

Tourism Activity
September 2012

Overnight stays increase but revenue declines

The tourism accommodation activity accounted for 4.6 million overnight stays in September 2012, 3.6% over the same month of the previous year. The internal market showed slight signs of improvement (+0.4%), interrupting the downward trend of the last 12 months. The foreign markets grew by 4.9%, with the emphasis on the Irish market, the German and the Dutch.

The revenue from the activity was not on a par with the overnight stays, and showed decreasing year-on-year change rates of 2.1% in total revenue and 0.6% in revenue from the accommodation.

Table 1. Global provisional results from tourism activity

GLOBAL RESULTS	Month		Accumulated	
	Sept 12	Year-on-year change rate (%)	Jan to Sept 12	Year-on-year change rate (%)
Guests (thousand)	1555.8	2.4	1116.2	-12
Overnight stays (thousand)	4 582.3	3.6	32 520.1	0.2
Residents in Portugal	1351.2	0.4	10 295.3	-7.3
Non residents	3 231.1	4.9	22 233.9	4.1
Average stay (no. of nights)	2.9	0.0	2.9	0.0
Net bed occupancy rate (%)	51.7	0.6 p.p.	42.3	-1.1 p.p.
Total revenue (€Million)	223.1	-2.1	1530.2	-2.0
Revenue from accommodation (€Million)	157.2	-0.6	1072.7	-0.9
RevPar (Average revenue per available room) (€)	39.6	-3.2	31.1	-3.5

Overnight stays

In the period January to September 2012, the tourism accommodation activity establishments hosted 11.1 million guests, 1.2% less than in the same period of the previous year.

The number of overnight stays reached 32.5 million, very close to the one recorded in the same period of the previous year (+0.2%).

In September 2012, the tourism accommodation activity establishments hosted 1.6 million guests that originated 4.6 million overnight stays.

These figures represented year-on-year growths of 2.4% in the number of guests and 3.6% in the number of overnight stays.

The distribution of overnight stays by type of establishment revealed positive results in tourist apartments (+10.8% year-on-year change rate), in apartment hotels (+7.8%), in tourist villages (+5.8%) and in hotels (+3.9%).

In hotels, the evolution by category was, in overall, positive, with the exception of 3 star units (-0.7%).

In September 2012, like in August, the year-on-year decrease in overnight stays in 5 star apartment hotels was partly compensated by the increase in 4 star units, when compared with the same period of the previous year.

The "pousadas" kept a declining trend for the ninth consecutive month.

Residents spent 1.4 million overnight stays in September, up by 0.4% when compared with the same period of the previous year, which interrupts 12 consecutive months of declining results.

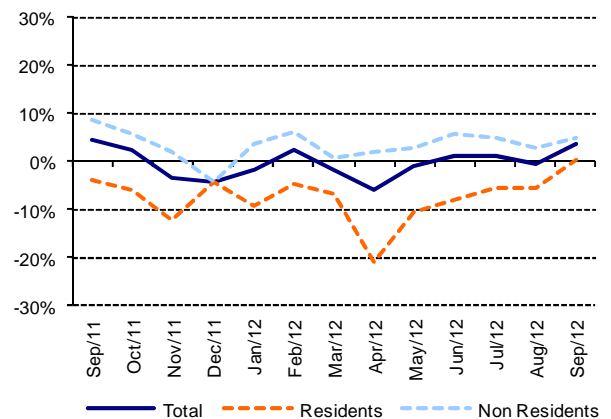
Non residents spent 3.2 million overnight stays in September, with a corresponding +4.9% year-on-year change rate, thus contributing for a positive trend of this indicator, occurred since the beginning of the present year.

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

Unit: 10³

Type of establishment and category	Overnight stays		Year-on-year change rate
	Sept-11	Sept-12	%
Total	4 424.4	4 582.3	3.6
Hotels	2 650.4	2 752.8	3.9
*****	475.0	484.3	2.0
****	1289.5	1349.3	4.6
***	654.4	649.9	-0.7
** / *	231.5	269.2	16.3
Apartment hotels	692.4	746.6	7.8
*****	57.4	45.5	-20.7
****	458.0	523.4	14.3
*** / **	177.0	177.7	0.4
Pousadas	46.7	40.8	-12.5
Tourist apartments	465.4	515.6	10.8
Tourist villages	202.8	214.6	5.8
Other tourist establishments	366.8	311.9	-15.0

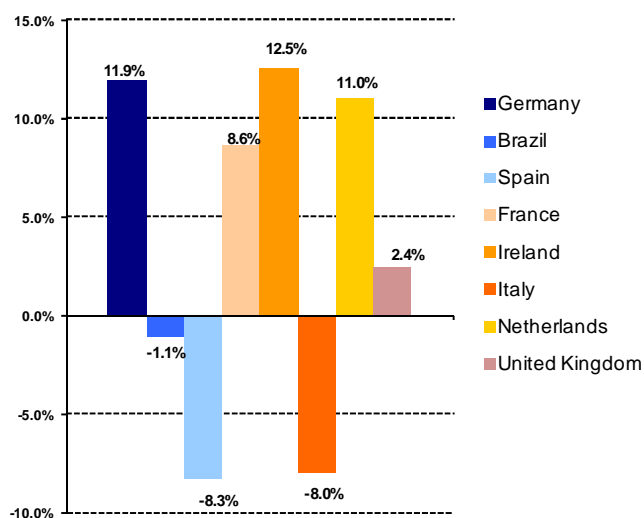
Figure 1. Overnight stays, month-to-month change rate



The group of the main inbound markets of origin represented around 75% of overnight stays, performing positively in overall. Ireland had the best results (12.5% more overnight stays), followed by Germany (+11.9%) and the Dutch market (+11%). The Spanish market declined by 8.3% and the Italian recorded an 8% decrease, keeping the downward trend of the previous months.

Figure 2. Overnight stays, by main inbound markets – month-to-month change rate – September

2012



The year-on-year evolution of overnight stays in the different regions reveals that Lisbon and the Algarve presented the best results for the fifth consecutive month (year-on-year growth rates of 8.8% and 6.1%, respectively); together, these two regions accounted for 62.2% of all overnight stays (2 p.p. more than in September 2011).

The North grew by 2.1%, as opposed to the previous five months of declining results. The remaining regions recorded reductions, more so in the Azores (-6.2%) and in Madeira (-3.5%).

Table 3. Overnight stays by region (NUTS II)

Unit: 10³

NUTS II	Overnight stays		Year-on-year change rate
	Sept-11	Sept-12	%
Portugal	4 424.4	4 582.3	3.6
North	496.8	507.1	2.1
Centre	438.6	428.4	-2.3
Lisbon	931.0	1012.5	8.8
Alentejo	129.6	128.2	-1.1
Algarve	1731.1	1836.4	6.1
Azores	120.3	112.9	-6.2
Madeira	577.1	556.8	-3.5

The good performance of Lisbon was solely due to the positive contributions of non residents (+12.6%), while residents decreased by 2.5%. In the Algarve, on the other hand, there were year-on-year increases in overnight stays spent by both residents (+7.3%) and non residents (+5.7%).

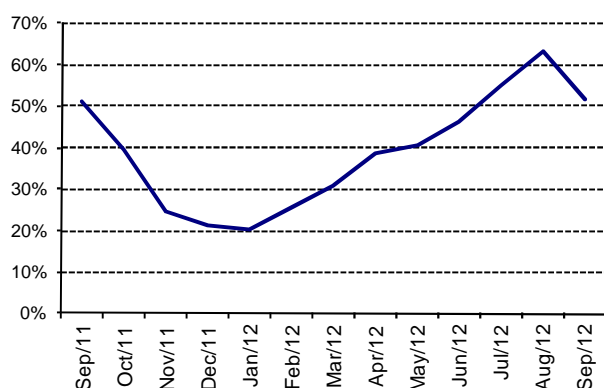
For the negative results of Madeira, there were the contributions mainly from the internal market (-13.1%) and the British market (-14.9%), with the latter representing 26.6% of overnight stays spent by non residents in the region.

The Azores trended negatively both in the internal market (-9.2%) and in the main inbound markets of the region, namely the Swedish (-34.2%) and the Danish (-26.5%).

Net bed occupancy rate and average stay

In September 2012, the net bed occupancy rate in tourism accommodation activity establishments was 51.7%, slightly above the one of the same month of the previous year (51.1%).

Figure 3. Net bed occupancy rate



The region of Madeira led as far as the result of this indicator is concerned (65.1%), followed by Lisbon (60.7%), and Algarve (57.8%). In the period August to September 2012, the net bed occupancy rates decreased mainly in the Azores (-22.7 p.p.) and in Algarve (-16.7 p.p.)

In year-on-year terms, only Lisbon and Algarve recorded a growth (+3 p.p. and +1.7 p.p.). The least favorable results came from the Azores, with a 2.9 p.p. decrease in the occupancy rate when compared with September 2011.

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

NUTS II	Occupancy rate		Average stay	
	%		(No. of nights)	
	Sept-11	Sept-12	Sept-11	Sept-12
Portugal	51.1	51.7	2.9	2.9
North	41.1	40.5	1.8	1.8
Centre	36.1	34.4	1.8	1.8
Lisbon	57.7	60.7	2.3	2.3
Alentejo	32.4	32.1	1.6	1.7
Algarve	56.1	57.8	4.7	4.8
Azores	45.4	42.5	3.1	2.9
Madeira	66.6	65.1	5.6	5.7

Apartment hotels recorded the highest year-on-year increase in the occupancy rate (+2.5 p.p.). For this Tourism activity - September 2012

outcome, only 4 star units contributed (+5.2 p.p.), while all other categories recorded decreases. Tourist apartments followed (+0.6 p.p.) as well as hotels (+0.3 p.p.). In the latter, there was a significant increase in 5 star units (+6.4 p.p.) and a decrease in the remaining units. The "pousadas" kept the less favorable performance (-17.9 p.p.).

Among all the categories of the various typologies, 5 star hotels presented the highest occupancy rate (64.4%). In apartment hotels, 4 star units recorded the highest occupancy rate (61.8%).

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

Type of establishment and category	Occupancy rate		Average stay	
	%		(No. of nights)	
	Sept-11	Sept-12	Sept-11	Sept-12
Total	51.1	51.7	2.9	2.9
Hotels	54.9	55.2	2.5	2.5
*****	58.0	64.4	2.9	2.9
****	60.0	59.8	2.8	2.8
***	49.6	48.4	2.3	2.2
** / *	42.7	42.4	1.9	1.9
Apartment hotels	56.4	58.9	4.5	4.4
*****	59.9	52.4	4.3	5.0
****	56.6	61.8	4.4	4.4
*** / **	54.9	53.4	4.6	4.4
Pousadas	63.0	45.1	1.6	1.6
Tourist apartments	47.2	47.8	5.4	5.2
Tourist villages	41.0	40.5	4.7	4.3
Other tourist establishments	35.1	34.3	2.3	2.3

The average stay was 2.9 nights, the same as in September 2011.

As usual, the region of Madeira recorded the longest average stay (5.7 nights), followed by the Algarve (4.8).

By type of establishment, the emphasis goes to tourist apartments (5.2 nights) and apartment hotels

(4.4 nights). In apartment hotels, 5 star units led (5 nights).

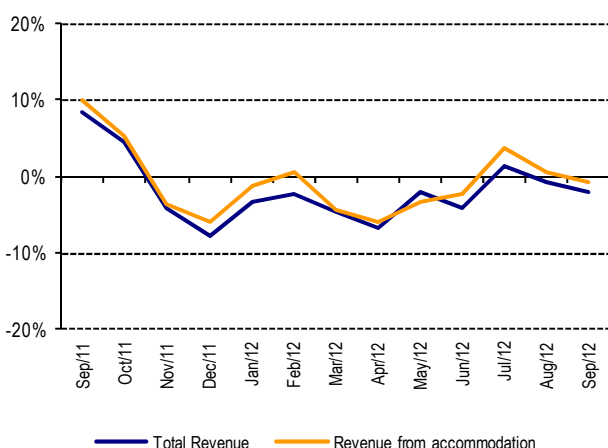
Revenue and Average Revenue per Available Room (RevPAR)

In **September 2012**, the total revenue from tourist accommodation activity was not on a pair with the increases in overnight stays.

As a matter of fact, tourist accommodation activity establishments accounted for EUR 223.1 million in total revenue, which stood for 2.1% less than in September 2011.

The revenue from accommodation also recorded a slight decrease in year-on-year terms (-0.6%), corresponding to EUR 157.2 million.

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



The Algarve was the only region to present positive results in both indicators and the only one presenting a

positive trend for several consecutive months (since May 2012).

The remaining regions recorded declines, more so in the Alentejo and Lisbon.

Table 6. Revenue by region (NUTS II)

Unit: 10⁶euros

NUTS II	Total revenue		Revenue from accommodation	
	Sept-12	Year-on-year change rate (%)	Sept-12	Year-on-year change rate (%)
Portugal	223.1	-2.1	157.2	-0.6
North	24.3	-2.3	17.0	-1.1
Centre	20.4	-1.8	12.7	-0.7
Lisbon	63.1	-6.1	46.9	-6.7
Alentejo	6.3	-14.8	4.4	-8.5
Algarve	77.9	3.7	56.6	6.8
Azores	5.2	-5.0	3.8	-5.4
Madeira	25.9	-4.0	15.8	-2.1

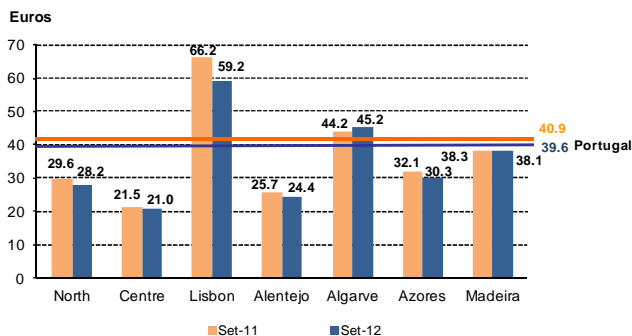
RevPAR from tourist accommodation activity was EUR 39.6, 3.2% less than in September 2011.

Lisbon recorded the highest RevPAR (EUR 59.2), in spite of decreasing the most in year-on-year terms (-10.7%).

The Algarve presented the second higher result for this indicator (EUR 45.2) and was the only one to present a year-on-year growth (+2.3%).

In Madeira, the RevPAR stood at EUR 38.1, changing slightly from the same month of the previous year (-0.5%).

Figure 5. Average revenue per room



With regard to the type of establishment, the highest values of RevPAR came from the "pousadas" (EUR 58.5), hotels (EUR 45.2) and apartment hotels (EUR 41.9).

However, the category that showed better performance was 5 star hotels (EUR 87.2). In apartment hotels, the same 5 star category accounted for a RevPAR representing half of the figures showed by hotels.

For this indicator, in most cases, and in year-on-year terms, there were declining results, with the exception of 5 star hotels (+5.2%). The "pousadas" had no changes in revPAR.

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

Type of establishment and category	RevPAR		Year-on-year change rate
	Sept-11	Sept-12	%
Total	40.9	39.6	-3.2
Hotels	47.3	45.2	-4.4
*****	82.9	87.2	5.2
****	48.1	46.5	-3.3
***	33.0	29.4	-10.9
** / *	25.9	22.9	-11.6
Apartment hotels	43.7	41.9	-4.1
*****	49.6	41.8	-15.7
****	46.1	45.1	-2.2
*** / **	35.8	33.5	-6.4
Pousadas	58.5	58.5	0.0
Tourist apartments	25.2	25.1	-0.4
Tourist villages	34.7	33.0	-4.9
Other tourist establishments	21.5	21.4	-0.5

In the period of January to September 2012, hotel accommodation activity establishments accounted for EUR 1 530.2 million of total revenue, corresponding to a 2% year-on-year decrease. A total of EUR 1 072.7 million resulted from the revenue from accommodation, corresponding to a slight year-on-year decrease of 0.9%.

The RevPAR was EUR 31.1, 3.5% less than in the same period of 2011.

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.

Year-on-year change rates – 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.

Date of next press release: 13 December 2012