

Tourism Activity
February 2011

Tourist accommodation activity still trending downwards

In the month of February 2011, tourist accommodation establishments registered 1.9 million overnight stays, very close to the number registered on the same month of the previous year (-0.4%). Maintaining the trend of the recent months, overnight stays by residents showed a decrease of 3.1%, while those of non residents, representing 63.2% of the total of overnight stays, had an increase of 1.2%. The markets that contributed the most for this increase were the French, Spanish, Dutch and German.

The total revenue from the activity reached EUR 83.6 million and EUR 54.3 million from accommodation, corresponding to year-on-year decreases of 6.9% and 4%, respectively.

Table 1. Global provisional results from tourism activity

GLOBAL RESULTS	Month		Accumulated	
	Feb 11	Change rate % 11/10	Jan to Feb 11	Change rate % 11/10
HOTEL ESTABLISHMENTS				
Guests (thousand)	749.3	19	1433.2	15
Overnight stays (thousand)	1869.6	-0.4	3 490.6	-0.9
Residents in Portugal	687.1	-3.1	1320.0	-3.8
Non-residents	1 182.5	12	2 170.6	10
Average stay (no. of nights)	2.5	-0.1	2.4	-0.1
Net bed occupancy rate (%)	26.0	-12 p.p.	23.1	-0,9 p.p.
Total revenue (€Million)	83.6	-6.9	158.8	-6.8
Revenue from accommodation (€Million)	54.3	-4.0	103.5	-4.6
Rev Par (Average revenue per available room) (€)	16.7	-8.2	15.1	-8.1

Overnight stays

In the period **January to February 2011**, tourist accommodation activity accounted for 1.4 million
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guests and 3.5 million overnight stays, resulting into trends with opposite directions when compared with the same period of the previous year: an increase on

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the number of guests (+1,5%) but a decrease in overnight stays (-0,9%).

A similar trend is also present in the **month of February**, during which tourist accommodation establishments accommodated 749.3 thousand guests (1.9% more than in February 2010) and 1.9 million overnight stays, slightly less than in the same month of 2010 (-0.4%).

With regard to the type of establishment, there were year-on-year increases in the number of overnight stays in apartment hotels (+4.1%), "*pousadas*" (+3.7%) and hotels (+2%).

For the positive performance of the apartment hotels, five and four star units had a major contribution, the former stood out (+31.1%), partly due to the growth in the tourism offer of this type of establishment.

In hotels, there was also the positive contribution of almost all categories, with the exception of four star units (-2.1%), which represented about 50% of the total of overnight stays in hotels.

The results from tourist villages and tourist apartments kept negative (-9.8% and -6%, respectively), although less evident than in the previous month.

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

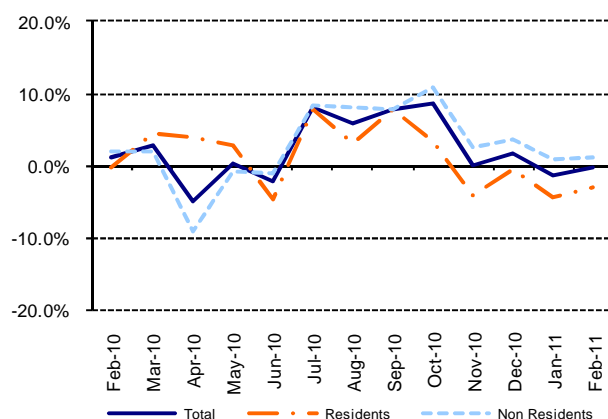
Unit: Thousand

Type of establishment and category	Overnight stays		Year-on-year change rate
	Feb 10	Feb 11	%
Total	1 877.4	1 869.6	-0.4
Hotels	1 107.7	1 129.5	2.0
*****	173.7	188.1	8.3
****	546.1	534.6	-2.1
***	296.9	297.8	0.3
** / *	912	108.9	19.4
Apartment hotels	294.3	306.4	4.1
*****	19.3	25.3	31.1
****	190.8	203.5	6.7
*** / **	84.3	77.5	-8.1
<i>Pousadas</i>	214	22.2	3.7
Tourist apartments	149.8	140.8	-6.0
Tourist villages	60.0	54.1	-9.8
Inns, Motels and Boarding houses	244.1	216.7	-11.2

Residents contributed with 687.1 thousand overnight stays, corresponding to a 3.1% year-on-year decrease, maintaining the trend followed in the last four consecutive months.

On the contrary, non residents still presented positive results (1.2% year-on-year change rate), for which contributed the improved performance of some of the main markets of origin.

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



As a matter of fact, the French and Spanish markets revealed year-on-year increases above 15%, followed by the Dutch and German markets (+4% and +2.2%, respectively).

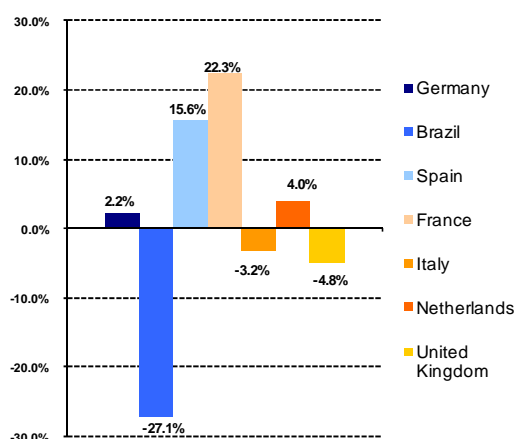
The Brazilian, British and Italian markets showed negative performances, whereas the British market kept the same trend of the previous month while the Brazilian and Italian markets inverted their trend, after a considerable period of positive results.

Table 3. Overnight stays by region (NUTS II)

Unit: Thousand

NUTS II	Overnight stays		Year-on-year change rate
	Feb-10	Feb-11	%
PORTUGAL	1 877.4	1 869.6	-0.4
North	247.4	244.5	-12
Center	198.4	187.5	-5.5
Lisbon	469.6	468.0	-0.3
Alentejo	62.9	69.0	9.7
Algarve	530.5	536.4	1.1
AZORES	38.8	35.8	-7.7
MADEIRA	329.7	328.3	-0.4

Figure 2. Overnight stays, by main markets of origin – month-to-month change rate – February 2011



The regional distribution of the total of overnight stays, when compared with the same period of the previous year, reveals increases in Alentejo (+9.7%) and in Algarve (+1.1%).

Lisbon and Madeira did not present major differences in the number of overnight stays (-0.3% e -0.4%, respectively), while the remaining regions had negative performances, more so in the Azores (-7.7%) and in the Center (-5.5%).

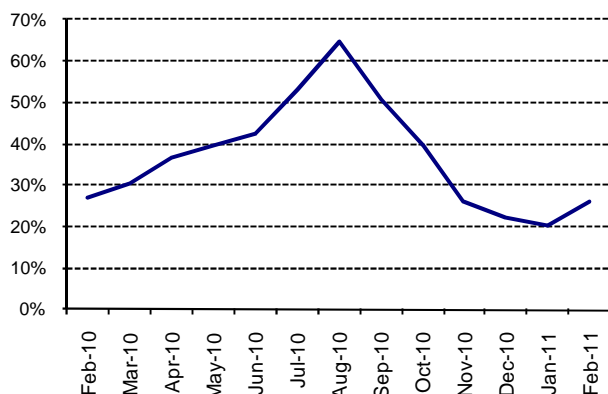
The region of Alentejo kept leading in terms of increases on the number of overnight stays, benefiting from the growth on the demand of its main markets of origin, namely from within Portugal and from Spain.

In Algarve the positive contribution of the Spanish and Dutch markets stood out, although the British, main market of origin for the Region, still presented a decrease as in January.

Net bed occupancy rate and Average Stay

In the month of February 2011, tourist accommodation establishments registered an occupancy rate of 26%, lower by 1.2 p.p. than the one registered in the same period of the previous year.

Figure 3. Net bed occupancy rate



On a regional level, the bed occupancy rates improved only in Alentejo (+1.1 p.p.) and in Madeira (+0.3 p.p.). The remaining regions had lower occupancy rates, more so in the Center region (-2.6 p.p.).

Table 4. Net bed occupancy rate and average stay, by region

NUTS II	Occupancy rate		Average stay	
	%		(No. of nights)	
	Feb-10	Feb-11	Feb-10	Feb-11
PORTUGAL	27.2	26.0	2.6	2.5
North	23.7	23.2	1.6	1.6
Center	20.8	18.2	1.6	1.5
Lisbon	32.0	30.7	2.0	2.0
Alentejo	21.2	22.3	1.7	1.6
Algarve	24.8	23.5	4.7	4.5
AZORES	17.2	15.8	2.5	2.5
MADEIRA	43.1	43.4	5.1	5.4

By type of establishment, there was an overall reduction on the occupancy rates towards the same period of the previous year, with less favorable results in apartment hotels (-5.8 p.p.) and in tourist villages (-4.8 p.p.). In apartment hotels, all category units were influential, but the five star units had the biggest fall in demand (-18.6%), although having the lowest weight in the respective category (less than 10%).

Table 5. Net bed occupancy rate and average stay, by type of establishment

Type of establishment and category	Occupancy rate		Average stay	
	%		(No. of nights)	
	Feb-10	Feb-11	Feb-10	Feb-11
Total	27.2	26.0	2.6	2.5
Hotels	29.1	25.0	2.2	2.1
*****	29.1	25.5	2.3	2.4
****	31.1	26.1	2.4	2.3
***	26.6	23.9	2.0	1.9
** / *	26.5	22.5	1.6	1.6
Apartment hotels	33.8	28.0	4.8	4.7
*****	48.0	29.4	5.4	5.2
****	34.0	28.2	4.6	4.7
*** / **	31.3	27.0	5.2	4.6
Tourist Apartments	20.9	18.1	6.7	6.0
Tourist villages	18.9	14.1	6.6	5.4
Pousadas	29.5	28.1	1.6	1.4
Inns, Motels and Boarding houses	22.0	19.6	2.0	2.0

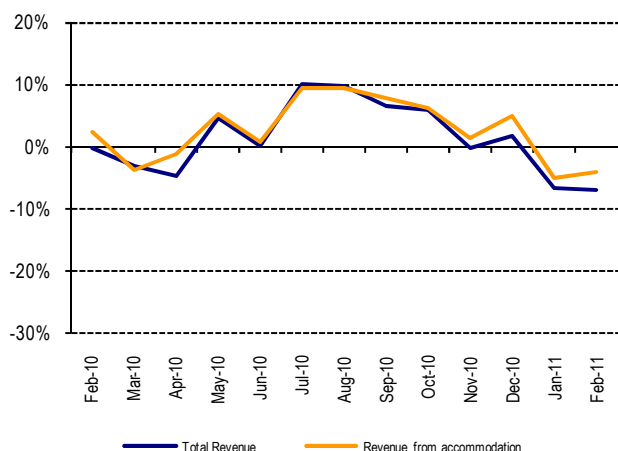
On a national level, the average stay was 2.5 nights, slightly less than in February 2010 (2.6 nights).

The figures for the average stay, either by region or by type of establishment, were lower in overall when compared with the same period of the previous year, which might be linked to the fact that the Carnival in 2010 was in February, whereas in 2011 occurred in March.

Revenue and Average Revenue per Available Room (Rev Par)

In the month of **February 2011**, tourist accommodation activity registered EUR 83.6 million of total revenue and EUR 54.3 million from accommodation, corresponding to year-on-year declines of 6.9% and 4%, respectively.

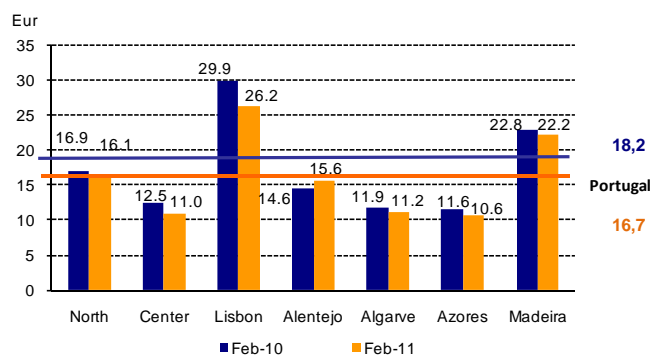
Figure 4. Total revenue and total revenue from accommodation - month-to-month change rate



The region of Alentejo was the only one to present positive results for both indicators (year-on-year variations above 10%), as in the month before. Algarve registered a decreasing total revenue (-3.5%), but increasing revenue from accommodation (+1.5%), while the other regions had decreases in both indicators, more so in Lisbon, possibly related to promotional prices campaigns.

With the exception of the region of Alentejo (+6.8%), all other regions reduced their average revenue, especially in Lisbon and in the Center (approximately 12% in both).

Figure 5. Average revenue per room



By type of establishment, there was also an overall decrease in Rev Par towards the same period of the previous year, above 20% in apartment hotels, specifically in five and four star units. Tourist apartments were the only type presenting positive results, with an expressive increase of 34.8%.

Table 6. Revenue by region (NUTS II)

Unit: € Million

NUTS II	Total revenue	Year-on-year change rate	Revenue from accommodation	Year-on-year change rate
	Feb-11	%	Feb-11	%
Portugal	83.6	-6.9	54.3	-4.0
North	12.3	-1.3	8.2	-2.8
Center	9.0	-5.2	5.5	-5.4
Lisbon	27.6	-14.6	18.9	-8.3
Alentejo	3.5	10.5	2.2	12.9
Algarve	15.9	-3.5	10.0	1.5
Azores	1.7	-12.9	1.2	-7.9
Madeira	13.7	-2.0	8.2	-3.7

Global Rev Par was 16.7€, less than in February 2010 (18.2€).

Table 7. Average revenue per room, by type of establishment

Unit: €

Type of establishment and category	RevPar		Year-on-year change rate
	Feb - 10	Feb - 11	%
Total	18.2	16.7	-7.8
Hotels	21.9	19.6	-10.5
*****	35.5	32.9	-7.3
****	22.2	19.2	-13.5
***	15.8	14.2	-10.1
** / *	15.9	14.9	-6.3
Apartment hotels	18.8	14.8	-21.3
*****	22.2	17.7	-20.3
****	20.9	15.2	-27.3
*** / **	13.6	13.1	-3.7
Tourist apartments	6.9	9.3	34.8
Tourist villages	9.3	9.2	-1.1
Pousadas	24.8	23.9	-3.6
Inns, Motels and Boarding houses	12.0	11.3	-5.8

In the first two months of 2011 tourist accommodation establishments registered EUR 158.8 million of total revenue and EUR 103.5 million from accommodation, accounting for year-on-year negative variations of 6.8% and 4.6%, respectively.

The Rev Par accounted for 15.1€, less than in the same period of the year before (16.5€).

Methodology notes

Net bed occupancy rate – the relation between the number of overnight stays and the number of available beds, in the reference period, accounting two beds for each double bed.

RevPar (Revenue per Available Room) – Revenue per available room, measured by the relation between the revenues from accommodation and the number of available rooms, in the reference period.