November 13, 2015

Tourism activity

September 2015

Overnight stays and revenue accelerate

Hotel establishments recorded 5.6 million overnight stays in September 2015, corresponding to a year-on-year increase[1] of 6.2% (+2.5% in August). The internal market grew 5.0% (+0.6% in the previous month), while the external markets had a 6.6% increase (+3.7% in August).

There was a 4.1% decline in average stay to 2.88 nights. The net bed occupancy rate (59.1%) increased 1.7 p.p. when compared with September 2014.

Revenue increased quite considerably (+14.7% in total revenue and +16.9% in revenue from accommodation), surpassing the results from the preceding month (+10.0% and +10.8%).

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	Month		Accumulated	
		Sep-15	Year-on-year change rate (%)	Jan to Sep 15	Tvh (%)
Guests	10^3	1 929.7	10.7	13 816.8	8.5
Overnight stays	10^3	5 555.3	6.2	39 621.5	6.3
Residents in Portugal	10^3	1 534.5	5.0	11 868.4	5.2
Residents abroad	10^3	4 020.9	6.6	27 753.2	6.8
Average stay	no. of nights	2.88	-4.1	2.87	-2.0
Net bed occupancy rate	%	59.1	1.7 p.p.	49.2	2.0 p.p.
Total revenue	EUR 10^6	296.8	14.7	2 001.3	12.5
Revenue from accommodation	EUR 10^6	217.3	16.9	1 453.6	14.4
RevPAR (Average revenue per available room)	EUR	52.1	15.1	40.4	12.6

Increase in the number of overnight stays below the one recorded in guests

In September 2015, tourism accommodation establishments recorded 1.9 million guests (+10.7%) and 5.6 million overnight stays (+6.2%). These increases surpassed the ones from the preceding month (+5.2% and +2.5%), keeping the tendency for higher increases in the number of guests rather than in the number of overnight stays, as shown by the accumulated results of January to September (+8.5% and +6.3%).

[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.

The evolution of overnight stays amongst the various types and categories of establishments was overall positive, with the emphasis in the *"pousadas"* (+11.1%), one or two star hotels (+11.0%) and tourist villages (+10.7%). In hotels (65.4% of the total), overnight stays increased by 7.2%, while in apartment hotels (+1.0%) there were decreases in five, three and two star units.

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
	Sep-14	Sep-15	%
Total	**5 232.9**	**5 555.3**	**6.2**
Hotels	**3 389.6**	**3 635.3**	**7.2**
*****	674.9	729.6	8.1
****	1 616.5	1 740.6	7.7
***	774.0	805.2	4.0
** / *	324.1	359.8	11.0
Apartment hotels	**761.4**	**769.1**	**1.0**
*****	48.9	42.5	-13.1
****	527.9	549.9	4.2
*** / **	184.5	176.7	-4.2
Pousadas	**48.8**	**54.2**	**11.1**
Tourist apartments	**544.2**	**582.6**	**7.1**
Tourist villages	**219.1**	**242.6**	**10.7**
Other tourist establishments	**269.9**	**271.5**	**0.6**

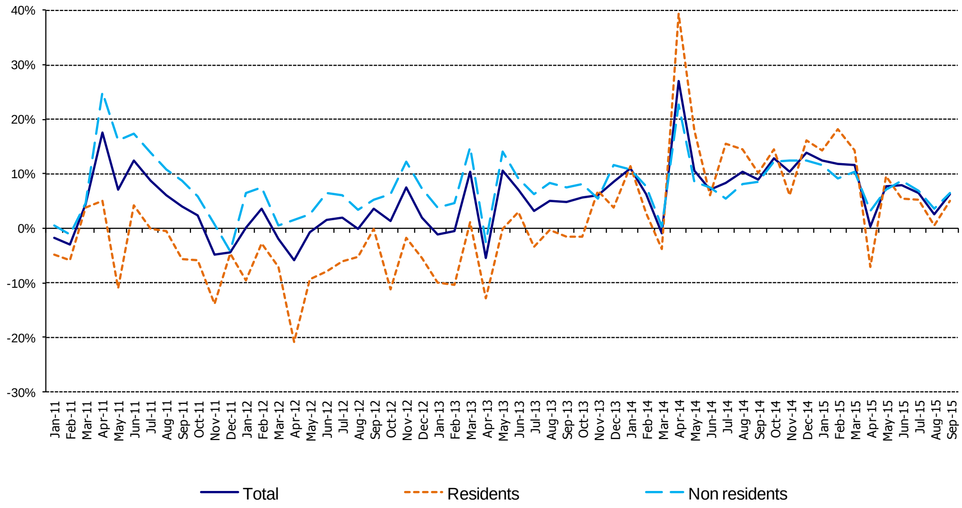
Internal market reinforces increase of overnight stays

Overnight stays from residents, following a period of a relative stability in August (+0.6%), recorded an increase of 5.0% in September, coming close to the evolutions of July and June (+5.3% and +5.5%).

The evolution of the inbound markets (+6.6% in September) also stood above the one observed in the preceding month (+3.7%) and came close to the one of July (+6.9%).

In the period January to September, overnight stays from residents increased by 5.2% and those from non residents 6.8%.

Figure1. Month-on-month change rates



The ten main inbound markets[2] represented 80.8% of overnight stays from non residents (80.9% in September 2014).

The British market, with a share of 26.9%, presented a growth of 7.9% in overnight stays, in line with the preceding month (+7.5%) and the accumulated result of January to September (+7.4%).

Overnight stays spent by German guests, corresponding to 14.7% of the total from non residents, increased 9.5%, a slow down when comparing with August (+13.0%). In the first nine months of the year overnight stays from this market increased by 11.8%.

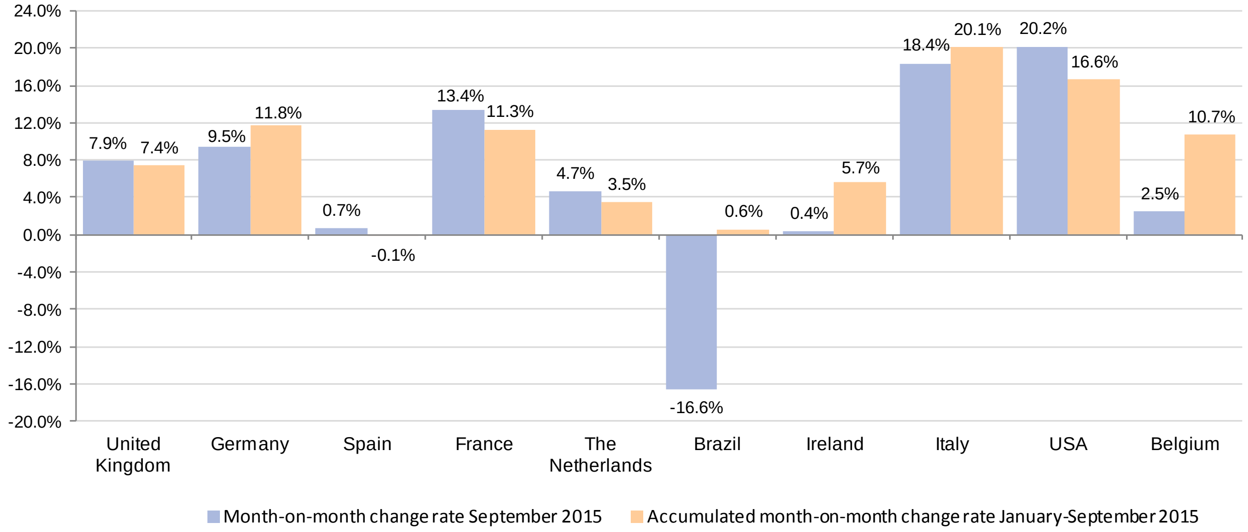
With regard to the French market (+13.4% in September), the 2.0% increase recorded in August (the lowest since the beginning of the year) was largely surpassed. In terms of share, there was also a remarkable increase (9.2% in September 2015 and 8.6% in the same month of 2014).

The Spanish market reduced its relative weight (8.8%, from 9.3% in September 2014), but recorded a positive evolution, albeit a small one (+0.7%), with a 0.1% slight reduction from January to September.

The USA and Italy presented relevant increases in September (+20.2% and +18.4%) and also in the accumulated period of the first nine months of the year (+16.6% and +20.1%). Brazil repeated a declining evolution (-16.6% in September; -10.9% in August), while in the first three quarters of the year it recorded a mere 0.6% increase.

[2] Based on overnight stays in 2014

Figure 2. Overnight stays by main inbound markets:
Month-on-month and accumulated month-on-month change rates



Increases in overnight stays in all regions

Overnight stays have increased in all regions, with a greater intensity in the Azores (+19.2%), the North (+16.3%) and in Alentejo (+11.8%). In Algarve there was a 3.1% increase in contrast with the 1.4% decline in August. The main destinations were the Algarve (37.6%), Lisbon (23.1%), the North (12.4%) and Madeira (11.7%).

The Azores recorded a remarkable increase in overnight stays from residents (+47.3%), the greatest in view of the last four months and came close to the one of May (+50.8%). The North and the Alentejo also presented quite considerable increases (+14.9% and +10.1%), while Madeira and the Algarve kept a negative evolution in overnight stays from residents (-7.8% and -3.0%), but less steep than in the preceding month (-16.8% and -6.1% respectively). The Algarve was the most sought after region as far residents were concerned, followed by the North and by the Centre, which surpassed Lisbon.

The evolution of overnight stays from non residents throughout the regions was overall positive, with the emphasis on the North (+17.3%) and the Alentejo (+14.4%). In the Azores, the steep increase in overnight stays from residents had no correspondence with regard to guests coming from abroad (+7.2%). As usual, the inbound markets preferred to choose the Algarve, Lisbon and Madeira.

The inbound markets were especially predominant in Madeira (89.2% of the total overnight stays in the region), in Lisbon (78.8%) and in Algarve (77.4%).

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			
	Sep-15		Jan to Sep 15		Sep-15		Jan to Sep 15		Sep-15		Jan to Sep 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	**5 555.3**	**6.2**	**39 621.5**	**6.3**	**1 534.5**	**5.0**	**11 868.4**	**5.2**	**4 020.9**	**6.6**	**27 753.2**	**6.8**
North	688.5	16.3	4 807.6	14.0	291.8	14.9	2 221.5	10.8	396.7	17.3	2 586.2	16.8
Centre	525.0	9.3	3 658.0	11.0	273.5	8.8	2 114.5	12.3	251.4	9.8	1 543.6	9.4
M. A. Lisbon	1284.6	4.6	9 608.5	7.1	271.8	2.2	2 270.6	5.4	1 012.8	5.3	7 338.0	7.7
Alentejo	161.9	11.8	1 187.4	12.1	97.9	10.1	784.3	12.5	64.0	14.4	403.2	11.3
Algarve	2089.6	3.1	14 091.9	1.7	471.5	-3.0	3 534.9	-3.4	1 618.1	5.0	10 557.0	3.5
A. R. Azores	155.2	19.2	1 046.9	17.5	57.7	47.3	424.7	30.7	97.6	7.2	622.2	10.0
A. R. Madeira	650.6	3.1	5 221.1	4.8	70.2	-7.8	518.1	-7.8	580.4	4.6	4 703.1	6.4

Average stay kept a declining trend

Keeping the trend, the average stays have reduced 4.1% to 2.88 nights.

The Algarve recorded the largest decrease (-7.9%), followed by the Azores and the Centre. The remaining regions showed slight increases in this indicator.

In the period January to September the average stay also declined (-2.0%, corresponding to 2.87 nights).

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

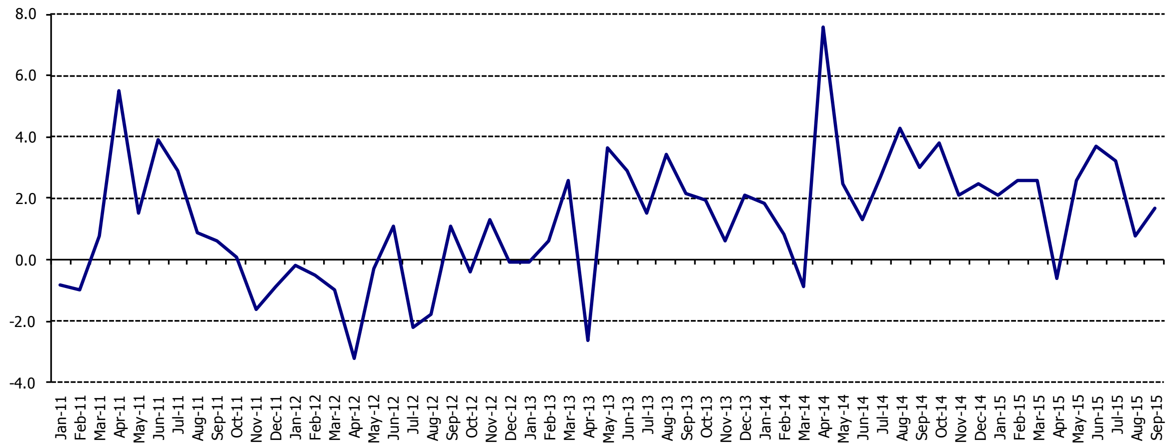
NUTS II	Average stay			Occupancy rate		
	(No. of nights)		Year-on-year change rate (%)	%		Year-on-year variation (p.p.)
	Sep-14	Sep-15		Sep-14	Sep-15	
Portugal	**3.00**	**2.88**	**-4.1**	**57.4**	**59.1**	**1.7**
North	1.84	1.84	0.4	46.6	52.9	6.2
Centre	1.84	1.77	-4.0	39.5	41.9	2.4
M. A. Lisbon	2.41	2.38	-1.2	68.3	68.5	0.2
Alentejo	1.75	1.78	1.6	37.7	41.4	3.7
Algarve	4.89	4.50	-7.9	61.3	60.7	-0.6
A. R. Azores	3.25	3.10	-4.5	48.7	56.3	7.6
A. R. Madeira	5.61	5.70	1.6	71.8	75.2	3.4

Occupancy rates have increased

The net bed occupancy rate stood at 59.1% (+1.7 p.p.), keeping the positive evolution that is being recorded in 2015.

In the period January to September, the evolution of this indicator was also positive (+2.0 p.p.; 49.2%).

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



The highest net bed occupancy rates came from Madeira (75.2%) and Lisbon (68.5%).

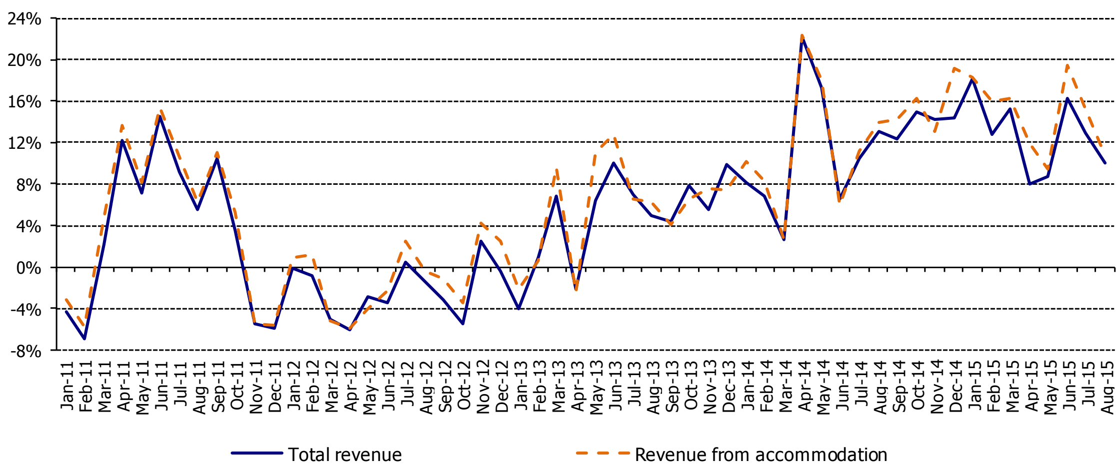
The emphasis went to the evolutions of this indicator in the Azores (+7.6 p.p.) and in the North (+6.2 p.p.). The Algarve was the only region that recorded a reduction (-0.6 p.p.).

Revenue strengthens upward trend

Total revenue from hotel accommodation activity establishments amounted to EUR 296.8 million and revenue from accommodation reached EUR 217.3 million, corresponding to increases of 14.7% and 16.9%, respectively.

These evolutions surpassed those recorded in August (+10.0% and +10.8%) and also the results from the three first quarters of 2015 (+12.5% and +14.4%).

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



All regions presented increases in revenue, more so in the North and Azores. The acceleration of revenue compared to the preceding month was transversal to all regions.

Table 5. Revenue by region (NUTS II)

Unit: EUR 10^6

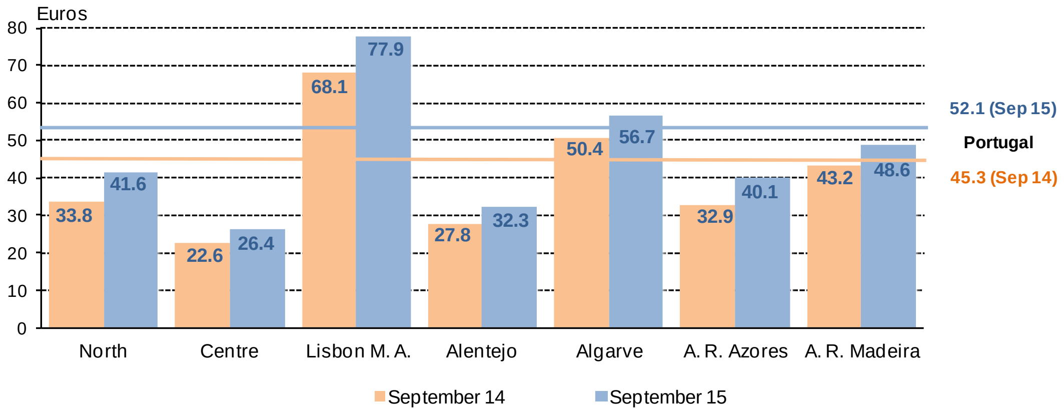
NUTS II	Total revenue		Revenue from accommodation	
	Sep-15	Year-on-year change rate (%)	Sep-15	Year-on-year change rate (%)
Portugal	**296.8**	**14.7**	**217.3**	**16.9**
North	34.1	22.6	25.7	25.7
Centre	23.5	16.6	15.9	16.5
M. A. Lisbon	89.4	15.5	68.7	17.6
Alentejo	8.5	19.4	5.9	19.0
Algarve	102.5	13.1	75.5	14.5
A. R. Azores	6.8	20.9	5.2	24.7
A. R. Madeira	32.0	6.7	20.4	11.2

In September, the average revenue per available room (RevPAR) recorded a considerable increase (+15.1%), corresponding to EUR 52.1.

Lisbon and the Algarve recorded the highest value in this indicator (EUR 77.9 and EUR 56.7, respectively).

All regions presented significant increases in RevPAR, namely in the North (+23.0%) and the Azores (+22.1%).

Figure 5. Average revenue per available room



The establishments with a five star category, both hotels and apartment hotels, as well as the *"pousadas"*, were noteworthy not only because of the highest RevPAR, but also by the most significant increases in this indicator.

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Sep-14	Sep-15	%
Total	**45.3**	**52.1**	**15.1**
Hotels	**50.5**	**58.3**	**15.4**
*****	87.9	103.9	18.2
****	52.2	59.1	13.4
***	33.2	38.0	14.4
** / *	27.3	30.3	11.1
Apartment hotels	**46.7**	**52.6**	**12.7**
*****	56.7	80.3	41.7
****	50.5	54.0	7.0
*** / **	34.3	42.1	22.6
Pousadas	**58.3**	**77.5**	**33.1**
Tourist apartments	**31.6**	**34.8**	**9.9**
Tourist villages	**34.5**	**39.9**	**15.5**
Other tourist establishments	**23.9**	**26.7**	**11.7**

Camping sites and holiday camps

In September 2015, camping sites hosted 197.8 thousand campers which originated 640.9 thousand overnight stays (+16.3% and +11.7%). These results accelerated when compared with the preceding month (+4.8% and +0.2%).

Overnight stays from residents increased by 10.2%, in contrast with the preceding month (-0.2%), but close to the results of July. The inbound markets strengthened the positive results of the previous month (+15.7% in view of +1.7% in August).

The average stay declined 3.9%, with the main contribution of non residents (-9.7%).

Holiday camps and youth hostels recorded 35.2 thousand guests and 75.2 thousand overnight stays (+11.8% and +6.6%, respectively).

The average stay in this type of establishments reduced by 4.7% and stood at 2.13 nights.

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

Month: September 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	197.8	16.3	125.9	10.4	71.9	28.2	35.2	11.8	26.4	15.7	8.9	1.7
Overnight stays	10^3	640.9	11.7	464.6	10.2	176.3	15.7	75.2	6.6	57.6	5.1	17.6	11.8
Average stay	no. nights	3.24	-3.9	3.69	-0.1	2.45	-9.7	2.13	-4.7	2.19	-9.1	1.98	10.0

EXPLANATORY NOTES

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

2015 – August and September – preliminary data; January to July – provisional data.

2014 – 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 Jul 15	-0.3 p.p.	+0.3 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 December 2015