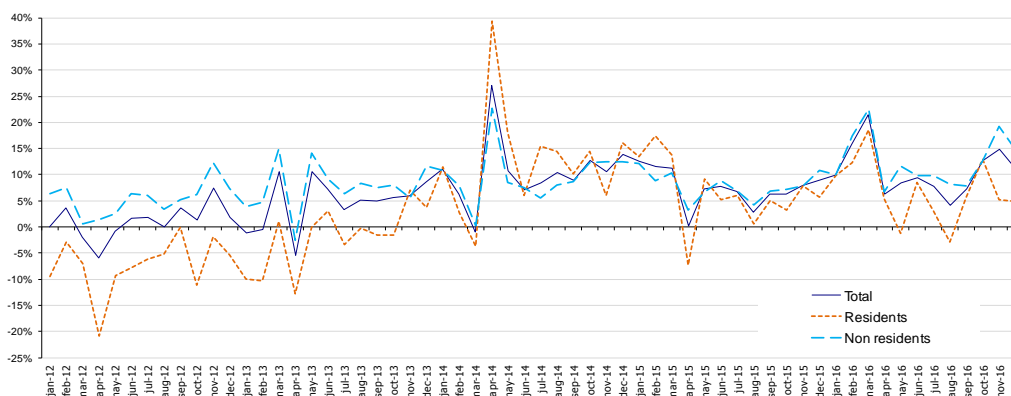
Type of establishment and category	Overnight stays			Year-on-year change rates (%)	
	Dec-15	Dec-16	Jan to Dec 16	Dec-16	Jan to Dec 16
<b>Total</b>	<b>2 249.7</b>	<b>2 497.8</b>	<b>53 526.4</b>	<b>11.0</b>	<b>9.6</b>
<b>Hotels</b>	<b>1 610.7</b>	<b>1 815.1</b>	<b>36 094.6</b>	<b>12.7</b>	<b>11.9</b>
*****	291.3	310.6	6 964.8	6.6	9.3
****	758.0	882.2	17 663.8	16.4	14.1
***	377.0	412.3	7 885.6	9.4	9.2
** / *	184.4	210.0	3 580.4	13.9	12.0
<b>Apartment hotels</b>	<b>267.8</b>	<b>304.1</b>	<b>7 563.8</b>	<b>13.6</b>	<b>9.5</b>
*****	18.1	19.5	448.9	7.8	- 2.3
****	185.9	207.5	5 411.6	11.6	10.8
*** / **	63.7	77.1	1 703.2	21.0	8.8
<b>Pousadas</b>	<b>30.3</b>	<b>36.4</b>	<b>542.0</b>	<b>20.4</b>	<b>10.7</b>
<b>Tourist apartments</b>	<b>127.9</b>	<b>128.1</b>	<b>4 546.8</b>	<b>0.1</b>	<b>- 0.2</b>
<b>Tourist villages</b>	<b>76.8</b>	<b>83.7</b>	<b>2 410.1</b>	<b>9.1</b>	<b>13.4</b>
<b>Other tourist establishments</b>	<b>136.3</b>	<b>130.3</b>	<b>2 369.2</b>	<b>-4.4</b>	<b>- 5.4</b>

## Overnight stays from non residents with expressive increase

Overnight stays of residents (901.5 thousand) increased by 5.0%, in line with the previous month (+5.3%).

The external markets presented greater dynamic, with an increase of 14.8% in December (1.6 million overnight stays), in 2016 only surpassed in November (+19.2%, a month with an important international event in Lisbon), March (+22.6%, Easter month mismatched with the previous year) and February (+17.4%).

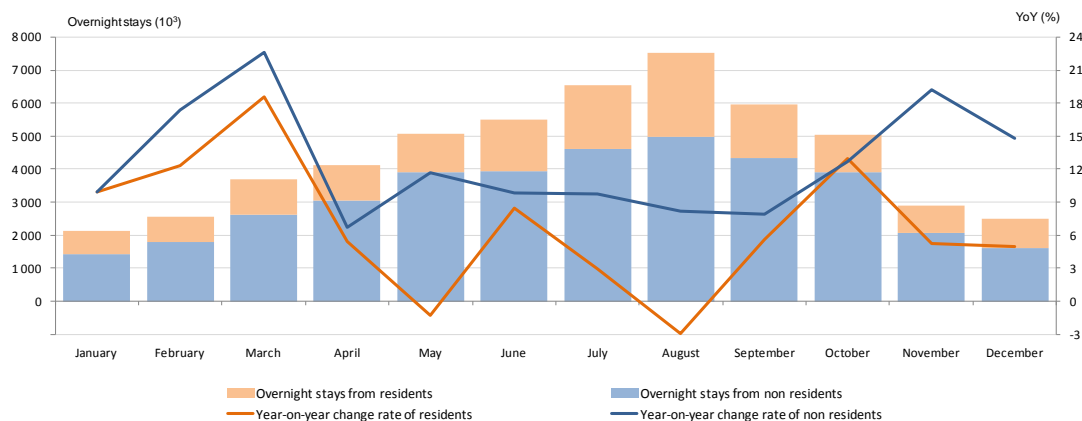
**Figure 1. Overnight stays - Month-on-month change rates**



In the **whole year 2016** the internal market attained 15.2 million overnight stays (+5.2%), close to the previous year (+5.1%).

The external markets accelerated from +7.1% in 2015 to +11.4% in 2016, corresponding to 53.5 million overnight stays in 2016 and generating an addition of 3.9 million overnight stays facing 2015.

**Figure 2. Overnight stays and month-on-month rate changes in 2016**



Considering the evolution of overnight stays in the last ten years, results from 2016 when compared to those of 2006 were higher by 23.4% for residents and by 51.8% for non residents. In 2006, overnight stays of non residents accounted for 67.1% of the total, while in 2016 this weight increased to 71.5%.

**Figure 3. Overnight stays and rate changes 2006-2016**



**Overnight stays with annual growth of 18% for France and close to 10% for UK and Germany**

The thirteen main inbound markets<sup>2</sup> represented 82.9% of overnight stays of non residents in December and presented mostly positive results.

The United Kingdom (18.9% of the total of non residents) accelerated at the end of the year (+15.8% from +13.5% in November). In annual terms, this market held a 23.9% share and grew by 9.8% (+9.5% in 2015).

<sup>2</sup> Based on preliminary results for overnight stays in 2016

Overnight stays of the Spanish market declined by 3.8% in December, contrary to the results of the latest months (+6.2% in November). Its weight declined from 16.9% in December 2015 to 14.2% in December 2016, however being the second largest market in December. In 2016 it presented an 8.2% growth, above the one of 2015 (+3.0%).

Germany (13.3% of the total) decelerated slightly in December (+12.5% from +14.2% in November). The annual evolution showed a raise of 9.8%, close to the one of the previous year (+9.9%).

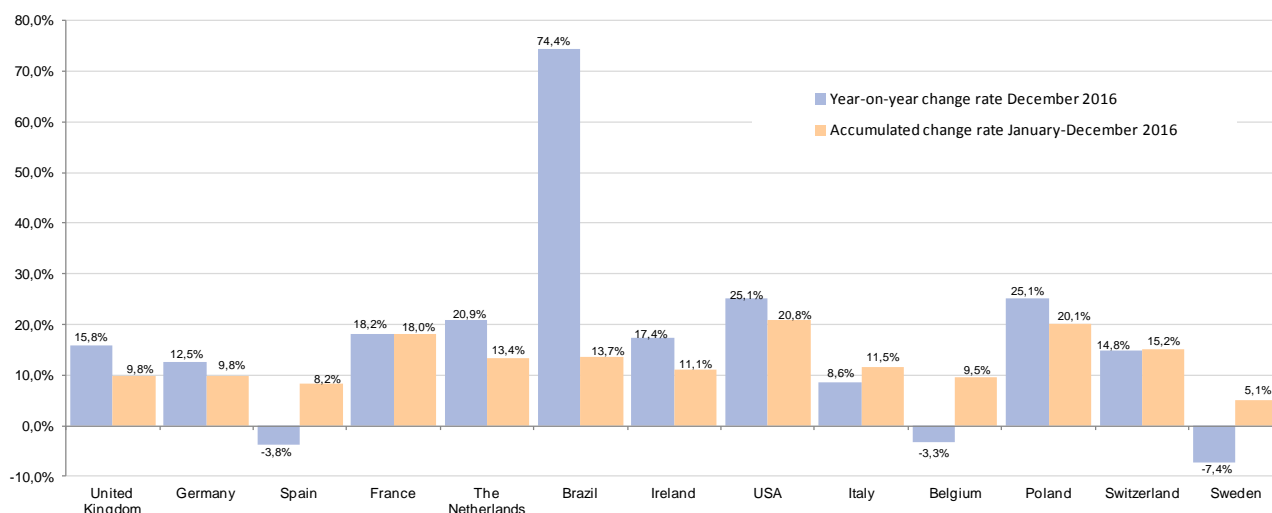
The French market, with an 8.5% share, kept a quite significant growth in December (+18.2%; +20.9% in November). In 2016 there was a visible acceleration in overnight stays of this market (+18.0% from +10.9% in 2015).

As in the previous month, Brazil stood out with a notable increase (+74.4%), also worth referring the United States and Poland (+25.1% in both), as well as the Netherlands (+20.9%). In annual terms, the emphasis went to the North American and Polish markets (+20.8% and +20.1% respectively), while the Brazilian and Dutch markets had increases of 13.7% and +13.4%, respectively.

In December, it is also worth referring the increases in overnight stays of guests from Ireland (17.4%) and Switzerland (+14.8%), with annual raises of 11.1% and 15.2%. Sweden had the most significant reduction in December (-7.4%), being the country, among the main ones, with the lower annual growth in 2016 (+5.1%).

Preliminary results for 2016 present the same set of thirteen most relevant countries as in 2015, but the USA has surpassed Italy, like Poland towards Switzerland.

**Figure 4. Overnight stays by main inbound markets: year-on-year and accumulated change rates**



## Overnight stays increased in all regions

All regions presented increases in overnight stays, more so in the Algarve (+13.1%), the Centre (+12.8%) and the North (+11.9%). The AR Azores (+2.2%) recorded a steep slow down (+26.6% in November). Overnight stays were mainly concentrated in MA Lisbon (31.0% of the total), Algarve (18.7%), the North (17.0%) and AR Madeira (16.7%).

Overnight stays of residents increased considerably in the Alentejo (+14.3%) and in the Centre (+10.8%). The remaining regions also presented positive results but in a lesser expression, such as the Algarve (+3.5%) and MA Lisbon (+1.7%). The North was the most sought after region by residents (25.8% of overnight stays of the internal market), followed by MA Lisbon (24.6%) and the Centre (22.9%).

Considering the evolution of the external markets, the emphasis went to the growth in the North (+25.3%), and also the Centre (+18.8%), Algarve (+16.3%) and MA Lisboa (+14.6%). It should be mentioned that in November the growth, in the latter region, of overnight stays of non-residents, reached 21.5%, reflecting the aforementioned international event. The AR Azores had an increase of 3.8% and Alentejo declined by 7.5%.

In December, non residents mostly preferred MA Lisbon (34.7%), AR Madeira (23.5%) and Algarve (22.5%).

Considering **the whole of 2016**, overnight stays increased in all regions, with the emphasis on the AR Azores (+21.1%; +19.8% in 2015), the North (+12.8%; +13.0% in the preceding year) and Alentejo (+10.8%; +10.2% in 2015).

In the three main tourist destinations, the increases in overnight stays in 2016 surpassed the ones of the previous year, having been 9.0% in the Algarve (+2.7% in 2015), 7.2% in MA Lisbon (+6.4% in the preceding year) and 9.8% in AR Madeira (+6.2% in 2015).

In 2016, the number of overnight stays increased by 4.7 million, with the main contributions of the Algarve (31.9% of the increase in overnight stays), MA Lisbon (18.9%), North (16.8%) and AR Madeira (14.0%).

**Table 3. Overnight stays by region (NUTS II)**

Unit: 10<sup>3</sup>

NUTS II	Total of overnight stays				Overnight stays from residents				Overnight stays from non residents			
	Dec-16		Jan to Dec 16		Dec-16		Jan to Dec 16		Dec-16		Jan to Dec 16	
	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)
<b>Portugal</b>	<b>2 497.8</b>	<b>11.0</b>	<b>53 526.4</b>	<b>9.6</b>	<b>901.5</b>	<b>5.0</b>	<b>15 238.8</b>	<b>5.2</b>	<b>1 596.3</b>	<b>14.8</b>	<b>38 287.6</b>	<b>11.4</b>
North	424.0	11.9	6 886.4	12.8	232.5	2.8	3 073.3	6.8	191.5	25.3	3 813.2	18.2
Centre	280.3	12.8	4 943.9	9.7	206.8	10.8	2 809.6	7.9	73.5	18.8	2 134.3	12.3
Lisbon MA	775.2	10.6	13 147.3	7.2	221.5	1.7	3 029.0	2.4	553.6	14.6	10 118.3	8.7
Alentejo	78.5	8.5	1 584.4	10.8	60.7	14.3	1 043.1	11.3	17.7	-7.5	541.3	9.8
Algarve	466.7	13.1	18 111.9	9.0	106.8	3.5	3 863.4	-0.5	359.9	16.3	14 248.4	11.9
AR Azores	55.1	2.2	1 543.6	21.1	30.6	1.0	632.9	17.5	24.5	3.8	910.7	23.8
AR Madeira	418.0	9.4	7 308.9	9.8	42.6	2.5	787.5	15.0	375.5	10.2	6 521.4	9.2

## Strengthened growth in average stay

The average stay (2.35 nights) increased by 2.7%, reinforcing the result of the previous month (+1.8%).

In AR Madeira this indicator reached 5.33 nights, however with decline (-0.3%). The Algarve (3.82 nights) recorded the largest increase (+5.0%), followed by the North (+3.7%).

In **2016**, the average stay was 2.81 nights, with a slight 0.2% decline, from -1.5% in 2015 and -1.2% in 2014.

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

NUTS II	Average stay			Occupancy rate		
	No. of nights		Y-o-y change rate (%)	%		Y-o-y variation (p.p.)
	Dec-15	Dec-16		Dec-15	Dec-16	
Portugal	2.29	2.35	2.7	28.1	29.8	1.7
North	1.63	1.69	3.7	29.1	31.1	2.0
Centre	1.52	1.57	2.8	20.7	23.0	2.3
Lisbon MA	2.10	2.15	2.5	36.3	37.8	1.5
Alentejo	1.59	1.62	2.0	19.2	19.9	0.6
Algarve	3.64	3.82	5.0	19.7	21.1	1.4
AR Azores	2.58	2.59	0.3	21.2	19.4	-1.8
AR Madeira	5.35	5.33	-0.3	45.7	48.9	3.2

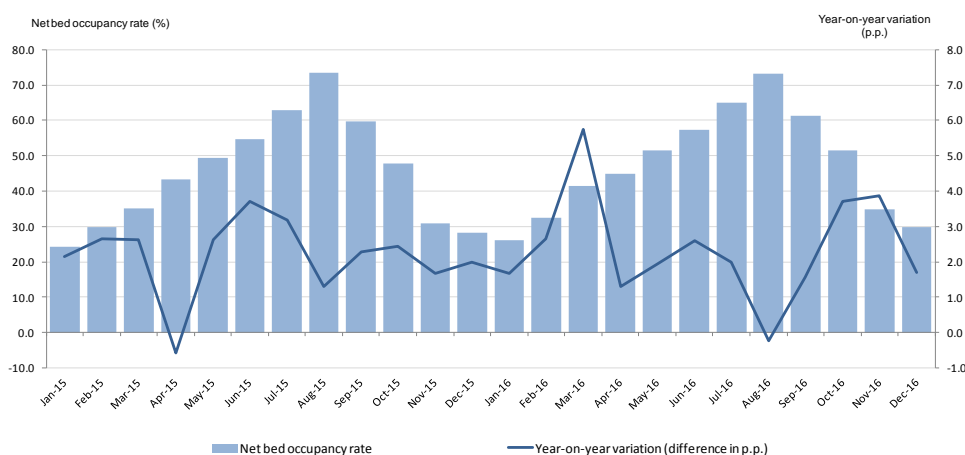
## Occupancy rate kept increasing

The net bed occupancy rate (29.8%) had an evolution of +1.7 p.p., slowing down compared with the previous month (+3.9 p.p.).

This indicator recorded results to be underlined in AR Madeira (48.9%), MA Lisbon (37.8%) and the North (31.1%). AR Madeira had a remarkable increase (+3.2 p.p.) and other regions stood out such as the Centre (+2.3 p.p.) and the North (+2.0 p.p.).

In **2016**, the net occupancy rate stood at 48.6% (+2.4 p.p.), with an increase close to the result of the previous year (+2.3 p.p.).

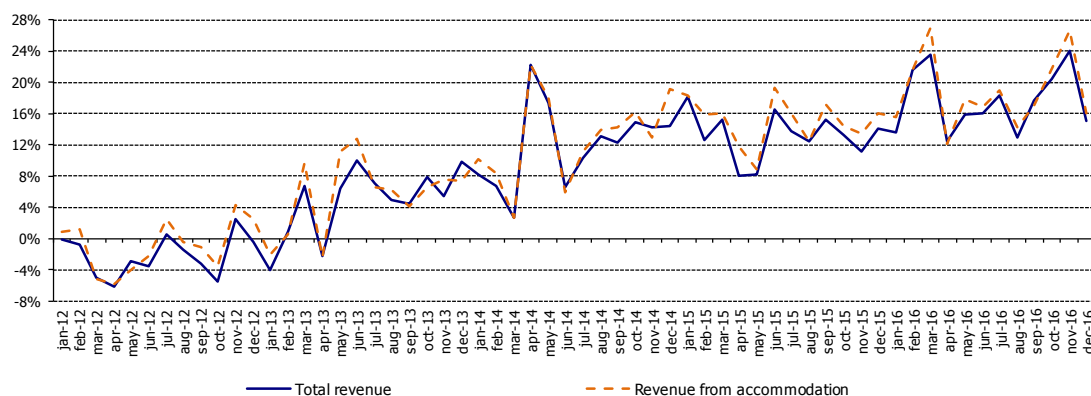
**Figure 5. Net bed occupancy rate**



## Revenue slowed down

Total revenue from hotel accommodation activity amounted to EUR 136.0 million and revenue from accommodation corresponded to EUR 89.8 million (+15.1% and +16.1%), slowing down compared to the preceding month (+24.1% and +26.6%).

**Figure 6. Total revenue and total revenue from accommodation- Year-on-year change rate**



All regions presented increases in revenue, especially the North (+19.6% in total revenue and +21.7% in revenue from accommodation) and the Algarve (+19.9% and +20.8%).

In **2016**, total revenue increased by 17.0% and revenue from accommodation by 18.0%, surpassing the results of 2015 (+13.0% and +14.7% respectively).

**Table 5. Revenue by region (NUTS II)**

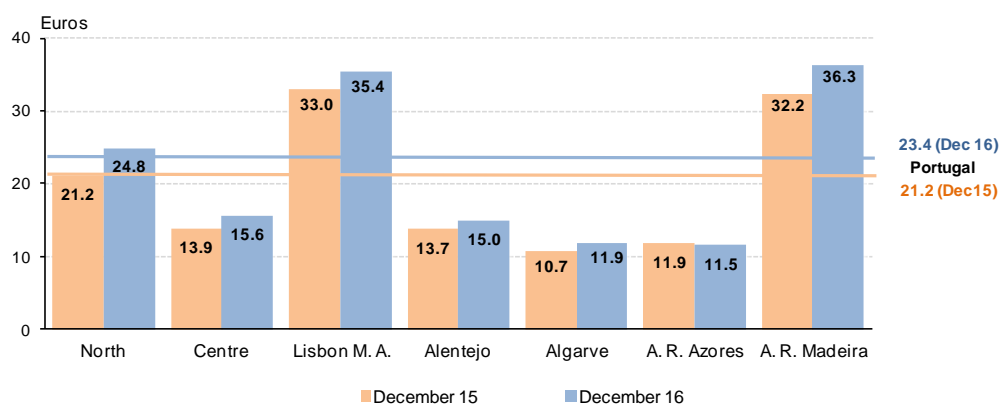
Unit: EUR 10<sup>6</sup>

NUTS II	Total revenue		Revenue from accommodation	
	Dec-16	Year-on-year change rate (%)	Dec-16	Year-on-year change rate (%)
<b>Portugal</b>	<b>136.0</b>	<b>15.1</b>	<b>89.8</b>	<b>16.1</b>
North	23.8	19.6	16.1	21.7
Centre	15.1	17.6	9.2	14.9
Lisbon MA	49.2	12.8	34.5	13.8
Alentejo	4.6	16.4	2.7	12.9
Algarve	17.0	19.9	10.6	20.8
AR Azores	2.5	8.2	1.5	7.3
AR Madeira	23.8	11.6	15.0	14.9

The average revenue per available room (RevPAR) was EUR 23.4, corresponding to an increase of 10.5%, below the previous month (+23.3%).

AR Madeira and MA Lisbon recorded the highest values in RevPAR (EUR 36.3 and EUR 35.4). It is worth mentioning the raises in the North (+17.4%), the Centre (+12.8%) and AR Madeira (+12.6%). In the AR Azores there was a decline in RevPAR (-3.2%).

**Figure 7. Average revenue per available room**



Five star hotels recorded RevPAR as EUR 43.7, with a 3.0% reduction. In the "pousadas" RevPAR was EUR 39.5 and had a 16.3% raise. The increases in tourist apartments (+14.5%) and in four star hotels (+13.7%) are also worth mentioning.

**In the whole year of 2016**, RevPAR stood at EUR 42.6 (+13.4%, in line with +13.9% in 2015).

**Table 6. RevPAR by type and category of establishment**

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Dec-15	Dec-16	%
<b>Total</b>	<b>21.2</b>	<b>23.4</b>	<b>10.5</b>
<b>Hotels</b>	<b>24.6</b>	<b>26.8</b>	<b>9.1</b>
*****	45.1	43.7	-3.0
****	24.4	27.7	13.7
***	16.5	17.8	8.3
** / *	15.1	17.1	13.5
<b>Apartment hotels</b>	<b>16.9</b>	<b>18.6</b>	<b>10.1</b>
*****	21.0	17.6	-16.1
****	18.0	20.0	11.1
*** / **	12.9	14.5	12.1
<b>Pousadas</b>	<b>34.0</b>	<b>39.5</b>	<b>16.3</b>
<b>Tourist apartments</b>	<b>8.3</b>	<b>9.5</b>	<b>14.5</b>
<b>Tourist villages</b>	<b>9.9</b>	<b>10.4</b>	<b>4.7</b>
<b>Other tourist establishments</b>	<b>14.9</b>	<b>17.7</b>	<b>18.8</b>

### Camping sites and holiday camps

In December 2016, camping sites hosted 39.5 thousand campers (-3.3%) which spent 185.2 thousand overnight stays (+17.5%). This outcome is associated to longer stays namely from seniors.

Overnight stays of residents increased by 29.9% and represented 51.6% of the total, while the external markets recorded a 6.7% growth. The average stay increased to 4.68 nights.



Holiday camps and youth hostels recorded 13.3 thousand guests (-4.9%) and 28.2 thousand overnight stays (+1.3%). The internal market concentrated 78.6% of the total overnight stays and declined by 5.1%, contrary to the evolution of the external markets (+35.2%). The average stay (2.12 nights) increased by 6.5%, with the sole positive contribution of residents (+8.4%), since the average stay of non residents declined (-8.7%).

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

Dec 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 <sup>3</sup>	39,5	-3,3	27,3	4,9	12,3	-17,6	13,3	-4,9	10,7	-12,5	2,6	48,0
Overnight stays	10 <sup>3</sup>	185,2	17,5	95,6	29,9	89,6	6,7	28,2	1,3	22,1	-5,1	6,0	35,2
Average stay	no. nights	4,68	21,5	3,50	23,8	7,31	29,4	2,12	6,5	2,07	8,4	2,33	-8,7

## EXPLANATORY NOTES

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

2016 – December: preliminary results; January to November: 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 Nov 16	0.0 p.p.	0.0 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:** 15<sup>th</sup> March 2017