destaque
press release
INSTITUTO NACIONAL DE ESTATÍSTICA
STATISTICS PORTUGAL

November, 15th 2016

Tourism Activity

September 2016

Overnight stays and revenue kept increasing steadily

Hotel establishments recorded 2.1 million guests and 5.9 million overnight stays in September 2016, figures that relate to year-on-year increases[1] of 7.5% and 6.5% respectively, above the results of August (+3.6% and +4.2%). The internal market (+4.9% overnight stays) recovered in relation to the preceding month (-2.9%), while the growth of the external markets (+7.2%) stood slightly below the one observed in the preceding month (+8.2%).

The average stay declined slightly (-0.9%; 2.87 nights), contrary to the net bed occupancy rate (+1.7 p.p.; 61.4%).

Total revenue increased by 16.5% and revenue from accommodation went up by 16.2%, accelerating compared to the preceding month (+12.9% and +14.3%, respectively).

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	August		September		Jan to Sep 16	
		Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Guests	10^3	2 342.3	3.6	2 063.4	7.5	15 020.9	9.2
Overnight stays	10^3	7 535.9	4.2	5 925.3	6.5	43 060.8	8.7
Residents in Portugal	10^3	2 545.4	-2.9	1 609.2	4.9	12 388.9	4.5
Residents abroad	10^3	4 990.5	8.2	4 316.1	7.2	30 671.9	10.5
Average stay	no. of nights	3.22	0.5	2.87	-0.9	2.87	-0.4
Net bed occupancy rate	%	73.1	-0.2 p.p.	61.4	1.7 p.p.	51.6	2.1 p.p.
Total revenue	EUR 10^6	446.7	12.9	347.2	16.5	2 335.5	16.1
Revenue from accommodation	EUR 10^6	346.3	14.3	253.2	16.2	1 707.3	17.1
RevPAR (Average revenue per available room)	EUR	78.0	10.0	59.3	12.5	46.0	12.7

Guests and overnight stays accelerated facing the previous month

In September 2016, tourism accommodation establishments hosted 2.1 million guests and 5.9 million overnight stays (+7.5% and +6.5% respectively), figures that stood for an acceleration vis-à-vis August (+3.6% and +4.2%). However, these results stood below those from the preceding three months (May to July) and also from those of the accumulated period January to September (+9.2% and +8.7% respectively).

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

www.ine.pt | Communication Unit - Tel: +351 21.842.61.00 - sci@ine.pt

The *"pousadas"* and tourist villages presented significant increases in overnight stays (+13.9% and +13.0% respectively), as well as hotels and apartment hotels (each with +8.8%). Tourist apartments kept declining (-7.5%), as in the preceding three months. Overnight stays spent in hotels represented 67.0% of the total, while apartment hotels had a 14.1% share.

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 rates (%)	
	Sep-15	Sep-16	Jan to Sep 16	Sep-16	Jan to Sep 16
Total	**5 561.7**	**5 925.3**	**43 060.8**	**6.5**	**8.7**
Hotels	**3 650.5**	**3 972.7**	**28 647.9**	**8.8**	**10.9**
*****	736.1	766.1	5 553.3	4.1	8.3
****	1 755.5	1 944.5	14 005.7	10.8	12.8
***	805.1	870.4	6 261.9	8.1	8.7
** / *	353.8	391.7	2 827.0	10.7	12.0
Apartment hotels	**770.2**	**838.3**	**6 214.7**	**8.8**	**8.4**
*****	42.5	50.6	372.9	19.0	- 3.3
****	549.7	597.4	4 437.1	8.7	9.8
*** / **	178.0	190.3	1 404.6	6.9	7.3
Pousadas	**54.2**	**61.8**	**422.0**	**13.9**	**7.9**
Tourist apartments	**574.0**	**531.2**	**3 876.8**	**-7.5**	**- 0.5**
Tourist villages	**242.0**	**273.4**	**2 013.6**	**13.0**	**13.3**
Other tourist establishments	**270.7**	**247.9**	**1 885.9**	**-8.5**	**- 5.5**

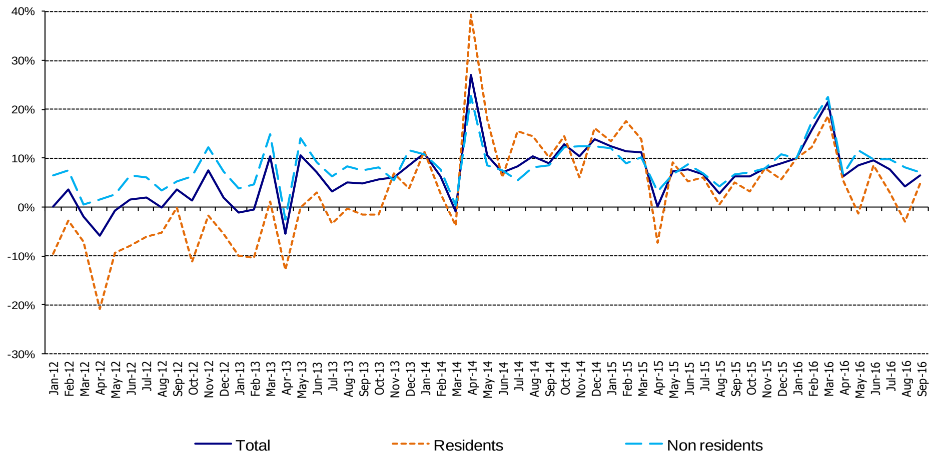
Internal market recovered

The internal market resulted in 1.6 million overnight stays, with an increase (+4.9%) that came contrary to the declining result of August (-2.9%), surpassing the increase observed in July (+3.0%).

Overnight stays from non residents (4.3 million) slowed down compared with August (+7.2% and +8.2% respectively) and with the preceding three months (+9.8% in July and June and +11.7% in May).

When considering the period January to September, the evolution was positive for the internal market (+4.5%) and even more so for the external markets that corresponded to 71.2% of the total and increased by 10.5%.

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



Outstanding growth of the French market

The thirteen main inbound markets[2] represented 86.9% of overnight stays from non residents (86.5% in the same month of 2015).

The United Kingdom, with a weight of 26.1%, slowed down strongly presenting a 2.4% increase from growths of 9.5% in August and 6.8% in July. In the first nine years of the month this market grew by 10.0%.

The German market also slowed down, with an increase of 2.5% compared with +3.4% in August and +13.1% in July. The representativeness of this market also declined (from 14.5% in September 2015 to 13.9% in September 2016).

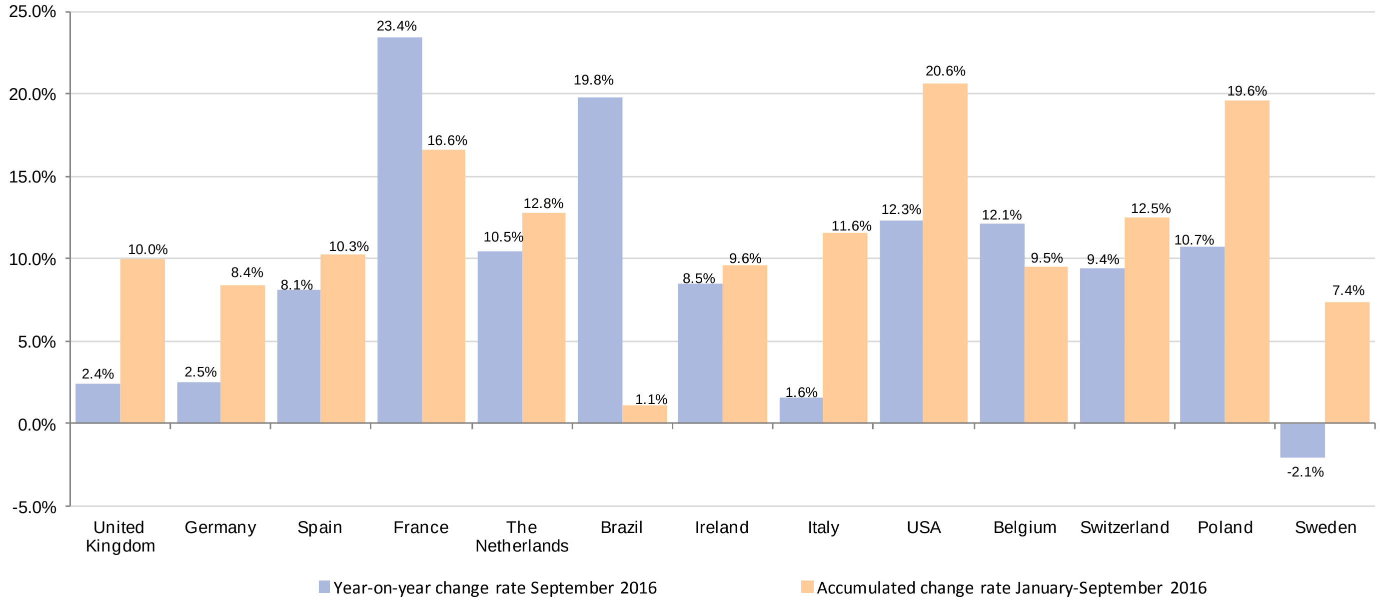
France presented an outstanding growth in overnight stays (+23.4%), largely surpassing the preceding month (+6.2%) and coming close to the outcome of June (+24.8%). Its weight also increased (10.5%; +1.4 p.p.).

The Spanish market (8.8% of overnight stays from non residents) recorded a growth of 8.1%, above the preceding month (+3.0%), but still below the results from the first nine months of the year (+10.3%).

Overnight stays from guests coming from the Netherlands (+10.5%, corresponding to 5.9% of the total) slowed down in view of the results of August (+21.7%) standing below the accumulated results of January to September (+12.8%).

The increases from the Brazilian (+19.8%), North American (+12.3%) and Belgium (+12.1%) markets were also noteworthy. Sweden was the only market to present a decline (-2.1%), although following the significant increases of the previous months (+13.2% in August, +11.6% in July and +15.9% in June).

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



[2] Based on overnight stays in 2015

Overall increase in overnight stays in the various regions

Keeping the trend of the previous months, an overall increase in overnight stays in the regions occurred, namely in the Azores (+17.6%), Alentejo (+12.4%) and in the Center (+12.1%). The main destinations were the Algarve (37.7% of overnight stays), Lisbon (22.3%) and the North (12.4%). It is worth noting that Lisbon had less 0.8 p.p. of its weight, while recording the smallest increase (+3.1%).

The evolution of overnight stays from residents was also overall positive, with the emphasis on the Azores (+15.2%), Alentejo (+15.1%) and Madeira (+14.2%). The Algarve presented slight change (+0.3%), remaining the first choice for the internal market (29.8% of overnight stays) but reducing its share (31.1% in September 2015). The North (18.5%) and the Centre (18.1%) followed as a choice for residents.

In terms of overnight stays from non residents, the Azores recorded the largest increase (+19.0%), followed by the Centre and the North (+12.2% and +11.7% respectively). The evolution in the remaining regions was also positive, less so in Lisbon (+3.6%) and in Madeira (+4.2%). The most sought after destinations by the external markets remained the same with the Algarve ranking first (40.7%), followed by Lisbon (24.3%) and Madeira (14.1%).

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-16		Jan to Sep 16		Sep-16		Jan to Sep 16		Sep-16		Jan to Sep 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	**5 925.3**	**6.5**	**43 060.8**	**8.7**	**1 609.2**	**4.9**	**12 388.9**	**4.5**	**4 316.1**	**7.2**	**30 671.9**	**10.5**
North	732.4	7.3	5 380.0	12.5	297.6	1.4	2 363.2	6.8	434.8	11.7	3 016.7	17.4
Centre	576.2	12.1	3 945.5	9.5	291.5	12.1	2 209.6	7.3	284.8	12.2	1 735.9	12.5
Lisbon M. A.	1321.9	3.1	10 165.3	6.0	273.4	1.2	2 330.7	2.9	1 048.6	3.6	7 834.6	6.9
Alentejo	180.9	12.4	1 291.2	10.4	113.5	15.1	850.1	10.3	67.4	8.0	441.1	10.5
Algarve	2233.7	6.1	15 286.0	7.9	479.1	0.3	3 484.0	-2.1	1 754.6	7.8	11 802.1	11.3
A. R. Azores	182.5	17.6	1 269.0	20.9	66.4	15.2	507.2	19.2	116.0	19.0	761.8	22.1
A. R. Madeira	697.7	5.4	5 723.8	8.9	87.8	14.2	644.1	14.6	609.9	4.2	5 079.7	8.2

Reduction in average stay

The average stay was 2.87 nights (-0.9%, +0.5% in August).

The evolution in the first nine months was also declining (-0.4%; 2.87 nights).

The regions with the highest average stays were Madeira (5.62 nights), Algarve (4.52 nights) and the Azores (3.14 nights).

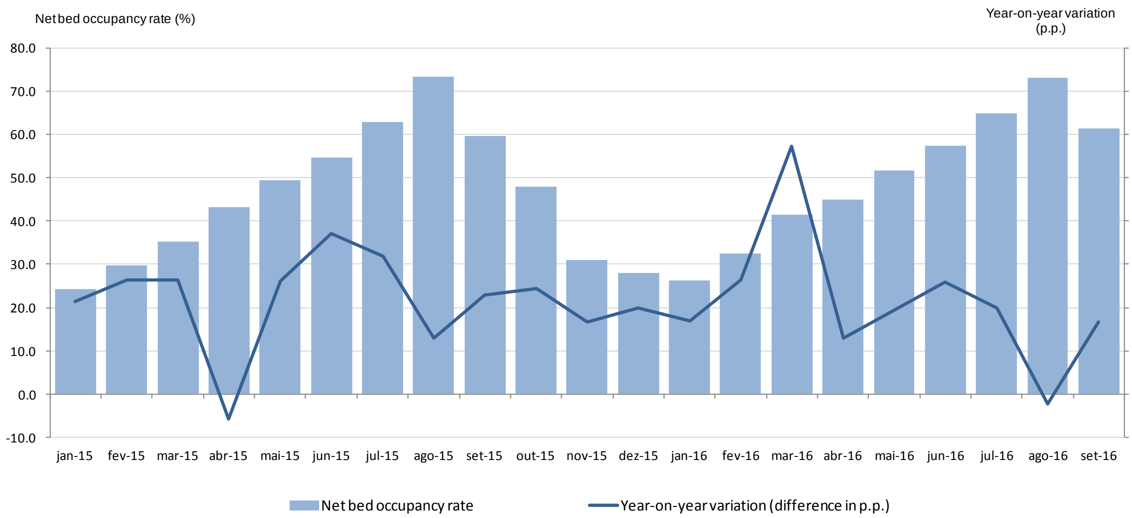
Table 4. Average stay and net bed occupancy rate by region (NUTS II)

NUTS II	Average stay (No. of nights)		Year-on-year change rate (%)	Occupancy rate %		Year-on-year variation (p.p.)
	Sep-15	Sep-16		Sep-15	Sep-16	
Portugal	**2.90**	**2.87**	**-0.9**	**59.7**	**61.4**	**1.7**
North	1.82	1.84	0.7	52.9	55.2	2.2
Centre	1.78	1.78	-0.1	41.7	43.9	2.1
Lisbon M. A.	2.38	2.35	-1.4	68.5	66.6	-1.8
Alentejo	1.77	1.78	0.9	40.5	45.2	4.8
Algarve	4.55	4.52	-0.7	62.6	65.0	2.4
A. R. Azores	3.11	3.14	1.0	56.3	61.1	4.9
A. R. Madeira	5.70	5.62	-1.4	75.0	78.5	3.5

Increase in the occupancy rate

The net bed occupancy rate was 61.4% (+1.7 p.p.), surpassing the result of the preceding month (-0.2 p.p.), yet below the accumulated period from January to September (+2.1 p.p.; 51.6%).

Figure 3. Net bed occupancy rate



The highest net bed occupancy rate (78.5%) came from Madeira, followed by Lisbon (66.6%) and the Algarve (65.0%).

Lisbon was the only region to present a decline in the occupancy rate (-1.8 p.p.), while the Azores and the Alentejo presented significant increases (+4.9 p.p. and +4.8 p.p. respectively).

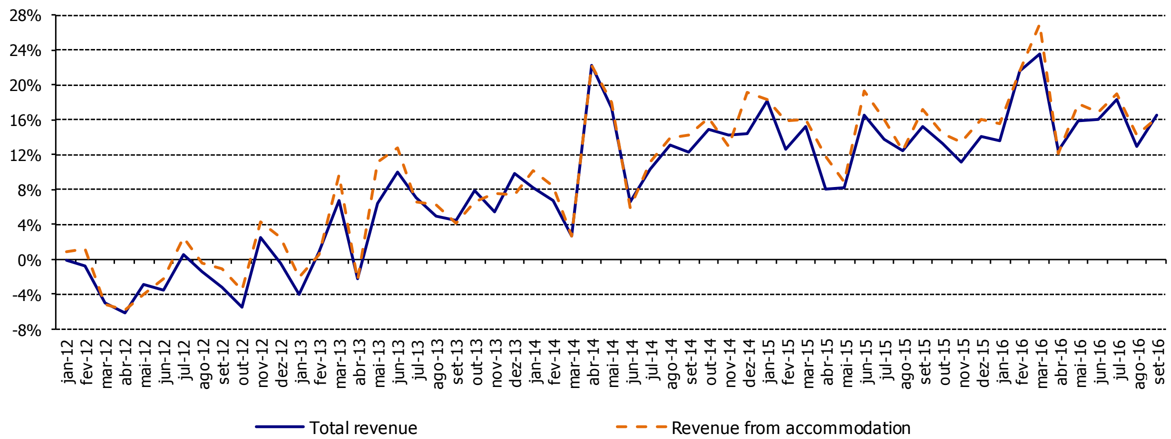
Acceleration in revenue, namely in the Azores

Total revenue from hotel accommodation activity amounted to EUR 347.2 million (+16.5%) and revenue from accommodation totaled EUR 253.2 million (+16.2%), with a resulting acceleration vis-à-vis the preceding month (+12.9% and +14.3% respectively).

In the period January to September, total revenue increased by 16.1% and revenue from accommodation grew by 17.1%.

As in the latest months, the increase in revenue largely surpassed the ones in guests and overnight stays.

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



The regions with the largest increases in both indicators were the Azores (+36.4% in total revenue and +31.1% in revenue from accommodation) and the Algarve (+20.7% and +21.7%). The remaining regions also presented significant increases, less so in Lisbon (+9.8% and +7.4%, from +12.0% and +14.7% in August).

Table 5. Revenue by region (NUTS II)

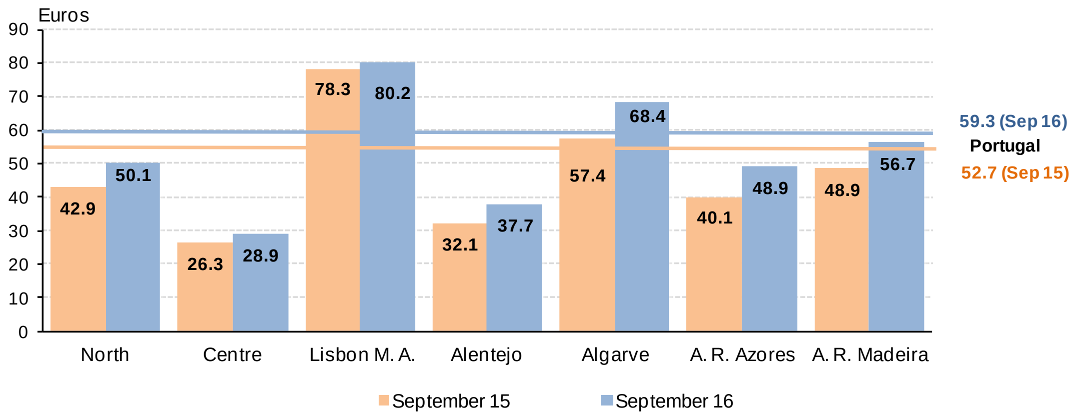
Unit: EUR 10^6

NUTS II	Total revenue		Revenue from accommodation	
	Sep-16	Year-on-year change rate (%)	Sep-16	Year-on-year change rate (%)
Portugal	**347.2**	**16.5**	**253.2**	**16.2**
North	41.4	18.4	31.5	20.0
Centre	26.2	13.8	18.2	16.7
Lisbon M. A.	98.7	9.8	74.2	7.4
Alentejo	10.5	23.8	7.0	18.6
Algarve	123.1	20.7	91.4	21.7
A. R. Azores	9.3	36.4	6.8	31.1
A. R. Madeira	38.0	15.5	24.1	15.5

The average revenue per available room (RevPAR) was EUR 59.3 (+12.5%), close to the one from the accumulated period January to September (+12.7%; EUR 46.0).

Lisbon recorded the highest value in RevPAR (EUR 80.2), followed by the Algarve (EUR 68.4) and Madeira (EUR 56.7). However, Lisbon RevPAR grew by just 2.4% while the Algarve and Madeira stood out with increases of 19.1% and 16.0% respectively. The increases recorded in the Azores (+22.0%) and in Alentejo (+17.3%) are also worth highlighting.

Figure 5. Average revenue per available room



Five star hotels (EUR 118.2) and the *"pousadas"* (EUR 87.1) stood out concerning RevPAR.

There was a mostly positive evolution in RevPAR, with the exception of five star apartment hotels (-3.9%). Nonetheless, apartment hotels in general recorded a significant increase (+17.2%). The increases in two and one stars hotels (+15.1%) and in tourist apartments (+14.1%) are also worth noting.

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Sep-15	Sep-16	%
Total	**52.7**	**59.3**	**12.5**
Hotels	**58.7**	**65.0**	**10.9**
*****	104.7	118.2	12.9
****	59.6	65.7	10.2
***	37.9	41.5	9.4
** / *	30.4	35.0	15.1
Apartment hotels	**52.5**	**61.5**	**17.2**
*****	80.3	77.1	-3.9
****	53.6	62.1	15.9
*** / **	42.5	54.2	27.7
Pousadas	**77.5**	**87.1**	**12.4**
Tourist apartments	**36.4**	**41.6**	**14.1**
Tourist villages	**39.1**	**40.3**	**3.1**
Other tourist establishments	**27.3**	**31.2**	**14.3**

Camping sites and holiday camps

In September 2016, camping sites hosted 226.9 thousand campers which originated 731.4 thousand overnight stays, figures that corresponded to steep increases of 17.4% and 22.0% respectively. Overnight stays from non residents increased by 27.9% and those from residents grew by 19.6%, with the internal market holding a share of 69.1%.

The average stay also increased (+3.9%; 3.22 nights), especially with the contribution of non residents (+10.4%; 2.72 nights).

Results from holiday camps and youth hostels unveiled the registration of 31.8 thousand guests and 66.1 thousand overnight stays (-9.8% and -6.0% respectively), keeping the downward trend from the latest months. The internal market was the sole contributor for the decline in overnight stays (-10.9%; with 71.1% of the total), given that the external markets grew by 8.8%.

The average stay was 2.08 nights (+4.2%), with the emphasis on the increase from non residents stays (+8.0%; 2.14 nights).

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

Sep 16	Unit	Camping sites						Holiday camps and youth hostels					
		Total	Y-o-y change rate (%)	Residents	Y-o-y change rate (%)	Non residents	Y-o-y change rate (%)	Total	Y-o-y change rate (%)	Residents	Y-o-y change rate (%)	Non residents	Y-o-y change rate (%)
Campers / Guests	10^3	226.9	17.4	143.7	18.3	83.2	15.8	31.8	-9.8	22.8	-13.4	8.9	0.8
Overnight stays	10^3	731.4	22.0	505.3	19.6	226.1	27.9	66.1	-6.0	47.0	-10.9	19.1	8.8
Average stay	no. nights	3.22	3.9	3.52	1.0	2.72	10.4	2.08	4.2	2.06	2.8	2.14	8.0

EXPLANATORY NOTES

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

2016 – September: preliminary results; January to August: provisional results.

2015 – January to December: final results.

Note: Beginning January 2016, preliminary data is revised in the month immediately after (then becoming provisional data), with final data still becoming available when the dissemination of annual data occurs.

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 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 Aug 16	+0.1 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 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 in the text as "Lisbon".

ABBREVIATIONS

RevPAR – Revenue per Available Room

Date of next press release: 15th December 2016