

15 July 2013

## Tourism activity

May 2013

### Non residents contributed for positive results in tourism activity

The number of guests in tourism accommodation establishments was 1.4 million in May 2013, which stood for 7.0% more than in May 2012, and about 4.0 million overnight stays (+11.8%). This improvement was essentially due to the contribution of non residents (+15.5%) in contrast with the reduced year-on-year growth in May 2012 (+2.6%).

Revenue also presented an upward trend in year-on-year terms (+8.9% in total revenue and +12.2% in revenue from accommodation) when compared with the declining results of May 2012.

**Table 1. Global preliminary results from tourism activity**

GLOBAL PRELIMINARY RESULTS	Month		Accumulated	
	May 13	Year-on-year change rate (%)	Jan to May 13	Year-on-year change rate (%)
Guests (thousand)	1 403.4	7.0	4 920.1	2.3
Overnight stays (thousand)	3 954.0	11.8	13 277.6	4.3
Residents in Portugal	908.6	0.8	3 642.6	-5.0
Non residents	3 045.5	15.5	9 635.0	8.4
Average stay (no. of nights)	2.8	0.1	2.7	0.1
Net bed occupancy rate (%)	44.1	3.9 p.p.	32.7	1.1 p.p.
Total revenue (€ Million)	183.3	8.9	598.0	3.4
Revenue from accommodation (€ Million)	126.4	12.2	405.0	5.2
RevPar (Average revenue per available room) (€)	31.4	11.0	22.0	4.5

### Increasing number of guests and overnight stays

In May 2013, the results from the tourism accommodation activity were positive for almost all indicators. In year-on-year terms, the number of guests increased by 7.0% and overnight stays by 11.8%, corresponding to 1.4 and 4.0 million, respectively. The results from the period January to May were positive as well, but less so (+2.3% and +4.3%, respectively).

When considering the type of establishment, there were quite significant improvements in tourist apartments and tourist villages (each with 22% more overnight stays than in May 2012). The “*pousadas*”, hotels and apartment hotels followed, with the emphasis on 5 star hotels.

The accumulated results from the period January to May were not as good. Tourist apartments and tourist villages as well as hotels presented year-on-year increases (+15.7%, +16.2%, and +5.0%, respectively) but the “*pousadas*” and the apartment hotels had slight reductions in the number of overnight stays (-1.0% and -0.4%).

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

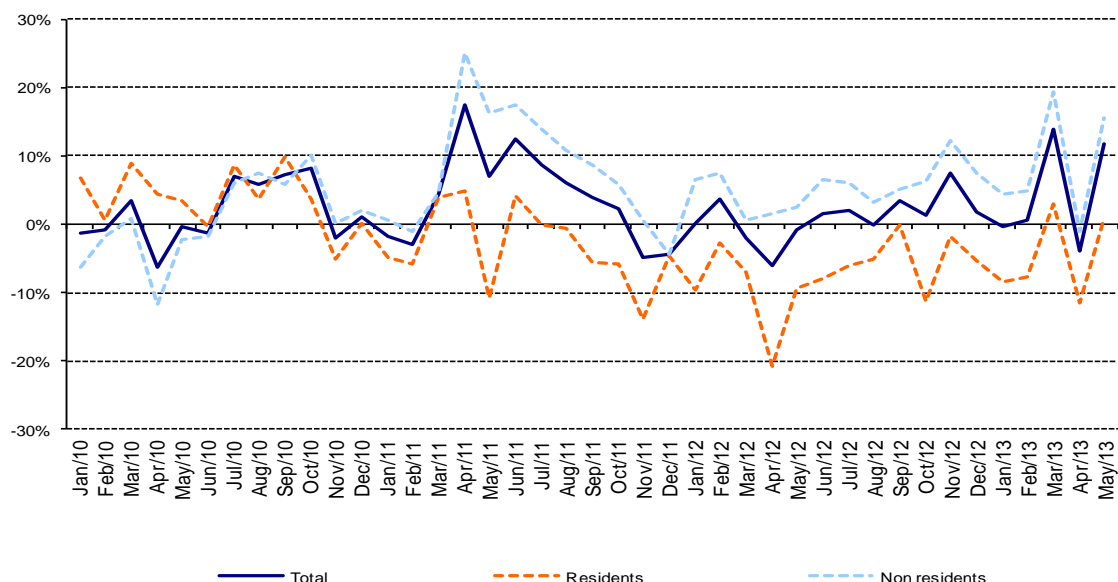
Type of establishment and category	Overnight stays (10 <sup>3</sup> )		Year-on-year change rate
	May-12	May-13	%
<b>Total</b>	<b>3 537.6</b>	<b>3 954.0</b>	<b>11.8</b>
<b>Hotels</b>	<b>2 257.0</b>	<b>2 524.4</b>	<b>11.8</b>
*****	381.8	496.4	30.0
****	1 124.3	1 219.5	8.5
***	534.1	572.7	7.2
** / *	216.8	235.8	8.8
<b>Apartment hotels</b>	<b>567.0</b>	<b>612.8</b>	<b>8.1</b>
*****	41.8	43.0	3.1
****	401.8	435.2	8.3
*** / **	123.4	134.5	9.0
<b>Pousadas</b>	<b>30.0</b>	<b>36.0</b>	<b>20.0</b>
<b>Tourist apartments</b>	<b>294.3</b>	<b>360.1</b>	<b>22.4</b>
<b>Tourist villages</b>	<b>131.6</b>	<b>160.9</b>	<b>22.3</b>
<b>Other tourist establishments</b>	<b>257.7</b>	<b>259.8</b>	<b>0.8</b>

## Overnight stays spent by non residents still trending upwards

Non residents contributed with 3.0 million overnight stays in May 2013 (15.5% more than in May 2012) which stood for 77.0% of the total of overnight stays. The accumulated results up until May revealed an 8.4% increase when compared with the same period of 2012, when considering overnight stays spent by non residents.

In May 2013, overnight stays spent by Portuguese residents (23.0% of the total) presented a slightly positive evolution (+0.8%), corresponding to 908.6 million overnight stays, while in May 2012 the outcome was a 9.3% reduction. Nonetheless, the declining trend from the accumulated results persists, i.e., up until May 2013, overnight stays spent by Portuguese residents resulted in a 5.0% reduction when compared with the same period of 2012.

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



The 8 main inbound markets<sup>1</sup> totalled 76.5% of overnight stays spent by non residents in May 2013, strengthening their importance as a whole when compared with both May 2012 (75.6%) and with previous months (71.1% in April and 72.8% in March 2013).

The British market, the first in the rank (25.8% of overnight stays spent by non residents) grew by 22.3% when compared with May 2012. The contribution of this country to the overall number of overnight stays spent in May 2013 amounted to 19.9%, merely 3.1 p.p. below the contribution of Portuguese residents.

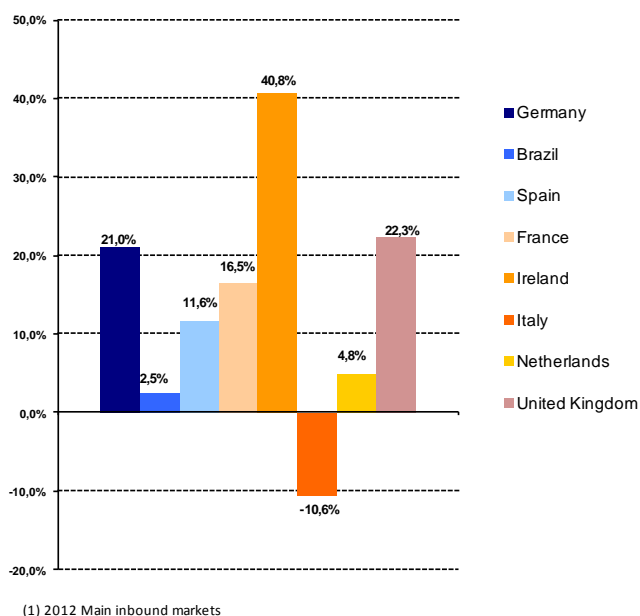
The growth of the Irish market (+40.8%) was very relevant, thus reaching a 4.9% share amongst the various inbound markets of origin.

The Spanish market accounted for a noticeable year-on-year change rate (+11.6%), contrary to the trend of the accumulated results from January to May (-8.8%). This market stood for 6.7% of overnight stays spent by non residents.

The Italian market presented the only declining trend amongst the main countries (-10.6%), in line with the trend already present in the first five months of the year (-7.4%).

<sup>1</sup> Based on 2012 results

**Figure 2. Overnight stays by main inbound markets <sup>(1)</sup> – month-to-month change rate – May 2013**



The increase in the number of overnight stays spent in tourism accommodation establishments was reflected in all regions, more so in the Algarve (+16.2%), North (+11.7%) and in Azores (+11.6%). It should be noted that the now upward trends in the Centre (+4.4%) and in Alentejo (+3.4%), followed a period of overall declining results with change rates of -3.2% and -3.5% respectively, from January to May 2013.

Overnight stays spent by residents showed different outcomes in the various regions. Madeira stood for a quite significant year-on-year increase (+28.8%), after contracting for a year. The Centre, Algarve and Alentejo also presented positive results.

As far as non residents are concerned, there was an increasing demand in all regions, with greater impact in the North (25.7% more than in May 2012) and in Azores (+25.5%).

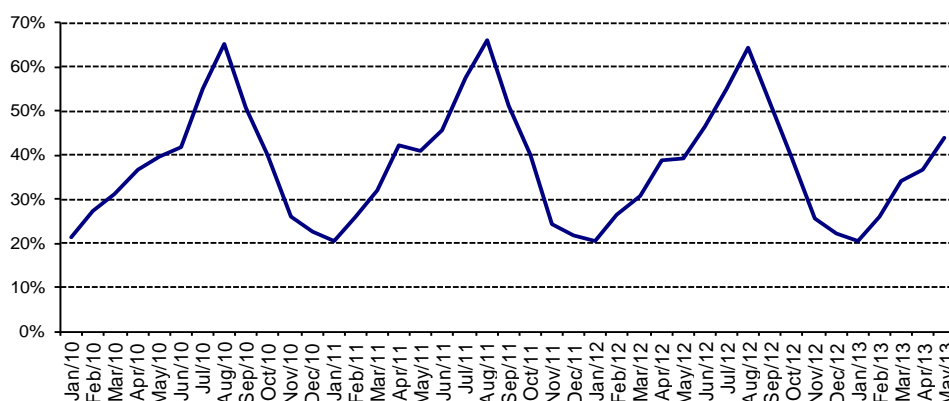
**Table 3. Overnight stays by region (NUTS II)**

NUTS II	Overnight stays (10 <sup>3</sup> )			Residents overnight stays (10 <sup>3</sup> )			Non residents overnight stays (10 <sup>3</sup> )		
	May-12	May-13	Year-on-year change rate (%)	May-12	May-13	Year-on-year change rate (%)	May-12	May-13	Year-on-year change rate (%)
<b>Portugal</b>	<b>3 537.6</b>	<b>3 954.0</b>	<b>11.8</b>	<b>901.7</b>	<b>908.6</b>	<b>0.8</b>	<b>2 635.8</b>	<b>3 045.5</b>	<b>15.5</b>
North	412.7	461.0	11.7	197.9	191.0	-3.5	214.8	270.0	25.7
Centre	334.6	349.2	4.4	174.2	181.4	4.1	160.4	167.8	4.6
Lisbon	900.3	996.2	10.7	217.8	208.0	-4.5	682.5	788.2	15.5
Alentejo	97.1	100.4	3.4	60.9	61.7	1.3	36.2	38.7	6.9
Algarve	1 179.6	1 370.9	16.2	169.8	175.9	3.6	1 009.8	1 195.0	18.3
<b>Azores</b>	<b>90.7</b>	<b>101.3</b>	<b>11.6</b>	<b>38.5</b>	<b>35.7</b>	<b>-7.3</b>	<b>52.3</b>	<b>65.6</b>	<b>25.5</b>
<b>Madeira</b>	<b>522.5</b>	<b>575.1</b>	<b>10.1</b>	<b>42.7</b>	<b>55.0</b>	<b>28.8</b>	<b>479.9</b>	<b>520.1</b>	<b>8.4</b>

## Improved net bed occupancy rates

The net bed occupancy rate in tourism accommodation establishments was 44.1%, which meant a 3.9 p.p. improvement from May 2012.

**Figure 3. Net bed occupancy rate**



The regions that recorded the highest net bed occupancy rates were Madeira (65.1%), Lisbon (57.5%) and Algarve (43.6%). These regions also presented the most favourable year-on-year trends (+5.8 p.p., +5.3 p.p. and +4.3 p.p., respectively).

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

NUTS II	Occupancy rate		Average stay	
	%		(No. of nights)	
	May-12	May-13	May-12	May-13
<b>Portugal</b>	<b>40.2</b>	<b>44.1</b>	<b>2.7</b>	<b>2.8</b>
North	32.6	36.1	1.7	1.7
Centre	26.6	27.3	1.7	1.7
Lisbon	52.2	57.5	2.2	2.4
Alentejo	24.1	27.1	1.6	1.7
Algarve	39.3	43.6	4.2	4.4
<b>Azores</b>	<b>34.7</b>	<b>37.3</b>	<b>2.9</b>	<b>3.2</b>
<b>Madeira</b>	<b>59.3</b>	<b>65.1</b>	<b>5.2</b>	<b>5.3</b>

Five star hotels stood out with a year-on-year growth of 7.4 p.p. in the occupancy rate. On the contrary, 5 star apartment hotels were the only ones to record reductions in terms of occupancy levels (-3.0 p.p.).

Five and 4 star hotels along with 4 star apartment hotels presented the highest values for this indicator (56.5%, 52.3% and 52.8%, 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)	
	May-12	May-13	May-12	May-13
<b>Total</b>	<b>40.2</b>	<b>44.1</b>	<b>2.7</b>	<b>2.8</b>
<b>Hotels</b>	<b>44.4</b>	<b>48.1</b>	<b>2.4</b>	<b>2.5</b>
*****	49.1	56.5	2.7	2.9
****	49.1	52.3	2.6	2.7
***	38.7	41.6	2.2	2.2
** / *	34.3	35.6	1.8	1.9
<b>Apartment hotels</b>	<b>45.8</b>	<b>49.4</b>	<b>4.0</b>	<b>3.9</b>
*****	48.2	45.2	4.8	4.5
****	48.3	52.8	3.9	3.9
*** / **	38.6	41.9	4.1	3.9
<b>Pousadas</b>	<b>34.1</b>	<b>37.8</b>	<b>1.5</b>	<b>1.7</b>
<b>Tourist apartments</b>	<b>30.0</b>	<b>34.6</b>	<b>5.3</b>	<b>5.1</b>
<b>Tourist villages</b>	<b>26.9</b>	<b>31.2</b>	<b>3.5</b>	<b>5.1</b>
<b>Other tourist establishments</b>	<b>28.1</b>	<b>31.7</b>	<b>2.3</b>	<b>2.4</b>

### Average stay with a slight increase

The average stay was 2.8 nights, slightly above the one of May 2012 (2.7 nights).

As in many past occasions, the longest stays were spent in Madeira (5.3 nights) and Algarve (4.4 nights).

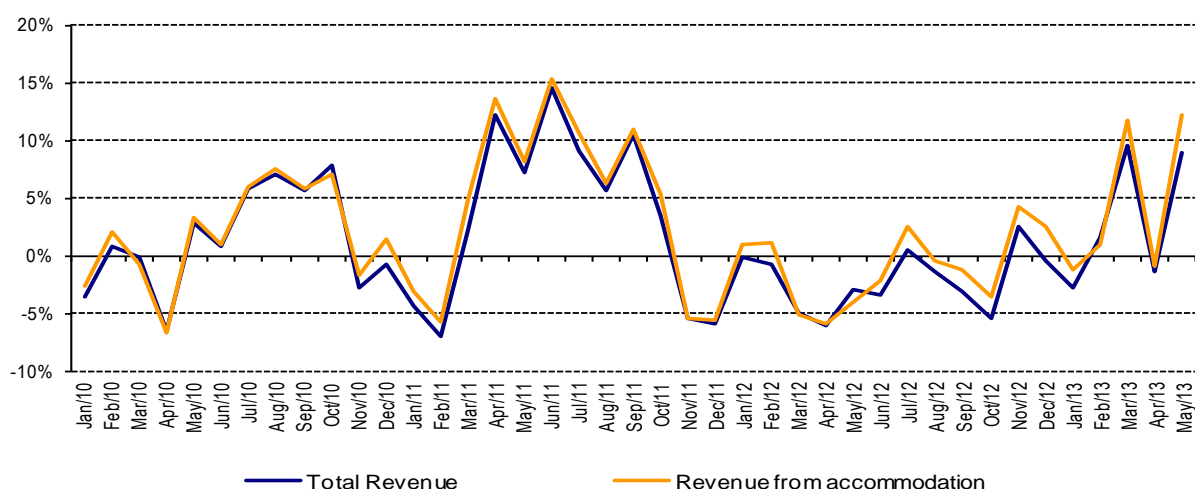
Tourist apartments and tourist villages presented the longest average stays (5.1 in both), which in the case of tourist villages corresponded to a growth of 1.6 nights in year-on-year terms.

### Revenue with positive results

In May 2013, tourist accommodation establishments accounted for EUR 183.3 million in total revenue and EUR 126.4 million in revenue from accommodation. These results correspond to year-on-year increases of 8.9% and 12.2%, respectively.

In the period January to May 2013, the trend in revenue was equally positive, but on a quite lower level (+3.4% for total revenue and +5.2% in revenue from accommodation).

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



The emphasis went to Madeira with year-on-year growths of 15.9% in total revenue and 21.1% in revenue from accommodation.

**Table 6. Revenue by region (NUTS II)**

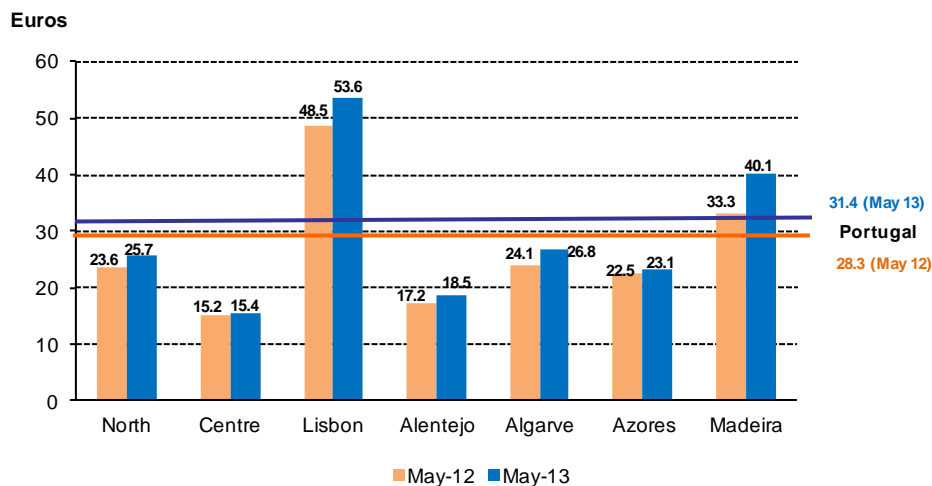
NUTS II	Total revenue (10 <sup>6</sup> euros)		Revenue from accommodation	
	May-13	Year-on-year change rate (%)	May-13	Year-on-year change rate (%)
<b>Portugal</b>	<b>183.3</b>	<b>8.9</b>	<b>126.4</b>	<b>12.2</b>
North	22.1	9.9	15.8	11.1
Centre	14.5	-1.2	9.5	2.8
Lisbon	60.6	9.2	44.6	12.2
Alentejo	4.8	1.5	3.1	1.1
Algarve	49.5	9.0	33.1	13.2
<b>Azores</b>	<b>4.1</b>	<b>1.7</b>	<b>2.9</b>	<b>4.0</b>
<b>Madeira</b>	<b>27.6</b>	<b>15.9</b>	<b>17.3</b>	<b>21.1</b>

## RevPAR increases in line with the growth in overnight stays

In May 2013, RevPAR from tourist accommodation activity was EUR 31.4, higher by 11.0% when compared with May 2012. From January to May 2013, this indicator revealed a year-on-year growth of 4.5%.

The RevPAR increased in all regions, more so in Madeira (+20.4%), Algarve (+11.2%) and Lisbon (+10.5%).

**Figure 5. Average revenue per available room**



The overall improvement in RevPAR had its origin especially in the “*pousadas*”, tourist villages and tourist apartments. Besides the usually high RevPAR in 5 star hotels (EUR 71.7), the emphasis also went to the “*pousadas*” (EUR 49.2).

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

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	May-12	May-13	%
<b>Total</b>	<b>28.3</b>	<b>31.4</b>	<b>11.0</b>
<b>Hotels</b>	<b>34.2</b>	<b>36.7</b>	<b>7.3</b>
*****	64.5	71.7	11.2
****	34.5	35.6	3.2
***	23.4	24.1	3.0
** / *	18.5	19.9	7.6
<b>Apartment hotels</b>	<b>25.6</b>	<b>30.1</b>	<b>17.6</b>
*****	29.9	33.1	10.7
****	27.2	32.5	19.5
*** / **	20.2	22.8	12.9
<b>Pousadas</b>	<b>39.9</b>	<b>49.2</b>	<b>23.3</b>
<b>Tourist apartments</b>	<b>12.0</b>	<b>14.7</b>	<b>22.5</b>
<b>Tourist villages</b>	<b>17.5</b>	<b>21.5</b>	<b>22.9</b>
<b>Other tourist establishments</b>	<b>16.4</b>	<b>18.1</b>	<b>10.4</b>



## Camping sites and holiday camps

In May 2013, the camping sites hosted 99.1 thousand campers, who spent 259.9 thousand overnight stays. These figures stood for an increase in the number of campers (+17.5%) but a decline in overnight stays (-4.6%), when compared with the previous month. However, the decline in overnight stays revealed a slowdown pace when compared with the previous month (-18.3% of overnight stays in April 2013).

Residents covered 57.4% of overnight stays but their demand declined by 11.4% when compared with May 2012.

On the contrary, the number of overnight stays spent by non residents grew in relation to the same period of the previous year (+6.5%), a reversed trend to the one observed in April 2013 (-9.8%).

The average stay was 2.6 nights, below the one of the same month of 2012 (3.2 nights).

In the period January to May 2013, the camping sites recorded 1.1 million overnight stays, 16.6% less than in May 2012.

Holiday camps and youth hostels kept declining results. In May 2013, these establishments welcomed 27.2 thousand guests who spent 56.4 thousand overnight stays. These figures stood for year-on-year reductions of 10.6% in guests and 15.9% in overnight stays.

Overnight stays spent by residents stood for 76.4% of the total and corresponded to a declining trend in year-on-year terms (-14.6%), in line with the previous month (-13.8%).

On the contrary, overnight stays spent by non residents accounted for a sharp decline in spite of the growth of the previous month (-19.9% in May and +1.2% in April).

The average stay was 2.1 nights, a slight change from the same month of 2012 (2.2 nights).

In the first 5 months of 2013, holiday camps and youth hostels recorded 218.3 thousand overnight stays, which meant a sharp year-on-year decline (-19.9%).

**Table 8. Camping, holiday camps and youth hostels, by origin of the guests, May 2013**

May-13	Unit	Camping sites			Holiday Camps and Youth Hostels		
		Total	Residents	Non residents	Total	Residents	Non residents
Campers / Guests	10 <sup>3</sup>	99.1	56.2	43.0	27.2	20.5	6.7
Overnight stays	10 <sup>3</sup>	259.9	149.3	110.6	56.4	43.1	13.3
Average stay	nights	2.6	2.7	2.6	2.1	2.1	2.0

## MAIN INBOUND MARKETS IN 2012

### *The German market*

The German market, ranking third in terms of relative importance in 2012, accounted for 13.6% of overnight stays spent by non residents in the year. When considering overnight stays spent in tourism accommodation establishments as a whole (including national demand) this market had a 9.3% share.

In the last five years, the trend in the German market was irregular. Overnight stays presented a -5.0% rate of change in 2008, which spread to the following years (-8.6% in 2009 and -1.9% in 2010). In 2011, a trend reversal occurred (+3.5%) that grew stronger in 2012 (+9.4%).

In 2012, tourism accommodation establishments hosted 811.7 thousand German resident guests which in turn originated 3.7 million overnight stays. These figures stood for similar increases but slightly above in terms of guests (+0.3 p.p. in relation to the growth in overnight stays).

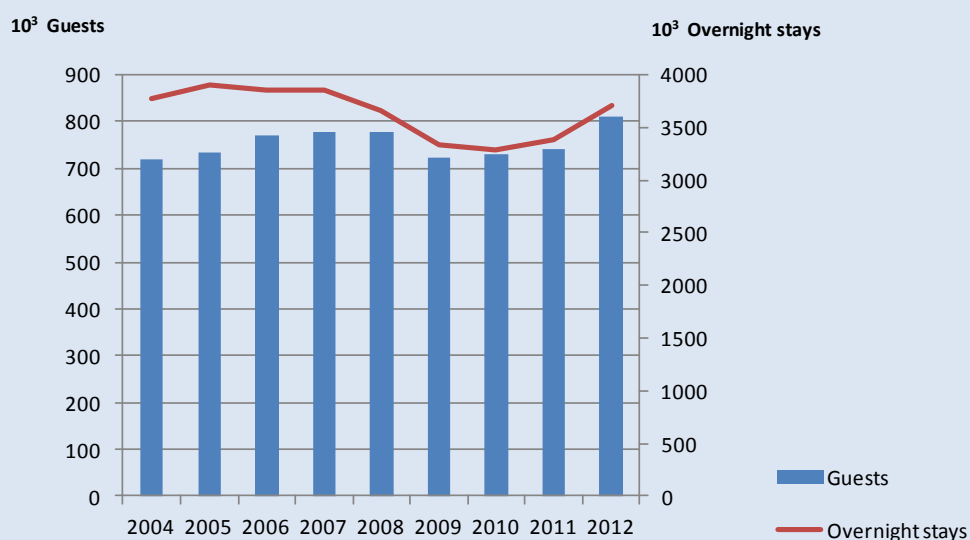
The most sought after regions were the Algarve (37.3% of overnight stays spent by German residents), Madeira (35.6%) and Lisbon (16.1%). The average stay was 4.6 nights in 2012, higher in Madeira (6.9 nights) and in Algarve (5.7 nights).

By type of establishment, the preferred establishments were hotels (63.9% of the total of overnight stays from this market) in particular the 4 star units, which represented 66.9% of the total of overnight stays spent in hotels. Apartment hotels followed (15.5%).

However, 2 star apartment hotels (8.1 nights) and tourist apartments (7.0) had the highest average stays.

The period July to October 2012 concentrated 43.7% of overnight stays spent by German residents.

### Evolution of guests and overnight stays from the German market



## EXPLANATORY NOTES

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

2013 – April and May – preliminary data; January to March – provisional data.

2012 – January to December – provisional data

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

In between preliminary, provisional and definitive data, results are revised due to definitive answers instead of provisional and mainly due to the replacement of non response estimates by effective responses, including situations of temporary suspended activity not duly reported. 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
1 <sup>st</sup> Quarter 13	-1.9	-1.1

**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.

**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.

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 August 2013