press release
INSTITUTO NACIONAL DE ESTATÍSTICA
STATISTICS PORTUGAL

14 August 2017

Tourism Activity
June 2017

Growth in hotel activity supported by the external market

Hotel establishments recorded 2.1 million guests and 5.9 million overnight stays in June 2017, figures that relate to year-on-year change rates[1] of 8.5% and 8.0% (7.0% and 6.5% in May 2017, respectively). The internal market declined by 0.2%, interrupting the growth trend (+3.8% in May), while the external markets accelerated (+11.2% from +7.2% in May).

The average stay (2.89 nights) decreased by 0.5%. The net bed occupancy rate (61.3%) increased by 3.8 p.p.

Total revenue continued to increase (+18.3%), similarly to the outcome of the preceding month (+18.5%), having reached EUR 350.4 million. Revenue from accommodation amounted to EUR 258.3 million, corresponding to a 20.3% growth (+20.2% in May).

In the first semester of the year overnight stays of residents increased by 4.3% and those of non residents grew by 11.6%.

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	May 2017		June 2017		Jan - Jun 17	
		Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Guests	10^3	1 971.9	7.0	2 053.6	8.5	9 352.6	9.7
Overnight stays	10^3	5 385.5	6.5	5 934.8	8.0	25 259.8	9.6
Residents in Portugal	10^3	1 182.5	3.8	1 540.5	-0.2	6 576.1	4.3
Residents abroad	10^3	4 203.0	7.2	4 394.3	11.2	18 683.6	11.6
Average stay	no. of nights	2.73	-0.5	2.89	-0.5	2.70	-0.1
Net bed occupancy rate	%	55.1	3.4 p.p.	61.3	3.8 p.p.	46.8	3.6 p.p.
Total revenue	EUR 10^6	316.0	18.5	350.4	18.3	1 385.4	18.9
Revenue from accommodation	EUR 10^6	228.5	20.2	258.3	20.3	991.4	20.4
RevPAR (Average revenue per available room)	EUR	52.2	20.1	60.2	19.4	41.0	19.5

Number of guests and overnight stays accelerated

In June 2017, hotel establishments hosted 2.1 million guests who spent 5.9 million overnight stays (+8.5% and +8.0%, respectively), above the figures of May (+7.0% and +6.5%, respectively).

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

Overnight stays spent in hotels (66.8% of the total) grew by 9.7%. The remaining typologies and respective categories presented mostly positive evolutions, such as the "pousadas" (+10.9%), tourist apartments (+9.4%) and tourist villages (+9.0%).

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 (%)	
	jun 16	Jun 17	Jan - Jun 17	Jun 17	Jan - Jun 17
Total	**5 496.3**	**5 934.8**	**25 259.8**	**8.0**	**9.6**
Hotels	**3 615.4**	**3 966.5**	**17 508.8**	**9.7**	**11.8**
*****	711.2	774.0	3 302.9	8.8	10.7
****	1 783.1	1 958.1	8 638.9	9.8	12.7
***	779.1	869.4	3 854.9	11.6	11.9
** / *	341.9	365.0	1 712.2	6.8	9.2
Apartment hotels	**821.8**	**833.7**	**3 411.7**	**1.5**	**5.5**
*****	45.4	55.0	215.1	21.1	15.6
****	594.1	605.6	2 479.9	1.9	7.3
*** / **	182.3	173.1	716.6	-5.0	- 2.8
Pousadas	**50.1**	**55.6**	**261.2**	**10.9**	**14.4**
Tourist apartments	**529.4**	**579.3**	**1 955.6**	**9.4**	**3.0**
Tourist villages	**253.5**	**276.4**	**1 047.2**	**9.0**	**9.9**
Other tourist establishments	**226.0**	**223.2**	**1 075.2**	**-1.3**	**0.5**

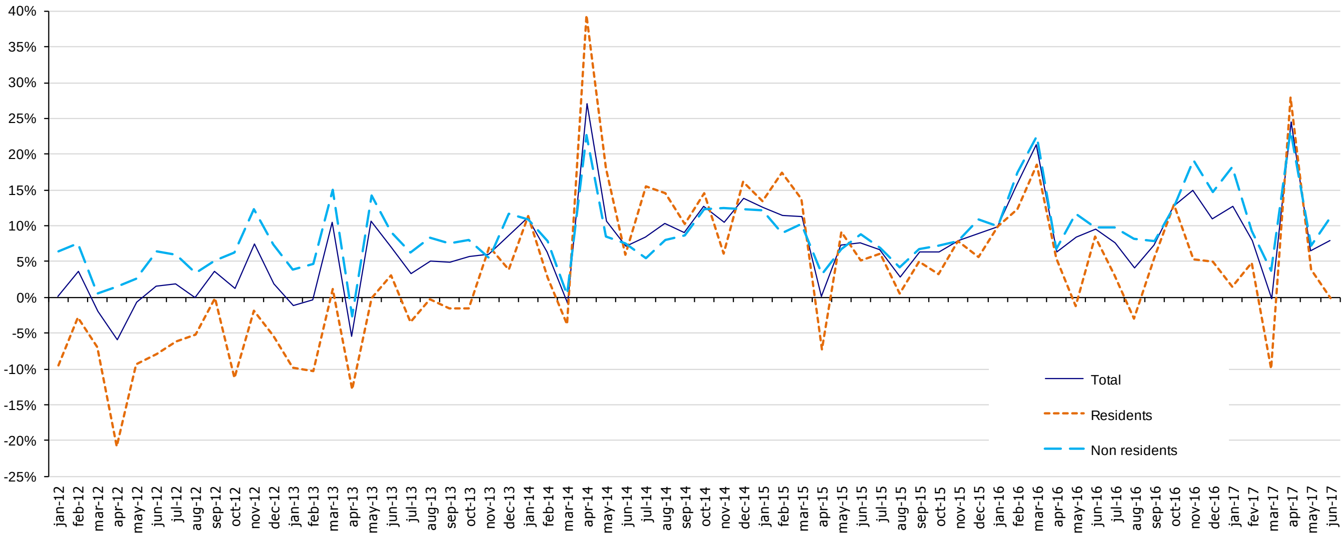
Increased number of overnight stays of non residents only

The internal market contributed with 1.5 million overnight stays which corresponded to a slight 0.2% decrease (+3.8% in May).

The external markets accelerated and grew by 11.2% (7.2% in May), to a total of 4.4 million overnight stays.

In the first semester of the year overnight stays of residents increased by 4.3% and those of non residents grew by 11.6%.

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



The German market presented a steep increase

The thirteen main inbound markets[2] represented 86.1% of total overnight stays of non residents and mostly presented positive results.

The British market (25.8% of the total overnight stays of non residents) recorded a 4.6% growth in June. When considering the first six months of the year as a whole, this market grew by 5.8%.

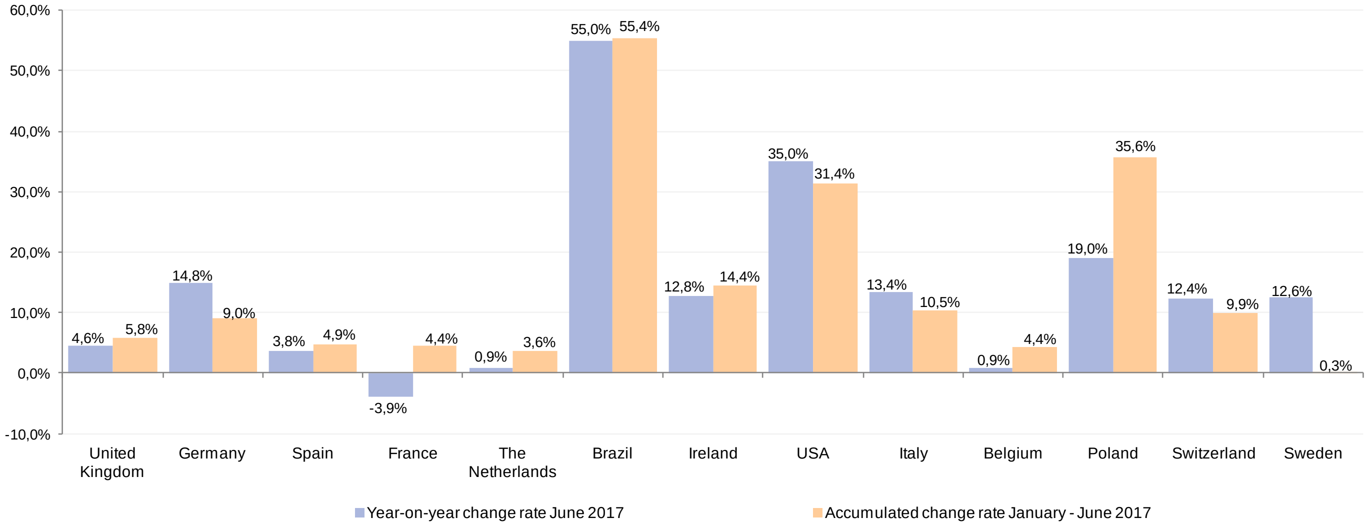
The German market (13.6% of the total) grew yet again, increasing by 14.8% from June 2016. In the period from January to June, this market grew by 9.0%.

Overnight stays spent by Spanish guests (7.0% of the total) recorded increases of 3.8% in June and 4.9% in the first semester of the year.

The French market (9.6% share) declined by 3.9% but presented a 4.4% growth in the first six months of the year.

Amongst the main countries, the emphasis went to the increases recorded by the Brazilian (+55.0%), North American (+35.0%) and Polish (+19.0%) markets. These markets, amongst the main ones, were also the ones that grew the most in the first semester of the year (+55.4%, +31.4% and +35.6% respectively).

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



[2] Based on results of overnight stays in 2016.

Number of overnight stays increases in all regions

In June, there were increases in overnight stays in all regions, with the emphasis on the AR Açores (+18.6%) and Centro (+14.0%). Overnight stays were mainly spent in the Algarve (38.2% share) and MA Lisboa (22.4% share). In this month, there were 438.5 thousand more overnight stays (compared with the same month a year earlier), of which 28.3% resulting from the increase in overnights stays in MA Lisboa (124.1 thousand overnight stays added) and 27.5% from the increase recorded in the Algarve (120.6 thousand additional overnight stays). In the set of the first six months of the year, all regions presented increases in overnight stays, more so AR Açores (+18.2%) and Centro (+14.7%).

Overnight stays of residents slightly declined (-0.2%) overall, but still stand out the increases in AR Açores (+14.2%) and Alentejo (+7.7%). There were declines in the number of overnight stays of residents in the Algarve (-4.6%) and in MA Lisboa (-1.7%). In the first semester of the year, all regions presented positive evolutions, with the emphasis on AR Açores (+20.3%).

In June, all regions recorded increases concerning the external markets, more so Centro (+28.0%), AR Açores (+21.5%) and Alentejo (+18.6%). The Algarve (+8.6%) recorded a 41.0% share of overnight stays of guests coming from abroad. In the first six months of the year the Centro stood out increasing by 28.2%, followed by AR Açores (+16.6%) and MA Lisboa (+15.1%).

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			
	Jun 17		Jan - Jun 17		Jun 17		Jan - Jun 17		Jun 17		Jan - Jun 17	
	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 (%)
Portugal	**5 934.8**	**8.0**	**25 259.8**	**9.6**	**1 540.5**	**-0.2**	**6 576.1**	**4.3**	**4 394.3**	**11.2**	**18 683.6**	**11.6**
Norte	701.7	8.0	3 287.0	9.3	274.6	1.1	1 419.4	2.9	427.0	13.0	1 867.6	14.8
Centro	536.4	14.0	2 338.0	14.7	249.0	1.3	1 224.5	4.7	287.5	28.0	1 113.5	28.2
Lisboa MA	1328.5	10.3	6 613.8	12.4	270.0	-1.7	1 462.2	3.7	1 058.5	13.8	5 151.6	15.1
Alentejo	176.1	11.4	709.9	10.0	113.3	7.7	456.2	7.7	62.8	18.6	253.7	14.6
Algarve	2267.8	5.6	7 961.1	8.1	467.2	-4.6	1 310.8	1.9	1 800.6	8.6	6 650.3	9.4
AR Açores	203.0	18.6	782.3	18.2	76.9	14.2	360.6	20.3	126.1	21.5	421.7	16.6
AR Madeira	721.2	3.7	3 567.7	3.7	89.4	0.8	342.5	2.0	631.8	4.2	3 225.2	3.9

Slight reduction in average stay

The average stay (2.89 nights) declined by 0.5%, as in May. The Algarve increased by 3.0%, while Alentejo was the region that presented the largest decrease regarding this indicator (-2.6%).

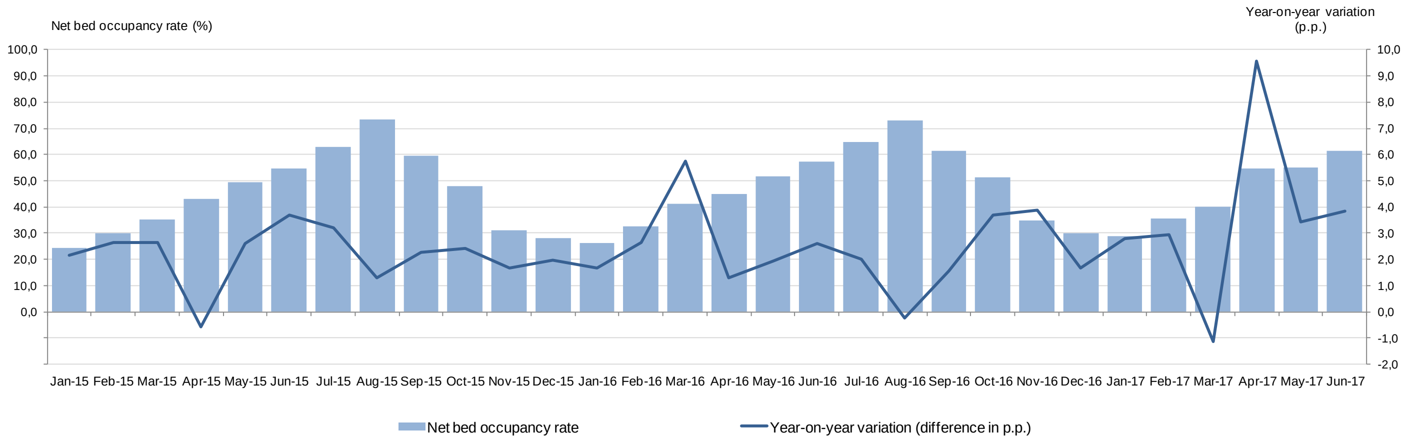
Table 4. Average stay and net bed occupancy rate by region (NUTS II)

NUTS II	Average stay			Occupancy rate		
	No. of nights		Y-o-y change rate (%)	%		Y-o-y variation (p.p.)
	jun 16	Jun 17		jun 16	Jun 17	
Portugal	**2.90**	**2.89**	**-0.5**	**57.4**	**61.3**	**3.8**
Norte	1.84	1.83	-0.5	47.8	50.1	2.3
Centro	1.75	1.75	0.2	36.9	42.5	5.6
Lisboa MA	2.31	2.31	0.0	60.1	66.2	6.1
Alentejo	1.83	1.78	-2.6	40.0	43.0	2.9
Algarve	4.53	4.67	3.0	64.0	66.7	2.7
AR Açores	2.98	3.00	0.8	58.6	67.5	8.9
AR Madeira	5.28	5.29	0.2	78.1	79.2	1.1

Occupancy rate with improved results

The net bed occupancy rate (61.3%) increased by 3.8 p.p., growing in all regions. The highest occupancy rates occurred in AR Madeira (79.2%), AR Açores (67.5%), Algarve (66.7%) and MA Lisboa (66.2%). The AR Açores (+8.9 p.p.) and MA Lisboa (+6.1 p.p.) presented a remarkable increase in the occupancy rate.

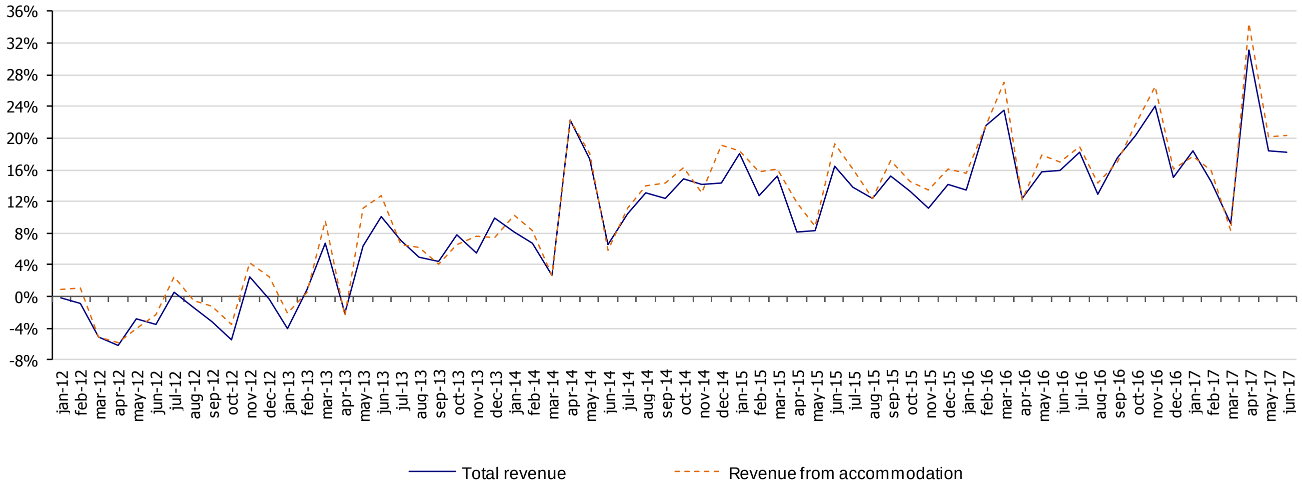
Figure 3. Net bed occupancy rate



Evolution of revenue close to the one of the preceding month

Total revenue from hotel accommodation activity amounted to EUR 350.4 million and revenue from accommodation stood at EUR 258.3 million (+18.3% and +20.3%, respectively), which stood for similar figures to the ones a month earlier (+18.5% and +20.2%, respectively).

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



All regions presented increases in revenue, with the emphasis on AR Açores (+27.8% in total revenue and +24.9% in revenue from accommodation) and Centro (+24.3% and +24.1%, respectively).

Table 5. Revenue by region (NUTS II)

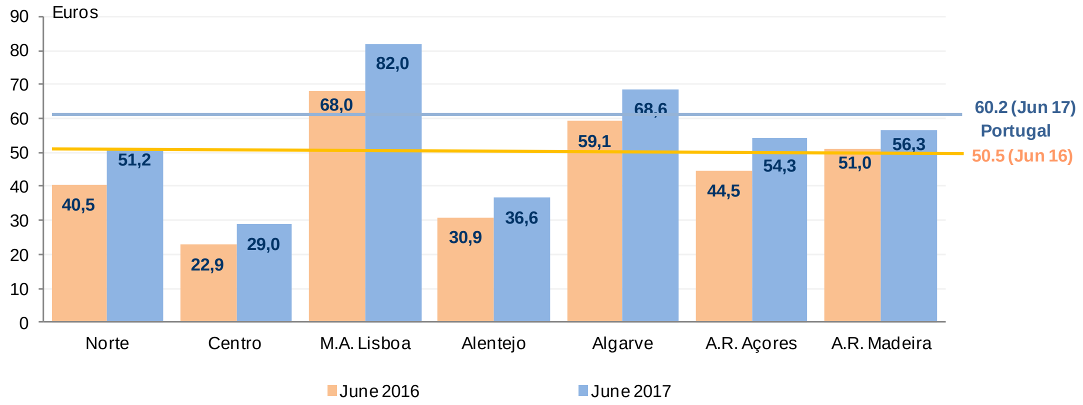
Unit: EUR 10^6

NUTS II	Total revenue		Revenue from accommodation	
	Jun 17	Year-on-year change rate (%)	Jun 17	Year-on-year change rate (%)
Portugal	**350.4**	**18.3**	**258.3**	**20.3**
Norte	42.6	21.3	32.7	25.1
Centro	25.3	24.3	17.6	24.1
Lisboa MA	100.3	19.9	77.6	23.5
Alentejo	9.8	20.9	6.9	20.5
Algarve	122.6	15.0	91.4	17.2
AR Açores	10.4	27.8	7.7	24.9
AR Madeira	39.4	15.0	24.6	12.8

The average revenue per available room (RevPAR) was EUR 60.2, which corresponded to an increase of 19.4% in June (+20.1% in May).

RevPAR ascended to EUR 82.0 in MA Lisboa and to EUR 68.6 in the Algarve. The emphasis went to the increases in the Centro (+26.6%) and in the Norte (+26.3%).

Figure 5. Average revenue per available room



The evolution of RevPAR was overall positive with regard to the different typologies, with the emphasis on apartment hotels (+20.5%) and hotels (+19.6%), the latter on three star category units (+23.7%).

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	jun 16	Jun 17	%
Total	**50.5**	**60.2**	**19.4**
Hotels	**54.7**	**65.4**	**19.6**
*****	98.9	110.7	12.0
****	55.0	67.0	21.9
***	34.7	42.9	23.7
** / *	28.2	33.9	20.5
Apartment hotels	**52.8**	**63.7**	**20.5**
*****	89.7	90.5	1.0
****	52.9	63.9	20.7
*** / **	43.6	53.7	23.2
Pousadas	**73.6**	**83.3**	**13.2**
Tourist apartments	**35.3**	**41.2**	**16.7**
Tourist villages	**40.6**	**46.6**	**14.9**
Other tourist establishments	**26.6**	**30.6**	**15.2**

Camping sites and holiday camps

In June 2017, camping sites hosted 187.8 thousand campers (-3.6%) which spent 542.4 thousand overnight stays (-3.6%). The internal market (-6.3%) contributed for the reduction in overnight stays, given that the external markets have grown (+2.8%). Residents in Portugal predominated, representing 68.3% of the total overnight stays. The average stay was 2.89 nights, the same as in June 2016.

Holiday camps and youth hostels recorded 33.1 thousand guests (-4.9%) and 62.4 thousand overnight stays (-2.2%). The internal market concentrated 74.4% of the total overnight stays and declined by 8.6%, while the external markets grew by 23.4%. The average stay (1.88 nights) declined by 2.7%.

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

Jun 17	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	187.8	-3.6	118.5	-6.9	69.3	2.5	33.1	-4.9	24.8	-8.7	8.3	8.3
Overnight stays	10^3	542.4	-3.6	370.6	-6.3	171.8	2.8	62.4	-2.2	46.4	-8.6	16.0	23.4
Average stay	no. nights	2.89	0.0	3.13	0.6	2.48	0.2	1.88	-2.7	1.87	-0.1	1.92	-12.3

EXPLANATORY NOTES

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

2017 – June: preliminary results; January to May: provisional results.

2016 – January to December: provisional results.

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 May 17	-0.2 p.p.	-0.3 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 establishments with 10 or more bed places: hotels, apartment hotels, "*pousadas*", tourist apartments and tourist villages, as well as other accommodation establishments namely boarding houses, motels and inns.

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".

ABBREVIATIONS

RevPAR – Revenue per Available Room

Date of next press release: September 14, 2017