

Tourism Activity

December 2017

Preliminary results for 2017 point to increases of 8.9% in guests and 7.4% in overnight stays

Hotel establishments recorded 1.2 million guests and 2.7 million overnight stays in **December 2017**, figures that relate to year-on-year change rates¹ of +11.1% and +9.8% (+10.5% and +8.8% in November, respectively). Overnight stays of the internal market accelerated, increasing by 10.5% (+7.2% in the previous month) while those from the external markets grew by 9.4% (the same growth recorded in November).

The average stay (2.32 nights) decreased by 1.2% (-4.5% in the case of non residents). The net bed occupancy rate (32.1%) increased by 1.8 p.p.

Total revenue grew by 18.1% (16.4% in November) and stood above EUR 160.2 million. Revenue from accommodation increased by 21.1% (18.0% in the previous month) totalling EUR 108.3 million.

Considering **the whole year of 2017** (preliminary data), hotel establishments recorded 20.6 million guests and 57.5 million overnight stays which corresponded to annual increases of 8.9% and 7.4% respectively (+9.2% and +9.6% in 2016). The internal market contributed with 15.9 million overnight stays (+4.1%) and the external markets with 41.6 million overnight stays (+8.6%). Overnight stays of the external markets represented 72.4% of the total overnight stays (71.5% in 2016). Total revenue increased by 16.6% and revenue from accommodation grew by 18.3% (+17.3% and +18.2% in 2016).

Table 1. Global preliminary results from tourism activity

Global preliminary results	Unit	November 2017		December 2017		Jan - Dec 17	
		Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Guests	10³	1 244.2	10.5	1 176.2	11.1	20 641.9	8.9
Residents in Portugal	"	509.6	5.4	596.3	8.0	7 964.8	4.6
Residents abroad	"	734.5	14.3	579.9	14.6	12 677.1	11.7
Overnight stays	10³	3 138.4	8.8	2 723.8	9.8	57 493.0	7.4
Residents in Portugal	"	864.7	7.2	994.8	10.5	15 870.6	4.1
Residents abroad	"	2 273.7	9.4	1 729.0	9.4	41 622.5	8.6
Average stay	no. of nights	2.52	-1.6	2.32	-1.2	2.79	-1.4
Residents in Portugal	"	1.7	1.7	1.7	2.3	2.0	-0.4
Residents abroad	"	3.1	-4.3	3.0	-4.5	3.3	-2.8
Net bed occupancy rate	%	37.0	1.7 p.p.	32.1	1.8 p.p.	51.6	2.3 p.p.
Total revenue	EUR 10 ⁶	179.4	16.4	160.2	18.1	3 391.4	16.6
Revenue from accommodation	"	125.6	18.0	108.3	21.1	2 484.2	18.3
RevPAR (Average revenue per available room)	EUR	32.7	15.4	28.3	18.4	50.2	16.2

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

Acceleration in guests and overnight stays

In December 2017, hotel establishments hosted 1.2 million guests who spent 2.7 million overnight stays (+11.1% and +9.8% respectively), accelerating vis-à-vis November (+10.5% and +8.8% respectively).

Overnight stays in hotels (74.5% of the total) increased by 12.4% with the emphasis on the evolution in three star hotels (+15.9%). Tourist apartments were also noteworthy (+16.1%).

Preliminary results for **2017** point to a total of 20.6 million guests and 57.5 million overnight stays (+8.9% and +7.4%) below the figures of 2016 (+9.2% and 9.6% respectively).

Table 2. Overnight stays by type and category of the establishment

Unit: 10³

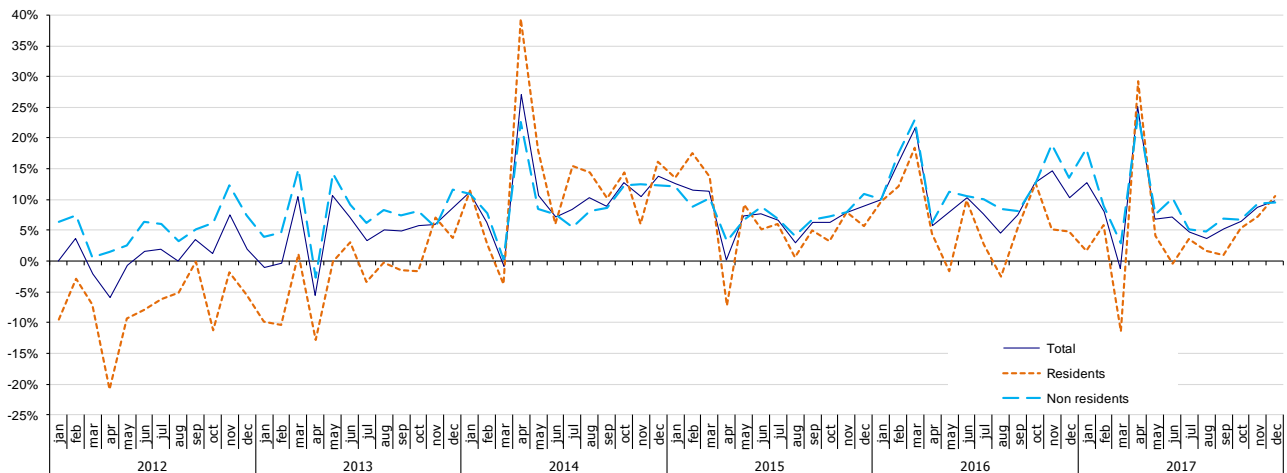
Type of establishment and category	Overnight stays			Year-on-year change rates (%)	
	Dec 16	Dec 17	Jan - Dec 17	Dec 17	Jan - Dec 17
Total	2 479.9	2 723.8	57 493.0	9.8	7.4
Hotels	1 805.5	2 028.5	39 508.7	12.4	9.0
*****	309.3	339.7	7 463.0	9.8	6.8
****	880.1	991.4	19 349.6	12.7	8.7
***	409.3	474.3	8 835.9	15.9	12.3
** / *	206.8	223.1	3 860.2	7.9	7.9
Apartment hotels	303.0	300.2	7 748.9	-0.9	2.6
*****	19.4	20.4	511.7	5.3	14.3
****	209.9	220.0	5 639.8	4.8	3.4
*** / **	73.7	59.7	1 597.4	-19.0	- 3.2
Pousadas	35.4	38.0	590.3	7.2	9.1
Tourist apartments	121.9	141.5	4 754.9	16.1	7.1
Tourist villages	85.4	86.3	2 555.5	1.1	5.4
Other tourist establishments	128.7	129.4	2 334.7	0.5	- 1.2

Internal market with significant growth in December

In December, the internal market kept accelerating, growing by 10.5% (+7.2% in November) with a total of 994.8 thousand overnight stays.

The external markets kept the growth recorded in November (+9.4%) with a total of 1.7 million overnight stays.

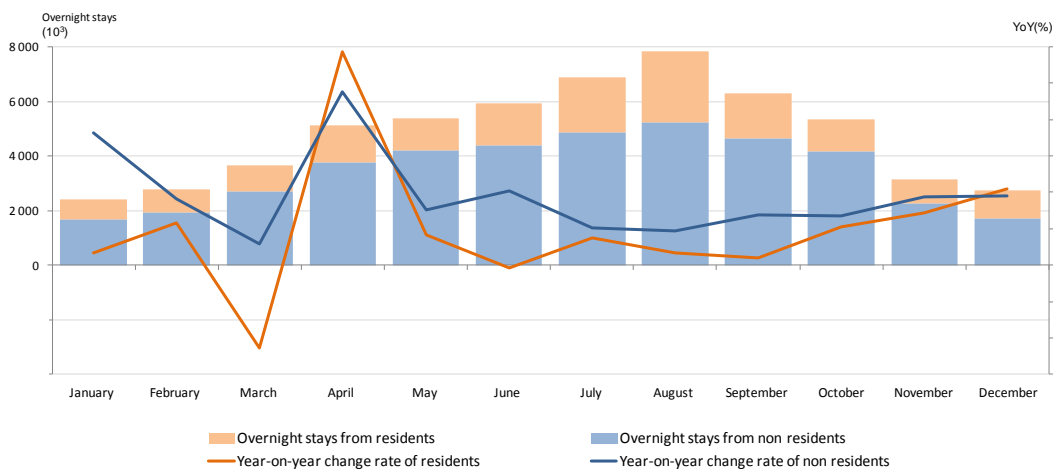
Figure 1. Overnight stays - Year-on-year change rates



Considering **the whole year of 2017**, the internal market spent 15.9 million overnight stays (+4.1%) which stood below the evolution of the previous year (+5.2%).

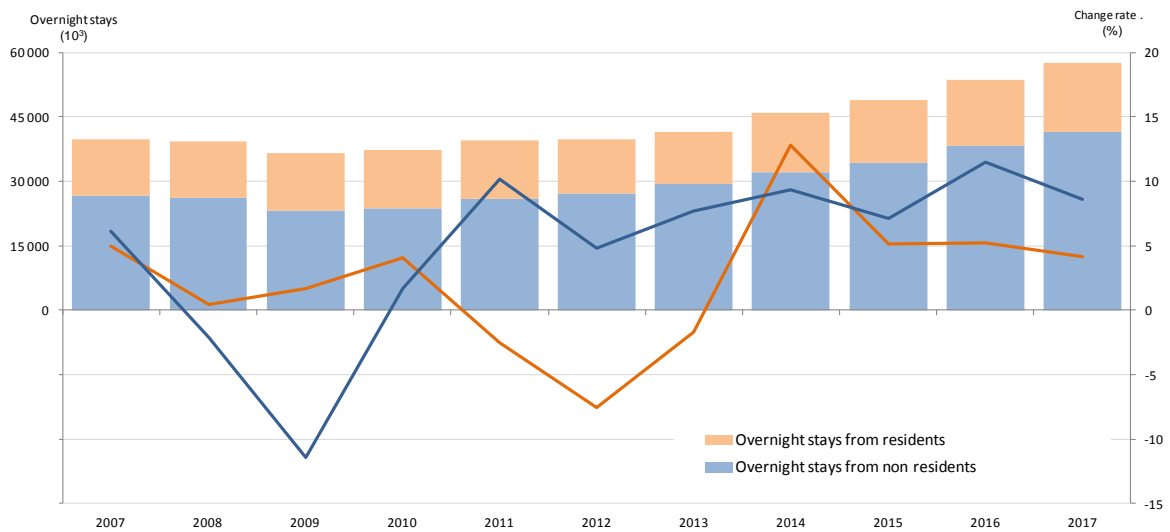
The external markets grew by 8.6% in 2017 (+11.5% in 2016) with a total of 41.6 million overnight stays.

Figure 2. Overnight stays and month-on-month rates of change in 2017



Considering the evolution of overnight stays between 2007 and 2017, accumulated growth reached 22.4% in the case of residents and 55.5% as regards non residents. As a result, the weight of overnight stays for non-residents increased from 67.4% of the total in 2007 to 72.4% in 2017.

Figure 3. Overnight stays and rates of change 2007-2017



Annual growth of the British market, the main one, stood at 1.1%

The thirteen main inbound markets² represented 81.1% of total overnight stays from non residents.

The British market (15.7% of the total overnight stays of non residents) declined for the third consecutive month (-9.8%). In annual terms, this market represented a share of 22.3% and grew by 1.1% (+10.0% in 2016).

In December, the German market (12.7% of the total) grew by 7.5% and increased by 7.7% between January and December 2017 (+9.4% in 2016). In 2017, this market represented 13.6% of the total overnight stays of non residents.

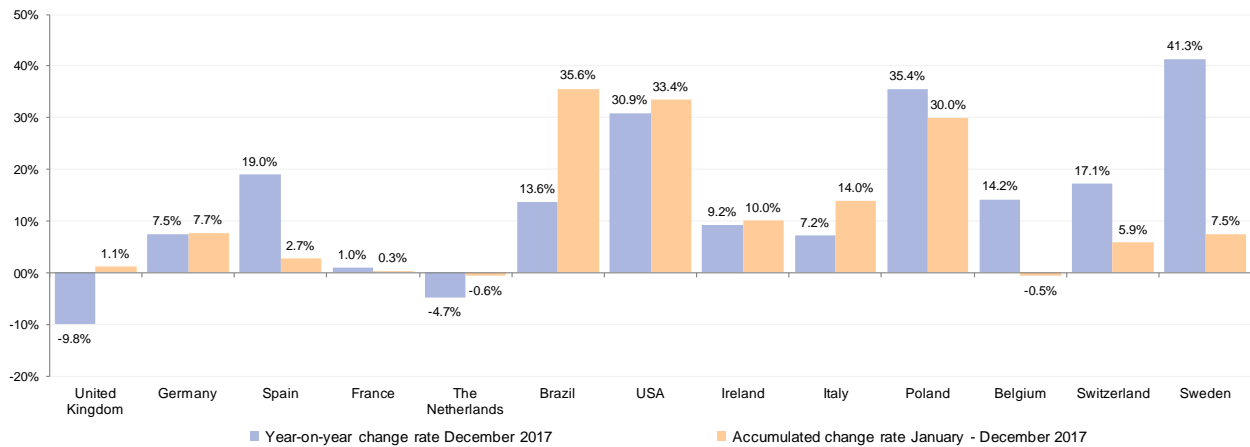
Overnight stays of Spanish guests (15.6% share) increased by 19.0% in December. In 2017, this market grew by 2.7% (+7.9% in 2016) and stood for a 9.7% share.

The French market (7.9% of the total) grew by 1.0% in December. In 2017, this market represented a share of 9.5% and grew slightly (+0.3%).

In December, the emphasis went to the increases recorded by the Swedish (+41.3%), Polish (+35.4%) and North American (+30.9%) markets. In 2017, the emphasis went to the evolutions of the Brazilian (+35.6%), North American (+33.4%) and Polish (+30.0%) markets.

² Based on provisional results of overnight stays in 2017.

Figure 4. Overnight stays by main inbound markets: year-on-year and accumulated change rates



In 2017, all regions recorded increases in overnight stays

In December, there were increases in overnight stays in all regions with the exception of AR Madeira (-0.3%), with the emphasis on the increases recorded in the Alentejo (+24.4%) and AR Açores (+23.4%). Overnight stays were mostly concentrated in MA Lisboa (31.8% weight), in the Algarve (17.8%) and in the Norte (17.6%). In this month, there were 243.9 thousand more overnight stays (compared with the same month of the previous year), of which 37.9% from MA Lisboa (92.4 thousand additional overnight stays) and 25.5% from the Norte (62.3 thousand more overnight stays).

All regions presented increases in overnight stays of residents in December, with special emphasis on AR Açores (+32.0%), Alentejo (+24.3%) and Algarve (+15.5%).

In the month of December, as regards overnight stays of non residents, the increases recorded in the Centro (+29.8%), Alentejo (+24.6%) and in the Norte (+18.9%) stood out.

Considering the **whole year of 2017**, all regions recorded increases in overnight stays, with the emphasis on AR Açores (+15.8%) and in the Centro (+14.5%). The Algarve concentrated 33.1% of all overnight stays in 2017, followed by MA Lisboa (24.9%). In this year, overnight stays increased by 3.9 million (compared to 2016) of which 29.0% from MA Lisboa (1.1 million additional overnight stays), 24.4% from the Algarve (963.1 thousand overnight stays added) and 18.2% from the Centro (716.8 thousand more overnight stays).

In 2017, there were noteworthy evolutions of overnight stays of residents in AR Açores (+18.7%) and Alentejo (+9.5%), while the evolutions of overnight stays of non residents stood out in the Centro (+29.5%), Alentejo (+15.9%) and AR Açores (+13.8%).

Table 3. Overnight stays by region (NUTS II)

Unit: 10³

NUTS II	Total of overnight stays				Overnight stays from residents				Overnight stays from non residents			
	Dec 17		Jan - Dec 17		Dec 17		Jan - Dec 17		Dec 17		Jan - Dec 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	2 723.8	9.8	57 493.0	7.4	994.8	10.5	15 870.6	4.1	1 729.0	9.4	41 622.5	8.6
Norte	480.6	14.9	7 429.2	8.0	256.4	11.6	3 176.5	3.6	224.2	18.9	4 252.7	11.5
Centro	310.3	11.6	5 654.7	14.5	217.4	5.2	2 898.6	3.2	92.9	29.8	2 756.0	29.5
Lisboa MA	866.5	11.9	14 324.1	8.7	234.0	5.5	3 099.9	2.1	632.5	14.5	11 224.2	10.6
Alentejo	96.2	24.4	1 769.3	11.7	74.6	24.3	1 142.3	9.5	21.6	24.6	627.0	15.9
Algarve	485.2	5.8	19 020.3	5.3	124.4	15.5	3 988.3	3.7	360.8	2.8	15 032.0	5.8
AR Açores	68.1	23.4	1 787.5	15.8	40.4	32.0	751.4	18.7	27.7	12.8	1 036.0	13.8
AR Madeira	417.0	-0.3	7 507.9	1.9	47.8	9.3	813.5	0.7	369.3	-1.4	6 694.4	2.0

Average stay with reduction due to non residents

The average stay (2.32 nights) decreased by 1.2%. Non residents showed a reduction in stays (-4.5%) while residents contributed for a 2.3% increase in this indicator.

The most significant reductions occurred in the Algarve (-5.7%) and in AR Madeira (-3.9%). The increases recorded in Alentejo (+4.0%) and in AR Açores (+2.8%) were noteworthy. The AR Madeira recorded the highest average stay (5.08 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.)
	Dec 16	Dec 17		Dec 16	Dec 17	
Portugal	2.34	2.32	-1.2	30.3	32.1	1.8
Norte	1.68	1.69	1.0	31.9	34.3	2.4
Centro	1.55	1.58	1.8	23.5	24.7	1.2
Lisboa MA	2.15	2.20	2.0	39.2	42.4	3.2
Alentejo	1.61	1.67	4.0	19.7	24.0	4.3
Algarve	3.77	3.55	-5.7	21.1	22.0	0.9
AR Açores	2.59	2.66	2.8	19.4	23.1	3.7
AR Madeira	5.29	5.08	-3.9	48.4	47.9	-0.5

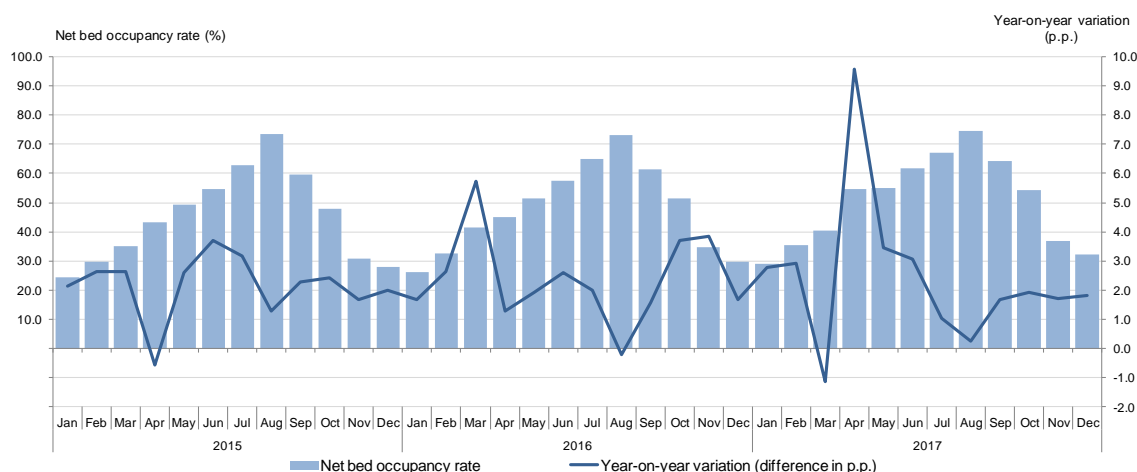
In **2017**, the average stay decreased by 1.4% to 2.79 nights (+0.4% in 2016 and -1.5% in 2015). The average stays of residents and non-residents corresponded to 1.99 nights and 3.28 nights, respectively (recorded variations of -0.4% and -2.8%, in the same order).

The occupancy rate kept upward trend

The net bed occupancy rate (32.1%) increased by 1.8 p.p. in December (+1.7 p.p. in the previous month). The highest occupancy rates occurred in AR Madeira (47.9%) and MA Lisboa (42.4%). The largest increases in the occupancy rate were recorded in Alentejo (+4.3 p.p.) and in AR Açores (+3.7 p.p.).

In **2017**, the net bed occupancy rate was 51.6% (+2.3 p.p.), growing less than in the previous year (+3.1 p.p.).

Figure 5. Net bed occupancy rate

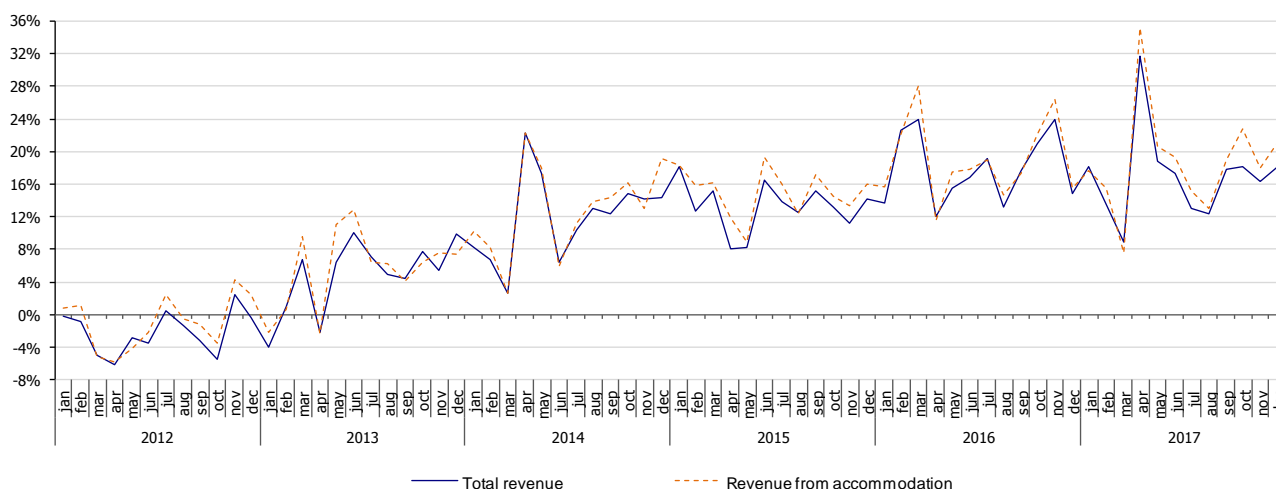


Acceleration in revenue

Total revenue from hotel accommodation activity amounted to EUR 160.2 million and revenue from accommodation stood at EUR 108.3 million (+18.1% and +21.1% respectively), accelerating from the previous month (+16.4% and +18.0% respectively).

In **2017**, total revenue increased by 16.6% and revenue from accommodation grew by 18.3%, figures that mirror a deceleration in total revenue and to a slight acceleration in revenue from accommodation vis-à-vis 2016 (+17.3% and +18.2% respectively).

Figure 6. Total revenue and total revenue from accommodation - Year-on-year change rate



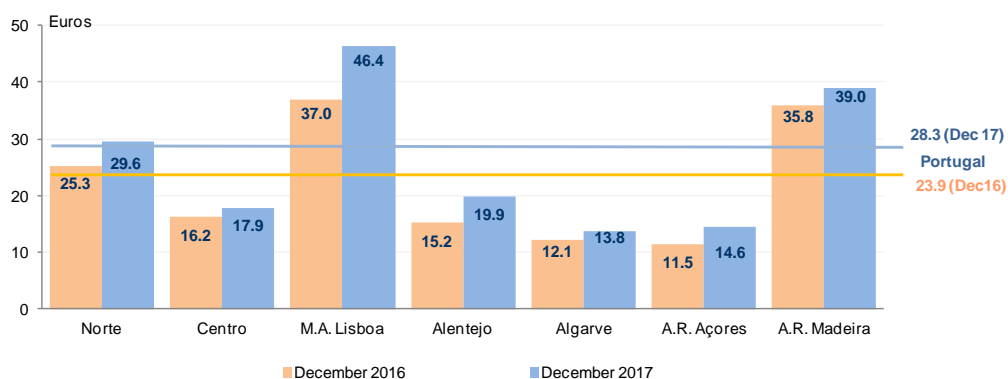
All regions presented increases in revenue, with the emphasis on the AR Açores (+31.5% in total revenue and +32.1% in revenue from accommodation), Alentejo (+26.6% and +33.1% respectively) and MA Lisboa (+23.0% and +27.2% respectively).

Table 5. Revenue by region (NUTS II)

NUTS II	Total revenue			Revenue from accommodation		
	EUR 10 ⁶		Y-o-y change rate (%)	EUR 10 ⁶		Y-o-y change rate (%)
	Dec 16	Dec 17		Dec 16	Dec 17	
Portugal	135.7	160.2	18.1	89.4	108.3	21.1
Norte	23.3	28.6	22.7	15.7	19.4	23.5
Centro	15.2	17.1	12.8	9.2	10.7	16.4
Lisboa MA	49.1	60.4	23.0	34.5	43.8	27.2
Alentejo	4.7	6.0	26.6	2.8	3.7	33.1
Algarve	17.2	19.5	13.7	10.7	12.2	13.5
AR Açores	2.5	3.3	31.5	1.5	2.0	32.1
AR Madeira	23.6	25.2	6.7	15.0	16.4	9.6

The average revenue per available room (RevPAR) was EUR 28.3 in December, which corresponded to an increase of 18.4% (+15.4% in November). The highest RevPAR occurred in MA Lisboa (EUR 46.4), followed by the AR Madeira (EUR 39.0). As regards this indicator, the emphasis went to the increases in the Alentejo (+30.6%), AR Açores (+26.6%) and MA Lisboa (+25.3%).

Figure 7. Average revenue per available room



The evolution of RevPAR was overall positive with regard to the different typologies and corresponding categories, with the emphasis on the evolution recorded in tourist apartments (+40.6%), hotels (+18.2%) and "pousadas" (+16.7%).

As regards **the whole year of 2017**, RevPAR stood at EUR 50.2 (+16.2%), above the outcome of 2016 (+15.0%).

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Dec 16	Dec 17	%
Total	23.9	28.3	18.4
Hotels	27.3	32.3	18.2
*****	45.2	55.3	22.5
****	28.2	33.0	16.8
***	18.5	22.3	20.6
** / *	16.9	19.4	15.1
Apartment hotels	18.8	21.3	13.6
*****	19.4	30.5	57.1
****	20.0	22.4	11.8
*** / **	14.5	14.6	1.0
Pousadas	39.5	46.1	16.7
Tourist apartments	9.5	13.3	40.6
Tourist villages	11.6	12.9	11.4
Other tourist establishments	17.7	20.0	13.1

Camping sites and holiday camps

In December 2017, camping sites hosted 47.7 thousand campers (+11.3%) which spent 200.9 thousand overnight stays (+17.2%). Both the internal market (+19.0%) and the external markets (+15.4%) contributed for the increase in overnight stays. Residents in Portugal were slightly predominant and stood for 50.2% of the total overnight stays. The average stay (4.21 nights) increased by 5.3%.

As regards **the whole year of 2017** (preliminary data), there were 1.9 million campers (+4.5% from 2016) staying in camping sites which spent 6.6 million overnight stays (+0.5%). Overnight stays of residents in Portugal stood above 4.4 million (+1.6%) and represented 65.6% of the total overnight stays, while the external markets spent 2.3 million overnight stays (-1.3%). In camping sites, the average stay (3.41 nights) declined by 3.8% in 2017.

Holiday camps and youth hostels recorded 15.7 thousand guests (+19.6%) and 31.0 thousand overnight stays (+11.6%) in December. The internal market concentrated 78.7% of the total overnight stays and grew by 12.1% while the external markets grew by 9.7%. The average stay (1.97 nights) declined by 6.7%.

Considering **the whole year of 2017** (preliminary data), holiday camps and youth hostels hosted 353.0 thousand guests (+7.4%) which spent 715.4 thousand overnight stays (+3.9%). The internal market concentrated 73.1% of the total overnight stays and declined by 0.1%, while the external markets grew by 16.6% in 2017.

Table 7. Camping, holiday camps and youth hostels

	Unit	Total				Residents				Non residents			
		Dec 17		Jan - Dec 17		Dec 17		Jan - Dec 17		Dec 17		Jan - Dec 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 (%)
Camping sites													
Camper	10 ³	47.7	11.3	1 949.8	4.5	32.0	21.5	1 218.2	6.7	15.7	-5.0	731.6	1.2
Overnight stays	"	200.9	17.2	6 648.3	0.5	100.8	19.0	4 363.5	1.6	100.1	15.4	2 284.8	-1.3
Average stay	no. nights	4.21	5.3	3.41	-3.8	3.14	-2.0	3.58	-4.8	6.38	21.5	3.12	-2.5
Holiday camps and youth hostels													
Guests	10 ³	15.7	19.6	353.0	7.4	13.1	23.8	259.6	2.0	2.6	2.4	93.4	26.0
Overnight stays	"	31.0	11.6	715.4	3.9	24.4	12.1	523.3	-0.1	6.6	9.7	192.1	16.6
Average stay	no. nights	1.97	-6.7	2.03	-3.3	1.86	-9.4	2.02	-2.1	2.50	7.1	2.06	-7.5

EXPLANATORY NOTES

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

2017 – December: preliminary results; January to November: provisional results.

2016 – January to December: final 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 Nov 17	0.0 p.p.	0.0 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: March 15, 2018