13 April 2018

Tourism Activity

February 2018

Tourism accommodation activity continues to grow

Hotels and similar establishments recorded 1.2 million guests and 2.9 million overnight stays in February 2018, figures that relate to year-on-year change rates[1] of +6.5% and +6.2%, accelerating vis-à-vis January (+3.7% and +4.9%, respectively). Overnight stays of the internal market increased by 7.6% (+5.6% in January) and those from the external markets grew by 5.6% (+4.6% in January).

The average stay (2.56 nights) decreased by 0.3% (+2.0% in the case of residents and -1.6% for non residents). The net bed occupancy rate (37.2%) increased by 1.8 p.p.

Revenue decelerated slightly with total revenue having increased by 11.6% (+12.1% in January), ascending to EUR 152.7 million. Revenue from accommodation increased by 12.0% (+13.6% in January) totalling EUR 106.0 million.

Table 1. Global preliminary results from hotels and similar establishments

	Unit	January 2018		February 2018		Jan - Feb 18	
		Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Guests	**10^3**	**1 018.9**	**3.7**	**1 153.0**	**6.5**	**2 171.9**	**5.2**
Residents in Portugal	"	466.9	2.3	532.0	5.5	998.9	4.0
Residents abroad	"	551.9	4.8	621.0	7.4	1 173.0	6.2
Overnight stays	**10^3**	**2 513.5**	**4.9**	**2 946.2**	**6.2**	**5 459.7**	**5.6**
Residents in Portugal	"	755.4	5.6	892.3	7.6	1 647.7	6.7
Residents abroad	"	1 758.0	4.6	2 053.9	5.6	3 811.9	5.1
Average stay	**no. of nights**	**2.47**	**1.2**	**2.56**	**-0.3**	**2.51**	**0.4**
Residents in Portugal	"	1.62	3.2	1.68	2.0	1.65	2.6
Residents abroad	"	3.19	-0.2	3.31	-1.6	3.25	-1.0
Net bed occupancy rate	%	29.8	0.9 p.p.	37.2	1.8 p.p.	33.4	1.3 p.p.
Total revenue	EUR 10^6	138.0	12.1	152.7	11.6	290.8	11.8
Revenue from accommodation	"	95.9	13.6	106.0	12.0	201.9	12.7
RevPAR (Average revenue per available room)	EUR	24.9	10.6	29.4	9.3	27.1	9.9

Acceleration in guests and overnight stays

In February 2018, hotels and similar establishments hosted 1.2 million guests who spent 2.9 million overnight stays (+6.5% and +6.2% respectively), accelerating vis-à-vis January (+3.7% and +4.9% respectively).

In the first two months of the year, the number of guests increased by 5.2% and overnight stays grew by 5.6%.

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

Overnight stays in hotels (71.3% of the total) increased by 7.5% with the emphasis, as in previous months, on the evolution in three star hotels (+11.0%).

The 15.1% increase in tourist apartments (standing for 6.5% of the total overnight stays) and the 13.4% growth in the *"pousadas"* (1.2% of the total) are also worth mentioning.

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

Unit: 10^3

Type of establishment and category	Overnight stays			Year-on-year change rates (%)	
	Feb 17	Feb 18	Jan - Feb 18	Feb 18	Jan - Feb 18
Total	**2 774.5**	**2 946.2**	**5 459.7**	**6.2**	**5.6**
Hotels	**1 953.9**	**2 101.1**	**3 934.8**	**7.5**	**7.1**
*****	369.5	384.2	715.0	4.0	4.0
****	948.6	1 033.7	1 929.9	9.0	8.2
***	433.8	481.3	895.3	11.0	10.0
** / *	202.0	202.0	394.7	0.0	1.2
Apartment hotels	**384.2**	**374.1**	**678.6**	**-2.6**	**- 3.2**
*****	26.0	26.5	49.1	1.9	4.8
****	272.1	269.8	486.8	-0.9	- 1.3
*** / **	86.1	77.9	142.6	-9.5	- 11.2
Pousadas	**30.2**	**34.2**	**62.4**	**13.4**	**9.0**
Tourist apartments	**166.3**	**191.4**	**330.5**	**15.1**	**13.4**
Tourist villages	**110.5**	**117.9**	**205.4**	**6.7**	**5.1**
Other tourist establishments	**129.5**	**127.5**	**248.0**	**-1.5**	**- 0.8**

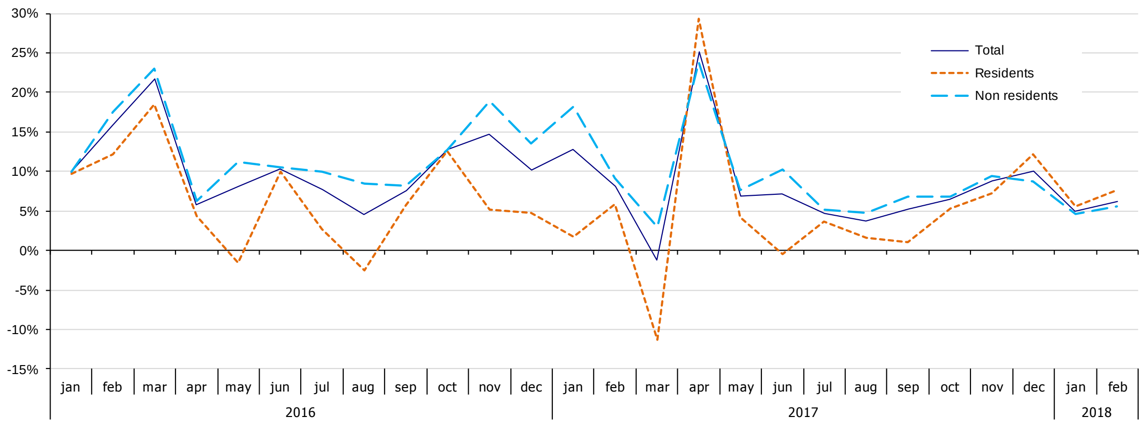
The internal and external markets grew more than in the previous month

In February, the internal market accelerated and grew by 7.6% (+5.6% in January), contributing with 892.3 thousand overnight stays.

The external markets originated 2.1 million overnight stays (69.7% of the total) and grew by 5.6% (+4.6% in January).

In the period January and February, the internal market corresponded to 1.6 million overnight stays (+6.7%) while the external markets originated 3.8 million overnight stays (+5.1%).

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



North American and Swedish markets grew steeply

The thirteen main inbound markets[2] represented 80.1% of total overnight stays from non residents.

The British market (19.2% of the total overnight stays of non residents) declined by 5.0% in February. In the first two months of the year this market declined by 5.8%, in line with reductions since October 2017.

Overnight stays of German guests (14.8% of the total) increased by 4.4%, recovering from -0.2% in January.

The Spanish market (9.0% of the total) increased by 2.3% in February, growing slightly since the beginning of the year (+0.2%).

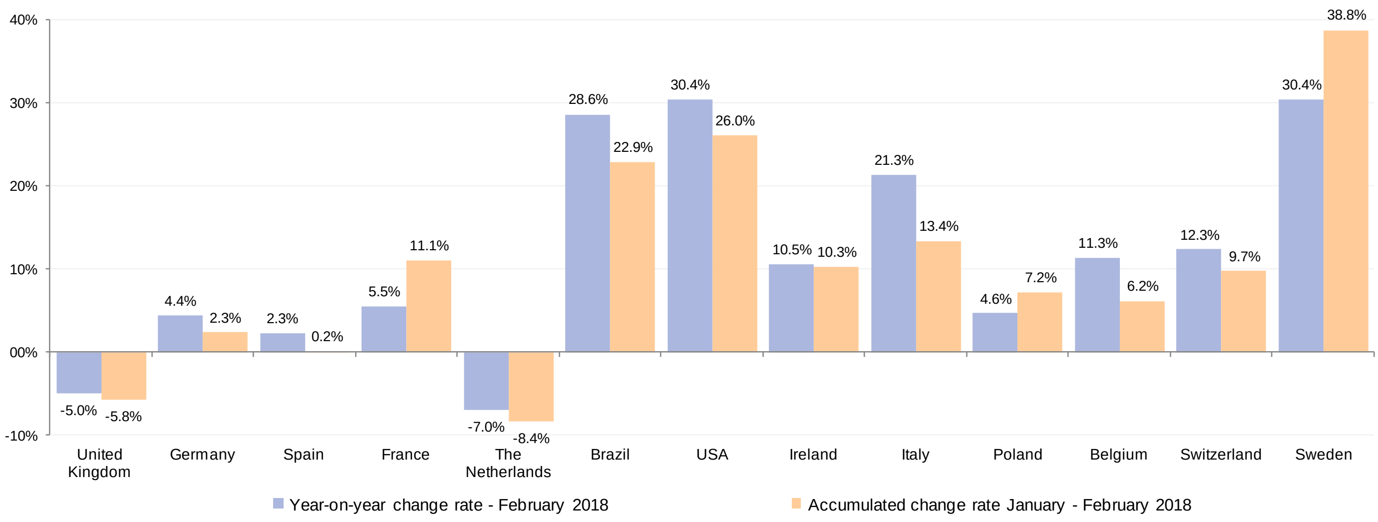
The French market (8.4% of the total) grew by 5.5% in February (+18.5% in January).

Amongst the main markets, the increases recorded in February by the North American and Swedish (+30.4% in both), Brazilian (+28.6%) and Italian (+21.3%) markets stood out.

The overnight stays of Dutch guests continued to decrease (-7.0%), as has happened since April 2017.

In the first two months of the year, the emphasis was on the evolutions of the Swedish (+38.8%), North American (+26.0%) and Brazilian (+22.9%) markets.

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



2 Based on provisional results of overnight stays in 2017.

All regions recorded increases in overnight stays

In February, there were increases in overnight stays in all regions, more so in the Alentejo (+10.6%), AR Açores (+9.9%) and Norte (+9.7%). MA Lisboa and the Algarve concentrated 29.9% and 23.7% of the total overnight stays, respectively. In this month, there were 171.8 thousand more overnight stays (compared with the same month of the previous year), of which 43.6% from MA Lisboa (74.9 thousand additional overnight stays) and 22.0% from the Norte (37.7 thousand more overnight stays). In the first two months of the year, the emphasis went to the evolutions of AR Açores (+10.5%), Alentejo (+10.1%) and Norte (+8.9%).

All regions presented increases in overnight stays of residents in February, with special emphasis on the Algarve (+14.6%) and AR Açores (+10.6%).

In February, as regards overnight stays of non residents, the increases recorded in the Alentejo (+28.0%), Norte (+14.0%) and Centro (+12.9%) stood out.

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 18		Jan - Feb 18		Feb 18		Jan - Feb 18		Feb 18		Jan - Feb 18	
	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	**2 946.2**	**6.2**	**5 459.7**	**5.6**	**892.3**	**7.6**	**1 647.7**	**6.7**	**2 053.9**	**5.6**	**3 811.9**	**5.1**
Norte	427.6	9.7	809.6	8.9	215.1	5.8	406.7	6.5	212.4	14.0	402.8	11.4
Centro	281.6	8.5	506.6	7.4	188.7	6.5	336.1	4.7	92.9	12.9	170.5	13.2
MA Lisboa	879.6	9.3	1 696.3	7.5	223.1	7.9	434.8	5.4	656.5	9.8	1 261.5	8.2
Alentejo	89.2	10.6	160.7	10.1	58.4	3.2	107.2	5.9	30.8	28.0	53.5	19.6
Algarve	698.6	2.3	1 177.0	1.5	119.8	14.6	205.3	13.4	578.8	0.1	971.7	-0.7
AR Açores	80.6	9.9	148.0	10.5	48.9	10.6	85.5	10.0	31.7	8.7	62.5	11.4
AR Madeira	489.1	1.1	961.5	2.6	38.3	4.5	72.1	4.8	450.8	0.8	889.4	2.4

Average stay declined due to non residents

The average stay (2.56 nights) decreased by 0.3% with the negative contribution of non residents (-1.6%), given that the average stay of residents increased by 2.0%.

The most significant increases were recorded in AR Açores (+6.7%) and Algarve (+2.6%). The AR Madeira recorded the highest average stay (5.56 nights) followed by the Algarve (4.52 nights).

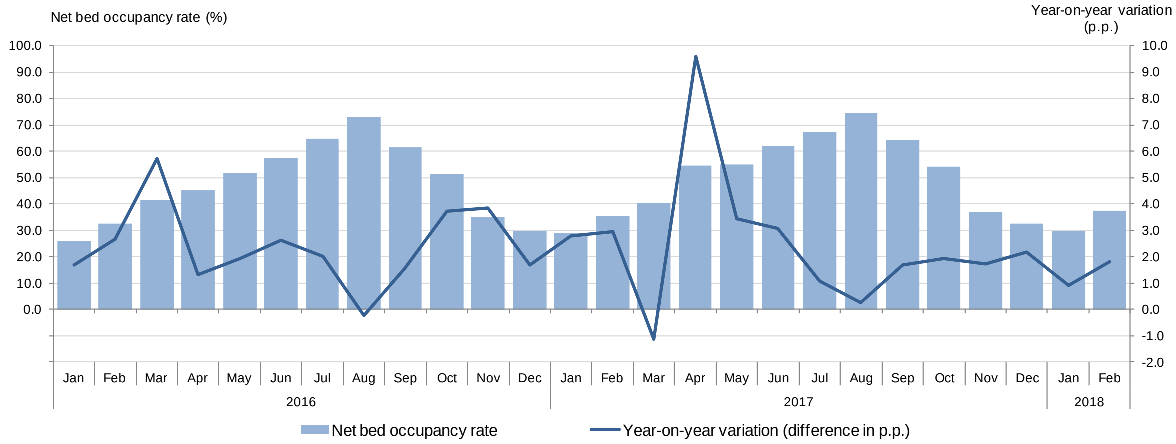
Table 4. Average stay and net bed occupancy rate, by region NUTS II

NUTS II	Average stay			Occupancy rate		
	No. of nights		Y-o-y change rate (%)	%		Y-o-y variation (p.p.)
	Feb 17	Feb 18		Feb 17	Feb 18	
Portugal	**2.56**	**2.56**	**-0.3**	**35.5**	**37.2**	**1.8**
Norte	1.65	1.68	1.4	31.5	34.4	2.9
Centro	1.56	1.57	0.9	24.0	25.1	1.1
MA Lisboa	2.23	2.23	0.0	45.2	48.1	3.0
Alentejo	1.66	1.66	0.0	23.1	25.8	2.7
Algarve	4.40	4.52	2.6	29.1	30.3	1.2
AR Açores	2.75	2.93	6.7	28.4	29.4	1.0
AR Madeira	5.47	5.56	1.6	63.2	61.9	-1.4

Increase in the occupancy rate

The net bed occupancy rate (37.2%) increased by 1.8 p.p. (+0.9 p.p. in January). In the AR Madeira the occupancy rate attained 61.9%, followed by far by MA Lisboa (48.1%) and Norte (34.4%). The largest increases in the occupancy rates were recorded in MA Lisboa (+3.0 p.p.) and Norte (+2.9 p.p.).

Figure 3. Net bed occupancy rate

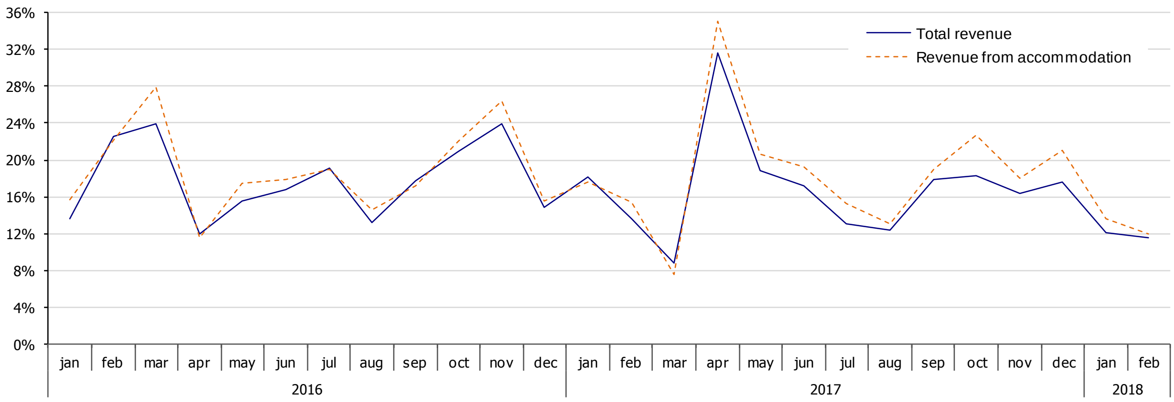


Revenue continues on the rise

Total revenue amounted to EUR 152.7 million and revenue from accommodation stood at EUR 106.0 million (+11.6% and +12.0% respectively) decelerating slightly vis-à-vis January (+12.1% and +13.6% respectively).

Continuing the general trend of the last months, there were higher increases in the revenue from accommodation, comparing with the total revenue.

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



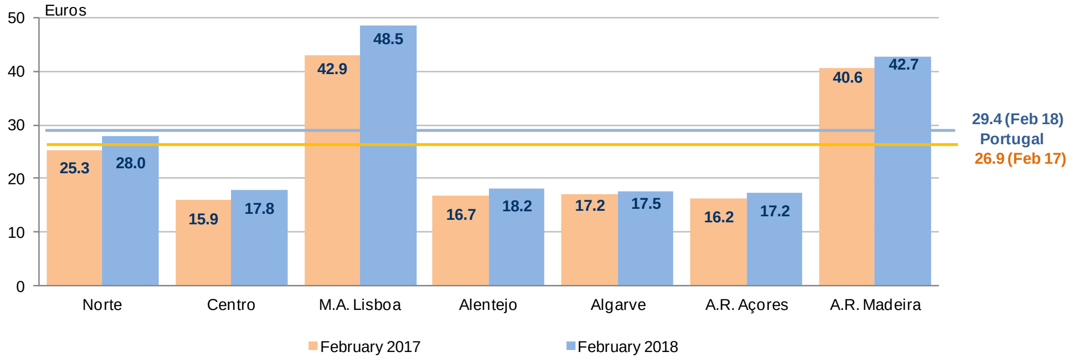
Amongst the various regions, the emphasis went to the increases in the Centro (+18.3% in total revenue and +17.5% in revenue from accommodation) and MA Lisboa (+13.6% and +16.4% respectively).

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 (%)
	Feb 17	Feb 18		Feb 17	Feb 18	
Portugal	**136.9**	**152.7**	**11.6**	**94.7**	**106.0**	**12.0**
Norte	20.5	22.4	9.6	14.9	16.5	11.3
Centro	11.9	14.1	18.3	8.1	9.6	17.5
MA Lisboa	50.1	57.0	13.6	36.1	42.0	16.4
Alentejo	4.2	4.6	10.2	2.7	3.0	11.4
Algarve	23.8	25.6	7.4	15.8	16.4	3.4
AR Açores	2.9	3.2	8.8	2.0	2.2	12.7
AR Madeira	23.4	25.8	10.3	15.1	16.3	8.0

The average revenue per available room (RevPAR) was EUR 29.4 in February, which corresponded to an increase of 9.3% (+10.6% in January). In the regions of MA Lisboa and AR Madeira, RevPAR reached EUR 48.5 and EUR 42.7, respectively. As regards this indicator, the emphasis went to the increases in MA Lisboa (+13.1%) and Centro (+12.4%).

Figure 5. Average revenue per available room



The evolution of RevPAR was mostly positive with regard to the different typologies and corresponding categories, with the emphasis on the evolution recorded in "pousadas" (+21.7%) and in apartment hotels (+13.7%).

Table 6. RevPAR by type and category of establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Feb 17	Feb 18	%
Total	**26.9**	**29.4**	**9.3**
Hotels	**30.3**	**33.0**	**8.9**
*****	51.2	53.4	4.2
****	30.1	33.6	11.7
***	20.6	23.2	12.9
** / *	18.9	19.9	5.7
Apartment hotels	**21.9**	**24.9**	**13.7**
*****	28.4	37.5	31.8
****	22.6	26.0	14.9
*** / **	17.2	17.7	2.9
Pousadas	**36.6**	**44.6**	**21.7**
Tourist apartments	**12.7**	**14.2**	**11.6**
Tourist villages	**16.4**	**14.3**	**-13.0**
Other tourist establishments	**19.8**	**23.0**	**15.9**

Camping sites and holiday camps

In February 2018, camping sites hosted 53.5 thousand campers (+26.7%) which spent 226.0 thousand overnight stays (+14.6%). Both the internal market (+12.9%) and the external markets (+15.6%) contributed for the increase in overnight stays. The external markets were predominant, representing 61.8% of the total overnight stays. The average stay (4.23 nights) decreased by 9.6%.

Holiday camps and youth hostels recorded 17.7 thousand guests (+14.2%) and 34.9 thousand overnight stays (+15.5%). The internal market concentrated 73.4% of the total overnight stays and grew by 13.4% and external markets grew by 21.5%. The average stay (1.97 nights) increased by 1.1%.

Table 7. Camping, holiday camps and youth hostels

	Unit	Total				Residents				Non residents			
		Feb 18		Jan - Feb 18		Feb 18		Jan - Feb 18		Feb 18		Jan - Feb 18	
		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													
Campers	10^3	53.5	26.7	99.4	18.9	26.8	13.7	49.8	12.9	26.7	43.1	49.6	25.7
Overnight stays	"	226.0	14.6	433.9	13.7	86.3	12.9	165.5	12.6	139.7	15.6	268.4	14.5
Average stay	no. nights	4.23	-9.6	4.37	-4.4	3.22	-0.7	3.32	-0.3	5.24	-19.2	5.41	-8.9
Holiday camps and youth hostels													
Guests	10^3	17.7	14.2	29.3	10.8	14.1	12.7	23.3	6.9	3.5	20.7	6.1	28.4
Overnight stays	"	34.9	15.5	57.8	12.2	25.6	13.4	41.7	6.7	9.3	21.5	16.1	29.5
Average stay	no. nights	1.97	1.1	1.97	1.3	1.81	0.7	1.79	-0.3	2.63	0.6	2.66	0.9

EXPLANATORY NOTES

The sources used in this press release are: Survey on guest stays in hotel establishments and other accommodations, Survey on guest stays in camping sites and Survey on guest stays in holiday camps and youth hostels.

Data made available in this press release relates to establishments operating in each reference period, considering:

2017 – January to December: provisional results; 2018 – January: provisional results; February: preliminary 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 18	-0.2 p.p.	-0.4 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 ten or more beds: hotels, apartment hotels, "*pousadas*", tourist apartments and tourist villages, as well as other accommodation establishments – boarding houses, motels and inns including *"quintas da Madeira"*.

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 mainly 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.

Abbreviations and designations

Y-o-Y: year-on-year; p.p.: percentage points; RevPAR: Revenue per Available Room.

In order to simplify the language, the term "foreigner" might be used instead of "non resident".

Date of next press release: May 15, 2018