

15 October, 2014

Tourism activity
August 2014

Sharp increases in the main indicators of tourism accommodation activity

Tourism accommodation activity establishments recorded 7.1 million overnight stays in August 2014, corresponding to a year-on-year increase¹ of 11.3% (+9.4% in July). Overnight stays from residents grew by 16.1%, surpassing the growth of July (+15.4%), as well as overnight stays from non residents (+8.6% in August comparing with +6.9% in July).

With regard to the main inbound markets, the positive results of the Brazilian, Belgium and Spanish markets stood out. In the opposite direction, it is worth mentioning the Dutch market (-0.7%).

The bed occupancy rate was 72.4%, above the one of August 2013 (67.8%).

Total revenue grew by 13.8% and revenue from accommodation increased by 13.9%, above the results of the previous month (+10.7% and +12.0%, respectively, in July).

RevPAR was EUR 63.3, having registered a 10.1% growth (+8.4% in July).

Table 1. Global preliminary results from tourism activity

| Global preliminary results | Unit | Month | | Accumulated | |
|---|-------------------|---------|------------------------------|---------------|------------------------------|
| | | Aug 14 | Year-on-year change rate (%) | Jan to Aug 14 | Year-on-year change rate (%) |
| Guests | 10 ³ | 2 158.6 | 12.5 | 11 005.0 | 11.7 |
| Overnight stays | 10 ³ | 7 089.0 | 11.3 | 32 278.2 | 10.8 |
| Residents in Portugal | 10 ³ | 2 643.5 | 16.1 | 9 854.1 | 13.7 |
| Non residents | 10 ³ | 4 445.5 | 8.6 | 22 424.1 | 9.6 |
| Average stay | No. of nights | 3.28 | -1.1 | 2.93 | -0.8 |
| Net bed occupancy rate | % | 72.4 | 4.6 p.p. | 45.8 | 2.7 p.p. |
| Total revenue | 10 ⁶ € | 354.1 | 13.8 | 1 529.1 | 12.2 |
| Revenue from accommodation | 10 ⁶ € | 269.3 | 13.9 | 1 091.7 | 12.8 |
| RevPAR (Average revenue per available room) | € | 63.3 | 10.1 | 34.8 | 9.0 |

Guests and overnight stays still increasing

In August 2014, tourism accommodation establishments hosted 2.2 million guests which in turn originated 7.1 million overnight stays, both figures representing increases of 12.5% and 11.3%, respectively.

¹ Unless stated otherwise, the change rates presented in this press release were calculated in relation to the same period of the previous year, therefore they should be considered as year-on-year change rates.

These results stood above the ones of the previous month (+9.4% in both indicators), and those from the period January to August (+11.7% in guests and +10.8% in overnight stays).

Worth mentioning the increases in overnight stays in "*pousadas*" (+17.0%) and in hotels (+14.6%), with the latter representing 60.9% of the total overnight stays. Tourist villages and tourist apartments recorded increases of 11.3% and 8.2%, respectively, and five star apartment hotels were the only category to record a reduction in overnight stays (-7.7%).

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 |
|-------------------------------------|------------------------------------|----------------|--------------------------|
| | Aug-13 | Aug-14 | % |
| Total | 6 371.8 | 7 089.0 | 11.3 |
| Hotels | 3 765.1 | 4 316.2 | 14.6 |
| ***** | 746.7 | 881.7 | 18.1 |
| **** | 1 793.2 | 2 047.0 | 14.2 |
| *** | 859.0 | 976.6 | 13.7 |
| ** / * | 366.3 | 410.7 | 12.1 |
| Apartment hotels | 1 045.5 | 1 090.8 | 4.3 |
| ***** | 79.5 | 73.3 | -7.7 |
| **** | 712.6 | 755.6 | 6.0 |
| *** / ** | 253.4 | 261.8 | 3.3 |
| Pousadas | 55.5 | 64.9 | 17.0 |
| Tourist apartments | 793.7 | 859.0 | 8.2 |
| Tourist villages | 367.9 | 409.4 | 11.3 |
| Other tourist establishments | 344.2 | 348.7 | 1.3 |

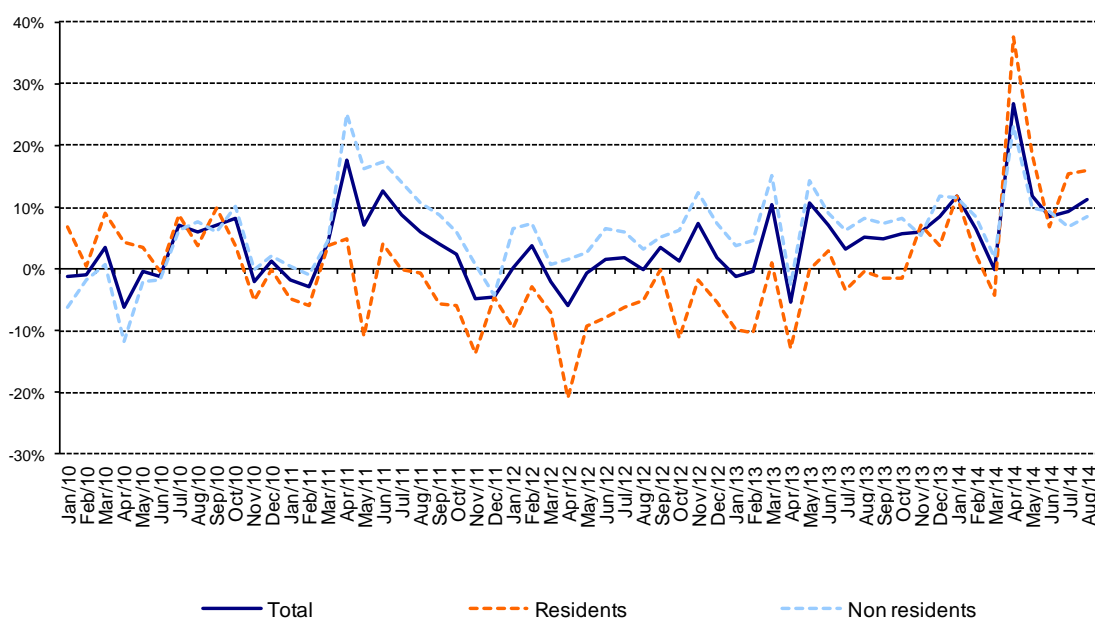
Rise in overnight stays from residents and non residents

Overnight stays spent by residents totalled 2.6 million, with a corresponding 16.1% rise in August, slightly above the outcome of the previous month (+15.4%).

Overnight stays from non residents attained 4.4 million with a resulting 8.6% growth, also above the one recorded in July (+6.9%).

In the period January to August 2014, the increases in guests and overnight stays (+11.7% and +10.8%, respectively), have clearly surpassed the ones recorded a year earlier (+3.2% and +4.3%, respectively).

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



In August 2014, the group of the ten main inbound markets² accounted for 84.2% of the total overnight stays from non residents (83.4% in August 2013).

The British market, with a share of 21.2%, recorded a 7.7% increase in overnight stays from its residents (+10.8% in July). The Spanish market, ranking second in terms of share in August 2014 (19.7%), recorded a 13.4% growth in overnight stays, quite close to the results of the previous month (+13.1%). France (12.7% weight), presented an 11.6% increase in overnight stays (+12.0% in July).

The German market presented increasing results again (+9.2% in overnight stays, with a 10.2% share), after declining a month earlier (-6.6%).

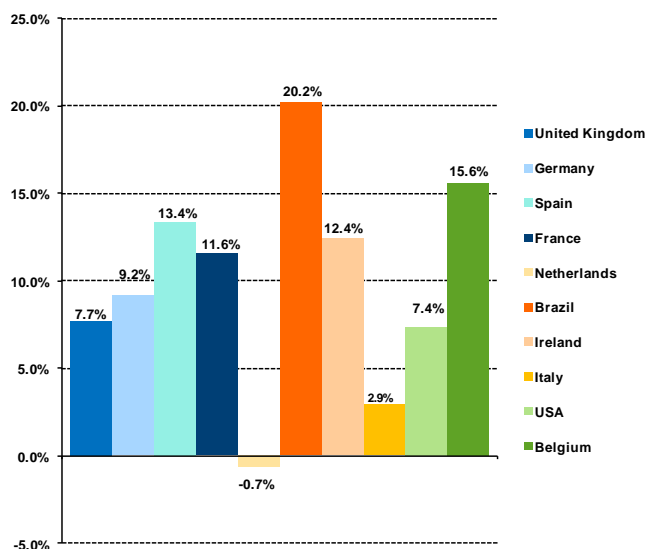
The markets growing the most in August 2014 were the Brazilian (+20.2% in overnight stays) and Belgium (+15.6%). The Dutch market was the only one with a reduction, although rather slight (-0.7%).

In the period January to August 2014, Belgium presented the highest increase (+18.5%), followed by Spain (+17.1%) and France (+13.7%).

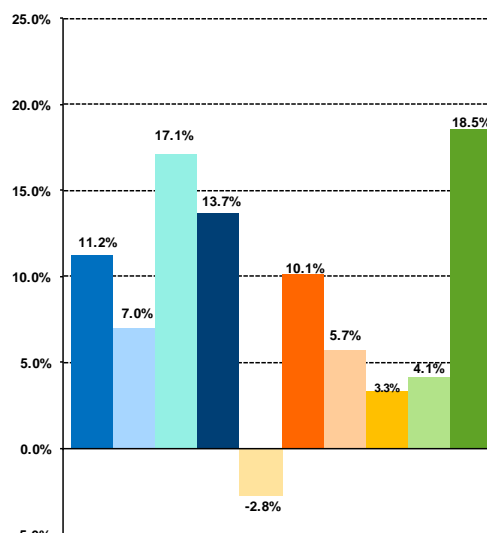
² Based on 2013 results for overnight stays

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

**2a. Year-on-year change rate
August 2014**



**2b. Year-on-year change rate
January to August 2014**



(1) Main inbound markets according to results from overnight stays in 2013 (in graph by descending order)

All regions with increases in overnight stays especially in the Mainland

Overnight stays in the Mainland, in August, increased sharply in all regions, just like in the previous month but more so in most cases. The emphasis went to the Alentejo (+16.6%), Lisbon (+15.2%) and the Centre (+14.3%). In the Azores and Madeira the results unveiled slight changes in overnight stays (+0.1% in the Azores and +0.5% in Madeira). The most sought after regions, the Algarve and Lisbon, increased their weight (42.4% and 20.5% of the total) comparing with August 2013 (42.1% and 19.8%). It should be mentioned the North as the 3rd most relevant region, followed closely by Madeira.

As far as the internal market is concerned, the share of Algarve reached 45.5%, with this region also being the one that recorded the highest increase in the number of overnight stays (+22.2%), as in July. In terms of share, when considering the internal market, the regions that followed were the Centre (16.4% of overnight stays from residents) and the North (13.0%), above Lisbon (12.7%).

When focussing on the trend of overnight stays, besides the mentioned growth in the Algarve, the regions of Lisbon (+18.6%) and Alentejo (+18.4%) also stood out.

The number of overnight stays from non residents grew considerably in the North (+16.7%), in Lisbon (+14.2%) and in Alentejo (+12.0%). Algarve (+6.2% in overnight stays) concentrated 40.5% of overnight stays from non residents, followed by Lisbon (25.1%) and Madeira (14.6%).

Table 3. Overnight stays by region (NUTS II)

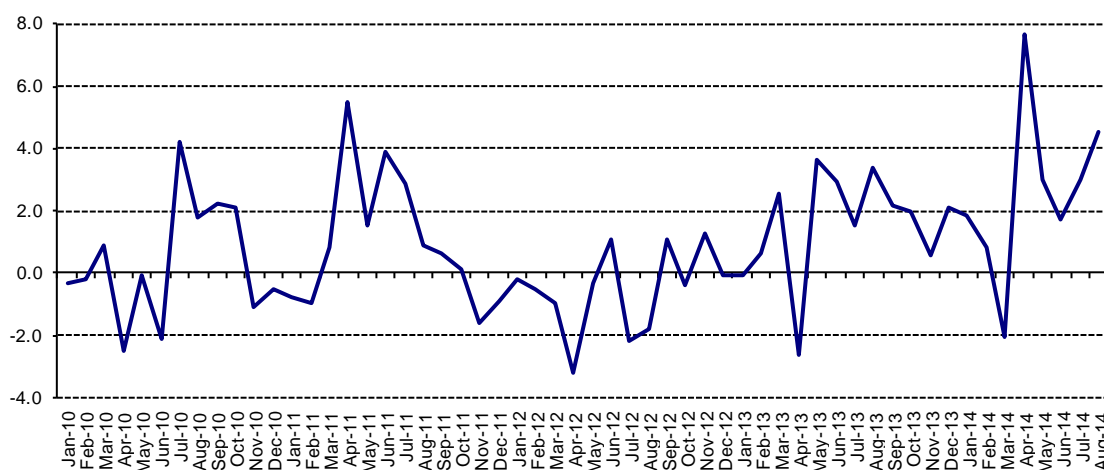
| NUTS II | Overnight stays (10 ³) | | | | Residents overnight stays (10 ³) | | | | Non residents overnight stays (10 ³) | | | |
|-----------------|------------------------------------|-------------------------------------|-----------------|---|--|-------------------------------------|----------------|---|--|-------------------------------------|-----------------|---|
| | Aug 14 | Year-on-year change rate (%) Aug 14 | Jan to Aug 14 | Year-on-year change rate (%) Jan-Aug 14 | Aug 14 | Year-on-year change rate (%) Aug 14 | Jan to Aug 14 | Year-on-year change rate (%) Jan-Aug 14 | Aug 14 | Year-on-year change rate (%) Aug 14 | Jan to Aug 14 | Year-on-year change rate (%) Jan-Aug 14 |
| Portugal | 7 089.0 | 11.3 | 32 278.2 | 10.8 | 2 643.5 | 16.1 | 9 854.1 | 13.7 | 4 445.5 | 8.6 | 22 424.1 | 9.6 |
| North | 762.6 | 11.1 | 3 633.0 | 11.4 | 344.6 | 5.1 | 1 724.5 | 7.7 | 417.9 | 16.7 | 1 908.5 | 15.1 |
| Centre | 702.9 | 14.3 | 2 821.0 | 9.5 | 434.4 | 17.4 | 1 677.3 | 9.6 | 268.5 | 9.8 | 1 143.7 | 9.3 |
| Lisbon | 1 453.5 | 15.2 | 7 754.1 | 14.4 | 336.8 | 18.6 | 1 864.7 | 13.8 | 1 116.7 | 14.2 | 5 889.5 | 14.5 |
| Alentejo | 226.8 | 16.6 | 910.5 | 16.3 | 165.1 | 18.4 | 618.3 | 14.4 | 61.8 | 12.0 | 292.1 | 20.6 |
| Algarve | 3 005.5 | 12.1 | 12 054.7 | 11.7 | 1 203.3 | 22.2 | 3 229.2 | 21.3 | 1 802.1 | 6.2 | 8 825.5 | 8.6 |
| Azores | 184.9 | 0.1 | 759.7 | -0.4 | 56.4 | 3.9 | 285.9 | 7.6 | 128.5 | -1.5 | 473.8 | -4.7 |
| Madeira | 752.9 | 0.5 | 4 345.2 | 4.2 | 102.8 | -12.0 | 454.2 | 5.6 | 650.0 | 2.9 | 3 891.0 | 4.1 |

Net bed occupancy rates have increased

The net bed occupancy rate in tourism accommodation establishments was 72.4%, higher by 4.6 p.p. than the one in August 2013.

In the period January to August 2014, the occupancy rate was 45.8% (+2.7 p.p.).

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



The regions of Madeira and Algarve recorded high occupancy rates (82.0% and 81.8%, respectively), followed by Lisbon (78.0%).

Lisbon recorded the highest increase in this indicator (+7.1 p.p.), which also grew considerably in the Centre (+6.4 p.p.) and in Alentejo (+6.3 p.p.).

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 (%) |
| | Aug-13 | Aug-14 | | Aug-13 | Aug-14 | |
| Portugal | 67.8 | 72.4 | 4.6 | 3.32 | 3.28 | -1.1 |
| North | 51.7 | 56.6 | 5.0 | 1.98 | 1.99 | 0.7 |
| Centre | 46.9 | 53.3 | 6.4 | 2.11 | 2.07 | -1.6 |
| Lisbon | 70.9 | 78.0 | 7.1 | 2.60 | 2.69 | 3.6 |
| Alentejo | 50.2 | 56.5 | 6.3 | 2.19 | 2.22 | 1.5 |
| Algarve | 78.8 | 81.8 | 3.1 | 5.13 | 4.94 | -3.6 |
| Azores | 68.9 | 67.1 | -1.8 | 3.43 | 3.30 | -4.0 |
| Madeira | 81.6 | 82.0 | 0.4 | 5.83 | 5.79 | -0.8 |

Five star apartment hotels and five star hotels accounted for the highest values in net bed occupancy rates (85.2% and 83.7%, respectively), which also corresponded to the most outstanding increases (+7.6 p.p. and +5.9 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 (%) |
| | Aug-13 | Aug-14 | | Aug-13 | Aug-14 | |
| Total | 67.8 | 72.4 | 4.6 | 3.32 | 3.28 | -1.1 |
| Hotels | 68.7 | 74.0 | 5.2 | 2.84 | 2.83 | -0.4 |
| ***** | 77.8 | 83.7 | 5.9 | 3.49 | 3.48 | -0.4 |
| **** | 74.8 | 80.2 | 5.4 | 3.19 | 3.09 | -3.1 |
| *** | 60.3 | 65.0 | 4.7 | 2.37 | 2.42 | 2.2 |
| ** / * | 52.7 | 56.5 | 3.8 | 1.98 | 2.01 | 1.5 |
| Apartment hotels | 78.4 | 80.9 | 2.5 | 4.66 | 4.85 | 4.1 |
| ***** | 77.5 | 85.2 | 7.6 | 5.14 | 4.97 | -3.4 |
| **** | 79.0 | 81.8 | 2.8 | 4.76 | 5.02 | 5.4 |
| *** / ** | 76.9 | 77.3 | 0.3 | 4.27 | 4.38 | 2.7 |
| Pousadas | 52.9 | 56.4 | 3.5 | 2.19 | 2.27 | 3.5 |
| Tourist apartments | 70.7 | 73.1 | 2.3 | 5.68 | 5.29 | -6.9 |
| Tourist villages | 69.7 | 74.9 | 5.2 | 5.94 | 5.63 | -5.2 |
| Other tourist establishments | 41.5 | 45.0 | 3.6 | 2.40 | 2.39 | -0.4 |

Slight reduction in average stay

The average stay was 3.28 nights in August 2014, showing a slight decline (-1.1%).

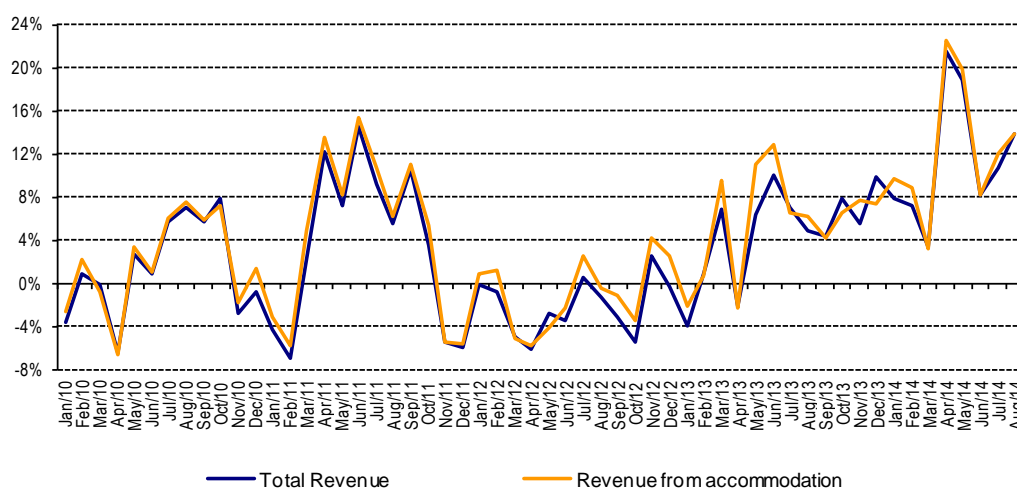
When considering the main touristic regions in August 2014, there was a decline in average stay in Algarve (-3.6%) yet there were rises in Lisbon (+3.6%) and in the North (+0.7%). In Azores and Madeira, there were declines of 4.0% and 0.8%, respectively, in average stay in August.

In tourist apartments and tourist villages, the reductions in average stay were 6.9% and 5.2%, respectively. In hotels, the decline had slight expression (-0.4%), while in apartment hotels and in "pousadas" the average stays have increased (+4.1% and +3.5%, respectively).

Positive results in revenue

In August 2014, tourist accommodation establishments accounted for EUR 354.1 million in total revenue (+13.8%) and EUR 269.3 million in revenue from accommodation (+13.9%). These results stood slightly above the ones of the previous month (+10.7% in total revenue and +12.0% in revenue from accommodation). The results from the first eight months of the year were positive as well (+12.2% and +12.8%, respectively).

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



The evolution in revenue stood above the one in overnight stays in the various regions (except in Alentejo), more so in the North. In this region, along with Lisbon and Algarve, the highest increases in total revenue have occurred.

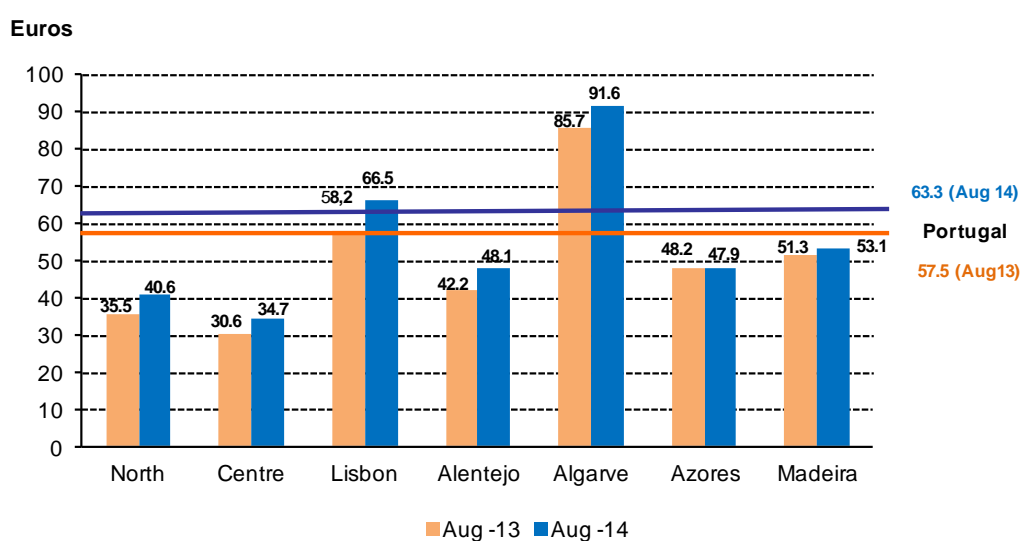
Table 6. Revenue by region (NUTS II)

| NUTS II | Total revenue (10 ⁶ euros) | | Revenue from accommodation | |
|-----------------|---------------------------------------|------------------------------|----------------------------|------------------------------|
| | Aug-14 | Year-on-year change rate (%) | Aug-14 | Year-on-year change rate (%) |
| Portugal | 354.1 | 13.8 | 269.3 | 13.9 |
| North | 33.4 | 14.8 | 25.5 | 16.3 |
| Centre | 30.0 | 14.6 | 21.9 | 14.6 |
| Lisbon | 75.1 | 17.8 | 58.6 | 18.1 |
| Alentejo | 11.5 | 13.9 | 8.8 | 17.7 |
| Algarve | 160.3 | 14.8 | 125.2 | 13.7 |
| Azores | 8.1 | 0.9 | 6.3 | 2.5 |
| Madeira | 35.6 | 3.7 | 23.1 | 4.0 |

The revenue per available room (RevPAR) was EUR 63.3 (+10.1%).

The North recorded an expressive increase in RevPAR (+14.4%) as well as Lisbon (+14.1%) and the Alentejo (+14.0%). The Algarve had the highest value in RevPAR (EUR 91.6), however, corresponding to a more moderate increase (+6.9%).

Figure 5. Average revenue per available room



Five star apartment hotels and two/one star hotels had noteworthy evolutions in this indicator (+17.5% and +17.0%, respectively).

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 |
|-------------------------------------|-------------|-------------|--------------------------|
| | Aug-13 | Aug-14 | % |
| Total | 57.5 | 63.3 | 10.1 |
| Hotels | 58.3 | 64.1 | 9.9 |
| ***** | 107.3 | 113.4 | 5.7 |
| **** | 58.9 | 64.5 | 9.5 |
| *** | 37.5 | 42.9 | 14.3 |
| ** / * | 30.3 | 35.4 | 17.0 |
| Apartment hotels | 72.6 | 78.6 | 8.4 |
| ***** | 97.4 | 114.5 | 17.5 |
| **** | 76.1 | 81.0 | 6.5 |
| *** / ** | 54.6 | 62.4 | 14.2 |
| Pousadas | 76.3 | 84.5 | 10.8 |
| Tourist apartments | 56.5 | 62.0 | 9.7 |
| Tourist villages | 71.0 | 74.7 | 5.3 |
| Other tourist establishments | 26.2 | 30.2 | 14.9 |

Camping sites and holiday camps

In August 2014, camping sites hosted 514.8 thousand campers and recorded 2.1 million overnight stays, corresponding to declines of 3.6% and 0.9%, respectively (-6.2% and -0.4% in July).

Overnight stays from non residents grew by 6.1% but those from residents declined by 2.6%, a trend already perceived in the previous month (+7.6% and -3.0%).

The average stay was 3.99 nights and stood for a 2.8% increase, having been higher in the case of campers residing in Portugal (4.34 nights).

The number of guests in holiday camps reached 58.5 thousand with a corresponding number of overnight stays of 144.8 thousand. These results stood quite below the ones of the same month of the previous year (-23.8% and -19.1%, respectively). The average stay was 2.48 nights, 6.2% more than in August 2013.

Table 8. Camping sites, holiday camps and youth hostels, by origin of the guests, August 2014

| | Unit | Camping sites | | | | Holiday camps and youth hostels | | | |
|------------------|-----------------|---------------|-------------------------------------|-----------|---------------|---------------------------------|-------------------------------------|-----------|---------------|
| | | Total | Year-on-year change rate (%) aug 14 | Residents | Non residents | Total | Year-on-year change rate (%) aug 14 | Residents | Non residents |
| Campers / Guests | 10 ³ | 514.8 | -3.6 | 374.8 | 139.9 | 58.5 | -23.8 | 45.9 | 12.6 |
| Overnight stays | 10 ³ | 2 053.2 | -0.9 | 1 626.7 | 426.5 | 144.8 | -19.1 | 121.7 | 23.1 |
| Average stay | No. nights | 3.99 | 2.8 | 4.34 | 3.05 | 2.48 | 6.2 | 2.65 | 1.83 |

EXPLANATORY NOTES

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

2014 – July and August – preliminary data; January to June – provisional data.

2013 – 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 Jun 14 | -0.32 p.p. | -0.44 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.

Hotel accommodation activity – Includes hotels, apartment hotels, "pousadas", tourist apartments and tourist villages, as well as other accommodation establishments namely boarding houses, motels and inns that still maintain the former economic activity classification although currently not recognized as such.

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: 14 November 2014