15 April 2016

Tourism Activity

February 2016

Significant increases in overnight stays and revenue

Hotel establishments recorded 989.9 thousand guests and 2.6 million overnight stays in February 2016, the equivalent to year-on-year increases[1] of 14.1% and 15.1% (+9.4% and +10.0% in January[2]). The increase in overnight stays benefited from the contribution of the internal market (+11.3%) and even more from the external markets (+16.8%).

The average stay increased (+0.9%; 2.58 nights) as well as the net bed occupancy rate (+2.5 p.p., at 32.3%).

Revenue recorded quite considerable increases (+20.6% in total revenue and +20.7% in revenue from accommodation), above the ones recorded in January (+13.5% and +15.6%).

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	Month		Accumulated	
		Feb-16	Year-on-year change rate (%)	Jan to Feb 16	Tvh (%)
Guests	10^3	989.9	14.1	1 853.6	11.8
Overnight stays	10^3	2 556.4	15.1	4 683.0	12.7
Residents in Portugal	10^3	782.8	11.3	1 487.5	10.2
Residents abroad	10^3	1 773.6	16.8	3 195.5	13.9
Average stay	no. of nights	2.58	0.9	2.53	0.8
Net bed occupancy rate	%	32.3	2.5 p.p.	29.2	2.2 p.p.
Total revenue	EUR 10^6	118.6	20.6	222.7	17.2
Revenue from accommodation	EUR 10^6	81.2	20.7	153.0	18.3
RevPAR (Average revenue per available room)	EUR	22.7	14.7	21.0	14.2

Guests and overnight stays generally accelerating

In February 2016, tourism accommodation establishments hosted 989.9 thousand guests and 2.6 million overnight stays (+14.1% and +15.1% respectively). These results stood above the ones recorded in the previous month (+9.4% and +10.0%), with the accumulated period January to February having recorded increases of 11.8% and 12.7%.

The increase recorded in most of the main indicators in February could possibly be related with the instability experienced in competing travel destinations, on a par with specific marketing strategies in February, namely special packages linked with St. Valentine's Day and the Carnival festivities (in 2016, with a day-off for public administration employees).

[1] Unless stated otherwise, the change rates presented in this press release correspond to year-on-year change rates.

[2] See the methodological notes with reference to data revisions from 2016 on.

Hotels (67.8% of total overnight stays) showed a 15.6% increase which resulted from the contribution of all categories, mainly four stars (+19.0%) and three stars (+15.7%), having these two categories obtained 70.2% of overnight stays in hotels.

Tourist villages and tourist apartments recorded steep increases (+39.6% and +27.2%) with shares in the sector increasing to 4.5% and 7.1%, respectively, in terms of overnight stays.

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-15	Feb-16	%
Total	**2 221.7**	**2 556.4**	**15.1**
Hotels	**1 499.2**	**1 732.7**	**15.6**
*****	297.4	328.8	10.6
****	689.5	820.6	19.0
***	342.6	396.3	15.7
** / *	169.7	187.0	10.2
Apartment hotels	**330.7**	**361.8**	**9.4**
*****	26.4	21.3	-19.4
****	231.7	258.6	11.6
*** / **	72.6	81.9	12.8
Pousadas	**25.6**	**25.8**	**0.6**
Tourist apartments	**142.9**	**181.7**	**27.2**
Tourist villages	**83.1**	**116.1**	**39.6**
Other tourist establishments	**140.1**	**138.4**	**-1.2**

External markets with significant growth

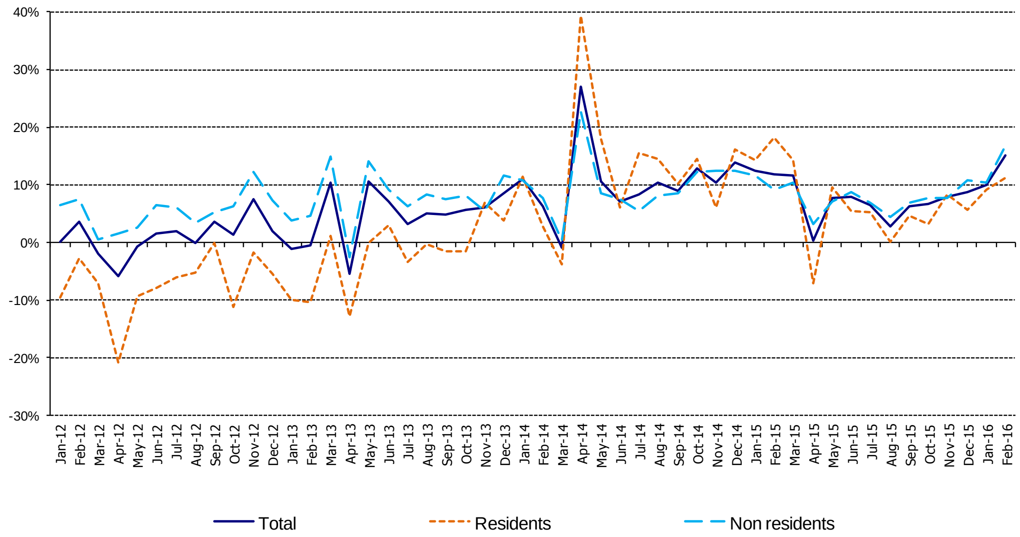
The internal market contributed with 782.8 thousand overnight stays (+11.3%), surpassing the trend of the latest months (+2.2 p.p. than in January) but staying below the one recorded in February 2015 (-6.9 p.p.).

Overnight stays from non residents accelerated (from +10.5% in January to +16.8% in February), attaining 1.8 million.

This increase was the most significant since April 2014 (+22.7%).

In the period January to February, overnight stays from the internal market increased by 10.2% and those from the external markets grew 13.9%.

Figure 1. Overnight stays - Month-on-month change rates



British and Spanish markets with decisive contributions to overnight stays growth

The twelve main inbound markets[3] represented 81.0% of overnight stays from non residents, a similar share to the one of February 2015 (81.1%).

The United Kingdom (22.2% of the total) kept a significant positive evolution (+16.7%), in line with the preceding months.

The German market presented a 15.1% increase, only surpassed by the one recorded in July 2015 (+16.2%). The relative weight of this market was 16.2%.

Spain recorded a steep increase (+34.1%) to which corresponded a larger representation (9.8% from 8.5% in February of the previous year).

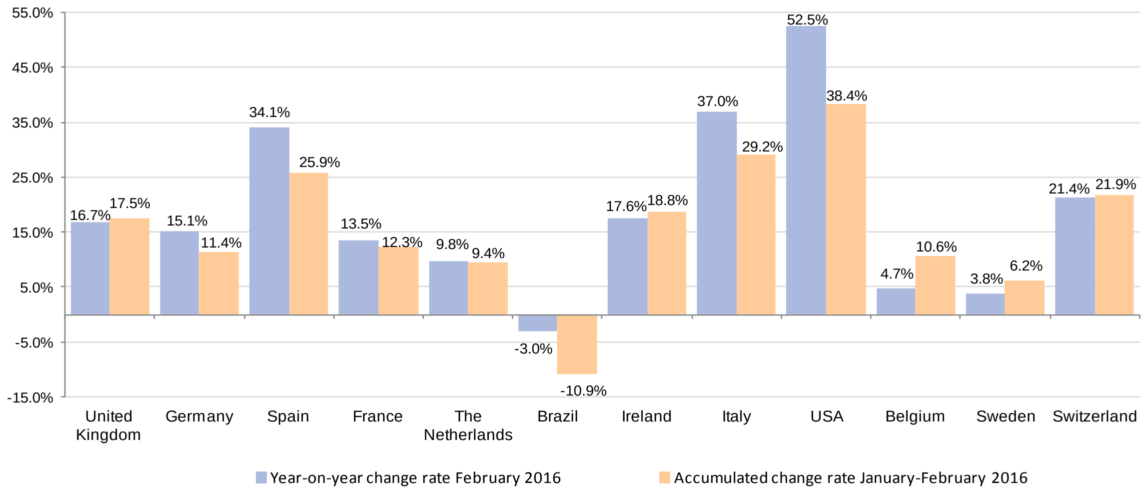
The French and the Dutch markets held close shares (8.0% and 7.9%, respectively) and revealed positive evolutions (+13.5% and +9.8% in the same order).

The emphasis also went to the performances of the North American market (+52.5%) and the Italian (+37.0%).

For the seventh consecutive month Brazil presented a declining result (-3.0%).

[3] Based on overnight stays in 2014

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



Sharp increase in overnight stays in the A. R. of the Azores

Keeping the trend from the preceding month, the A.R. of the Azores presented a remarkable increase in overnight stays (+57.2%) and so did the Algarve (+23.4%) and the North (+22.0%). The trend in the other regions was also positive. Lisbon was the main destination (27.2% of the total overnight stays), followed by the Algarve (25.9%) and by the A. R. of Madeira (18.1%).

In the Algarve, the establishments that anticipated their regular season opening in February have contributed with 19.9% to the increase in number of overnight stays.

It should be noted that in terms of air traffic (preliminary results), the Porto and Faro airports recorded increases in traffic above 20% in February, with the airport of Ponta Delgada having reached an increase close to the one recorded in overnight stays.

As in the previous month, the evolution of overnight stays from residents was overall positive, mainly in the A. R. of the Azores (+37.9%) and in the A. R. of Madeira (+29.5%). In the Mainland the emphasis went to Algarve (+23.6%) and the North (+13.3%). The most sought after regions by residents were Lisbon (25.3%), the North (24.9%) and the Centre (21.0%).

The external markets also presented noteworthy increases in overnights in all regions, more so in the A. R. of the Azores (+87.4%, linked with the increase in air service lines vis-à-vis the previous year), in the North (+34.5%), Alentejo (+28.5%) and in Algarve (+23.4%). In these Mainland regions, there was an increase on demand from the main inbound markets, namely the Spanish which recorded steep increases in the North, Alentejo and in the Algarve. As usual, the main destinations for non residents were the Algarve (31.7%), Lisbon (28.0%) and the A. R. of Madeira (24.0%).

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-16		Jan to Feb 16		Feb-16		Jan to Feb 16		Feb-16		Jan to Feb 16	
	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	**2 556.4**	**15.1**	**4 683.0**	**12.7**	**782.8**	**11.3**	**1 487.5**	**10.2**	**1 773.6**	**16.8**	**3 195.5**	**13.9**
North	358.2	22.0	688.5	20.1	195.2	13.3	380.1	13.4	163.0	34.5	308.3	29.5
Centre	236.4	6.0	434.7	7.5	164.7	2.1	308.4	3.6	71.7	16.2	126.3	18.3
M. A. Lisbon	695.2	8.4	1 327.7	4.4	197.9	5.5	385.8	3.2	497.4	9.5	942.0	4.8
Alentejo	76.8	17.0	135.6	12.9	52.0	12.2	95.3	9.5	24.8	28.5	40.3	21.8
Algarve	662.3	23.4	1 094.1	20.4	100.5	23.6	181.2	21.0	561.7	23.4	912.9	20.2
A. R. Azores	63.6	57.2	120.8	61.4	34.0	37.9	64.4	44.7	29.6	87.4	56.3	85.8
A. R. Madeira	463.9	10.3	881.6	10.1	38.5	29.5	72.3	17.7	425.4	8.8	809.3	9.4

Average stay increased in the A. R. of the Azores, Alentejo and the North

The average stay (2.58 nights) increased by 0.9%, in line with the one from the preceding month (+0.6%).

In the period January to February the average stay was 2.53 nights (+0.8%).

In February, the evolution of this indicator reached a higher expression in the A. R. of the Azores (+14.1%) and in Alentejo (+9.2%). On the contrary, the A. R. of Madeira, Lisbon, Algarve and the Centre presented reductions.

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

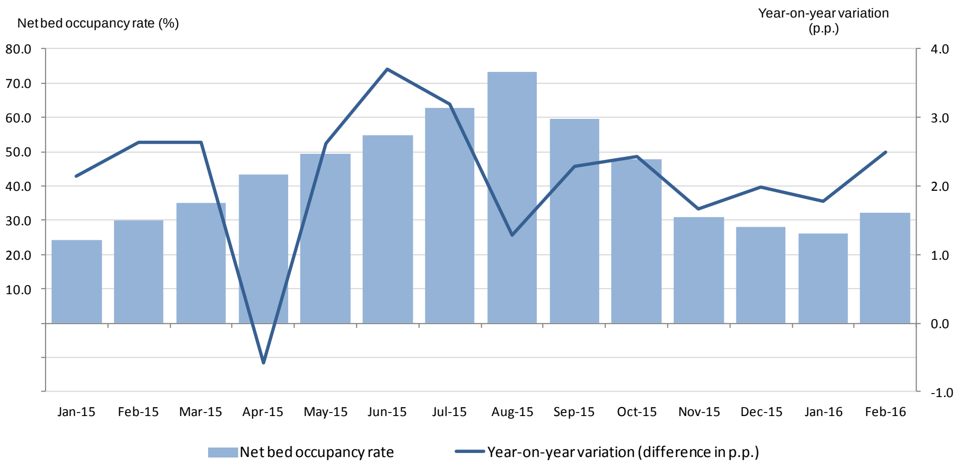
NUTS II	Average stay			Occupancy rate		
	(No. of nights)		Year-on-year change rate (%)	%		Year-on-year variation (p.p.)
	Feb-15	Feb-16		Feb-15	Feb-16	
Portugal	**2.56**	**2.58**	**0.9**	**29.8**	**32.3**	**2.5**
North	1.57	1.64	4.0	25.7	29.5	3.9
Centre	1.61	1.59	-1.1	20.9	21.2	0.3
M. A. Lisbon	2.21	2.16	-2.0	38.0	38.3	0.4
Alentejo	1.60	1.75	9.2	19.7	22.8	3.1
Algarve	4.44	4.37	-1.6	23.9	27.4	3.5
A. R. Azores	2.54	2.90	14.1	17.8	26.4	8.6
A. R. Madeira	5.72	5.59	-2.3	56.2	59.3	3.1

Occupancy rate increased

The net bed occupancy rate was 32.3% (+2.5 p.p.), above the one of the previous month (+1.8 p.p.).

In the accumulated period of the two first months of the year this indicator reached 29.2% (+2.2 p.p.).

Figure 3. Net bed occupancy rate



As in the previous month, there were high net bed occupancy rates in the A. R. of Madeira (59.3%) and in Lisbon (38.3%). However, the largest increase came from the A. R. of the Azores (+8.6 p.p., corresponding to 26.4%).

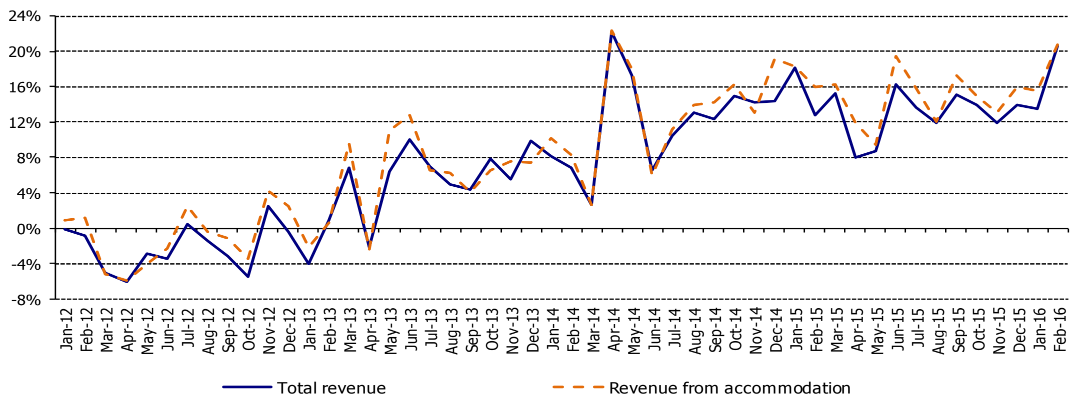
Revenue accelerated

Total revenue from hotel accommodation activity amounted to EUR 118.6 million and revenue from accommodation was EUR 81.2 million (+20.6% and +20.7% respectively). This outcome accelerated in relation to the preceding month (+13.5% and +15.6%).

For these increases, the new establishments or under new management stood out, which had a 37.8% contribution to the increased value in revenue from accommodation.

In the period January to February, total revenue increased by 17.2% and revenue from accommodation grew by 18.3%.

Figure 4. Total revenue and total revenue from accommodation- Year-on-year change rate



All regions recorded increases in revenue, more so the A. R. of the Azores (+60.0% in revenue from accommodation), the North (+29.9%) and the Algarve (+25.4%). In Lisbon there was an acceleration (+15.6% in revenue from accommodation, vis-à-vis +5.8% in January), although not so much as in December (+17.5%).

Table 5. Revenue by region (NUTS II)

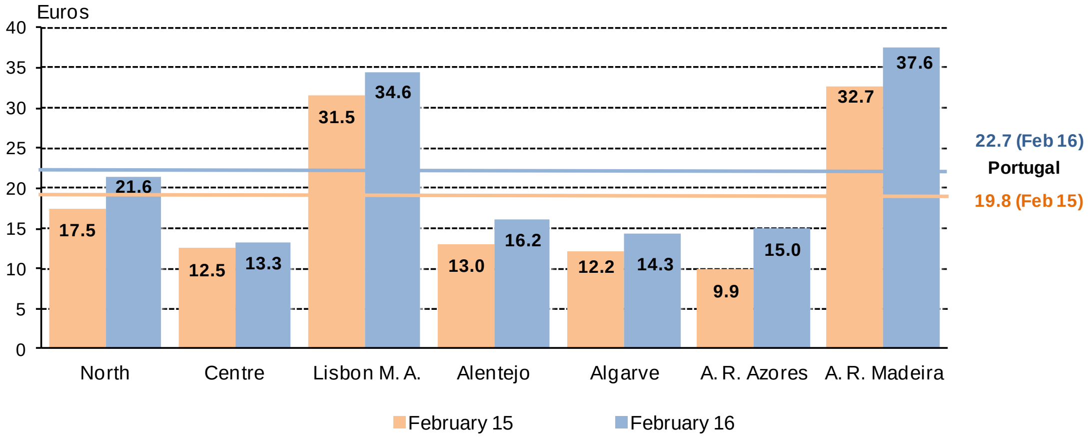
Unit: EUR 10^6

NUTS II	Total revenue		Revenue from accommodation	
	Feb-16	Year-on-year change rate (%)	Feb-16	Year-on-year change rate (%)
Portugal	**118.6**	**20.6**	**81.2**	**20.7**
North	17.2	25.5	12.5	29.9
Centre	10.9	14.9	7.2	12.2
M. A. Lisbon	40.7	15.3	29.4	15.6
Alentejo	3.6	17.2	2.5	23.5
Algarve	20.9	26.4	13.7	25.4
A. R. Azores	2.4	58.9	1.7	60.0
A. R. Madeira	22.8	21.9	14.2	20.6

The average revenue per available room (RevPAR) was EUR 22.7 (+14.7%).

Keeping the trend of the latest months, the highest values in this indicator came from the A. R. of Madeira (EUR 37.6) and from Lisbon (EUR 34.6). The A. R. Region of the Azores recorded a quite considerable increase (+51.7%), also worth mentioning the results from the Alentejo (+24.3%) and from the North (+23.5%).

Figure 5. Average revenue per available room



Five star hotels and the *"pousadas"* held the highest values in RevPAR (EUR 43.2 and EUR 33.2), with the emphasis also in four star hotels (EUR 25.5) and in five star apartment hotels (EUR 25.3).

There was a positive evolution overall, with greater impact on tourist apartments (+36.5%), *"pousadas"* (+26.0%) and in five star apartment hotels (+23.0%).

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Feb-15	Feb-16	%
Total	**19.8**	**22.7**	**14.7**
Hotels	**22.5**	**25.4**	**13.0**
*****	37.7	43.2	14.7
****	22.9	25.5	11.5
***	15.0	17.1	13.9
** / *	14.3	16.2	13.3
Apartment hotels	**17.9**	**20.0**	**11.4**
*****	20.5	25.3	23.0
****	19.0	20.9	10.0
*** / **	13.9	15.8	13.9
Pousadas	**26.3**	**33.2**	**26.0**
Tourist apartments	**8.1**	**11.1**	**36.5**
Tourist villages	**13.8**	**15.1**	**9.7**
Other tourist establishments	**14.8**	**17.1**	**15.4**

Camping sites and holiday camps

In February 2016, camping sites registered 46.1 thousand campers and 213.2 thousand overnight stays (+15.5% and +20.2% respectively), results that surpassed those from the previous month (+11.5% and +6.1%). The increase in overnight stays resulted mainly from the external markets (+30.1%), corresponding to 62.6% of total overnight stays, since the internal market grew less (+6.6%). The average stay (4.63 nights) increased by 4.1%.

Holiday camps and youth hostels hosted 18.7 thousand guests (+1.6%) which originated 35.3 thousand overnight stays (+16.8%). Overnight stays from residents represented 81.2% of the total and grew by 13.0%, on a par with a higher growth from the external markets (+36.0%). The average stay increased by 14.9% (1.64 nights in February 2015 and 1.88 in February 2016).

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

Month: February 2016

	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	46.1	15.5	26.0	1.6	20.1	40.3	18.7	1.6	16.2	0.7	2.6	7.6
Overnight stays	10^3	213.2	20.2	79.8	6.6	133.4	30.1	35.3	16.8	28.6	13.0	6.6	36.0
Average stay	no. nights	4.63	4.1	3.07	4.9	6.64	-7.2	1.88	14.9	1.77	12.3	2.58	26.5

EXPLANATORY NOTES

Data disseminated in this "Press Release" includes tourism accommodation establishments in operation, in each reference period, and refers to:

2016 – February – preliminary data; January – provisional data.

2015 – January to December – provisional data.

Note: From January 2016 on, preliminary data for each month are revised in the month that immediately follows (becoming provisional), and the final data only occurs when disseminating annual data.

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. These effective responses include situations of suspended activity (seasonal, temporarily for other reasons or definitive) not duly reported, resulting on substitution of estimates by null result, a situation with higher occurrence during the low season.

The degree of revisions, 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 16	-0.7 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 might 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 2016