13th December 2013

Tourism activity
October 2013

External markets assume greater importance in tourism accommodation activity

In October 2013, tourism accommodation establishments accounted for 3.7 million overnight stays, corresponding to a 6.3% increase in year-on-year terms (+5.1% in September). The positive contribution of non residents (+8.6%) was even higher when compared with the previous month (+7.7%), leading to a weight of 77.3% for the external markets. Overnight stays by residents decreased by 0.9% (-1.2% in September).

Results from Revenue were also positive (+7.8% in total revenue and +6.8% in revenue from accommodation), even more so in comparison with the previous month (+4.3% and +3.5%, respectively).

Table 1. Global preliminary results from tourism activity

GLOBAL PRELIMINARY RESULTS	Unit	Month		Accumulated	
		Oct 13	Year-on-year change rate (%)	Jan to Oct 13	Year-on-year change rate (%)
Guests	10^3	1 308.6	5.6	12 776.1	3.6
Overnight stays	10^3	3 744.0	6.3	37 812.2	5.0
Residents in Portugal	10^3	851.5	-0.9	10 921.6	-1.8
Non residents	10^3	2 892.5	8.6	26 890.6	8.0
Average stay	No. of nights	2.9	0.7	3.0	1.3
Net bed occupancy rate	%	41.8	2.2 p.p.	44.0	1.7 p.p.
Total revenue	10^6 €	173.5	7.8	1 768.0	5.2
Revenue from accommodation	10^6 €	118.5	6.8	1 248.7	6.1
RevPAR (Average revenue per available room)	€	29.3	5.9	32.4	5.3

Increased number of guests (+5.6%) and overnight stays (+6.3%)

In October 2013, tourism accommodation activity establishments hosted 1.3 million guests, 5.6% more than in the same month of the previous year. The number of overnight stays increased by 6.3% (above the 5.1% increase of September) corresponding to 3.7 million.

The accumulated results of January to October also revealed a positive trend in comparison with the same period of 2012, although at a slower pace (3.6% more guests and 5.0% more overnight stays).

The *"pousadas"*, like in the previous month, presented an expressive year-on-year growth of 16.4% in October (+10.4% in September). Hotels also accounted for expressive results in overnight stays (+9.3%), higher than the previous month (+7.9%), having all categories contributed for this outcome, namely 5 star units (+16.6%).

The accumulated results of January to October revealed increases in all typologies, more so in tourist villages (+7.4%), *"pousadas"* (+7.3%) and hotels (+7.1%).

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

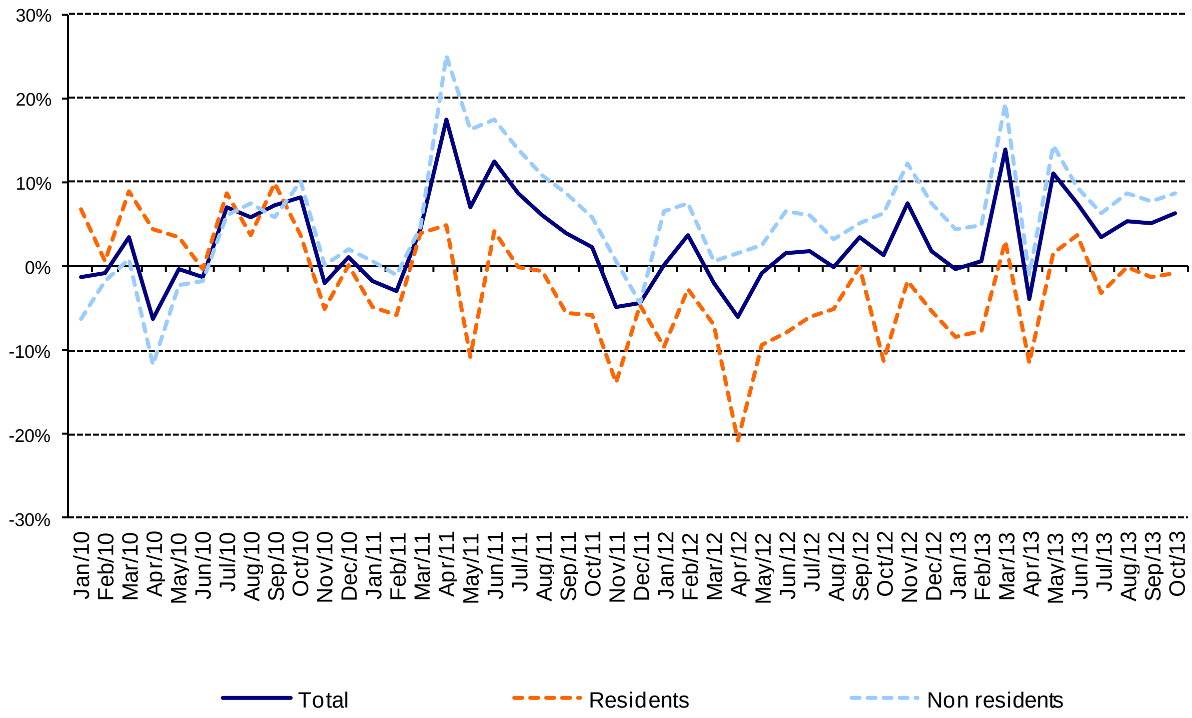
Type of establishment and category	Overnight stays (10^3)		Year-on-year change rate
	Oct-12	Oct-13	%
Total	**3 522.6**	**3 744.0**	**6.3**
Hotels	**2 211.9**	**2 416.7**	**9.3**
*****	412.9	481.6	16.6
****	1 084.0	1 162.5	7.2
***	501.0	540.9	8.0
** / *	214.1	231.7	8.2
Apartment hotels	**547.9**	**562.3**	**2.6**
*****	37.8	45.4	20.2
****	384.1	389.4	1.4
*** / **	126.1	127.5	1.2
Pousadas	**32.4**	**37.7**	**16.4**
Tourist apartments	**329.2**	**322.1**	**-2.2**
Tourist villages	**156.8**	**170.0**	**8.4**
Other tourist establishments	**244.4**	**235.2**	**-3.7**

Overnight stays spent by non residents weighted more

In October 2013, overnight stays spent by residents kept declining, totalling 851.5 thousand, 0.9% less than in October 2012. This outcome denotes a smaller reduction when compared with the previous month (year-on-year change rate of -1.2%) and the results of the period January to October 2012 (-1.8%).

Non residents spent 2.9 million overnight stays which stood for 8.6% more than in the same month of the previous year. This evolution surpasses the one of the previous month (+7.7%) and the one from the accumulated results of January to October (+8.0%). As a result, non residents weighted 77.3% of the total overnight stays spent in October 2013, strengthening their importance in relation to the same month of the previous year (75.6%).

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



The 10 main inbound markets[1] represented 78.9% of overnight stays from non residents and had different evolutions.

The United Kingdom, the most representative market (+27.3% of overnight stays spent by non residents), grew by 6.4% when compared with the same month of the year before but less than the accumulated results of January to October (+10.0%).

France and Germany presented much better results (+34.0 and 17.5%, respectively, when compared with October 2012). The increase in October for France was much higher than the accumulated results (+14.3%).

Brazil and the USA also presented expressive positive year-on-year evolutions (+16.8% and +14.8%, respectively).

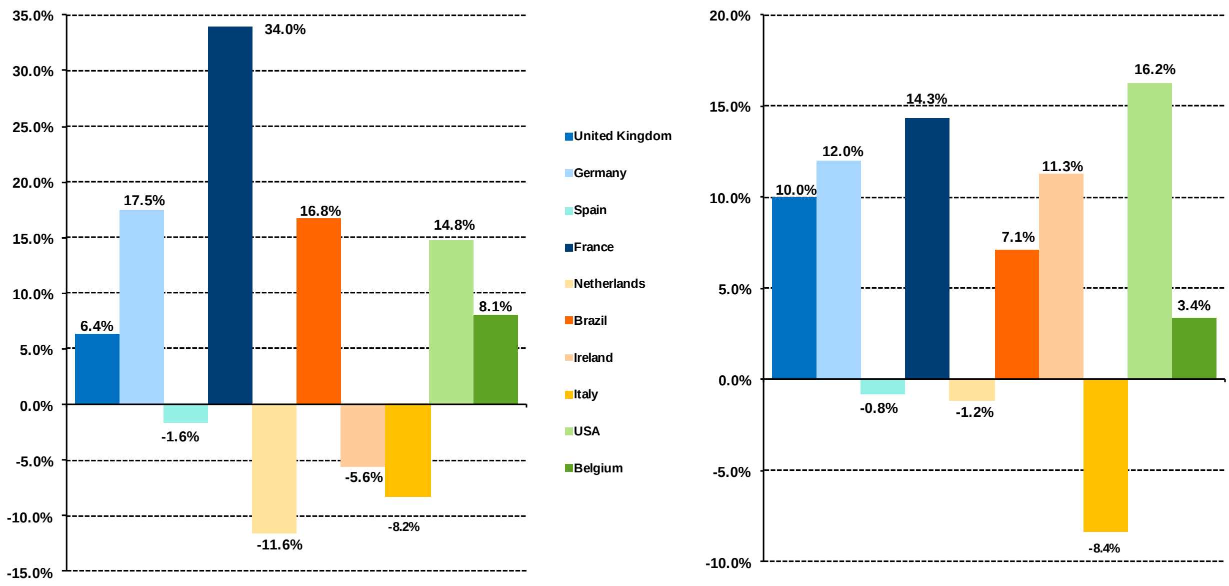
On the contrary, Spain decreased by 1.6% vis-à-vis October 2012. This outcome stood for a trend reversal compared to September (+7.4%), although in line with the accumulated results of the ten first months of the year (-0.8%).

[1] Based on 2012 overnight stays

The remaining main markets presented declining results, worth mentioning Ireland (-5.6% in October and -2.3% in September), in contrast with the accumulated results of January to October (+11.3%). The declining evolution of the Netherlands had greater expression in October (-11.6%) than in period January to October (-1.2%).

Figure 2. Overnight stays by main inbound markets (1) – year-on-year change rates

2a. Year-on-year change rate October 2013 | **2b. Year-on-year change rate January to October 2013**



(1) Main inbound markets according to 2012 overnight stays results (in graphs by 2012 descending order)

Overnight stays grew in the majority of the regions

There were increases in overnight stays is Azores (+31.8%), the North (+11.4%), Lisbon (+9.2%) and Madeira +8.1%). The Centre was the only region that recorded a decline in overnight stays (-4.6%).

When considering overnight stays spent by residents, the highest year-on-year increases were recorded in Madeira and Azores (+6.6% and +6.4%, respectively). In the mainland, the most significant increase occurred in the North (+5.4%), the most sought after region by residents (24.8% of the total overnight stays). Lisbon came close in terms of representativeness (24.7%), although growing less in year-on-year terms (+2.1%).

With regard to overnight stays spent by non residents, the growth was extended to all regions with the exception of the Centre, with figures close to October 2012.

Table 3. Overnight stays by region (NUTS II)

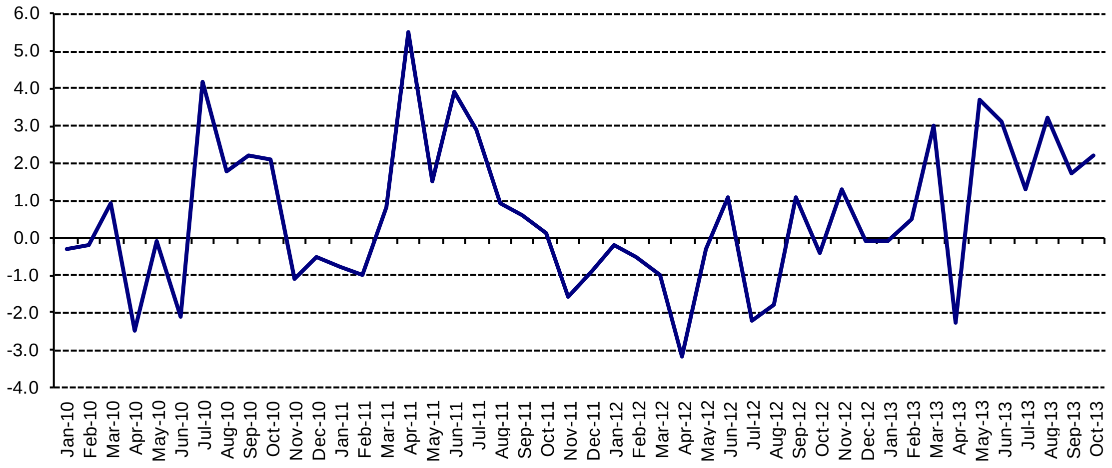
NUTS II	Overnight stays (10^3)				Residents overnight stays (10^3)				Non residents overnight stays (10^3)			
	Oct 13	Year-on-year change rate (%) Oct 13	Jan to Oct 13	Year-on-year change rate (%) Jan-Oct 13	Oct 13	Year-on-year change rate (%) Oct 13	Jan to Oct 13	Year-on-year change rate (%) Jan-Oct 13	Oct 13	Year-on-year change rate (%) Oct 13	Jan to Oct 13	Year-on-year change rate (%) Jan-Oct 13
Portugal	**3 744.0**	**6.3**	**37 812.2**	**5.0**	**851.5**	**- 0.9**	**10 921.6**	**-1.8**	**2 892.5**	**8.6**	**26 890.6**	**8.0**
North	459.0	11.4	4 296.0	7.5	211.0	5.4	2 055.4	0.7	248.0	17.1	2 240.6	14.5
Centre	321.4	- 4.6	3 345.8	-0.6	171.3	- 8.0	1 954.8	-1.7	150.1	- 0.5	1 390.9	1.0
Lisbon	985.8	9.2	8 867.1	6.4	210.7	2.1	2 087.7	-2.3	775.1	11.4	6 779.3	9.4
Alentejo	94.7	5.7	1 015.9	-1.6	54.9	- 1.7	676.6	-4.0	39.8	17.8	339.3	3.7
Algarve	1 286.8	3.4	14 020.6	3.7	129.2	- 8.1	3 261.6	-3.0	1 157.6	4.8	10 759.0	5.9
Azores	89.5	31.8	986.1	10.5	32.0	6.4	336.4	-9.4	57.5	51.9	649.7	24.7
Madeira	506.8	8.1	5 280.7	8.4	42.3	6.6	549.1	5.7	464.5	8.2	4 731.7	8.7

Higher net bed occupancy rates

In October 2013, the net bed occupancy rate in tourism accommodation establishments was 41.8%, higher by 2.2 p.p. when compared with the rate of October 2012.

In the period January to October 2013, the net bed occupancy rate was 44.0% which stood for 1.7 p.p. more than in the same period of 2012.

Figure 3. Net bed occupancy rate – year-on-year variation (difference in p.p.)



As in overnight stays, Azores and Madeira recorded the highest year-on-year increases in net bed occupancy rate (+8.7 p.p. in Azores and +5.2 p.p. in Madeira) while in the mainland the emphasis went to the North (+3.5 p.p.).

As in the previous month, Madeira recorded the highest occupancy rate (58.5%), followed by Lisbon (54.4%) and Algarve (41.0%).

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

NUTS II	Occupancy rate			Average stay		
	%		Year-on-year variation (p.p.)	(No. of nights)		Year-on-year change rate (%)
	Oct-12	Oct-13		Oct-12	Oct-13	
Portugal	**39.6**	**41.8**	**2.2**	**2.8**	**2.9**	**0.7**
North	32.9	36.4	3.5	1.7	1.8	1.6
Centre	26.7	25.9	-0.8	1.8	1.8	1.5
Lisbon	52.6	54.4	1.8	2.3	2.4	0.7
Alentejo	23.6	25.5	1.9	1.6	1.7	3.4
Algarve	39.5	41.0	1.5	4.8	4.7	-2.9
Azores	25.5	34.2	8.7	2.9	3.4	17.2
Madeira	53.3	58.5	5.2	5.4	5.6	3.5

Five and four star hotels recorded the highest occupancy rates (52.9% and 49.3%, respectively). In apartment hotels (46.3%), the emphasis went to 4 and 5 star categories (48.6% and 46.7%, respectively). In year-on-year terms, the *"pousadas"* and 5 and 4 star apartment hotels presented the best results in their respective occupancy rates (each with +4.6 p.p.).

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		
	%		Year-on-year variation (p.p.)	(No. of nights)		Year-on-year change rate (%)
	Oct-12	Oct-13		Oct-12	Oct-13	
Total	**39.6**	**41.8**	**2.2**	**2.8**	**2.9**	**0.7**
Hotels	**43.5**	**45.3**	**1.8**	**2.5**	**2.5**	**0.7**
*****	52.9	52.9	0.0	2.8	2.7	-1.6
****	46.8	49.3	2.5	2.7	2.7	-0.2
***	37.1	38.4	1.3	2.1	2.2	4.4
** / *	33.4	34.8	1.4	1.9	1.9	-1.4
Apartment hotels	**42.4**	**46.3**	**3.9**	**4.3**	**4.4**	**1.0**
*****	42.1	46.7	4.6	5.1	5.0	-1.5
****	44.0	48.6	4.6	4.3	4.3	0.0
*** / **	38.3	40.2	1.9	4.3	4.5	4.1
Pousadas	**34.0**	**38.6**	**4.6**	**1.6**	**1.9**	**18.4**
Tourist apartments	**31.6**	**31.4**	**-0.2**	**5.5**	**5.5**	**-1.4**
Tourist villages	**30.3**	**33.8**	**3.5**	**5.1**	**5.4**	**5.2**
Other tourist establishments	**27.9**	**30.3**	**2.4**	**2.3**	**2.4**	**5.8**

Stable results in average stay

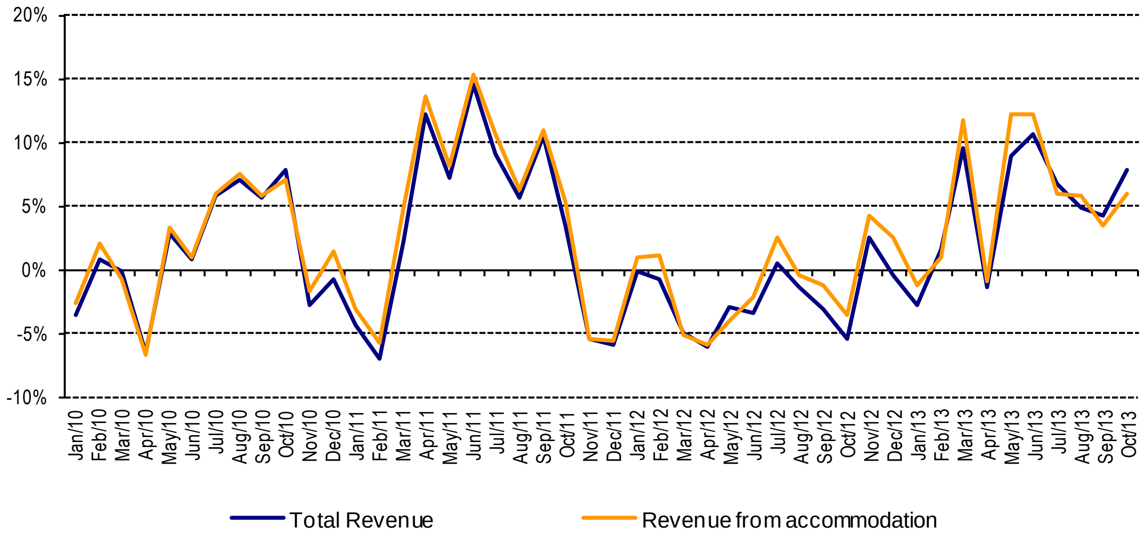
In October 2013, the average stay was 2.9 nights, with a slight increase of 0.7% when compared with the one of the same month of 2012 (2.8 nights).

Azores and Madeira had the highest increases in average stays (+17.2% and +3.5%, respectively), having occurred a reduction of 2.9% in Algarve.

Positive results in Revenue and RevPAR

In October 2013, tourist accommodation establishments accounted for EUR 173.5 million in total revenue and EUR 118.5 million in revenue from accommodation. In year-on-year terms, these figures stood for year-on-year increases of 7.8% and 6.8%, respectively, surpassing the evolution of the accumulated results of January to October (+5.2% and +6.1%).

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



The Azores presented an expressive year-on-year growth (+32.1% in total revenue and +36.1% in revenue from accommodation), in line with the results from overnight stays, but quite above the accumulated results of January to October (+6.6% and +7.3%). In Mainland, the best results came from the North (+11.7%) and Lisbon (+10.5%), while revenue declined slightly in Alentejo (-0.6%) in spite of the growth in overnight stays.

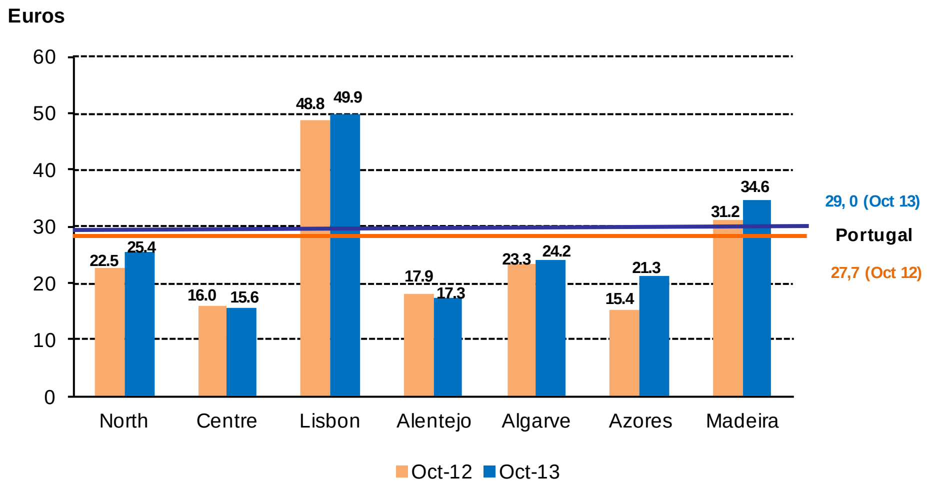
Table 6. Revenue by region (NUTS II)

NUTS II	Total revenue (10^6 euros)		Revenue from accommodation	
	Oct-13	Year-on-year change rate (%)	Oct-13	Year-on-year change rate (%)
Portugal	**173.5**	**7.8**	**118.5**	**6.8**
North	21.3	11.7	15.5	12.7
Centre	14.5	-3.2	9.4	-3.2
Lisbon	59.9	10.5	43.0	7.6
Alentejo	4.5	-0.6	3.0	-2.8
Algarve	46.8	6.6	30.4	4.2
Azores	3.7	32.1	2.7	36.1
Madeira	22.9	6.4	14.5	8.8

In October 2013, RevPAR from tourist accommodation activity was EUR 29.3, higher by 5.9% when compared with October 2012. This increase was similar to the one recorded in the period January to October (+5.3%, corresponding to EUR 32.4).

Lisbon had the highest RevPAR (EUR 49.9), followed by Madeira (EUR 34.6) and the North (EUR 25.4). In Azores there was a significant year-on-year growth (+38.3%), with the North also standing out (+12.9%) and Madeira (+10.9%).

Figure 5. Average revenue per available room



Five star hotels recorded the highest RevPAR (EUR 64.5), followed by the *"pousadas"* (EUR 45.9).

The trend in RevPAR was positive in most types of establishments, with five star apartment hotels standing out (+40.1%) and *"pousadas"* (+11.7%), compensating the declines recorded in the same month of the previous year.

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
	Oct-12	Oct-13	%
Total	**27.7**	**29.3**	**5.9**
Hotels	**33.0**	**34.4**	**4.1**
*****	63.6	64.5	1.4
****	33.4	34.2	2.3
***	21.3	22.1	3.7
** / *	18.0	18.7	3.7
Apartment hotels	**24.5**	**26.8**	**9.6**
*****	26.2	36.8	40.1
****	25.9	28.3	9.1
*** / **	20.2	19.8	-2.2
Pousadas	**41.1**	**45.9**	**11.7**
Tourist apartments	**13.3**	**13.8**	**3.2**
Tourist villages	**19.8**	**19.5**	**-1.4**
Other tourist establishments	**15.7**	**16.6**	**5.7**

Camping sites and holiday camps

In October 2013, camping sites hosted 62.3 thousand campers which stood for a 5.3% decline in comparison with October 2012. The number of overnight stays declined (-4.6%), corresponding to 219.9 thousand.

Residents had a 64.3% share of the total of overnight stays and contributed solely for the declining results (-9.2%) since non residents contributed positively (+5.1%).

The average stay was 3.5 nights, the same as in October 2012. The average stays of residents and non residents had no variation compared with October 2012.

From January to October 2013, camping sites hosted 1.54 million campers originating 5.2 million overnight stays. When compared with the same period of 2012, the number of campers changed slightly (-0.8%), while overnight stays declined (-11.7%).

Holiday camps and youth hostels showed declines in year-on-year terms for number of guests and overnight stays, partly due to the conversion of some of the establishments into other types of accommodation establishments, namely as hotel establishments.

In October 2013, holiday camps and youth hostels hosted 23.7 thousand guests which in turn originated 44.2 thousand overnight stays (-15.0% and -23.5%, respectively, in comparison with October 2012).

There was a 29.0% decline in overnight stays spent by residents; these corresponded to 71.8% of the total.

In comparison with October 2012, non residents spent more overnight stays (+7.9%).

The average stay was 1.9 nights, shorter than the one of October 2012 (2.0 nights). In October 2013, residents had shorter stays (1.9 nights, on average) compared to an average of 2.0 nights in October 2012, as non residents did (1.8 nights in October 2013 and 1.9 nights in October 2012).

In the first 10 month of the year, holiday camps and youth hostels welcomed 345.9 thousand guests, 1.1% less than in the same period of 2012. Overnight stays ascended to 740.0 thousand, equivalent to a 7.9% decline in year-on-year terms.

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

	Unit	Camping sites				Holiday Camps and Youth Hostels			
		Total	Year-on-year change rate (%) Oct 13	Residents	Non residents	Total	Year-on-year change rate (%) Oct 13	Residents	Non residents
Campers / Guests	10^3	62.3	-5.3	39.3	23.0	23.7	-15.0	16.7	7.0
Overnight stays	10^3	219.9	-4.6	141.4	78.5	44.2	-23.5	31.7	12.4
Average stay	nights	3.5	0.8	3.6	3.4	1.9	-7.6	1.9	1.8

MAIN INBOUND MARKETS IN 2012

The Italian market

In 2012, Italy ranked 8th in the group of the main inbound markets, with a 3.2% share in overnight stays spent by non residents.

The evolution of this market throughout recent years has revealed uneven performances. As a matter of fact, in 2005 overnight stays spent by Italian residents decreased by 2.0% in comparison with 2004, followed by a period of positive results (+31.8% in 2006 and +6.0% in 2007). In 2008 and 2009 there were declines of 8.1% and 13.5%, respectively, followed by a recovery period (+8.2% in 2010 and +5.6% in 2011). In 2012, a new decline occurred (-5.6%). Preliminary results from January to October 2013 confirmed the downward trend (-8.4%).

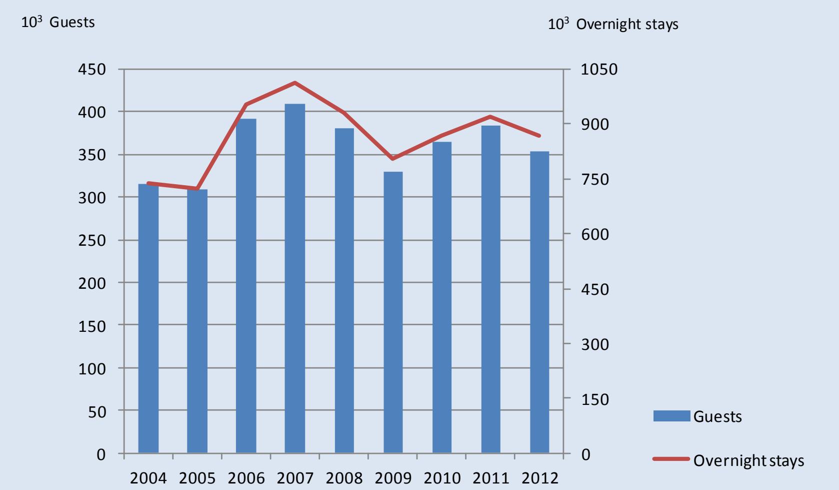
In 2012, tourist accommodation establishments hosted 353 thousand Italian guests, 8.0% less than in 2011. Overnight stays (-5.6%), stood at 867 thousand. The average stay increased slightly (2.5 nights in 2012, compared with 2.4 in the previous three years).

Lisbon concentrated half the total overnight stays from this market (50.2%), followed by the North (15.7%) and Algarve (9.9%). The highest average stays were recorded in Madeira (5.3 nights) and Algarve (3.4 nights).

The most sought after establishments by Italians were hotels (80.0% of overnight stays from this market), namely 4 star category units (46.0% of overnight stays in hotels) and 3 star units (32.3%). The average stay in hotels was 2.4 nights and the longest stays were spent in tourist villages (5.3 nights), followed by 5 star apartment hotels (4.5 nights) and tourist apartments (4.3 nights).

As a tradition, the summer months were the most sought after, with August recording a 24.0% share of the total overnight stays spent in the year, July with 11.5% and September with 9.9%).

Evolution of guests and overnight stays from the Italian market



EXPLANATORY NOTES

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

2013 – September to October – preliminary data; January to August – provisional data.

2012 – January to December – final data

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

In between preliminary, provisional and final 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
Jan to Aug 13	-0.6 p.p.	-1.1 p.p.

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 revenue 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.

Year-on-year variation (p.p.) – comparison between the variable level in the reference period and the same period of the year before presented as a difference in percentage points.

Rounded figures may imply that totals do not correspond to the sum of the parcels.

ABBREVIATIONS

RevPAR – Revenue per Available Room

Date of next press release: 15 January