16 June 2015

Tourism activity

April 2015

Accommodation activity indicators slow down

Hotel establishments recorded 3.9 million overnight stays in April 2015, resulting on a year-on-year increase[1] of 0.7%, quite below the result of March (+11.5%). The internal market declined (-4.9%), after having increased in March (+17.9%). The external markets kept a positive evolution (+2.8%), though at a slower pace when compared with the result of March (+9.0%).

The average stay was 2.68 nights (-3.2%) and the occupancy rate stood at 43.4% (-0.4 p.p.).

There were increases of 7.8% in total revenue and 10.9% in revenue from accommodation, less than in the previous month (+14.0% and +15.6%). RevPAR was EUR 32.2 (+8.9% in April, with +11.3% in March).

Results of April 2015 were influenced by the sharp increase of accommodation activity in April 2014, which reflected a calendar effect linked to the Easter celebrations and their proximity with the 25th April national holiday.

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	Month		Accumulated	
		Apr-15	Year-on-year change rate (%)	Jan to Apr 15	Tvh (%)
Guests	10^3	1 453.2	4.0	4 256.8	8.6
Overnight stays	10^3	3 887.2	0.7	11 102.7	7.5
Residents in Portugal	10^3	1 023.6	-4.9	3 299.2	9.1
Residents abroad	10^3	2 863.6	2.8	7 803.4	6.8
Average stay	no. of nights	2.68	-3.2	2.61	-1.0
Net bed occupancy rate	%	43.4	-0.4 p.p.	33.6	2.0 p.p.
Total revenue	EUR 10^6	182.7	7.8	511.6	12.2
Revenue from accommodation	EUR 10^6	128.9	10.9	352.8	14.4
RevPAR (Average revenue per available room)	EUR	32.2	8.9	23.5	11.8

Guests and overnight stays grew at a slower pace

In April 2015, tourism accommodation establishments welcomed 1.5 million guests which originated 3.9 million overnight stays (+4.0% and +0.7% respectively). These results reflected a slowdown in view of the preceding month (+9.0% and +11.5%) and the previous twelve months.

[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.

In the first four months of 2015, guests and stays increased by 8.6% and 7.5% respectively.

Hotels and the *"pousadas"* presented increases in overnight stays (+5.5% in both), but the remaining typologies had declining results, more so in tourist apartments (-13.7%). The hotels (68.0% of total overnight stays) benefited from the positive contribution of all categories, especially from five and four star categories (+6.9% and +5.7%).

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
	Apr-14	Apr-15	%
Total	**3 861.7**	**3 887.2**	**0.7**
Hotels	**2 504.9**	**2 643.7**	**5.5**
*****	489.2	523.2	6.9
****	1 213.1	1 282.5	5.7
***	561.5	587.7	4.7
** / *	241.1	250.4	3.9
Apartment hotels	**580.9**	**534.0**	**-8.1**
*****	42.4	38.3	-9.7
****	396.2	376.3	-5.0
*** / **	142.3	119.4	-16.1
Pousadas	**37.2**	**39.2**	**5.5**
Tourist apartments	**343.6**	**296.4**	**-13.7**
Tourist villages	**172.9**	**162.5**	**-6.0**
Other tourist establishments	**222.2**	**211.3**	**-4.9**

Decline in overnight stays from residents

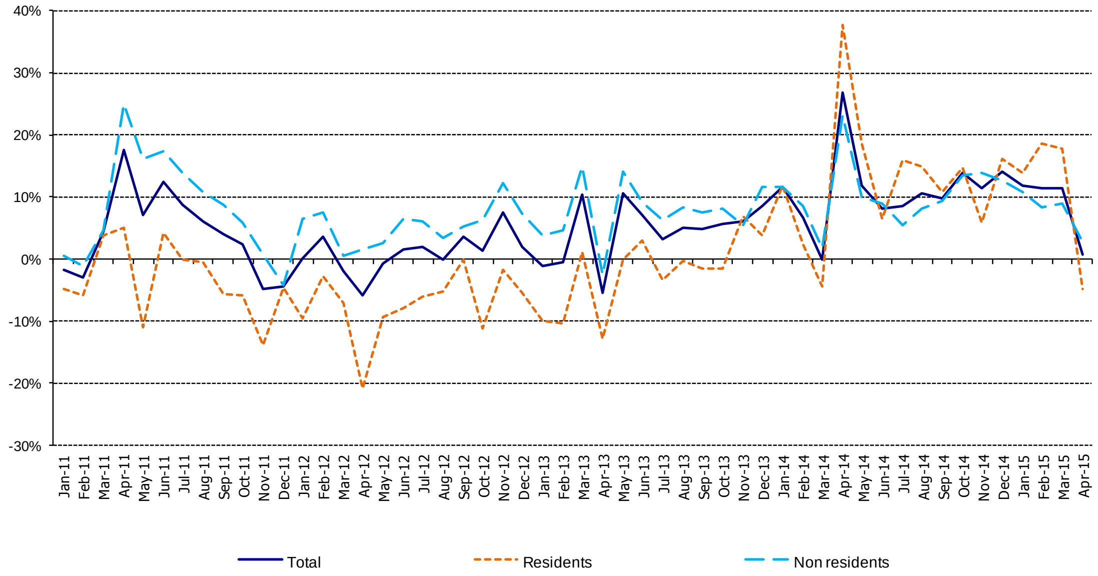
The number of overnight stays from residents (1 million) declined by 4.9%, following twelve months of growing results. The reduction in April occurred in close connection with the aforementioned base effect (mainly the Easter season) which mostly influences residents in Portugal (and also Spanish visitors).

In March, there had been a 17.9% increase in overnight stays from residents in Portugal.

Overnight stays from guests living abroad stood at 2.9 million (+2.8%), with a slowing down pace when compared with the last twelve months (+9.0% in March 2015 and +8.3% in February 2015) and in contrast with April 2014 (+23.2%).

In the period January to April, the internal market grew by 9.1% and the inbound markets increased by 6.8%.

Figure1. Month-on-month change rates



The ten main inbound markets[2] represented 79.0% of overnight stays from non residents, weighting close to the same month of the previous year (79.2%).

Overnight stays from the British market decreased by 3.4%, also reducing its relative weight (21.1% in view of 22.5% in April 2014). In the first four months of the year there was a slight positive evolution (+0.9%).

The German market presented a growing result (+12.2%), close to the one of the previous month (+11.5%) and to those one of the period January to April (+11.0%). The representativeness of this market in April 2015 (15.9%) surpassed the one of the same month of 2014 (14.6%).

The Spanish market (10.9% of the total) recorded a decrease (-11.1%), influenced by the Easter effect in 2014. Nevertheless, in the period January to April results were positive (+5.4%).

Overnight stays from French residents went up (+17.1% in April, after +12.9% in March), having represented 10.5% of the total (+1.3 p.p.).

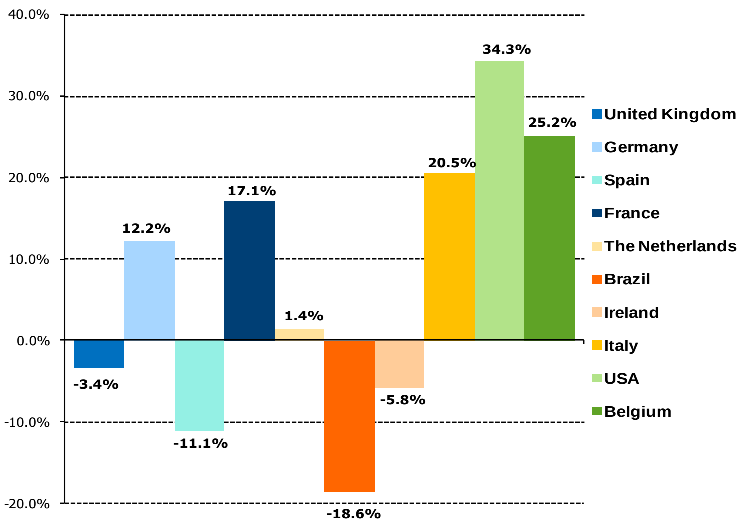
The United States of America presented the largest increase (+34.3%), with Belgium also standing out (+25.2%) and Italy (+20.5%). Brazil deepened its declining trend (-18.6% in April and -15.6% in March), in spite of the evolution of the first four months of the year having been positive (+1.8%).

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

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

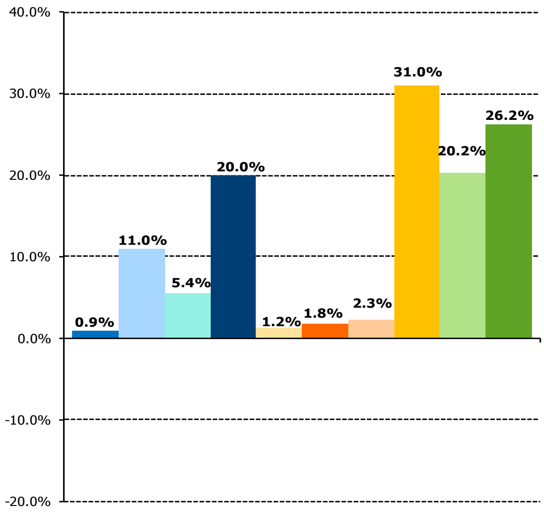
2a. Month-on-month change rate

April 2015



2b. Accumulated month-on-month change rate

January to April 2015



Azores with sharp increase in overnight stays

Overnight stays increased sharply in Azores (+20.7%), benefiting from new air transport services. In the North, Centre, Lisbon and Madeira regions the increases had less expression and corresponded to slowdowns in view of the evolution of the previous month. In Alentejo, there was an interruption on the growing trend of previous months (-10.7% vis-à-vis +6.3% in March), and in the Algarve there was also a reduction in overnight stays (-6.9% and +11.5% in the preceding month), a region which had already registered declining evolutions in January (-1.3%) and February (-2.1%). Considering total overnight stays in April, in Algarve there were 31.4% of the total, in Lisbon 27.7% and in Madeira 14.2%.

The internal market revealed a steep increase in Azores (+37.0%) and slight increases in the North, Lisbon and Centre. In the remaining regions there was a declining evolution, more so in Algarve (-20.0%) and in Alentejo (-18.0%), under influence of the base effect above mentioned.

In April 2015, the most sought after regions by residents were Lisbon (22.2%), Algarve (21.8%) and the North (21.1%).

As in the previous month, the number of overnight stays from non residents increased most significantly in the North (+10.7%), Centre (+10.4%) and Azores (+8.5%). The Algarve was the only region with declining results (-3.4%), influenced by the decrease of the British market in that region (-9.7%, corresponding to 41.4% of overnight stays from non residents).

Demand from the inbound markets was mostly concentrated in Algarve (34.8%), Lisbon (29.6%) and Madeira (17.5%).

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			
	Apr-15		Jan to Apr 15		Apr-15		Jan to Apr 15		Apr-15		Jan to Apr 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	**3 887.2**	**0.7**	**11 102.7**	**7.5**	**1 023.6**	**-4.9**	**3 299.2**	**9.1**	**2 863.6**	**2.8**	**7 803.4**	**6.8**
North	487.9	6.7	1 457.5	12.9	216.4	2.0	759.8	10.6	271.5	10.7	697.6	15.5
Centre	346.4	4.8	1 040.3	13.9	190.0	0.6	678.7	14.6	156.4	10.4	361.6	12.6
M. A. Lisbon	1075.9	4.7	3 221.1	11.8	227.4	1.3	823.6	7.2	848.5	5.6	2 397.5	13.5
Alentejo	107.1	-10.7	316.3	5.9	67.4	-18.0	213.7	4.7	39.6	5.3	102.7	8.6
Algarve	1219.3	-6.9	2 963.2	-0.7	223.6	-20.0	544.6	5.6	995.8	-3.4	2 418.6	-2.0
A. R. Azores	99.6	20.7	235.6	22.4	48.5	37.0	127.5	26.2	51.1	8.5	108.1	18.2
A. R. Madeira	551.0	3.2	1 868.7	5.7	50.3	-7.4	151.3	-2.0	500.8	4.4	1 717.3	6.5

Reduction in average stay

The average stay reduced to 2.68 nights (-3.2%), on the contrary of the result of the previous month (+2.3%).

Madeira was the only region with increased stays (+2.0%). The decline was more perceptible in Alentejo (-6.0%) and in Azores (-5.3%).

The highest values in this indicator came from Madeira (5.21 nights) and Algarve (3.92 nights) as is often the case.

The average stay in the first four months of the year was 2.61 nights (-1.0%).

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

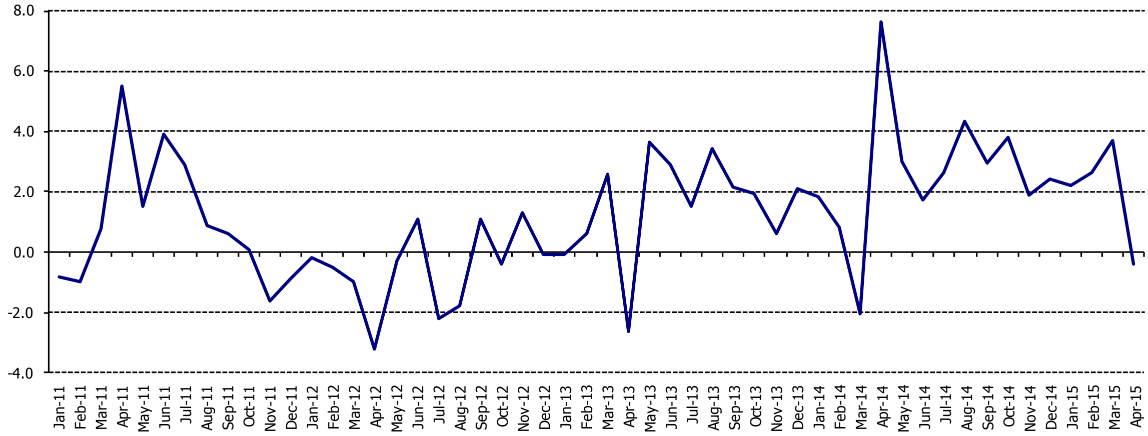
NUTS II	Average stay			Occupancy rate		
	(No. of nights)		Year-on-year change rate (%)	%		Year-on-year variation (p.p.)
	Apr-14	Apr-15		Apr-14	Apr-15	
Portugal	**2.76**	**2.68**	**-3.2**	**43.8**	**43.4**	**-0.4**
North	1.80	1.75	-2.5	37.2	38.8	1.6
Centre	1.74	1.66	-4.6	28.2	28.7	0.5
M. A. Lisbon	2.39	2.38	-0.3	58.2	58.4	0.2
Alentejo	1.79	1.68	-6.0	31.9	28.7	-3.1
Algarve	4.04	3.92	-2.9	41.3	38.5	-2.8
A. R. Azores	3.05	2.89	-5.3	32.0	37.0	5.0
A. R. Madeira	5.11	5.21	2.0	63.6	66.0	2.4

Occupancy rate remained almost unchanged

The net bed occupancy rate was 43.4% which corresponded to a slight decrease (-0.4 p.p.).

In the period January to April, the occupancy rate was 33.6% (+2.0 p.p.).

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



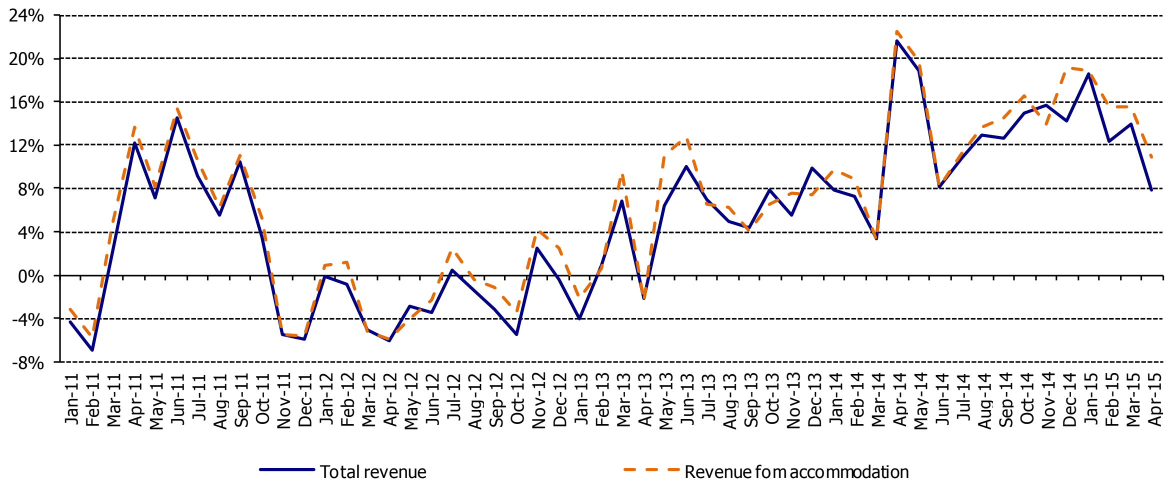
Madeira and Lisbon recorded the highest occupancy rates (66.0% and 58.4% respectively). Considering the evolution, the Azores stood out (+5.0 p.p.) while Alentejo and Algarve declined (-3.1 p.p. and -2.8 p.p.).

Increased revenue

In April 2015, hotel accommodation activity accounted for EUR 182.7 million in total revenue and EUR 128.9 million in revenue from accommodation. These results stood for increases of 7.8% and 10.9% respectively, below the ones of the preceding month (+14.0% and +15.6%) but reflecting a slower pace reduction when compared with overnight stays. This situation was eventually linked to a commercial strategy of increased prices in 2015.

In the period January to April 2015, total revenue attained EUR 511.6 million (+12.2%) and revenue from accommodation totaled EUR 352.8 million (+14.4%).

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



On a regional level, the evolution of revenue was mostly positive, with special emphasis on the Azores (+35.2% in total revenue and +38.0% in revenue from accommodation), with also noteworthy increases in Lisbon, the North and in the Centre. The Algarve recorded increases in revenue from accommodation (+3.7%) but a slight reduction in total revenue (-0.9%), while the Alentejo had declines in both types of revenue.

Table 5. Revenue by region (NUTS II)

Unit: EUR 10^6

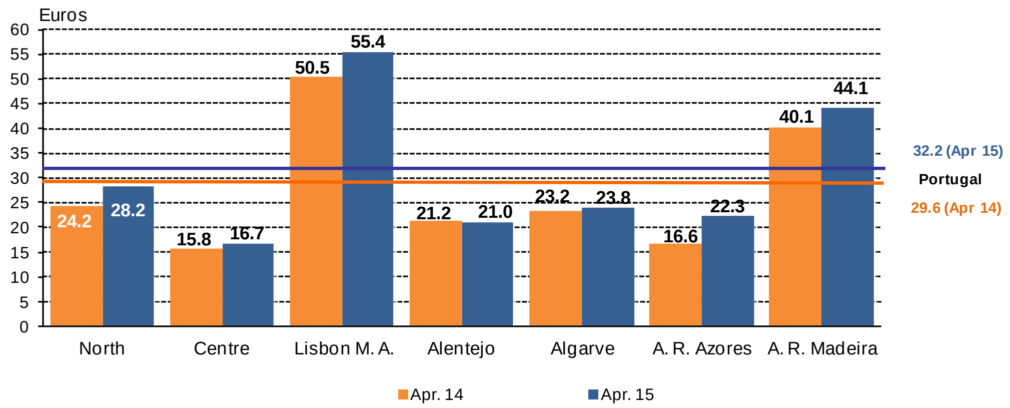
NUTS II	Total revenue		Revenue from accommodation	
	Apr-15	Year-on-year change rate (%)	Apr-15	Year-on-year change rate (%)
Portugal	**182.7**	**7.8**	**128.9**	**10.9**
North	22.9	11.3	16.9	18.6
Centre	14.6	13.6	9.7	8.5
M. A. Lisbon	64.7	12.5	48.4	13.8
Alentejo	5.2	-4.2	3.6	-1.2
Algarve	44.0	-0.9	29.6	3.7
A. R. Azores	4.0	35.2	2.8	38.0
A. R. Madeira	27.3	6.1	17.8	9.9

The average revenue per available room (RevPAR) was EUR 32.2 (+8.9%) having increased less when compared with the evolution of March (+11.3%).

In the period of January to April RevPAR had an 11.8% increase.

As often occurs, Lisbon and Madeira presented the highest values in RevPAR (EUR 55.4 and EUR 44.1 respectively). However, considering year-on-year changes rates, the emphasis went to Azores (+34.1%) and the North (+16.5%). The Alentejo was the only region with a declining RevPAR (-1.2%).

Figure 5. Average revenue per available room



Five star hotels, as usual, had the highest RevPAR (EUR 70.6), followed by the *"pousadas"* (EUR 47.1). In terms of evolution, the emphasis went to hotels in general (+10.7% in this indicator) benefiting from the contribution of all categories, namely five star units (+14.8%). Tourist villages presented a 17.8% decline.

Table 6. RevPAR by type and category of establishment

Unit: EUR

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Apr-14	Apr-15	%
Total	**29.6**	**32.2**	**8.9**
Hotels	**34.1**	**37.7**	**10.7**
*****	61.5	70.6	14.8
****	34.1	37.2	8.8
***	22.3	24.8	11.4
** / *	19.3	21.0	8.9
Apartment hotels	**26.7**	**27.9**	**4.4**
*****	38.2	37.3	-2.3
****	27.6	29.6	7.3
*** / **	21.2	20.2	-4.5
Pousadas	**44.3**	**47.1**	**6.4**
Tourist apartments	**12.7**	**13.2**	**4.2**
Tourist villages	**25.3**	**20.8**	**-17.8**
Other tourist establishments	**17.8**	**20.0**	**12.7**

Camping sites and holiday camps

In April 2015, the camping sites hosted 75.6 thousand campers which spent 241.3 thousand overnight stays, reflecting a reduction in the number of campers (-2.8%) and an increase in overnight stays (+2.8%). These results stood below the ones of the preceding month (+10.5% and +15.8%).

Overnight stays from residents (59.0% of the total) grew by 2.3% and those from the external markets increased by 3.5%. The average stay (3.19 nights) increased by 5.8%, with non residents standing out (average stay increasing by 10.4%, up to 3.41 nights).

Holiday camps presented a declining evolution, partly as a result of the ongoing conversion of some accommodation establishments and the closure of others. In April, 26.3 thousand guests and 46.2 thousand overnight stays were recorded, corresponding to reductions of 17.4% and 25.5%, respectively. The average stay was 1.76 nights (-9.8%). Despite these reductions, it should be underlined the increase in average stay of non residents (+17.2%), which resulted on 2.23 nights.

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

Month: April 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	75.6	-2.8	46.6	-0.5	29.0	-6.3	26.3	-17.4	20.8	-14.5	5.6	-26.6
Overnight stays	10^3	241.3	2.8	142.4	2.3	98.9	3.5	46.2	-25.5	33.8	-29.0	12.4	-14.0
Average stay	no. nights	3.19	5.8	3.06	2.9	3.41	10.4	1.76	-9.8	1.63	-16.9	2.23	17.2

EXPLANATORY NOTES

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

2015 – April and March – preliminary data; February and January – provisional 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 Feb 15	-0.6 p.p.	+0.5 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 July 2015