

14 February 2013

Tourism Activity December 2012

Foreign residents on the basis of the slight increase in overnight stays

The number of overnight stays spent in tourism accommodation activity establishments reached 1.7 million in December 2012, increasing by 1.9% when compared with the same month of the previous year.

The Irish, Dutch and French markets recorded the largest increases.

The Spanish and the internal market declined when compared with the same period of 2011.

In the year 2012, vis-à-vis the previous year, the overnight stays increased by 0.8% (changes of -7.2% and 5,0% of the overnight stays of residents in Portugal and abroad, respectively).

Table 1. Global preliminary results from tourism activity

GLOBAL PRELIMINARY RESULTS	Month		Accumulated	
	Dec 12	Year-on-year change rate (%)	Jan to Dec 12	Year-on-year change rate (%)
Guests (thousand)	726.1	-0.5	13 875.0	-0.8
Overnight stays (thousand)	1 689.2	1.9	39 768.0	0.8
Residents in Portugal	678.2	-5.4	12 467.0	-7.2
Non residents	1 011.1	7.4	27 301.0	5.0
Average stay (no. of nights)	2.3	0.0	2.9	0.1
Net bed occupancy rate (%)	21.5	-0.1 p.p.	39.3	-0.7 p.p.
Total revenue (€ Million)	82.7	-0.1	1 860.2	-2.4
Revenue from accommodation (€ Million)	52.2	2.6	1 291.7	-1.2
RevPar (Average revenue per available room) (€)	14.7	1.4	27.2	-7.4

Less guests but more overnight stays

In **December 2012**, the tourism accommodation activity establishments hosted 726.1 thousand guests, marginally less than in the same month of the previous year (-0.5%). The trend in overnight stays was positive (+1.9%), corresponding to 1.7 million. In the previous month, the year-on-year changes recorded were 6.2% and 7.7% regarding guests and overnight stays, respectively.

Tourist apartments and tourist villages presented the best results in terms of year-on-year change rates in overnight stays (+17.7% and +16.6%, respectively).

Overnight stays in Hotels accounted for an increase of 2.7%, with the positive contribution of all categories, with the exception of three star units.

In apartment hotels (+1.6%), five star units decreased sharply (-17.3%), though compensated by the growth in the remaining categories.

The other typologies recorded declining results, more so the “pousadas”, with a significant reduction on the number of overnight stays.

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

Type of establishment and category	Overnight stays (10 ³)		Year-on-year change rate
	Dec-11	Dec-12	%
Total	1 658.2	1 689.2	1.9
Hotels	1 094.3	1 123.4	2.7
*****	175.9	194.7	10.7
****	506.3	527.5	4.2
***	287.2	268.8	-6.4
** / *	124.8	132.4	6.1
Apartment hotels	232.7	236.4	1.6
*****	22.9	18.9	-17.5
****	154.1	156.8	1.8
*** / **	55.6	60.7	9.2
Pousadas	27.0	17.2	-36.3
Tourist apartments	90.7	106.7	17.6
Tourist villages	50.1	58.4	16.6
Other tourist establishments	163.5	147.1	-10.0

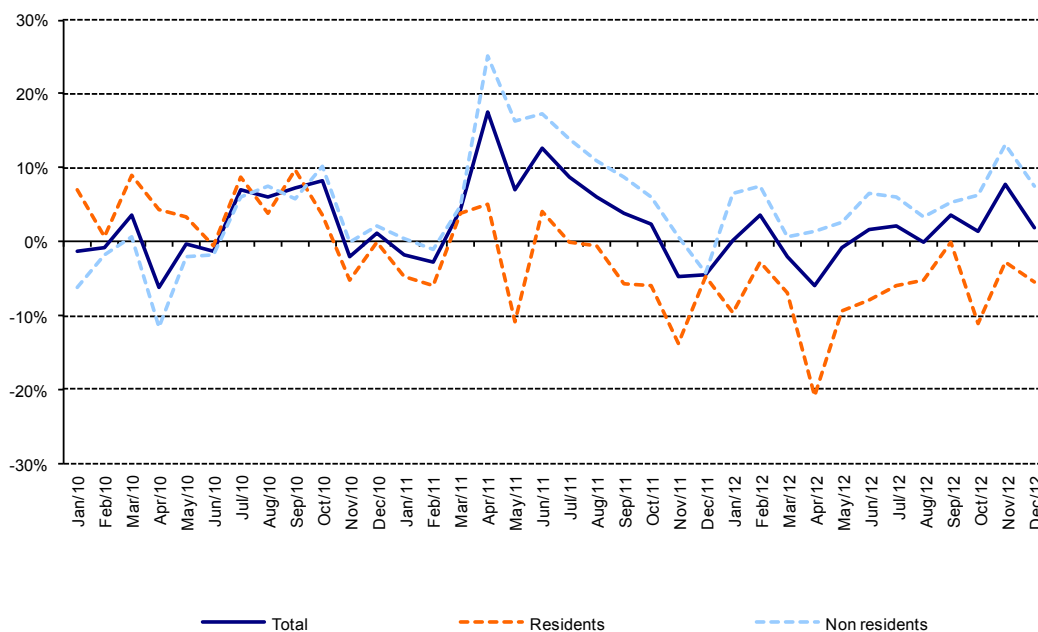
Residents spent less overnight stays while non residents kept growing

Residents spent 678.2 thousand overnight stays, which stood for a year-on-year decline of 5.4%, a follow-up of the declining trend observed in the previous two months.

The number of overnight stays spent by non residents stood at around one million, corresponding to a year-on-year increase of 7.4% (13.1% in November). The decrease of the year-on-year change rate for December had a strong connection to a base effect that resulted in an exaggerated year-on-year change rate observed in November.

When considering the results of the last six months of 2012, there was a 5.9% year-on-year increase in overnight stays spent by non residents, while in the first half of the year that value stood at 3.8%.

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



The group of eight main inbound markets of origin (considering the whole year) concentrated almost 75% of the overnight stays spent by non residents in December 2012.

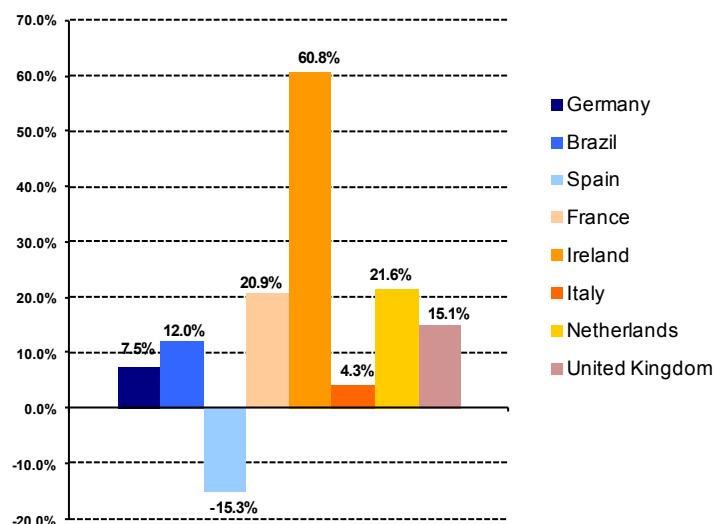
The greatest share went to the United Kingdom (20.5%), recording a year-on-year growth of 15.1%.

The Spanish market followed, in terms of relative importance, with 14.1% of overnight stays spent by non residents, standing as the only of the main inbound markets with a declining trend (-15.3%).

The German market, with a share of 13.7%, grew by 7.5% in year-on-year terms, while the Dutch (with 7.1% of overnight stays from non residents), presented a quite significant increase (+21.6%).

The Brazilian and the French markets presented similar shares (6.6% and 6.4%, respectively) and both had increases in overnight stays (+12% and +20.9%). Regarding the Italian market, with a 4% relative weight, there was a positive trend when compared with December 2011 (+4.3%). The Irish market presented the highest year-on-year increase (+60.8%), though its relative weight stood at only 1.2%.

Figure 2. Overnight stays by main inbound markets – month-to-month change rate – December 2012



Madeira, Algarve and Lisbon with the highest increases in overnight stays

The trend in overnight stays at a regional level was in overall positive when compared with December 2011, with the three main tourist regions presenting the best results (+6.6% in Madeira, +5.7% in Algarve and +4.1% in Lisbon).

The slight recovery of the Azores (+2%) is worth mentioning after a period of nine consecutive months of declining results.

In the Alentejo, the year-on-year decrease in overnight stays, which started in September, worsened in December 2012 (-21.5%).

The trend in overnight stays spent by residents kept declining in all regions, except in the Azores (6.5% more than in December 2011).

With regard to non residents, the highest increases in overnight stays occurred in the Algarve (+13.3%) and in Madeira (+7.9%).

On the contrary, the Centre, Alentejo and the Azores recorded a decrease in terms of demand by non residents, in December 2012, when compared with the same month of the previous year.

Table 3. Overnight stays by region (NUTS II)

NUTS II	Overnight stays (10 ³)		Year-on-year change rate	Residents overnight stays (10 ³)		Year-on-year change rate	Non residents overnight stays (10 ³)		Year-on-year change rate
	Dec-11	Dec-12	%	Dec-11	Dec-12	%	Dec-11	Dec-12	%
Portugal	1 658.2	1 689.2	1.9	716.5	678.2	-5.4	941.7	1 011.1	7.4
North	262.1	264.9	1.1	170.3	168.2	-1.2	91.8	96.7	5.3
Centre	213.6	198.8	-6.9	169.2	158.2	-6.5	44.4	40.6	-8.6
Lisbon	493.5	513.7	4.1	171.7	171.0	-0.4	321.8	342.7	6.5
Alentejo	65.6	51.4	-21.5	53.4	40.2	-24.7	12.1	11.2	-7.5
Algarve	333.2	352.3	5.7	103.6	92.1	-11.1	229.6	260.2	13.3
Azores	28.0	28.6	2.0	15.8	16.9	6.5	12.2	11.7	-3.8
Madeira	262.3	279.5	6.6	32.5	31.5	-2.9	229.8	248.0	7.9

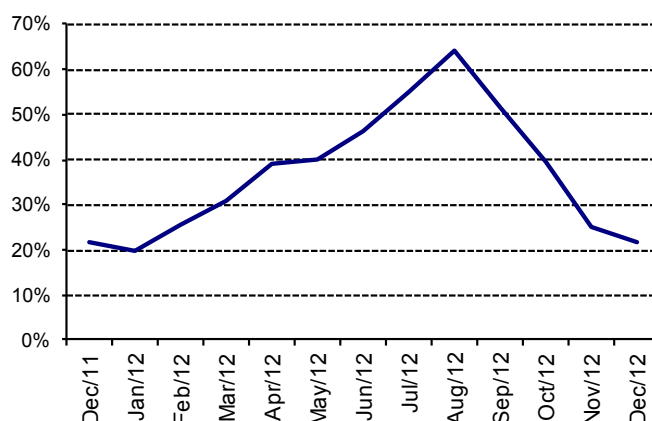
The figures regarding the Algarve resulted from the contributions of the Dutch (+24.5%) and the British (+14.1%) markets. Together, these two markets represented 62.3% of the overnight stays spent by non residents in this region, in December 2012.

In Madeira, there was also a year-on-year growth in overnight stays from its main inbound markets, particularly from the British (+16.5%) and the German (+9.3%).

Net bed occupancy rate without major changes

In **December 2012**, the net bed occupancy rate in tourism accommodation activity establishments was 21.5%, slightly changing from the one recorded in December 2011 (-0.1 p.p.).

Figure 3. Net bed occupancy rate



As in the previous month, the region of Madeira recorded the highest net bed occupancy rate (34.9%), which also corresponded to the highest year-on-year increase (4 p.p.).

The Algarve and the Azores accounted for slight increases, while Lisbon kept the same occupancy levels. The remaining regions had reduced occupancy levels when compared with the same period of the previous year.

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

NUTS II	Occupancy rate		Average stay	
	%		(No. of nights)	
	Dec-11	Dec-12	Dec-11	Dec-12
Portugal	21.6	21.5	2.3	2.3
North	22.0	20.9	1.6	1.6
Centre	18.7	16.6	1.6	1.6
Lisbon	29.6	29.6	2.1	2.1
Alentejo	17.4	14.7	1.6	1.6
Algarve	15.1	15.6	3.7	4.0
Azores	11.2	11.5	2.6	2.4
Madeira	30.9	34.9	5.2	5.2

The tourist apartments presented an increase (+1.5 p.p.) in the occupancy rate when compared with December 2011, as well as apartment hotels (+0.8 p.p.). In the latter, there was the positive contribution of four star units as opposed to the negative contribution of the remaining typologies.

In hotels, the categories up to three stars accounted for reductions in the occupancy rates, while four and five star units accounted for increases.

Five star hotels and apartment hotels recorded the highest occupancy rates (27.5% and 26.1%, respectively).

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)	
	Dec-11	Dec-12	Dec-11	Dec-12
Total	21.6	21.5	2.3	2.3
Hotels	24.1	24.0	2.0	2.1
*****	25.4	27.5	2.3	2.3
****	24.8	25.0	2.2	2.3
***	22.9	21.5	1.9	1.8
** / *	22.7	21.4	1.6	1.7
Apartment hotels	21.5	22.3	3.9	4.0
*****	26.4	26.1	4.1	4.7
****	20.9	22.4	4.1	4.1
*** / **	21.7	21.1	3.3	3.5
Pousadas	37.6	19.8	1.6	1.6
Tourist apartments	12.9	14.4	4.4	4.6
Tourist villages	12.5	12.3	4.1	4.0
Other tourist establishments	18.2	18.2	2.0	2.0

Average stay with stable results

The average stay was 2.3 nights, the same as in December 2011.

As usual, Madeira recorded the longest average stay (5.2 nights). The Algarve followed with an average stay of 4 nights and was also the only region to record an year-on-year increase (+0.3 nights). The Azores had a slightly reduced average stay (-0.2 nights), while the remaining regions had no major changes.

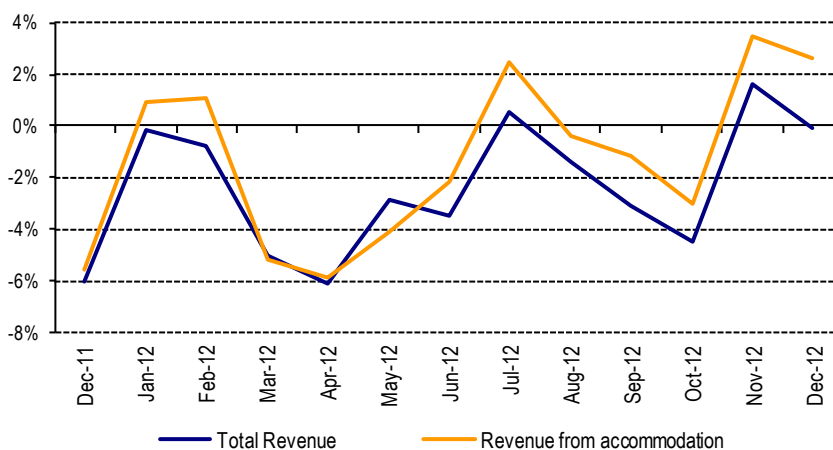
With regard to the type of establishment, tourist apartments led (4.6 nights) in terms of the longest average stays, followed by apartment hotels and tourist villages (4 nights in both).

In terms of categories, five star apartment hotels are worth mentioning with an average stay of 4.7 nights.

Revenue from accommodation increasing slightly but with no impact on total revenue

Tourist accommodation activity establishments accounted for EUR 82.7 million in total revenue, a similar figure to the one of December 2011 (-0.1%). The revenue from accommodation also increased (+2.6%) when compared to the same month of the previous year, corresponding to EUR 52.2 million.

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



The Algarve and Madeira recorded the best results in both indicators, with respective year-on-year increases of 9.9% and 7.6% in total revenue and 8% and 18.6% in revenue from accommodation.

In Lisbon, there were slight increases in year-on-year terms (+1.4% in total revenue and +2% in revenue from accommodation), while in the North there was a decline in total revenue and an increase in revenue from accommodation.

The remaining regions presented declining results, namely in Alentejo (-25% in total revenue and -20% in revenue from accommodation).

Table 6. Revenue by region (NUTS II)

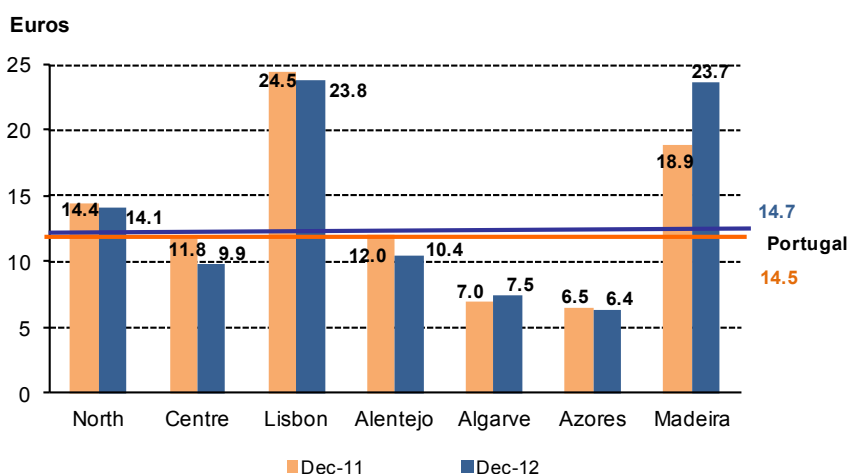
NUTS II	Total revenue (10 ⁶ euros)		Revenue from accommodation	
	Dec-12	Year-on-year change rate (%)	Dec-12	Year-on-year change rate (%)
Portugal	82.7	-0.1	52.2	2.6
North	13.4	-1.8	8.6	3.2
Centre	9.8	-12.3	5.7	-12.7
Lisbon	29.3	1.4	19.7	2.0
Alentejo	2.7	-25.0	1.7	-20.0
Algarve	11.3	9.9	6.6	8.0
Azores	1.4	-5.3	0.8	-1.4
Madeira	14.9	7.6	9.3	18.6

RevPAR increases

RevPAR from tourist accommodation activity was EUR 14.7 in December 2012, above the one recorded in December 2011 (+1.4%).

Lisbon and Madeira recorded the highest RevPAR, on average (EUR 23.8 and EUR 23.7, respectively), followed by the North (EUR 14.1). In year-on-year terms, the region of Madeira grew the most (25.4%), followed by the Algarve (+7.1%). The remaining regions had reductions in RevPAR, more so the Centre (-16.1%) and Alentejo (-13.3%).

Figure 5. Average revenue per room



Five star hotels recorded the highest RevPAR (EUR 33.3), around twice as much as the value of four star hotels (EUR 16.9).

In year-on-year terms, the highest increases came from five star apartment hotels (+23.4%), tourist apartments (+22.4%) and five star hotels (+11%).

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

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Dec-11	Dec-12	%
Total	14.5	14.7	1.4
Hotels	17.4	17.4	0.0
*****	30.0	33.3	11.0
****	17.2	16.9	-1.7
***	13.0	12.1	-6.9
** / *	11.8	11.1	-5.9
Apartment hotels	11.9	12.7	6.7
*****	12.8	15.8	23.4
****	12.3	13.3	8.1
*** / **	10.5	10.3	-1.9
Pousadas	29.1	22.0	-24.4
Tourist apartments	4.9	6.0	22.4
Tourist villages	7.0	7.3	4.3
Other tourist establishments	10.1	9.9	-2.0

Tourism accommodation activity - 2012 preliminary results

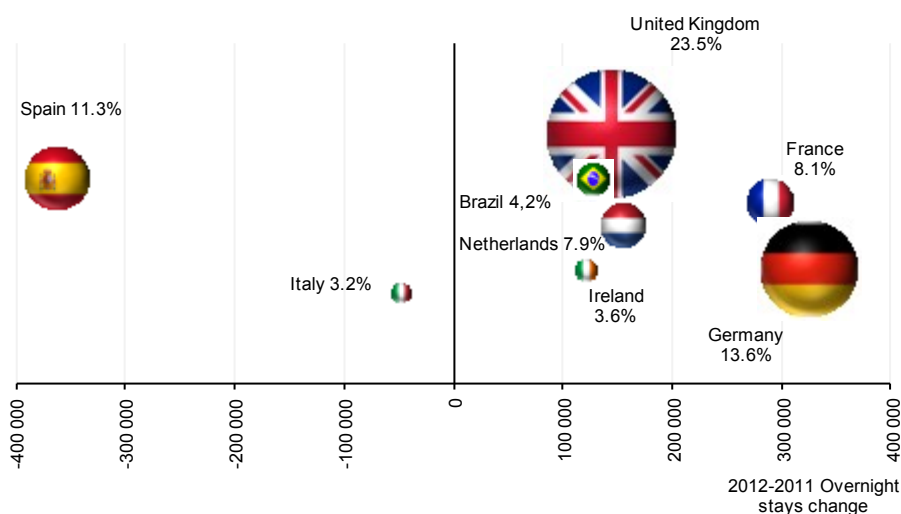
In 2012, the preliminary results regarding the movement of guests and the number of overnight stays in tourism accommodation activity establishments point to a stability trend when compared with the previous year.

These establishments hosted 13.9 million guests which in turn originated 39.8 million overnight stays. These figures accounted for very slight changes when compared to those of 2011 (-0.8% guests and +0.8% overnight stays). Residents contributed for this outcome with declining figures (-7.2% less overnight stays when compared with 2011), while the number of overnight stays spent by non residents increased by 5%.

The performance of the main inbound markets was positive in overall, more so in the cases of the French (+15% overnight stays), the Irish (+14.1%) and the Brazilian (+12.7%) markets. The Spanish market decreased by 10.5%, which stood for the lowest result amongst this group of markets.

The United Kingdom kept its dominant position amongst the inbound markets, with a 23.5% relative weight, followed by Germany (13.6%) and Spain (11.3%).

Figure 6. Weight of the main inbound markets in overnight stays from non residents



Lisbon and the Algarve were the only regions to present a year-on-year increase in overnight stays (+4.9% and +2.7%, respectively). The North changed slightly (-0.1%), while the remaining regions accounted for declining results, more so in the Alentejo (-7.6%) and in the Azores (-7.5%).

Revenue results from tourism accommodation activity establishments declined slightly. Total revenue was EUR 1 860.2 million, lower by 2.4% when compared with 2011. Revenue from the accommodation stood at EUR 1 291.7 million, corresponding to a year-on-year decrease of 1.2%.

RevPAR was EUR 27.2, lower by 7.4% when compared with the previous year.

MAIN INBOUND MARKETS

The Brazilian market

The **2012** preliminary results portraying the tourism accommodation activity with regard to the Brazilian market, point to around 497 thousand guests and 1.1 million overnight stays, corresponding to year-on-year increases of 9.3% and 12.7% respectively.

The average stay was 2.3 nights, slightly above the one of the previous year (2.2 nights).

Lisbon was the main destination, concentrating more than 60% of overnight stays from this market.

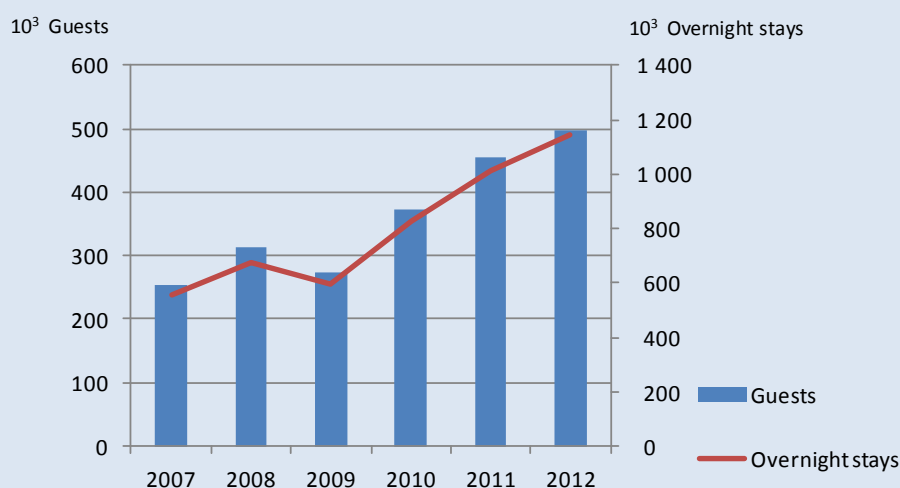
In terms of the demand by type of establishment, hotels ranked first, with an above 80% share. Of these, 26.8% relate to three star units, 42.4% to four star units and 18.5% to five star units.

When considering the trend over the **last five years**, the number of overnight stays has grown since 2007, with the exception of 2009, ending with 2012 recording the highest number of overnight stays spent by Brazilian residents.

However, the highest increase on the number of overnight stays (+39.1%) occurred in 2010. From then on, the figures from the Brazilian market surpassed those from the Irish market.

The number of overnight stays (1.1 million) spent by Brazilian residents in 2012 doubled the value of 2007 (559 thousand). As a consequence, Brazil as an inbound market, doubled its relative weight from 2.1% in 2007 to 4.2% in 2012.

Evolution of guests and overnight stays from the Brazilian inbound market



EXPLANATORY NOTES

Data disseminated in this “Press Release” refers to the following data outputs:

2012 – November and December – preliminary data

January to October – provisional data

2011 – Definitive data

In between preliminary, provisional and definitive data, results are updated due to definitive answers instead of provisional and mainly due to the replacement of non response estimates by effective responses.

Data refers to tourism accommodation establishments with activity, in each reference period.

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 (conference room renting, 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 revenues from accommodation and the number of available rooms, in the reference period.

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.

Rounded figures might imply that totals don't correspond to the sum of the parcels.

ABBREVIATIONS

RevPAR – Revenue Per Available Room

Date of next press release: 14 March 2013