14 June 2017

Tourism Activity

April 2017

Easter boosts results in tourism accommodation

Hotel establishments recorded 1.9 million guests and 5.1 million overnight stays in April 2017, figures that relate to year-on-year change rates[1] of 20.2% and 23.2% (0.2% and -1.0% in March 2017, respectively). Overnight stays of the internal market increased by 26.3% (-11.4% in March) while those from non residents went up by 22.1% (3.3% in March).

The average stay (2.70 nights) grew by 2.5% and the net bed occupancy rate (53.8%) increased by 8.9 p.p.

Revenue accelerated markedly and recorded steep increases. Total revenue increased by 29.1% (9.2% in the preceding month), having reached EUR 267.1 million. Revenue from accommodation accounted for EUR 192.6 million and increased by 32.3% (8.3% in March).

These results were influenced by the calendar effect associated to the Easter period celebrated in April 2017 while it occurred in March in 2016.

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	March 2017		April 2017		Jan -Apr 17	
		Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Guests	10^3	1 363.3	0.2	1 880.0	20.2	5 308.8	10.9
Overnight stays	10^3	3 641.4	-1.0	5 073.1	23.2	13 884.8	11.2
Residents in Portugal	10^3	945.2	-11.4	1 345.7	26.3	3 835.4	5.9
Residents abroad	10^3	2 696.2	3.3	3 727.4	22.1	10 049.4	13.3
Average stay	no. of nights	2.67	-1.2	2.70	2.5	2.62	0.2
Net bed occupancy rate	%	40.3	-1.1 p.p.	53.8	8.9 p.p.	40.2	3.5 p.p.
Total revenue	EUR 10^6	187.7	9.2	267.1	29.1	714.8	18.7
Revenue from accommodation	EUR 10^6	129.8	8.3	192.6	32.3	501.5	19.8
RevPAR (Average revenue per available room)	EUR	31.9	6.7	46.2	29.9	32.3	18.6

Easter effect promotes acceleration in guests and overnight stays

In April 2017, hotel establishments hosted 1.9 million guests who spent 5.1 million overnight stays (+20.2% and +23.2%, respectively), in contrast with the outcome of March (+0.2% and -1.0%, respectively). Between January and April, the number of guests increased by 10.9% and overnight stays grew by 11.2%.

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

Overnight stays in hotels (68.8% of the total) presented a 24.1% growth. There were increases in overnight stays in all typologies, with the emphasis on the evolution of tourist villages (39.9%) and *"pousadas"* (32.4%).

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 (%)	
	Apr 16	Apr 17	Jan -Apr 17	Apr 17	Jan -Apr 17
Total	**4 118.4**	**5 073.1**	**13 884.8**	**23.2**	**11.2**
Hotels	**2 813.3**	**3 491.7**	**9 766.5**	**24.1**	**13.4**
*****	519.6	650.8	1 824.1	25.2	13.5
****	1 396.3	1 735.9	4 803.3	24.3	14.9
***	620.7	775.0	2 163.7	24.9	12.3
** / *	276.6	330.1	975.4	19.3	8.9
Apartment hotels	**581.2**	**688.1**	**1 861.9**	**18.4**	**8.6**
*****	33.3	41.6	116.8	24.7	14.0
****	412.5	506.9	1 346.1	22.9	11.5
*** / **	135.4	139.6	399.0	3.2	- 1.3
Pousadas	**41.0**	**54.3**	**150.8**	**32.4**	**18.7**
Tourist apartments	**330.7**	**410.0**	**930.7**	**24.0**	**1.2**
Tourist villages	**156.8**	**219.4**	**551.1**	**39.9**	**10.8**
Other tourist establishments	**195.4**	**209.5**	**623.8**	**7.2**	**0.6**

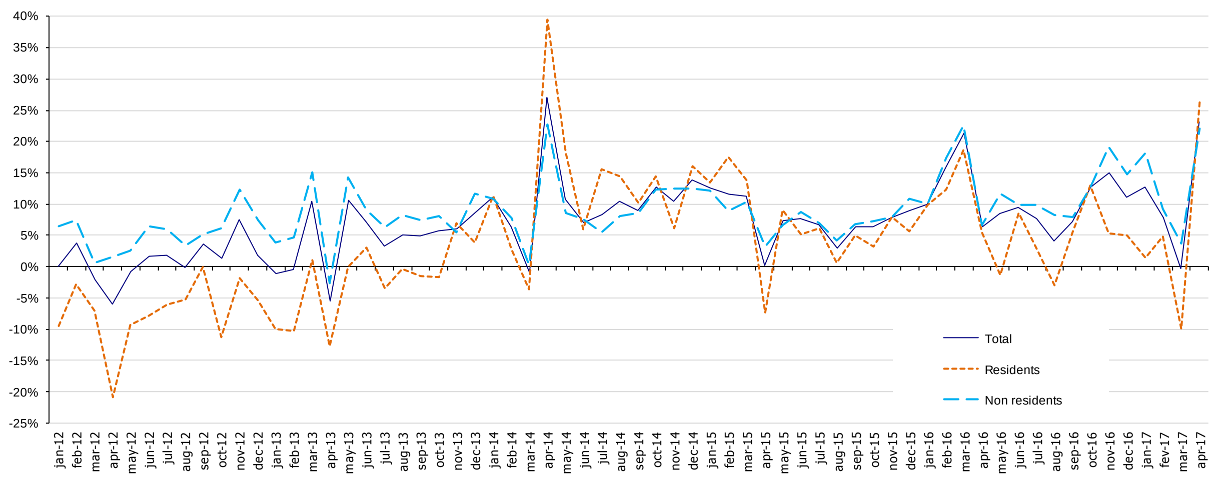
Acceleration in overnight stays of both residents and non residents

The internal market contributed with 1.3 million overnight stays which corresponded to a 26.3% growth (-11.4% in March).

The external markets also accelerated but slightly (22.1% in April; 3.3% in March), with a total of 3.7 million overnight stays.

In the first four months of the year, overnight stays of residents increased by 5.9% and those of non residents by 13.3%.

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



Spanish market sensitive to Easter as usual

The thirteen main inbound markets[2] represented 84.9% of total overnight stays of non residents and mostly presented a positive evolution.

Overnight stays of residents in the United Kingdom (21.3% of the total overnight stays of non residents) recorded a 12.7% growth in April, above the one recorded in the first four months of the year, which stood at 8.1%.

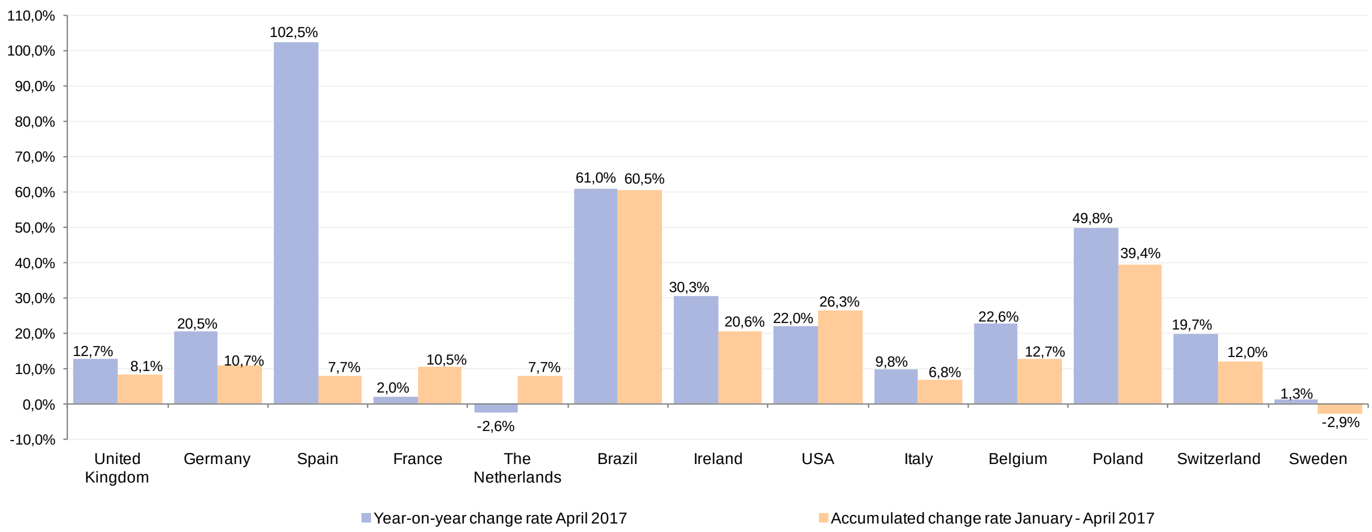
The German market (14.6% of the total) grew by 20.5% in April, presenting an increase of 10.7% in the first four months of the year.

The Spanish market (11.8% of the total), traditionally sensitive to the "Easter effect", presented a quite steep increase of 102.5%. There was a 7.7% growth when considering the total for the period January to April.

Overnight stays of residents in France (10.5% of the total) slowed to a 2.0% increase, after significant increases in the first three months of the year (23.0% in March, 15.8% in February and 13.8% in January). In the first four months of the year, this market grew by 10.5%.

Amongst the main countries, in April, the largest increases came from the Brazilian (61.0%), Polish (49.8%), Irish (30.3%), Belgian (22.6%) and North American (22.0%). These markets also stood out in the evolution between January and April especially Brazil (60.5%) and Poland (39.4%).

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



Overall increase in overnight stays across regions

The number of overnight stays spent in the regions has increased in overall, with the emphasis in the regions of Centro (37.3%), AR Açores (30.6%) and Algarve (28.8%). Overnight stays were mainly distributed by the Algarve (33.1% of

[2] Based on provisional results about overnight stays in 2016

the total) and MA Lisboa (25.5%). In the whole of the first four months of the year, all regions presented increases in overnight stays, more so AR Açores (17.6%) and MA Lisboa (15.2%).

In April, in terms of increases in overnight stays of residents, highlighted Algarve (64.9%) and AR Açores (34.9%). In the period between January and April, the evolutions in these two regions were also evident (10.1% and 21.6%, respectively).

Taking into account the external markets, the performance in the Centro (51.4%) and Norte (31.2%) stood out, and the Center benefited in advance from the visit of the Pope in the following month. In the whole of the first four months of the year, all regions presented an increase in demand of the external markets, more so in the Centro (25.6%), MA Lisboa (18.4%) and Norte (17.7%).

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 17		Jan -Apr 17		Apr 17		Jan -Apr 17		Apr 17		Jan -Apr 17	
	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)	Value	Y-o-y change rate (%)
Portugal	**5 073.1**	**23.2**	**13 884.8**	**11.2**	**1 345.7**	**26.3**	**3 835.4**	**5.9**	**3 727.4**	**22.1**	**10 049.4**	**13.3**
Norte	659.0	22.7	1 883.1	9.5	269.8	12.3	869.8	1.3	389.2	31.2	1 013.2	17.7
Centro	494.7	37.3	1 289.0	13.1	251.8	26.0	760.7	5.8	242.9	51.4	528.3	25.6
Lisboa MA	1294.7	21.2	3 938.7	15.2	264.9	10.1	923.4	5.9	1 029.8	24.4	3 015.3	18.4
Alentejo	149.5	27.0	387.0	6.5	99.6	32.8	258.7	5.1	49.9	16.9	128.3	9.6
Algarve	1680.0	28.8	3 827.0	11.4	317.1	64.9	624.9	10.1	1 362.9	22.6	3 202.1	11.7
AR Açores	157.0	30.6	401.5	17.6	75.9	34.9	213.5	21.6	81.1	26.9	188.0	13.4
AR Madeira	638.3	4.4	2 158.5	4.2	66.6	9.3	184.4	0.7	571.7	3.9	1 974.1	4.6

Increase in average stay

The average stay (2.70 nights) increased by 2.5%, with the most notable increases in the Centro (6.9%) and Algarve (5.9%). The AR Madeira (-1.3%) was the only region to decline in terms of this indicator, in spite of having the highest average stay (4.95 nights).

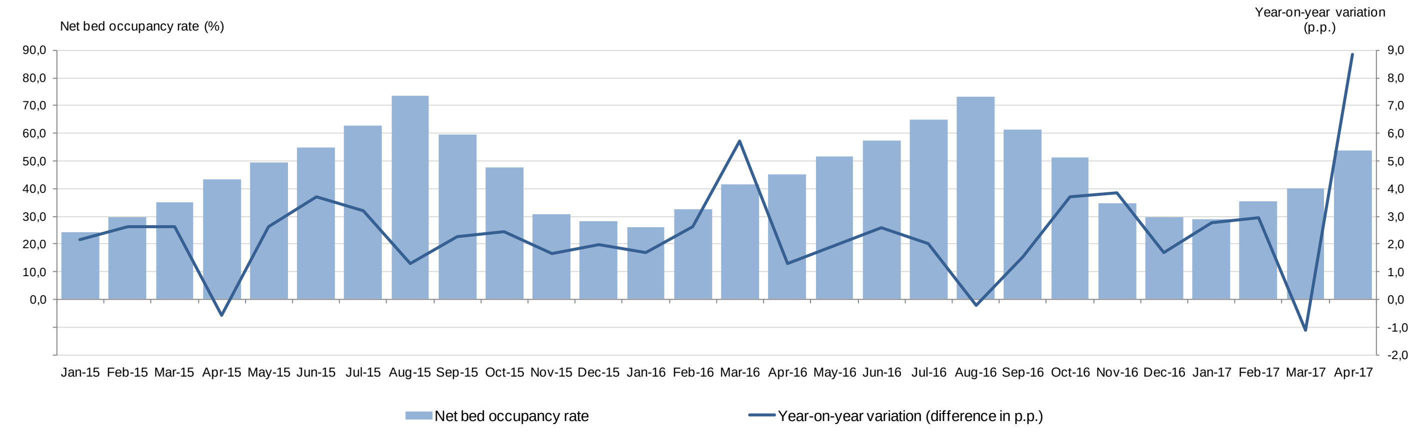
Table 4. Average stay and net bed occupancy rate by region (NUTS II)

NUTS II	Average stay			Occupancy rate		
	No. of nights		Y-o-y change rate (%)	%		Y-o-y variation (p.p.)
	Apr 16	Apr 17		Apr 16	Apr 17	
Portugal	**2.63**	**2.70**	**2.5**	**45.0**	**53.8**	**8.9**
Norte	1.74	1.79	3.1	41.5	49.7	8.1
Centro	1.61	1.72	6.9	29.1	39.3	10.2
Lisboa MA	2.30	2.35	2.1	56.8	66.3	9.5
Alentejo	1.67	1.71	2.6	30.5	36.6	6.2
Algarve	3.91	4.15	5.9	40.3	50.6	10.3
AR Açores	2.87	3.01	4.9	43.0	52.7	9.7
AR Madeira	5.02	4.95	-1.3	72.1	74.0	1.9

Occupancy rate also with growth

The net bed occupancy rate (53.8%) changed by +8.9 p.p., growing in all regions. The highest occupancy rates occurred in AR Madeira (74.0%) and MA Lisboa (66.3%). There were very significant increases in occupancy rates in the Algarve (+10.3 p.p.) and Centro (+10.2 p.p.).

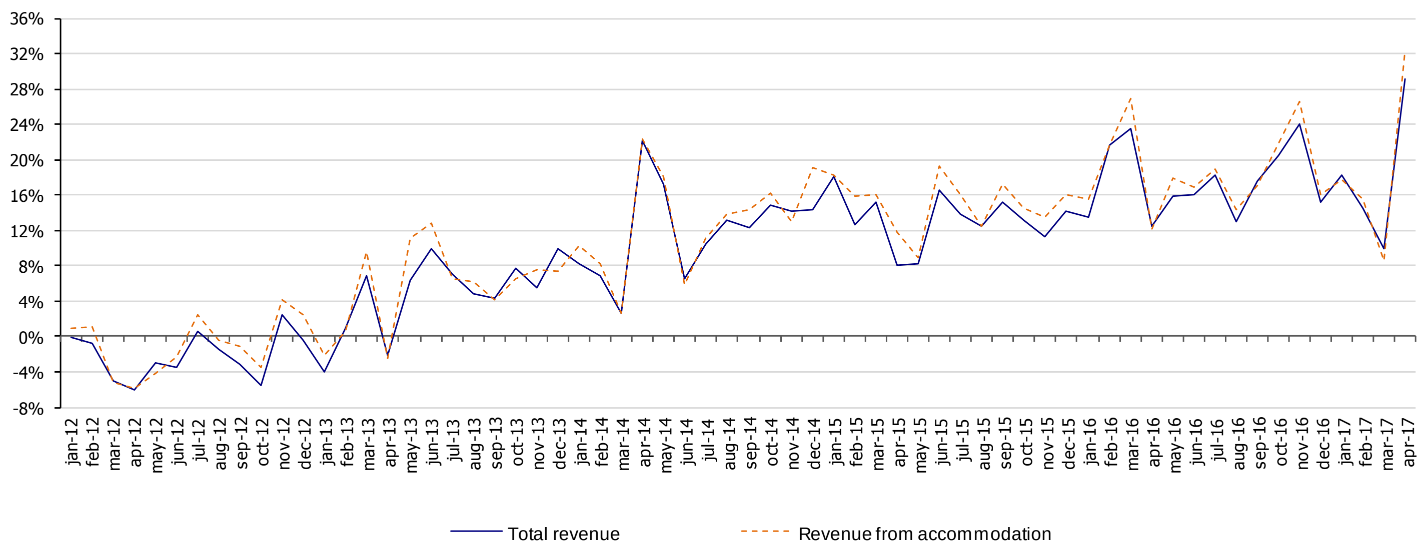
Figure 3. Net bed occupancy rate



Acceleration in revenue

Total revenue from hotel accommodation activity amounted to EUR 267.1 million and revenue from accommodation stood at EUR 192.6 million, with notable increases of 29.1% and 32.3%, respectively, distancing themselves from the previous month (9.2% and 8.3%, respectively).

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



All regions presented increases in revenue, with the emphasis on AR Açores (38.5% in total revenue and 37.3% in revenue from accommodation), Centro (32.0% and 42.8%) and Norte (33.4% and 36.5%).

Table 5. Revenue by region (NUTS II)

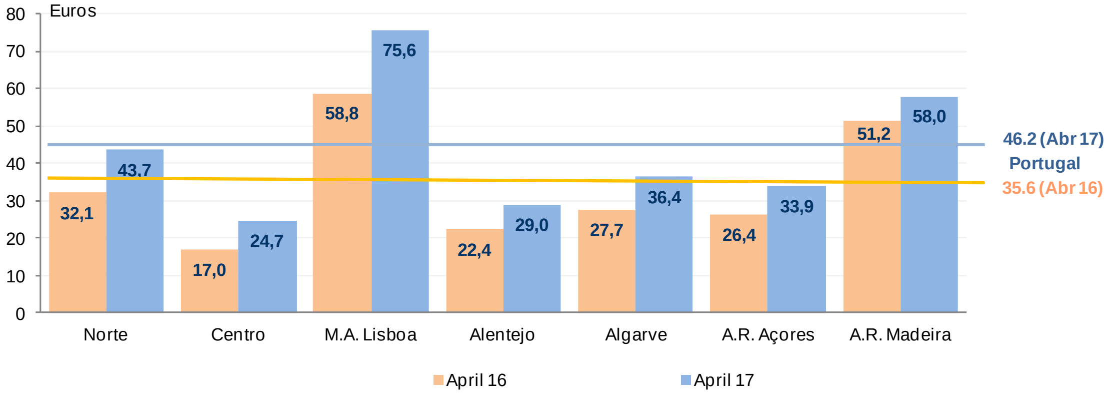
Unit: EUR 10^6

NUTS II	Total revenue		Revenue from accommodation	
	Apr 17	Year-on-year change rate (%)	Apr 17	Year-on-year change rate (%)
Portugal	**267.1**	**29.1**	**192.6**	**32.3**
Norte	35.5	33.4	27.1	36.5
Centro	21.2	32.0	14.6	42.8
Lisboa MA	91.3	31.4	69.4	34.2
Alentejo	7.8	31.2	5.4	35.3
Algarve	68.6	31.5	47.4	34.0
AR Açores	6.8	38.5	4.7	37.3
AR Madeira	35.9	12.9	23.9	14.3

The average revenue per available room (RevPAR) was EUR 46.2, corresponding to an increase of 29.9% in April (6.7% in March).

In MA Lisboa and in AR Madeira RevPAR ascended to EUR 75.6 and EUR 58.0, respectively. The emphasis went to the increases in the Centro (45.3%), Norte (36.1%) and Algarve (31.4%).

Figure 5. Average revenue per available room



The evolution of RevPAR was mostly positive, with the emphasis on tourist apartments (33.1%) and hotels (30.6%). Five star hotels stood out with RevPAR values of EUR 91.8.

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Apr 16	Apr 17	%
Total	**35.6**	**46.2**	**29.9**
Hotels	**40.6**	**53.0**	**30.6**
*****	74.3	91.8	23.5
****	40.8	53.9	32.2
***	26.3	34.4	30.8
** / *	22.6	30.0	32.8
Apartment hotels	**31.2**	**40.0**	**28.0**
*****	48.6	53.5	10.2
****	32.0	41.4	29.3
*** / **	24.7	30.0	21.6
Pousadas	**50.9**	**63.6**	**24.9**
Tourist apartments	**17.0**	**22.6**	**33.1**
Tourist villages	**22.5**	**26.1**	**16.0**
Other tourist establishments	**19.4**	**28.9**	**49.3**

Camping sites and holiday camps with increasing results

In April 2017, camping sites hosted 111.6 thousand campers (+44.7%) which spent 330.1 thousand overnight stays (+37.2%). Both the internal market (+43.2%) and the external markets (+30.0%) contributed for the increase in overnight stays. The internal market predominated with 57.0% of total overnight stays. The average stay was 2.96 nights (-5.2%).

Holiday camps and youth hostels recorded 31.6 thousand guests (+34.5%) and 58.9 thousand overnight stays (+35.8%). The internal market concentrated 74.0% of the total overnight stays and grew by 38.2%, while the external markets grew by 29.3%. The average stay (1.87 nights) presented a slight increase (0.9%) with the positive contribution only of residents in Portugal (4.8%), since for guests coming from abroad there was a decrease of 10% in the duration of the average stay.

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

Apr 17	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	111.6	44.7	64.4	52.6	47.3	35.2	31.6	34.5	23.9	31.8	7.7	43.7
Overnight stays	10^3	330.1	37.2	188.1	43.2	142.0	30.0	58.9	35.8	43.6	38.2	15.3	29.3
Average stay	no. nights	2.96	-5.2	2.92	-6.2	3.01	-3.9	1.87	0.9	1.82	4.8	2.00	-10.0

EXPLANATORY NOTES

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

2017 – April: preliminary results; January to March: provisional results.

2016 – January to December: provisional results.

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 Mar 17	-0.3 p.p.	-0.1 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 establishments with 10 or more bed places: hotels, apartment hotels, "*pousadas*", tourist apartments and tourist villages, as well as other accommodation establishments namely boarding houses, motels and inns.

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".

ABBREVIATIONS

RevPAR – Revenue per Available Room

Date of next press release: July 14, 2017