

16 April 2013

Tourism Activity

February 2013

Foreign guests compensate decline in overnight stays from residents

The number of overnight stays spent in tourism accommodation activity establishments stood at 1.9 million in February 2013, increasing by 0.6% when compared with the same month of the previous year (+1.1% in January). This outcome resulted from the 5.0% growth in overnight stays from foreign residents (+5.2% in January), while those spent by residents decreased by 7.8% (-6.2% in January).

The Irish market grew the most (+30.7%) when compared with February 2012. The British (+7.7%), the German (+7.2%) and the Dutch (+7.0%) markets grew as well. On the contrary, the Spanish and the Brazilian markets recorded declining results (-15.4% and -1.5%, respectively).

The revenue from the activity accounted for slight positive trends in year-on-year terms of 1.6% in total revenue and 1.0% in revenue from the accommodation (-1.7% in total revenue and -0.2% in revenue from accommodation in January).

Table 1. Global preliminary results from tourism activity

GLOBAL PROVISIONAL RESULTS	Month		Accumulated	
	Feb 13	Year-on-year change rate (%)	Jan to Feb 13	Year-on-year change rate (%)
Guests (thousand)	725.1	0.6	1 368.0	-0.3
Overnight stays (thousand)	1 896.9	0.6	3 485.1	0.8
Residents in Portugal	597.5	-7.8	1 128.9	-7.1
Non residents	1 299.4	5.0	2 356.3	5.1
Average stay (no. of nights)	2.6	0.0	2.5	0.0
Net bed occupancy rate (%)	26.2	0.5 p.p.	22.7	-0.2 p.p.
Total revenue (€ Million)	82.3	1.6	155.4	0.0
Revenue from accommodation (€ Million)	54.0	1.0	102.6	0.4
RevPar (Average revenue per available room) (€)	16.3	1.9	14.7	-1.7

Slight increases in guests and overnight stays

In **February 2013**, tourism accommodation activity establishments hosted 725.1 thousand guests, which in turn originated 1.9 million overnight stays, resulting in almost quite similar figures to the ones of February 2012 (+0.6% in

both indicators). In the previous month (January 2013), the year-on-year change rates changed slightly as well, although diversely (-1.3% in guests and +1.1% in overnight stays).

Tourist apartments and tourist villages were on top of the typologies as far as the increases in the number of overnight stays were concerned (+12.7% and +11.6% respectively), keeping the trend of the previous months (+17.2% and +36.6% in January and +17.1% and +15.2% in December).

The number of overnight stays spent in hotels grew by 3.5%, with the positive contribution of five and four star categories. Apartment hotels presented declining results (-9.0%), but more considerably than in the previous month (-4.9%).

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

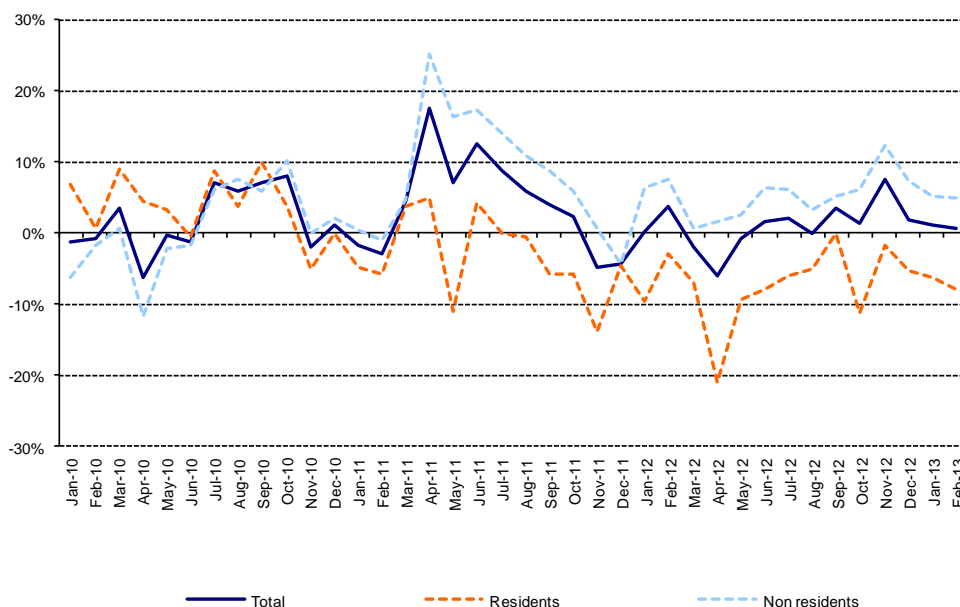
Type of establishment and category	Overnight stays (10 ³)		Year-on-year change rate
	Feb-12	Feb-13	%
Total	1 885.7	1 896.9	0.6
Hotels	1 183.5	1 225.5	3.5
*****	197.2	229.5	16.4
****	571.8	585.7	2.4
***	288.5	285.9	-0.9
** / *	125.9	124.5	-1.2
Apartment hotels	323.0	293.9	-9.0
*****	26.2	24.3	-7.4
****	211.6	205.3	-3.0
*** / **	85.2	64.3	-24.6
Pousadas	21.0	16.4	-22.0
Tourist apartments	126.2	142.2	12.7
Tourist villages	72.8	81.3	11.6
Other tourist establishments	159.2	137.7	-13.5

Trend in overnight stays: declining pace from residents versus positive results from non residents

Residents spent 597.5 thousand overnight stays, which stood for a year-on-year decline of 7.8%, which confirmed the declining trend that lasts for over a year and worsening the results of the previous month (-6.2%).

On the contrary, non residents originated 1.3 million overnight stays, 5.0% more than the number of overnight stays they spent in February 2012, confirming the year-on-year positive trend since the beginning of 2012 (+6.2% in December 2012 and +5.2% in January 2013).

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



The eight main inbound markets of origin originated 72.3% of overnight stays spent by non residents (according to the provisional results of 2012) and performed positively in February.

The United Kingdom, main inbound market (22.7% of the total of overnight stays spent by non residents), grew by 7.7% in year-on-year terms.

The German market (relative weight of 17.1%) and the Dutch (10.6%) presented change rates of +7.2% and +7.0% in overnight stays in February 2012.

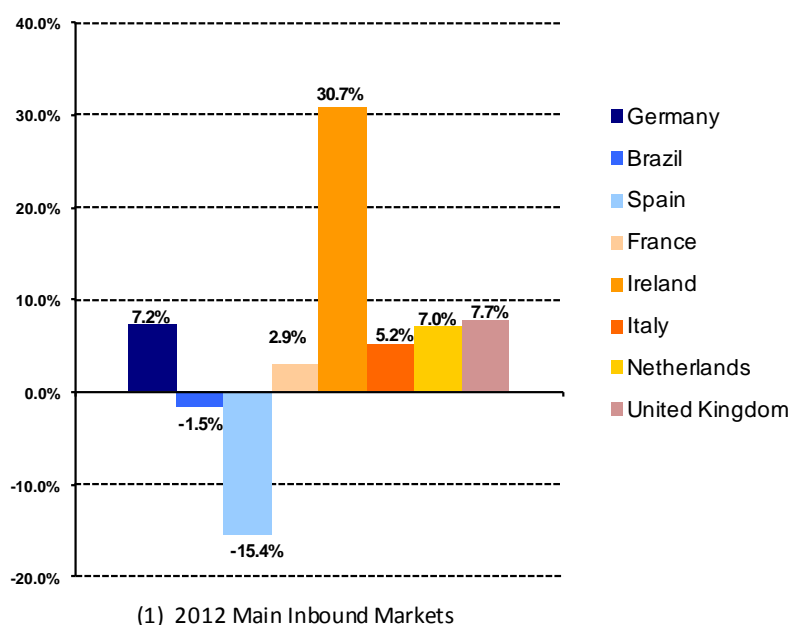
Spain (7.6% of overnight stays by non residents) declined by 15.4% when compared with February 2012, keeping the negative trend present in the previous three months (-12.6% in January and -17.3% in December).

The French market (5.7% of the total) presented positive results (+2.9% of overnight stays), but less so when compared with January (+13.9%), December (+21.1%) and November (+34.6%).

The Brazilian market accounted for 1.5% less overnight stays than in February 2012, with a 4.9% share of the total.

Italy (2.3% share) and Ireland (1.4% share) presented positive results in year-on-year terms (+5.2% and +30.7%, respectively), reversing the declining figures of the previous month (-11.1% and -7.1%, respectively).

Figure 2. Overnight stays by main inbound markets ⁽¹⁾ – month-to-month change rate – February 2013



Madeira and Lisbon with positive results in overnight stays

In February 2013, Madeira and Lisbon were the only regions to present year-on-year increases in terms of overnight stays (+5.7% and +4.9%, respectively). While Madeira kept the positive trend of the most recent months (+6.4% in January and +8.1% in December), Lisbon recovered from the slight decrease in January (-0.8%).

The remaining regions presented declining results, as in the case of Algarve that decreased by 1.5% in year-on-year terms, which stood for a trend reversal after nine consecutive months with positive results. However, in February 2013, the month of Carnival festivities, the Algarve accounted for the highest number of overnight stays concentrating 27.7% of the total of overnight stays.

As far as overnight stays spent by residents are concerned, there was an overall decline when compared with February 2012, more so in the Alentejo and Madeira (-25.0% and -24.4%, respectively).

The trend in overnight stays spent by non residents remained positive in overall, namely in the Alentejo (+23.0%), in line with the results of the previous month (+22.0%). Madeira and Lisbon also presented relevant year-on-year increases (+8.7% and +7.35, respectively), with Lisbon reversing the trend of the previous month (-2.0%).

The Azores stood as the only region with a declining trend in year-on-year terms (-3.7%), as far as overnight stays spent by non residents are concerned.

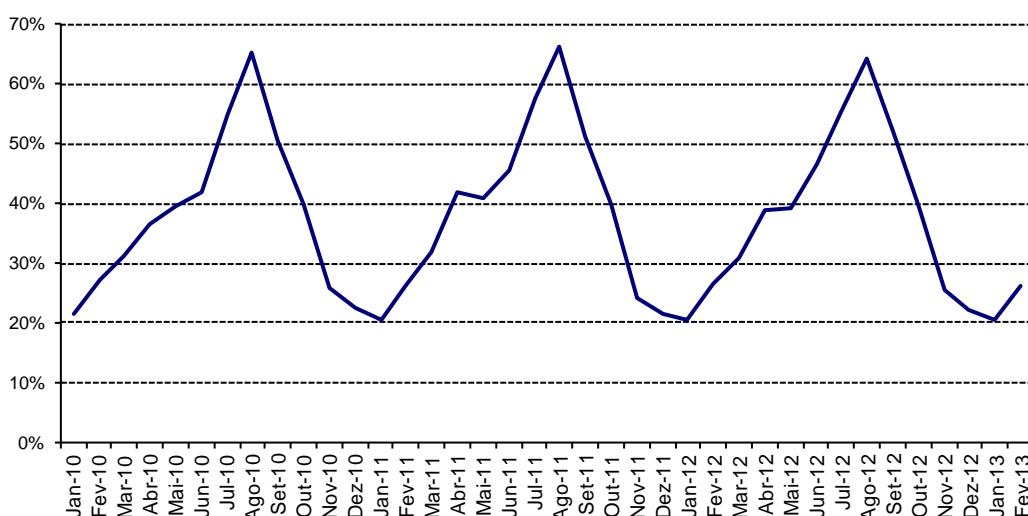
Table 3. Overnight stays by region (NUTS II)

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
	Feb-12	Feb-13	%	Feb-12	Feb-13	%	Feb-12	Feb-13	%
Portugal	1 885.7	1 896.9	0.6	648.4	597.5	-7.8	1 237.3	1 299.4	5.0
North	253.1	243.0	-4.0	160.9	147.0	-8.6	92.2	95.9	4.1
Centre	199.1	198.1	-0.5	144.1	142.4	-1.2	55.1	55.7	1.1
Lisbon	472.4	495.4	4.9	154.4	154.1	-0.2	318.0	341.3	7.3
Alentejo	58.7	50.7	-13.6	44.8	33.6	-25.0	13.9	17.1	23.0
Algarve	534.4	526.2	-1.5	90.2	76.6	-15.1	444.2	449.6	1.2
Azores	37.2	34.0	-8.6	23.2	20.5	-11.5	14.0	13.5	-3.7
Madeira	330.8	349.5	5.7	30.8	23.3	-24.4	300.0	326.3	8.7

Net bed occupancy rate increases slightly

In **February 2013**, the net bed occupancy rate in tourism accommodation activity establishments was 26.2%, slightly above the one of February 2012 (25.7%).

Figure 3. Net bed occupancy rate



Madeira and Lisbon presented the highest net bed occupancy rates (49.3% and 32.1%, respectively), which also corresponded to the only year-on-year increases (+6 p.p. and +2.5 p.p.).

With regard to the remaining regions, there were reduced occupancy rates, more so in the North (-1.5 p.p.).

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

NUTS II	Occupancy rate		Average stay	
	%		(No. of nights)	
	Feb-12	Feb-13	Feb-12	Feb-13
Portugal	25.7	26.2	2.6	2.6
North	22.6	21.1	1.6	1.6
Centre	18.7	18.3	1.6	1.7
Lisbon	29.6	32.1	2.1	2.1
Alentejo	16.6	16.1	1.6	1.7
Algarve	24.0	23.5	4.9	4.7
Azores	16.4	15.6	2.6	2.6
Madeira	43.3	49.3	5.7	5.8

Five and four star apartment hotels were the categories that presented the highest net bed occupancy rates (32.3% and 31.6%, respectively) followed by five star and four star hotels (31.0% and 30.2%).

In year-on-year terms, the best results came from four star apartment hotels and five star hotels (+2.7 p.p. and +2.3 p.p., respectively).

The “*pousadas*” and three and two star apartment hotels had their net bed occupancy rates reduced when compared with February 2012 (-7.5 p.p. and -4.4 p.p., 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)	
	Feb-12	Feb-13	Feb-12	Feb-13
Total	25.7	26.2	2.6	2.6
Hotels	27.3	28.1	2.2	2.2
*****	28.7	31.0	2.4	2.5
****	29.2	30.2	2.4	2.5
***	24.9	25.6	2.0	2.0
** / *	23.6	22.2	1.7	1.7
Apartment hotels	29.7	30.6	4.9	4.4
*****	32.3	32.3	3.5	5.3
****	28.9	31.6	5.1	4.4
*** / **	31.4	27.0	5.0	4.2
Pousadas	28.0	20.5	1.5	1.6
Tourist apartments	19.1	19.2	6.7	6.2
Tourist villages	19.2	19.2	6.0	6.2
Other tourist establishments	19.5	20.0	2.1	2.1

Average stay with stable results

The average stay was 2.6 nights, the same as in February 2012 (2.5 in January).

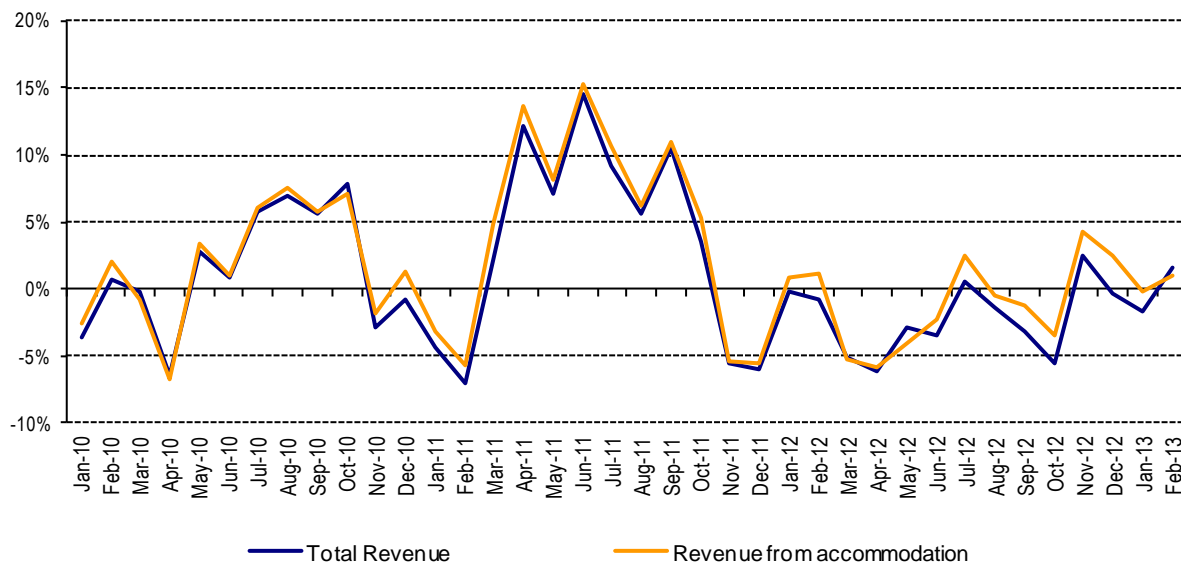
As usual, Madeira recorded the longest average stay (5.8 nights), followed by the Algarve (4.7 nights). The latter region recorded the highest reduction as far as this indicator is concerned (4.9 nights in February 2012), while the remaining regions had no significant changes.

Tourist apartments and tourist villages presented, on average, longer stays (6.2 nights in both) when compared with other typologies. In tourist apartments this indicator stood below the one from February 2012 (6.7 nights), while in tourist villages there was a slight increase (6.0 nights in February 2012).

Revenue increased

Tourist accommodation activity establishments accounted for EUR 82.3 million in total revenue and EUR 54.0 million in revenue from accommodation (+1.6% and +1.0% when compared with February 2012, respectively).

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



The increases in revenue that occurred on a national level had the strong contribution of Madeira that recorded significant year-on-year increases in both indicators (+14.6% in total revenue and +16.9% in revenue from accommodation), a similar outcome to the one of the previous month (+12.3% in total revenue and +14.2% in revenue from accommodation).

The Algarve and Lisbon also had improved figures but at a slower pace.

In the remaining regions the revenue presented a declining trend, namely the Alentejo, Azores and the Centre.

In the three main tourist regions, there were different trends concerning the revenue and the number of overnight stays. While in Madeira and in the Algarve there was a positive year-on-year trend in revenue which was even higher than the one recorded in overnight stays, in Lisbon the growth in revenue (+2.6% and +1.0%) was less intense than the one recorded in overnight stays (+4.9%), reflecting the price policy in these regions.

Table 6. Revenue by region (NUTS II)

NUTS II	Total revenue (10 ⁶ euros)		Revenue from accommodation	
	Feb-13	Year-on-year change rate (%)	Feb-13	Year-on-year change rate (%)
Portugal	82.3	1.6	54.0	1.0
North	11.3	-3.8	7.8	-4.5
Centre	8.2	-7.2	5.2	-10.4
Lisbon	28.2	2.6	19.2	1.0
Alentejo	2.5	-15.5	1.6	-17.0
Algarve	15.3	2.4	9.6	3.8
Azores	1.4	-13.6	1.0	-10.6
Madeira	15.4	14.6	9.6	16.9

RevPAR increases

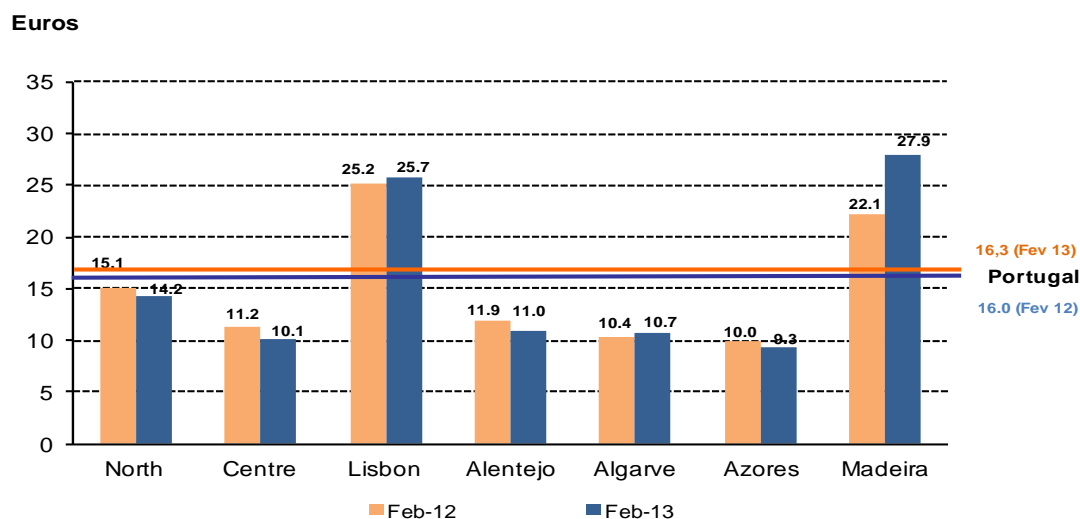
In February 2013, the RevPAR (revenue per available room) from tourist accommodation activity was EUR 16.3, higher by 1.9% when compared with February 2012 (-2.2% in January).

The regions with the highest RevPAR were Madeira (EUR 27.9) and Lisbon (EUR 25.7).

In year-on-year terms, Madeira accounted for a quite significant increase (+26.2%), while the remaining regions recording increases - Algarve and Lisbon – showed a slower pace growth (+2.9% and +2.0%, respectively).

The remaining regions had reductions in this indicator, namely the Centre, Alentejo and the Azores.

Figure 5. Average revenue per room



As so often occurs, five star hotels and apartment hotels recorded the highest RevPAR (EUR 34.3 and EUR 21.9, respectively, comparing with EUR 29.7 and EUR 11.6 in January).

When compared with February 2012, the RevPAR from five star apartment hotels increased quite considerably (+42.2%), as well as in tourist villages (+23.5%).

Apartment hotels, as far as the total for this type of establishment is concerned, accounted for a 13.4% growth in RevPAR, above the one of hotels (+1.1%). For the result of the latter, the five star category contributed (+6.5%), since the remaining categories declined in performance.

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

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Feb-12	Feb-13	%
Total	16.0	16.3	1.9
Hotels	18.8	19.0	1.1
*****	32.2	34.3	6.5
****	18.8	18.6	-1.1
***	13.4	13.1	-2.2
** / *	12.5	11.3	-9.6
Apartment hotels	14.9	16.9	13.4
*****	15.4	21.9	42.2
****	15.6	18.2	16.7
*** / **	12.9	11.9	-7.8
Pousadas	24.6	18.6	-24.4
Tourist apartments	6.7	6.5	-3.0
Tourist villages	8.1	10.0	23.5
Other tourist establishments	10.4	10.3	-1.0

In the period **January to February 2013**, tourism accommodation activity establishments hosted 1.4 million guests with a corresponding 3.5 million overnight stays. These figures stood for slight changes when compared with the same period of 2012 (-0.3% in guests and +0.8% in overnight stays).

Total revenue from the activity reached EUR 155.4 million, the same as in the period January to February 2012, while revenue from the accommodation stood at EUR 102.6 million (+0.4%).

RevPAR was EUR 14.7, lower by 1.7% when compared with the same period of 2012.

MAIN INBOUND MARKETS IN 2012

The Angolan market

The Angolan market does not belong to the group of the main inbound markets (it stood only for 0.5% of overnight stays spent by non residents in 2012), but has been revealing a significant growth trend, especially in the past year.

In **2012** (provisional results), tourism accommodation activity establishments hosted 52.5 thousand Angolan guests, which in turn spent 192.2 thousand overnight stays. These figures stood for year-on-year increases of 27.0% in guests and 30.2% in overnight stays.

The main destination was Lisbon (85.7% of overnight stays spent by Angolan residents), with the North (9.4%) ranking second as favourite destination.

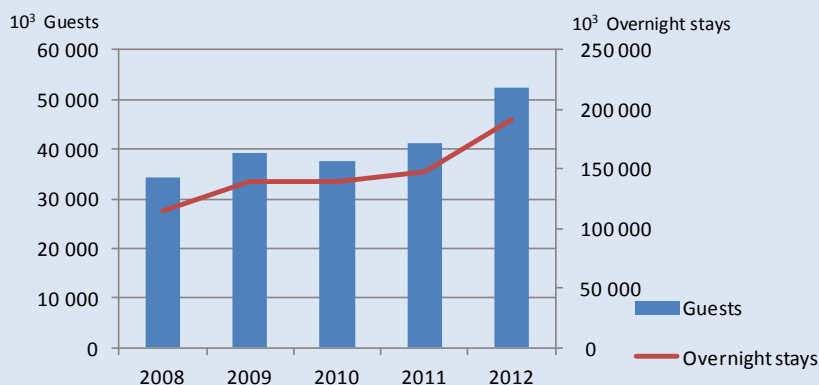
The most sought-after establishments were hotels with a corresponding 76.5% share of the total of overnight stays of this market, half of which were spent in four star hotels (50.4%), followed by five star hotels (23.7%) and three star hotels (17.4%).

The average stay was 3.7 nights, with a even higher value in Lisbon (3.9 nights). Tourist apartments and tourist villages recorded the highest values as far as this indicator is concerned (6.9 and 5.3 nights, respectively). In terms of average stay per category, the emphasis goes to five star apartment hotels (5.3 nights) and four star units of the same typology (5.1 nights).

In Lisbon, the number of overnight stays linked to this market (149.8 thousand) grew by 5.7% when compared with 2011 and stood for 2.1% of the total of non residents within the region. These overnight stays were mainly spent in hotels (73.1%) and boarding houses (20.7%).

On a national level, in the last five years, the Angolan market grew by 66.9% in terms of overnight stays spent in tourism accommodation activity establishments (115.2 thousand in 2008 and 192.2 thousand in 2012). In 2009, there was a 20.9% growth, followed by a slight decrease in 2010 (-0.2%). In 2011, a recovery took place (+6.3%) which was strongly consolidated in 2012 (+30.2%).

Evolution of guests and overnight stays from the Angolan market



EXPLANATORY NOTES

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

2013 – January to February – preliminary data

2012 – January to December – provisional 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 (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 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: 15 May 2013