

15 June 2018

Tourism Activity

April 2018

Tourism accommodation activity slowing down since the beginning of the year, in accumulated terms

Hotels and similar establishments hosted 1.8 million guests and 4.7 million overnight stays in April 2018, figures that relate to year-on-year change rates¹ of -5.4% and -8.4% (+11.7% and +9.9% in March, respectively). Overnight stays of residents decreased by 9.3% while those of non residents declined by 8.0%, in contrast with the growth recorded in March (+15.4% and +8.0%, respectively).

The average stay (2.62 nights) decreased by 3.1% (-2.9% in the case of residents and -3.5% for non residents). The net bed occupancy rate (49.9%) declined by 4.7 p.p.

Total revenue decelerated to a growth of 2.0% (+17.5% in the preceding month), having reached EUR 276.7 million. Revenue from accommodation ascended to EUR 199.9 million, increasing by 2.1% (+21.2% in March).

These results were influenced by the calendar effect associated to the Easter, given that in 2018 this holiday period boosted overnight stays essentially in March.

It should be noted that, considering the months of March and April as a whole, overnight stays had a slight reduction of 0.8% (+0.8% for residents and -1.4% considering non residents).

Figure 1. Global preliminary results

	Unit	March 2018		April 2018		Jan - Apr 18	
		Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Guests	10³	1 522.3	11.7	1 795.4	-5.4	5 489.9	3.1
Residents in Portugal	"	617.5	11.1	673.6	-6.6	2 290.8	2.4
Residents abroad	"	904.8	12.1	1 121.8	-4.7	3 199.2	3.6
Overnight stays	10³	4 001.5	9.9	4 699.5	-8.4	14 162.1	1.6
Residents in Portugal	"	1 090.7	15.4	1 237.1	-9.3	3 978.4	3.3
Residents abroad	"	2 910.8	8.0	3 462.4	-8.0	10 183.7	1.0
Average stay	no. of nights	2.63	-1.6	2.62	-3.1	2.58	-1.4
Residents in Portugal	"	1.77	3.9	1.84	-2.9	1.74	0.9
Residents abroad	"	3.22	-3.7	3.09	-3.5	3.18	-2.5
Net bed occupancy rate	%	43.4	3.1 p.p.	49.9	-4.7 p.p.	40.4	0.1 p.p.
Total revenue	EUR 10 ⁶	220.4	17.5	276.7	2.0	787.0	9.5
Revenue from accommodation	"	157.4	21.2	199.9	2.1	558.7	10.7
RevPAR (Average revenue per available room)	EUR	37.6	17.8	47.4	1.0	35.2	8.2

Number of guests and overnight stays decreased

In April 2018, hotels and similar establishments hosted 1.8 million guests who spent 4.7 million overnight stays (-5.4% and -8.4%, respectively) in contrast with the evolutions recorded in March (+11.7% and +9.9%, in the same order).

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

In the first four months of the year, there were increases of 3.1% in the number of guests and 1.6% concerning overnight stays.

Overnight stays spent in hotels (71.1% of the total) presented a 5.6% decline. The remaining typologies and main categories presented also reductions, particularly the tourist villages (-14.4%).

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

Unit: 10³

Type of establishment and category	Overnight stays			Year-on-year change rates (%)	
	Apr 17	Apr 18	Jan - Apr 18	Apr 18	Jan - Apr 18
Total	5 127.9	4 699.5	14 162.1	-8.4	1.6
Hotels	3 538.0	3 340.9	10 193.8	-5.6	3.9
*****	657.0	589.8	1 829.0	-10.2	- 0.1
****	1 759.4	1 669.4	5 037.6	-5.1	4.4
***	782.3	762.7	2 319.5	-2.5	6.8
** / *	339.3	318.9	1 007.7	-6.0	2.3
Apartment hotels	689.4	621.6	1 807.2	-9.8	- 3.0
*****	42.8	38.7	120.1	-9.7	1.8
****	508.0	460.6	1 317.2	-9.3	- 2.2
*** / **	138.6	122.3	369.9	-11.7	- 7.0
Pousadas	54.3	48.3	154.9	-11.1	2.8
Tourist apartments	408.4	354.8	935.6	-13.1	0.7
Tourist villages	225.8	193.2	563.9	-14.4	1.2
Other tourist establishments	212.1	140.7	506.6	-33.6	- 19.1

Reduction in overnight stays from both the internal and external markets

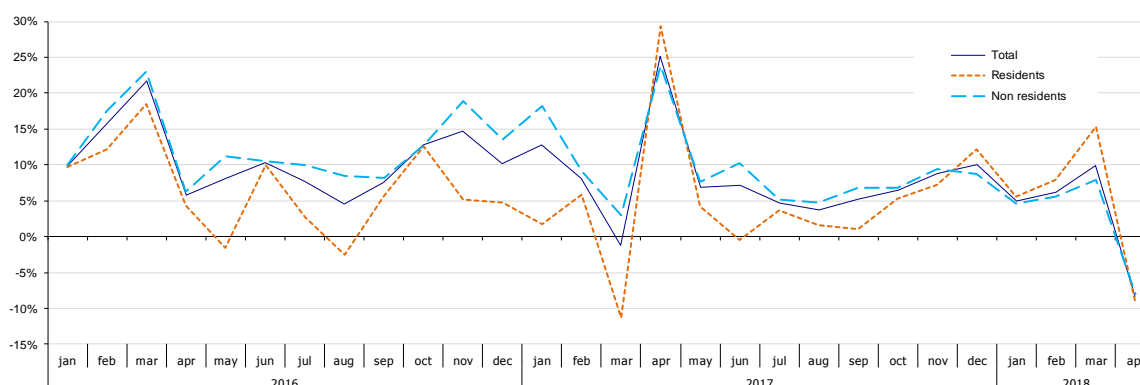
In April, the internal market contributed with 1.2 million overnight stays, which stood for a 9.3% reduction (+15.4% in March).

The external markets also decreased but slightly less so (-8.0% in April; +8.0% in March), attaining 3.5 million overnight stays.

The decreases in April were influenced by the base effect of 2017, given that in 2018 Easter boosted the overnight stays essentially in March. Furthermore, in April 2018, there was a significant rainfall.

In the first four months of 2018, overnight stays of residents increased by 3.3%, above the growth in overnight stays of non residents (+1.0%).

Figure 3. Overnight stays - Year-on-year change rates



Reductions in the five main inbound markets

The thirteen main inbound markets² represented 82.9% of total overnight stays of non residents and presented mostly declining results.

Overnight stays of guests from the United Kingdom (20.9% of total overnight stays of non residents) declined by 8.9%, keeping the trend of the latest months. In the first four months of the year, this market declined by 7.0%.

The German market (14.4% of the total) presented a 9.3% decline in April. Since the beginning of the year, this market declined by 2.3%.

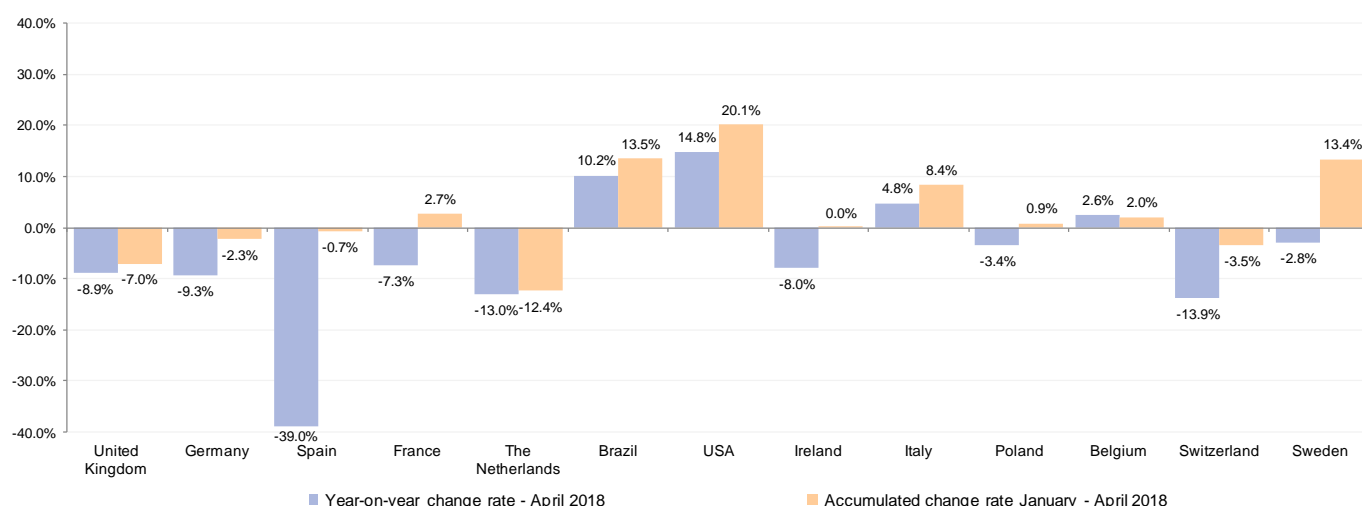
Overnight stays of French residents (10.7% of the total) decreased by 7.3% in April. Amongst the five main inbound markets, this market was the only one that grew in the first four months of the year (+2.7%).

The Spanish market (8.0% of the total), traditionally influenced by the "Easter effect", presented a steep 39.0% decline. This market decreased slightly by 0.7% in the total of the first four months of the year.

Overnight stays of guests from the Netherlands (4.9% of the total) declined by 13.0% in April. Since the beginning of the year, this market decreased by 12.4%.

In April, the increases of the North American (+14.8%) and Brazilian (+10.2%) markets stood out. In the first four months of the year, the emphasis went to the increases presented by the North American (+20.1%), Brazilian (+13.5%) and Swedish (+13.4%) markets.

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



² Based on provisional results of overnight stays in 2017.

All regions with reductions in overnight stays

In April, there were reductions in overnight stays in all regions, more so in the Alentejo (-15.4%). The lowest declines occurred in the Norte (-3.1%), AR Açores (-4.3%) and MA Lisboa (-4.9%). The regions of Algarve and MA Lisboa concentrated 31.6% and 26.5% of the total overnight stays, respectively. In this month, there were 428.4 thousand less overnight stays (compared with the same month of the previous year), of which 47.1% from the Algarve (201.9 thousand less overnight stays), 14.9% from MA Lisboa (63.9 thousand less overnight stays) and 13.5% from the Centro (less 58.0 thousand overnight stays). In the first four months of the year, the emphasis went to the evolutions of the Norte (+6.9%) and Alentejo (+4.8%).

In April, overnight stays of residents increased only in AR Açores (+7.3%). In the first four months of the year as a whole, the emphasis also went to AR Açores (+9.4%).

Overnight stays of non residents presented declines in all regions in April, with the largest reductions occurring in the Centro (-15.3%) and AR Açores (-15.2%). In the first four months of 2018, the emphasis went to the evolutions in the Alentejo (+13.8%) and in the Norte (+9.7%).

Figure 5. Overnight stays by region NUTS II

Unit: 10³

NUTS II	Total of overnight stays				Overnight stays from residents				Overnight stays from non residents			
	Apr 18		Jan - Apr 18		Apr 18		Jan - Apr 18		Apr 18		Jan - Apr 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	4 699.5	-8.4	14 162.1	1.6	1 237.1	-9.3	3 978.4	3.3	3 462.4	-8.0	10 183.7	1.0
Norte	651.5	-3.1	2 027.2	6.9	266.6	-4.7	912.4	3.7	384.9	-1.9	1 114.8	9.7
Centro	440.4	-11.6	1 325.0	2.5	232.9	-8.1	792.0	3.9	207.5	-15.3	533.0	0.5
MA Lisboa	1245.6	-4.9	4 112.4	4.0	254.4	-4.1	951.6	3.0	991.2	-5.1	3 160.8	4.3
Alentejo	132.7	-15.4	413.1	4.8	83.8	-21.4	266.9	0.4	48.8	-2.6	146.3	13.8
Algarve	1483.9	-12.0	3 747.7	-2.2	254.6	-19.3	635.4	1.9	1 229.3	-10.3	3 112.3	-3.0
AR Açores	149.0	-4.3	416.9	4.1	80.5	7.3	232.5	9.4	68.5	-15.2	184.4	-1.8
AR Madeira	596.4	-8.1	2 119.8	-2.3	64.3	-4.9	187.6	1.2	532.1	-8.5	1 932.1	-2.6

Average stay declined

The average stay (2.62 nights) decreased by 3.1%, resulting from both residents (-2.9%) and non residents (-3.5%).

The largest reduction was recorded in AR Madeira (-7.6%), with this region recording the highest average stay (4.62 nights).

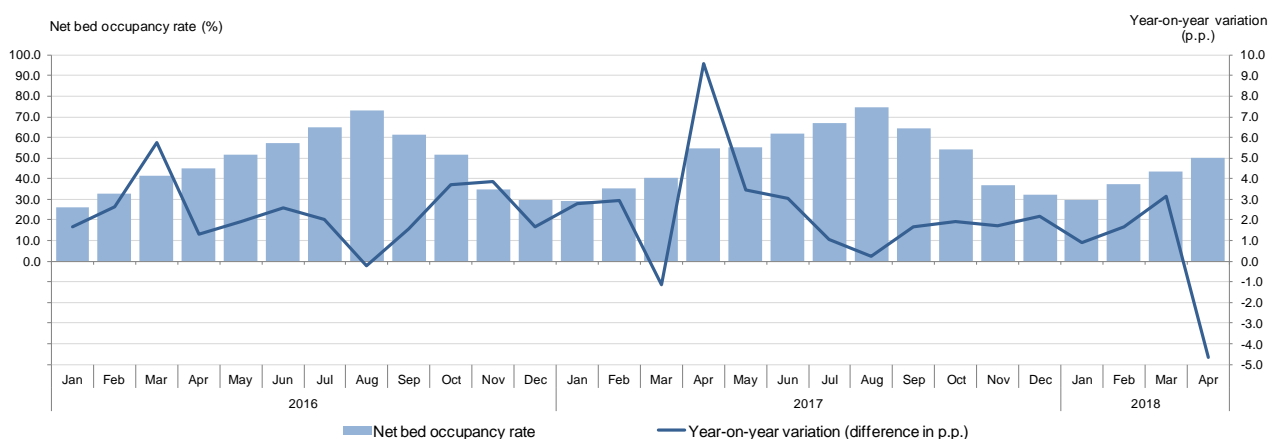
Figure 6. Average stay and net bed occupancy rate by region NUTS II

NUTS II	Average stay			Occupancy rate		
	No. of nights		Y-o-y change rate (%)	%		Y-o-y variation (p.p.)
	Apr 17	Apr 18		Apr 17	Apr 18	
Portugal	2.70	2.62	-3.1	54.6	49.9	-4.7
Norte	1.80	1.78	-0.8	50.6	48.3	-2.3
Centro	1.72	1.66	-3.5	39.7	34.9	-4.8
MA Lisboa	2.35	2.30	-2.4	67.1	64.2	-2.9
Alentejo	1.70	1.59	-6.2	38.5	34.5	-4.0
Algarve	4.15	4.13	-0.7	51.2	44.8	-6.4
AR Açores	3.03	2.91	-4.1	52.3	49.2	-3.1
AR Madeira	5.00	4.62	-7.6	74.8	68.4	-6.4

Decrease in the occupancy rate

The net bed occupancy rate (49.9%) declined by 4.7 p.p. in April. The AR Madeira recorded the highest rate (68.4%), followed by MA Lisboa (64.2%). All regions recorded declines in this indicator, more so in the Algarve and in AR Madeira (-6.4 p.p. in both).

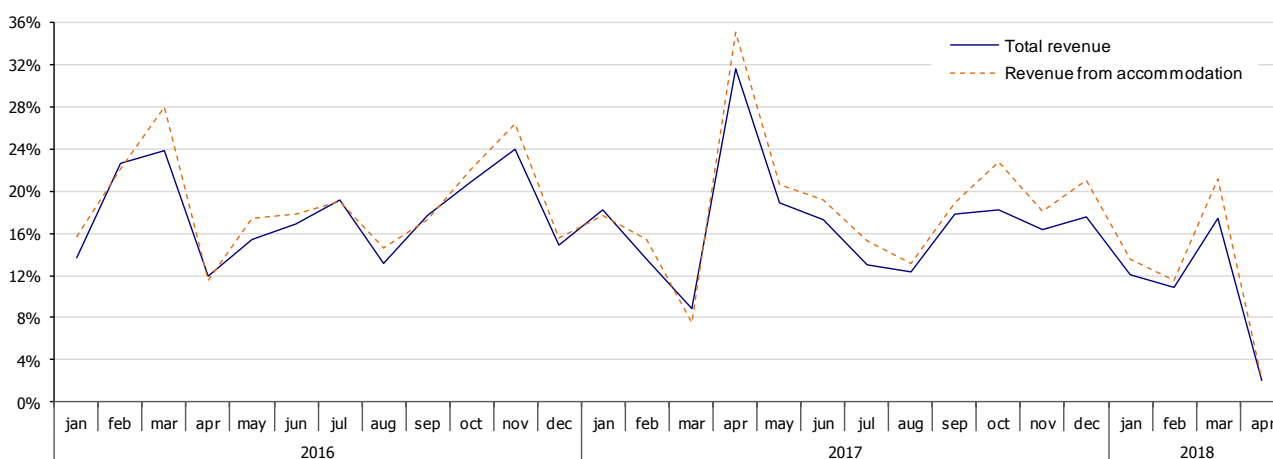
Figure 7. Net bed occupancy rate



Deceleration in revenue

Total revenue amounted to EUR 276.7 million and revenue from accommodation stood at EUR 199.9 million (+2.0% and +2.1%, respectively), decelerating vis-à-vis March (+17.5% and +21.2%, in the same order).

Figure 8. Total revenue and revenue from accommodation - Year-on-year change rate



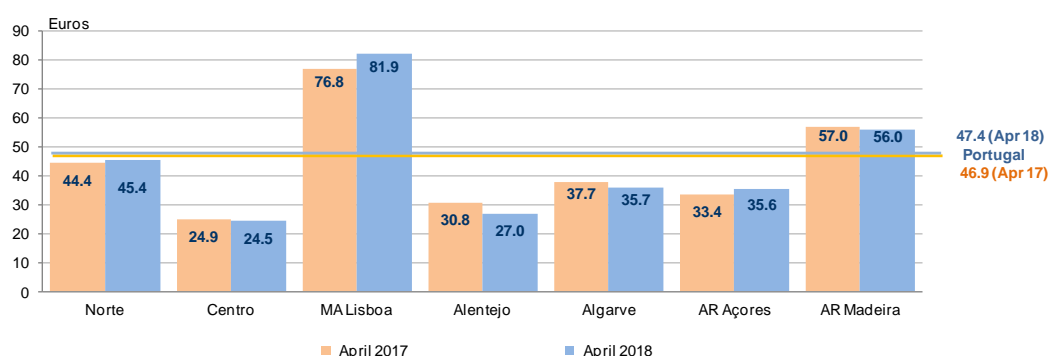
Amongst the various regions the emphasis went to the increases in revenue in AR Açores (+6.3% in total revenue and +9.1% in revenue from accommodation), MA Lisboa (+6.6% and +7.9%, respectively) and Norte (+6.6% and +6.2%, in the same order).

Figure 9. 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 (%)
	Apr 17	Apr 18		Apr 17	Apr 18	
Portugal	271.2	276.7	2.0	195.7	199.9	2.1
Norte	36.4	38.8	6.6	27.7	29.4	6.2
Centro	21.4	21.5	0.7	14.8	14.8	0.0
MA Lisboa	91.8	97.8	6.6	70.4	75.9	7.9
Alentejo	8.3	7.0	-15.8	5.8	4.8	-17.2
Algarve	70.8	68.8	-2.8	48.7	46.4	-4.7
AR Açores	6.6	7.0	6.3	4.7	5.1	9.1
AR Madeira	36.0	35.8	-0.5	23.7	23.5	-1.0

The average revenue per available room (RevPAR) was EUR 47.4 in April, which corresponded to an increase of 1.0% (+17.8% in March). The regions of MA Lisboa and AR Madeira accounted for the highest RevPAR: EUR 81.9 and EUR 56.0, respectively. As regards this indicator, the emphasis went to the increases in MA Lisboa (+6.7%) and AR Açores (+6.5%).

Figure 10. Average revenue per available room



There were different evolutions of RevPAR with regard to the different typologies, being worth mentioning the 13.1% increase in tourist villages, along with a reduction in hotel apartments (-2.8%) and stability in hotels. The largest increases were recorded in "Pousadas" and hotels (EUR 67.5 and EUR 53.7, respectively).

Figure 11. RevPAR by type and category of the establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Apr 17	Apr 18	%
Total	46.9	47.4	1.0
Hotels	53.7	53.7	0.0
*****	93.2	91.6	-1.8
****	54.1	54.5	0.8
***	35.8	36.8	2.8
** / *	30.7	29.4	-4.1
Apartment hotels	40.7	39.5	-2.8
*****	57.7	50.1	-13.1
****	42.0	41.2	-2.0
*** / **	29.8	30.2	1.2
Pousadas	63.6	67.5	6.2
Tourist apartments	23.4	21.6	-7.8
Tourist villages	27.1	30.7	13.1
Other tourist establishments	29.1	29.3	0.8

Camping sites and holiday camps

In April 2018, camping sites welcomed 81.6 thousand campers (-27.1%) that spent 249.7 thousand overnight stays (-23.3%). The reduction in overnight stays came mainly from the internal market (-34.3%) but also from the external ones (-9.6%). The latter were predominant, representing 52.3% of total overnight stays. The average stay (3.06 nights) increased by 5.2%.

Holiday camps and youth hostels hosted 26.4 thousand guests (-33.4%) and 48.9 thousand overnight stays (-28.6%). The internal market concentrated 67.9% of total overnight stays and declined by 33.4%, while the external markets decreased by 15.9%. The average stay (1.85 nights) increased by 7.1%.

Figure 12. Camping, holiday camps and youth hostels

	Unit	Total				Residents				Non residents			
		Apr 18		Jan - Apr 18		Apr 18		Jan - Apr 18		Apr 18		Jan - Apr 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	81.6	-27.1	244.8	-2.9	39.5	-38.8	120.3	-10.8	42.1	-11.3	124.4	6.3
Overnight stays	"	249.7	-23.3	930.0	-0.1	119.2	-34.3	382.9	-7.9	130.5	-9.6	547.1	6.2
Average stay	no. nights	3.06	5.2	3.80	2.9	3.02	7.3	3.18	3.3	3.10	2.0	4.40	0.0
Holiday camps and youth hostels													
Guests	10 ³	26.4	-33.4	78.9	-12.3	18.7	-35.4	59.1	-14.8	7.7	-27.9	19.8	-3.9
Overnight stays	"	48.9	-28.6	152.7	-6.8	33.3	-33.4	107.4	-11.4	15.7	-15.9	45.4	6.1
Average stay	no. nights	1.85	7.1	1.94	6.2	1.78	3.2	1.82	4.0	2.03	16.6	2.29	10.4

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 to March: provisional results; April: 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 to Mar 18	-0.2 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 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 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.

Language - 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 13, 2018