15 April, 2015

Tourism activity

February 2015

Significant increase in accommodation activity but slightly less than in the previous month

Hotel establishments recorded approximately 2.2 million overnight stays in February 2015, the equivalent to a year-on-year increase[1] of 11.2% (+13.4% in January). The internal market increased by 18.5% (+17.8% in January) and the external markets by 8.1% (+11.2% in the previous month).

The average stay (2.57 nights) changed slightly, while the net bed occupancy rate (29.5%) increased by 2.3 p.p.

Revenue also increased (+12.5% in total revenue and +15.4% in revenue from accommodation), less than in the previous month (+18.1% and +17.9%). RevPAR was EUR 19.6 (+12.4%).

This outcome mirrors the ongoing overall growth trend, more so since the 2nd quarter 2014, reinforced by a calendar effect associated to the Carnival festivities, which took place in March 2014 while in 2015 it was celebrated in the month of February, and close to the S. Valentine's day, which led to promotional campaigns primarily aimed at the internal market.

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	Month		Accumulated	
		Feb-15	Year-on-year change rate (%)	Jan to Feb 15	Tvh (%)
Guests	10^3	864.9	11.8	1 653.3	12.3
Overnight stays	10^3	2 218.5	11.2	4 178.5	12.2
Residents in Portugal	10^3	702.7	18.5	1 371.1	18.2
Residents abroad	10^3	1 515.8	8.1	2 807.3	9.5
Average stay	no. of nights	2.57	-0.5	2.53	0.0
Net bed occupancy rate	%	29.5	2.3 p.p.	26.7	2.1 p.p.
Total revenue	EUR 10^6	98.5	12.5	189.9	15.2
Revenue from accommodation	EUR 10^6	67.2	15.4	128.7	16.6
RevPAR (Average revenue per available room)	EUR	19.6	12.4	18.0	12.7

Overnight stays grew less than in January

In February 2015, tourism accommodation establishments recorded 864.9 thousand guests and 2.2 million overnight stays which stood for an 11.8% and 11.2% increases respectively (+12.8% and +13.4% in January).

Hotels concentrated 67.5% of the total of overnight stays and stood out having increased by 15.8%. The *"pousadas"*, weighting substantially less (1.2%), presented a noteworthy increase, as a result of promotional campaigns and from an increase in offer comparing to the same month of 2014.

[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.

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

Unit: 10^3

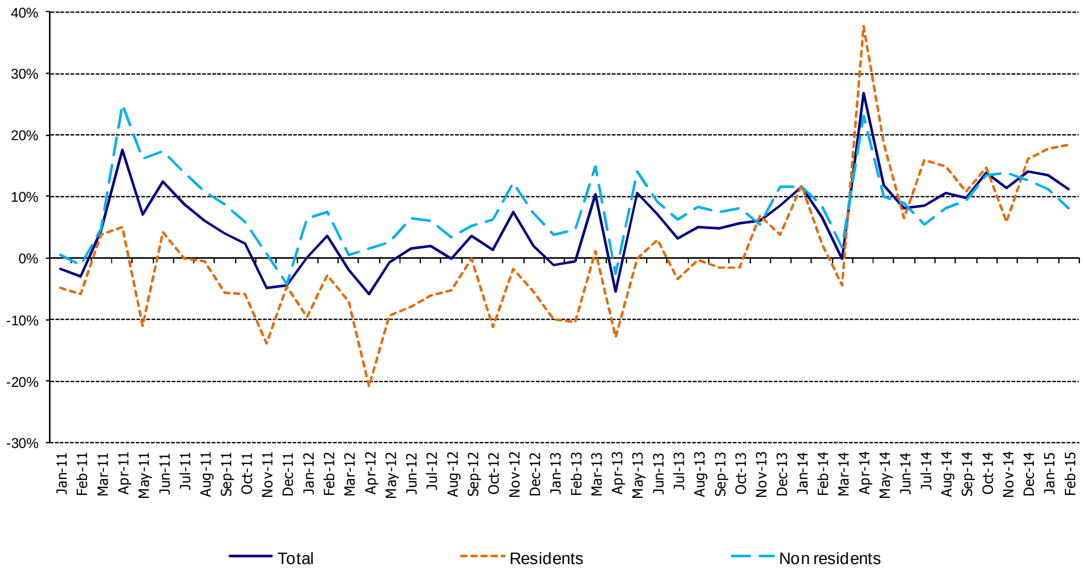
Type of establishment and category	Overnight stays		Year-on-year change rate
	Feb-14	Feb-15	%
Total	**1 994.9**	**2 218.5**	**11.2**
Hotels	**1 292.2**	**1 496.4**	**15.8**
*****	259.8	303.0	16.6
****	609.9	688.4	12.9
***	284.8	335.9	18.0
** / *	137.8	169.1	22.8
Apartment hotels	**322.9**	**327.1**	**1.3**
*****	30.4	26.1	-14.1
****	209.5	231.4	10.5
*** / **	83.1	69.7	-16.2
Pousadas	**16.3**	**25.9**	**58.7**
Tourist apartments	**142.1**	**139.9**	**-1.5**
Tourist villages	**85.2**	**88.5**	**3.9**
Other tourist establishments	**136.1**	**140.7**	**3.4**

Increase in overnight stays from residents

The evolution of the internal market was remarkably positive (+18.5% corresponding to 702.7 thousand overnight stays), under the effect of the Carnival calendar (which, in 2014, was celebrated in March) and the proximity to the S. Valentine’s day, which led to the promotion of campaigns aimed mainly at the internal market.

Overnight stays from non residents stood at 1.5 million (+8.1%), growing at a slower pace since December. When considering the two first months of the year, the increase in overnight stays from the external markets attained +9.5%.

Figure1. Month-on-month change rates



The ten main inbound markets[2] represented 77.2% of overnight stays from non residents in February 2015, strengthening their relative weight in view of February 2014 (74.9%).

The British market, representing 22.2% of the total, kept growing but slowing down (+3.2% in February), in contrast with the evolution of 2014 (+10.5%).

Germany (16.6% of the total) presented a 7.8% increase in line with the results from the previous year (+7.9%).

Overnight stays from the Spanish market increased by 11.3% and corresponded to 8.5% of the total of overnight stays from non residents.

With regard to France, there was a steep increase in overnight stays (+24.0%), resulting in a raise of its weight to 7.8%.

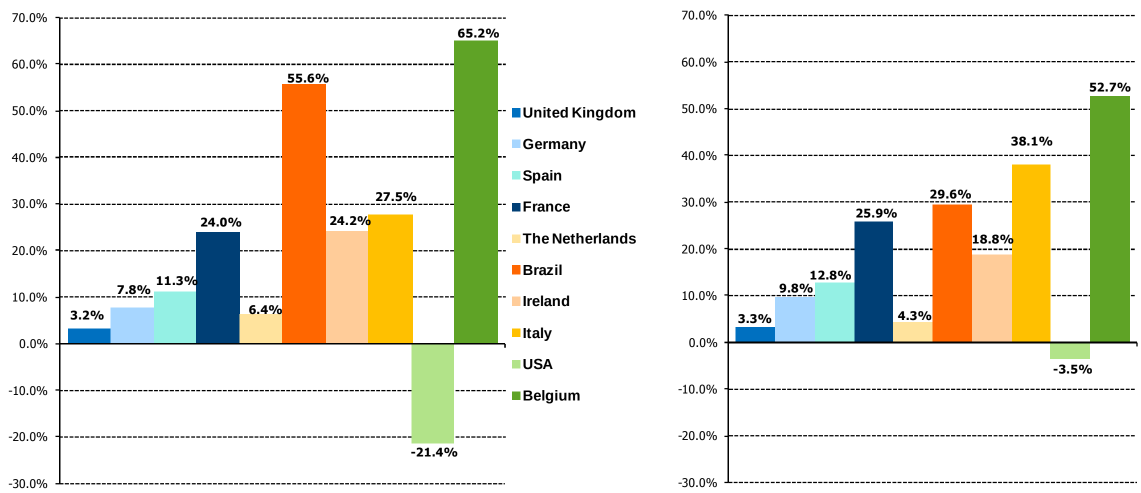
As in the previous month, the emphasis went to the 65.2% increase of Belgium (but only weighting 1.9%), also worth mentioning the 55.6% increase of the Brazilian market (which represented 5.6% of the total).

Overnight stays from guests residing in the USA declined by 21.4%.

Figure 2. Overnight stays by main inbound markets (2) – Month-on-month change rate

2a. Month-on-month change rate February 2015

2b. Accumulated month-on-month change rate January to February 2015



All regions with noteworthy increases in overnight stays except for Algarve

The evolution of the total of overnight stays in the regions was mostly positive, more so in Alentejo, Azores and in the Centre (+28.4%, +24.1% and +21.1%).

[2] Based on overnight stays in 2014 (preliminary results)

When considering the main tourist regions, Lisbon kept growing considerably (+18.8%) as well as Madeira (+8.0%), while the Algarve recorded declining results (-1.5%). Lisbon and the Algarve were the most sought after regions (28.9% and 24.3% respectively).

With regard to the evolution of the internal market, the emphasis went to Alentejo (+35.1%) and the Centre (+28.3%) with both these regions recording increases in offer in view of the same month of the previous year. The Algarve grew by 27.3%, representing 11.7% of the total of overnight stays from residents. Internally, demand was focused in Lisbon (26.1%), the North (24.7%) and the Centre (22.4%).

By keeping their previous growing trend, the Azores and Lisbon were the regions with the largest increases in overnight stays from non residents (+30.9% and +24.2% respectively), with the emphasis also to the Alentejo (+13.7%) and the North (+13.4%). In Algarve the declining results deepened (-5.3%), in connection with the decrease in demand from the British market (-9.4% corresponding to 36.5% of overnight stays from non residents). Overnight stays spent by foreigners weighted 84.8% in the total of this region, only surpassed by Madeira (91.7%).

The main destinations for non residents were Lisbon (30.3%), Algarve (30.2%) and Madeira (25.2%).

Table 3. Overnight stays by region (NUTS II)

Unit: 10^3

NUTS II	Total of overnight stays				Overnight stays from residents				Overnight stays from non residents			
	Feb-15		Jan to Feb 15		Feb-15		Jan to Feb 15		Feb-15		Jan to Feb 15	
	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Portugal	**2 218.5**	**11.2**	**4 178.5**	**12.2**	**702.7**	**18.5**	**1 371.1**	**18.2**	**1 515.8**	**8.1**	**2 807.3**	**9.5**
North	293.1	15.2	581.4	16.8	173.7	16.6	340.4	15.9	119.4	13.4	241.0	18.1
Centre	220.6	21.1	400.7	19.7	157.5	28.3	299.1	26.0	63.1	6.1	101.6	4.3
Lisbon M. A.	642.1	18.8	1 268.1	19.3	183.2	7.1	370.9	8.2	458.9	24.2	897.2	24.5
Alentejo	64.9	28.4	120.7	27.0	46.8	35.1	88.9	34.5	18.1	13.7	31.8	9.9
Algarve	540.2	-1.5	924.0	-0.2	82.2	27.3	153.5	22.3	458.0	-5.3	770.5	-3.7
A. R. Azores	40.6	24.1	75.4	28.5	24.5	20.0	44.6	21.0	16.1	30.9	30.8	41.2
A. R. Madeira	417.0	8.0	808.2	8.1	34.7	14.2	73.8	27.2	382.3	7.4	734.5	6.4

Stability in average stay

The average stay was 2.57, corresponding to a minor reduction (-0.5%).

Madeira (5.67 nights) and Algarve (4.50) were the regions with the longest average stays. The latter presented an increase of +6.2% in average stay, while Lisbon recorded +7.1%.

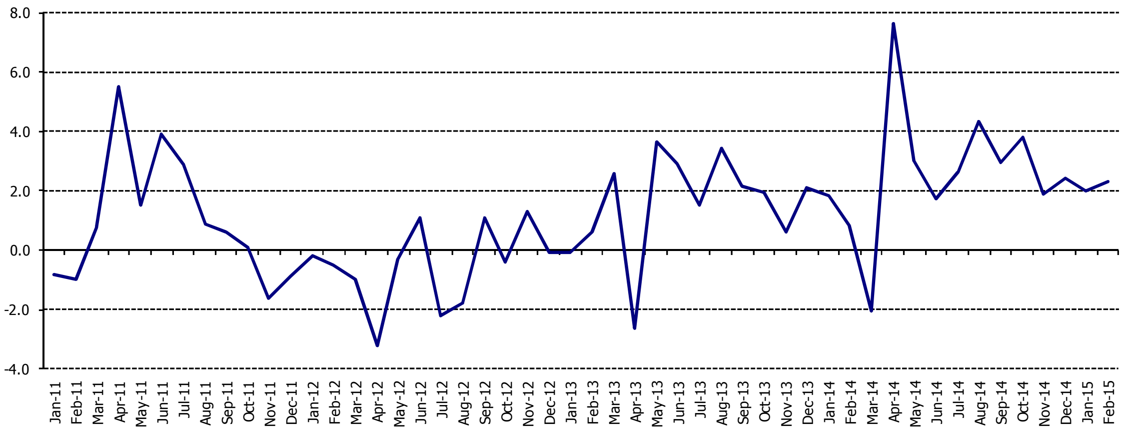
Table 4. Average stay and net bed occupancy rate by region (NUTS II)

NUTS II	Average stay (No. of nights)		Year-on-year change rate (%)	Occupancy rate %		Year-on-year variation (p.p.)
	Feb-14	Feb-15		Feb-14	Feb-15	
Portugal	**2.58**	**2.57**	**-0.5**	**27.2**	**29.5**	**2.3**
North	1.58	1.56	-1.4	22.7	25.5	2.8
Centre	1.62	1.58	-2.6	18.0	19.8	1.8
Lisbon M. A.	2.09	2.23	7.1	33.1	38.0	4.9
Alentejo	1.68	1.61	-3.9	16.1	19.5	3.3
Algarve	4.24	4.50	6.2	23.8	23.7	-0.1
A. R. Azores	2.47	2.54	2.8	14.9	18.1	3.2
A. R. Madeira	5.62	5.67	1.0	51.7	55.7	4.1

Occupancy rates grew

In February 2015, the net bed occupancy rate was 29.5% (+2.3 p.p.).

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



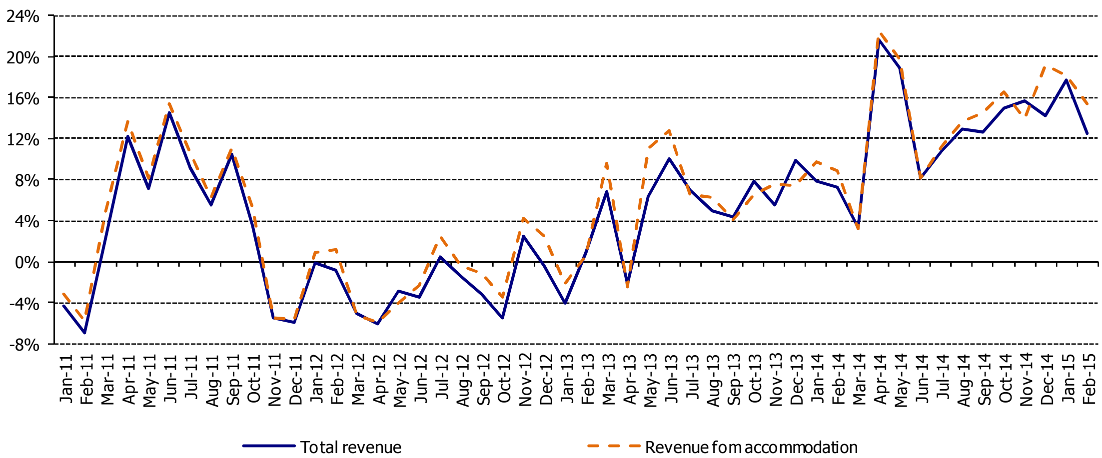
Madeira (55.7%) and Lisbon (38.0%) recorded the highest occupancy rates with these regions also recording the largest increases (+4.1 p.p. and +4.9 p.p. respectively).

Revenue kept remarkable increase but less than in January

In the month of February 2015, hotel accommodation activity establishments accounted for EUR 98.5 million in total revenue and EUR 67.2 million in revenue from accommodation (+12.5% and +15.4% respectively).

These results stood for increases below January (+18.1% and +17.9%), as in overnight stays.

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



All regions presented increases in revenue with the exception of the Algarve in the case of total revenue (-0.4%). Increases in revenue from accommodation were more intense in the Centre (+25.1%), Alentejo (+21.4%) and Lisbon (+20.4%). Lisbon had the highest relative weight (38.1%) in national total revenue.

Table 5. Revenue by region (NUTS II)

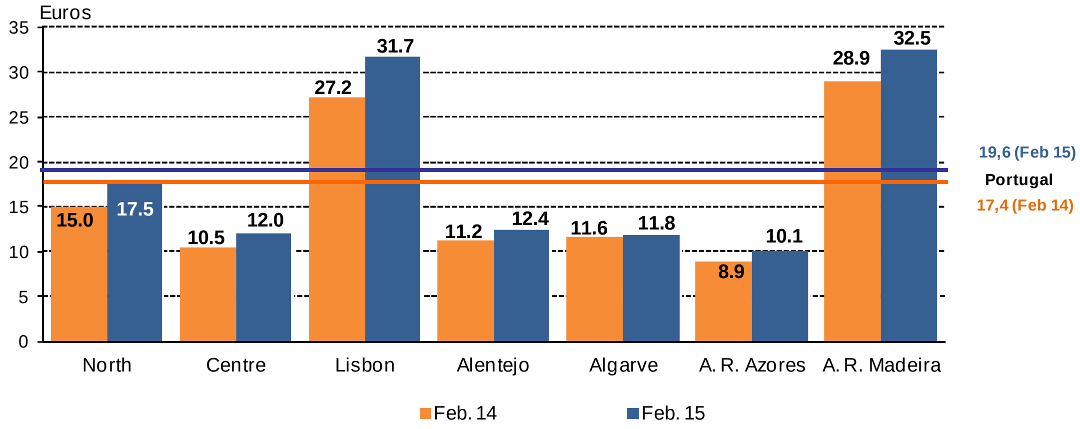
Unit: EUR 10^6

NUTS II	Total revenue		Revenue from accommodation	
	Feb-15	Year-on-year change rate (%)	Feb-15	Year-on-year change rate (%)
Portugal	**98.5**	**12.5**	**67.2**	**15.4**
North	13.7	18.1	9.6	18.8
Centre	9.5	21.6	6.5	25.1
Lisbon M. A.	35.9	18.3	25.6	20.4
Alentejo	2.9	12.0	2.0	21.4
Algarve	16.6	-0.4	10.8	1.0
A. R. Azores	1.5	8.7	1.1	14.4
A. R. Madeira	18.5	7.5	11.7	11.6

The average revenue per available room (RevPAR) was EUR 19.6, which corresponded to a 12.4% increase (+13.1% in January).

Madeira and Lisbon recorded the highest RevPAR (EUR 32.5 and EUR 31.7 respectively). All regions recorded positive change rates, more so Lisbon (+16.4%) and the North (+16.2%).

Figure 5. Average revenue per available room



Five star hotels and *"pousadas"* recorded the highest values in this indicator (EUR 38.7 and EUR 26.3) and also the largest increases. Apartment hotels and tourist villages presented declining results.

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Feb-14	Feb-15	%
Total	**17.4**	**19.6**	**12.4**
Hotels	**19.6**	**22.7**	**15.6**
*****	32.3	38.7	19.8
****	20.2	22.9	13.4
***	12.7	14.9	17.0
** / *	12.2	14.2	16.6
Apartment hotels	**17.9**	**17.2**	**-3.8**
*****	23.6	19.5	-17.4
****	18.3	18.7	2.1
*** / **	14.7	12.2	-17.1
Pousadas	**19.1**	**26.3**	**37.5**
Tourist apartments	**7.3**	**7.9**	**7.8**
Tourist villages	**13.3**	**13.1**	**-1.5**
Other tourist establishments	**12.0**	**13.0**	**7.7**

Camping sites and holiday camps

In February 2015, the camping sites hosted 38.2 thousand campers which spent 172.7 thousand overnight stays (+4.1% and +8.6% respectively). The internal market grew (+19.0% in overnight stays) with greater impact than the external markets (+2.0%). The average stay was 4.52 nights (4.33 nights in February 2014). Overnight stays from non residents were longer (7.90 nights on average) in comparison with those from residents, having recorded an increase of +19.2%.

Holiday camps and youth hostels recorded a strong positive evolution (+52.7% in guests and +35.5% in overnight stays), the equivalent to 19 thousand guests and 30.1 thousand overnight stays. For the outcome in overnight stays, there was the main contribution of residents (+41.9%) which represented 83.0% of the total. Overnight stays from non residents increased by 11.0%. The average stay was 1.58 nights (-11.3%). For this decline, the sole contribution came from the internal market (-14.5%), since non residents have increased their average stay in 7.4%.

Table 7. Camping, holiday camps and youth hostels by origin of the guests

Month: February 2015

	Unit	Camping sites						Holiday camps and youth hostels					
		Total	Year-on-year change rate (%)	Residents	Year-on-year change rate (%)	Non residents	Year-on-year change rate (%)	Total	Year-on-year change rate (%)	Residents	Year-on-year change rate (%)	Non residents	Year-on-year change rate (%)
Campers / Guests	10^3	38.2	4.1	25.7	16.3	12.5	-14.5	19.0	52.7	16.3	65.9	2.7	3.3
Overnight stays	10^3	172.7	8.6	74.0	19.0	98.7	2.0	30.1	35.5	25.0	41.9	5.1	11.0
Average stay	no. nights	4.52	4.4	2.88	2.3	7.90	19.2	1.58	-11.3	1.53	-14.5	1.88	7.4

EXPLANATORY NOTES

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

2015 – January and February – preliminary data.

2014 – January to December – provisional 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 Dec 14	-0.32 p.p.	-0.10 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.

In order to simplify the language, the term "foreigner" might be used instead of "non resident".

The "Lisbon Metropolitan Area" (Lisbon M. A.) is referred to in the text as "Lisbon".

ABBREVIATIONS

RevPAR – Revenue per Available Room

Date of next press release: 15 May 2015