

14 December 2018

Tourism Activity
October 2018

Overnight stays of residents grew by 10.8% and those of non residents decreased by 3.2%

Hotels and similar establishments registered 2.0 million guests and 5.4 million overnight stays in October 2018, corresponding to year-on-year change rates¹ of +0.7% and -0.1%, respectively (+0.6% and -1.1% in September, in the same order). Overnight stays of residents accelerated to a 10.8% growth, while those of non residents decreased by 3.2% (+8.3% and -4.5% in September, respectively).

In October, the average stay (2.70 nights) declined by 0.8% (+4.3% as regards residents and -1.2% in the case of non residents).

The net bed occupancy rate (53.8%) declined by 0.8 p.p. in October (-1.4 p.p. in the previous month).

Total revenue accelerated and grew by 2.6% (+1.2 p.p. compared to the growth in September) and reached EUR 332.1 million. Revenue from accommodation grew by 1.7% (+2.9% in September) and ascended to EUR 239.8 million.

Figure 1. Global preliminary results

	Unit	September 2018		October 2018		Jan - Oct 18	
		Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)	Value	Year-on-year change rate (%)
Guests	10³	2 256.3	0.6	1 994.4	0.7	18 504.6	1.3
Residents in Portugal	"	828.3	5.7	701.3	6.3	7 110.0	3.6
Residents abroad	"	1 428.0	-2.1	1 293.1	-2.1	11 394.7	-0.1
Overnight stays	10³	6 255.2	-1.1	5 377.2	-0.1	51 506.9	-0.5
Residents in Portugal	"	1 785.0	8.3	1 314.0	10.8	14 730.4	5.1
Residents abroad	"	4 470.2	-4.5	4 063.1	-3.2	36 776.5	-2.5
Average stay	no. of nights	2.77	-1.8	2.70	-0.8	2.78	-1.8
Residents in Portugal	"	2.15	2.5	1.87	4.3	2.07	1.4
Residents abroad	"	3.13	-2.4	3.14	-1.2	3.23	-2.5
Net bed occupancy rate	%	63.4	-1.4 p.p.	53.8	-0.8 p.p.	54.1	-1.1 p.p.
Total revenue	EUR 10 ⁶	421.1	1.4	332.1	2.6	3 241.4	5.9
Revenue from accommodation	"	314.9	2.9	239.8	1.7	2 404.3	6.5
RevPAR (Average revenue per available room)	EUR	71.8	1.8	53.8	0.8	56.5	4.8

Slight reduction in overnight stays

In October 2018, hotels and similar establishments hosted 2.0 million guests who spent 5.4 million overnight stays, reflecting change rates of +0.7% and -0.1% (+0.6% and -1.1%, respectively, in September).

In the first ten months of 2018, the number of guests increased by 1.3% and the number of overnight stays declined by 0.5%.

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

Overnight stays spent in hotels (70.8% of the total) increased by 1.0%. Tourist apartments and tourist villages also recorded increases (+1.1% and +0.8%), while the remaining typologies recorded reductions.

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 (%)	
	Oct-17	Oct 18	Jan - Oct 18	Oct 18	Jan - Oct 18
Total	5 383.2	5 377.2	51 506.9	-0.1	- 0.5
Hotels	3 771.0	3 808.0	35 742.3	1.0	0.9
*****	695.2	727.2	6 823.0	4.6	1.9
****	1 851.0	1 889.9	17 599.1	2.1	1.4
***	861.4	822.2	7 882.3	-4.5	- 0.9
** / *	363.4	368.6	3 437.9	1.4	0.5
Apartment hotels	698.9	695.5	6 886.4	-0.5	- 2.7
*****	45.5	49.5	455.9	8.7	- 2.3
****	510.7	511.1	5 039.7	0.1	- 2.1
*** / **	142.7	135.0	1 390.8	-5.4	- 5.1
Pousadas	53.9	52.9	521.8	-1.9	0.3
Tourist apartments	431.3	436.2	4 489.1	1.1	0.7
Tourist villages	235.8	237.6	2 385.0	0.8	- 0.4
Other tourist establishments	192.3	147.0	1 482.4	-23.6	- 20.8

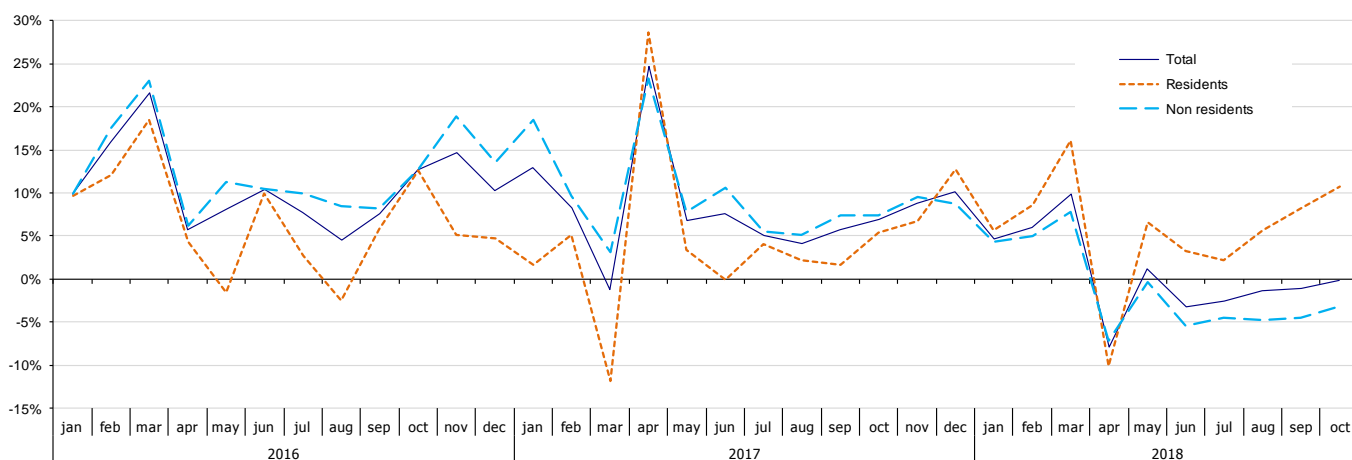
The internal market accelerated

In October, the internal market contributed with 1.3 million overnight stays, accelerating to a 10.8% growth (+8.3% in September).

The external markets declined by 3.2% in October (-4.5% in September) and corresponded to 4.1 million overnight stays.

In the first ten months of 2018, overnight stays of residents increased by 5.1% while those of non residents declined by 2.5%.

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



Spanish market growing significantly

The fifteen main inbound markets² represented 86.6% of total overnight stays of non residents in October.

The British market (23.1% of the total overnight stays of non residents) declined by 2.3%. Since the beginning of the year, this market declined by 8.7%.

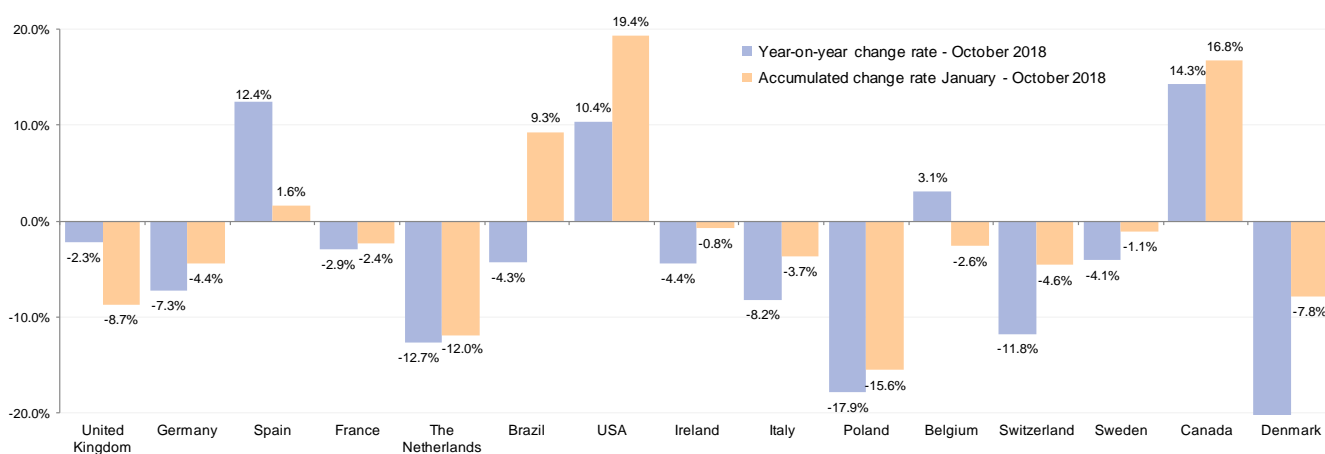
Overnight stays spent by German guests (14.9% of the total) declined by 7.3%. In the first ten months of the year, this market declined by 4.4%.

The French market (8.8% of the total) declined by 2.9% in October. In the first ten months of the year as a whole, this market declined by 2.4%.

The Spanish market (8.0% of the total) increased by 12.4% in October. Since the beginning of the year, this market grew by 1.6%.

In October, the increases recorded in the North American (+10.4%) and in the Canadian market (+14.3%) were noteworthy. In the first ten months of the year, the emphasis also went to the same markets (+19.4% and +16.8%, respectively).

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



Different outcomes in the regions regarding overnight stays

In October, the various regions presented different outcomes in what concerns the evolution of overnight stays. The Norte and the Alentejo stood out with increases of 6.1% and 5.5%, respectively. The most significant reduction in overnight stays occurred in the Centro (-6.8%).

² Based on the results of overnight stays in 2017.

In the first ten months of the current year, the emphasis went to the 4.9% increase in overnight stays in the Norte (a region with a 13.3% weight considering the total accumulated number of overnight stays) and to the 3.4% increase in the Alentejo (3.2% share in the same period).

As regards overnight stays of residents, in October, there were increases in all regions with the emphasis on those recorded in the Algarve (+24.4%), AR Madeira (+16.9%) and Norte (+9.1%). In the period January to October, in what concerns residents, the emphasis was on the Algarve (+10.3%) and Centro (+5.0%).

In October, the only increases in overnight stays of non residents occurred in the Norte (+4.3%) and in Alentejo (+3.7%). The largest declines occurred in the Centro (-16.6%) and in AR Madeira (-5.7%). Since the beginning of the year, the emphasis went to the increases in overnight stays of non residents recorded in the Alentejo (+6.6%) and in the Norte (+5.7%) and, conversely, to the decrease in the Centro (-12.5%).

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			
	Oct 18		Jan - Oct 18		Oct 18		Jan - Oct 18		Oct 18		Jan - Oct 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	5 377.2	-0.1	51 506.9	-0.5	1 314.0	10.8	14 730.4	5.1	4 063.1	-3.2	36 776.5	-2.5
Norte	745.1	6.1	6 841.2	4.9	295.6	9.1	2 816.8	3.8	449.5	4.3	4 024.4	5.7
Centro	519.3	-6.8	4 875.2	-3.9	256.2	6.0	2 629.0	5.0	263.2	-16.6	2 246.2	-12.5
MA Lisboa	1 360.0	-0.6	12 571.5	0.8	269.9	7.3	2 699.0	2.2	1 090.1	-2.3	9 872.5	0.4
Alentejo	164.4	5.5	1 656.8	3.4	94.9	6.9	1 036.9	1.6	69.6	3.7	620.0	6.6
Algarve	1 800.8	0.4	17 608.7	-1.6	252.0	24.4	4 144.8	10.3	1 548.7	-2.7	13 464.0	-4.7
AR Açores	154.8	2.6	1 640.0	0.1	74.0	6.4	697.1	4.3	80.8	-0.6	942.9	-2.7
AR Madeira	632.8	-3.6	6 313.4	-3.8	71.5	16.9	706.9	-1.4	561.3	-5.7	5 606.5	-4.1

Non residents at the origin of the decline in average stay

The average stay (2.70 nights) decreased by 0.8% due to a reduction in the average stays of non residents (-1.2%) given that in the case of residents the average stays increased (+4.3%). The Alentejo, AR Madeira and Norte had increases in the average stays (+3.8%, +1.3% and +1.2%, respectively) with the largest reduction having occurred in the Centro (-3.5%). Values concerning this indicator in AR Madeira and in Algarve were 4.93 nights and 4.41 nights, respectively.

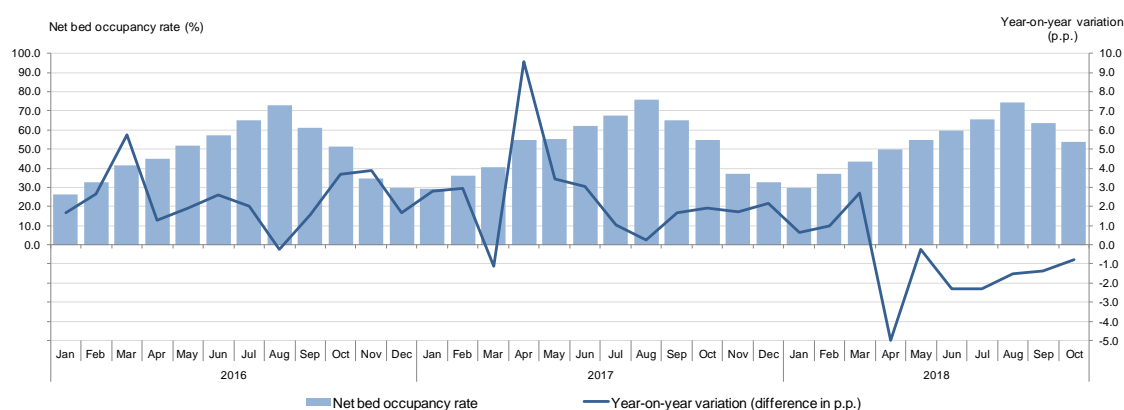
Figure 6. Average stay and net bed occupancy rate by region NUTS II

NUTS II	Average stay			Occupancy rate		
	No. of nights		Y-o-y change rate (%)	%		Y-o-y variation (p.p.)
	Oct-17	Oct 18		Oct-17	Oct 18	
Portugal	2.72	2.70	-0.8	54.6	53.8	-0.8
Norte	1.79	1.81	1.2	49.7	51.3	1.6
Centro	1.76	1.70	-3.5	41.9	38.4	-3.6
MA Lisboa	2.31	2.29	-0.5	67.1	65.8	-1.3
Alentejo	1.63	1.70	3.8	36.8	38.5	1.7
Algarve	4.50	4.41	-1.9	52.9	52.6	-0.4
AR Açores	3.01	2.97	-1.1	47.1	46.7	-0.4
AR Madeira	4.86	4.93	1.3	68.7	67.3	-1.5

Reduction in the occupancy rate

The net bed occupancy rate (53.8%) declined by 0.8 p.p. in October (-1.4 p.p. in September). As far as this indicator is concerned, the Alentejo and the Norte were the only regions which recorded increases (+1.7 p.p. and +1.6 p.p., respectively) whereas the largest decrease occurred in the Centro (-3.6 p.p.). The highest rates were recorded in AR Madeira (67.3%) and MA Lisboa (65.8%).

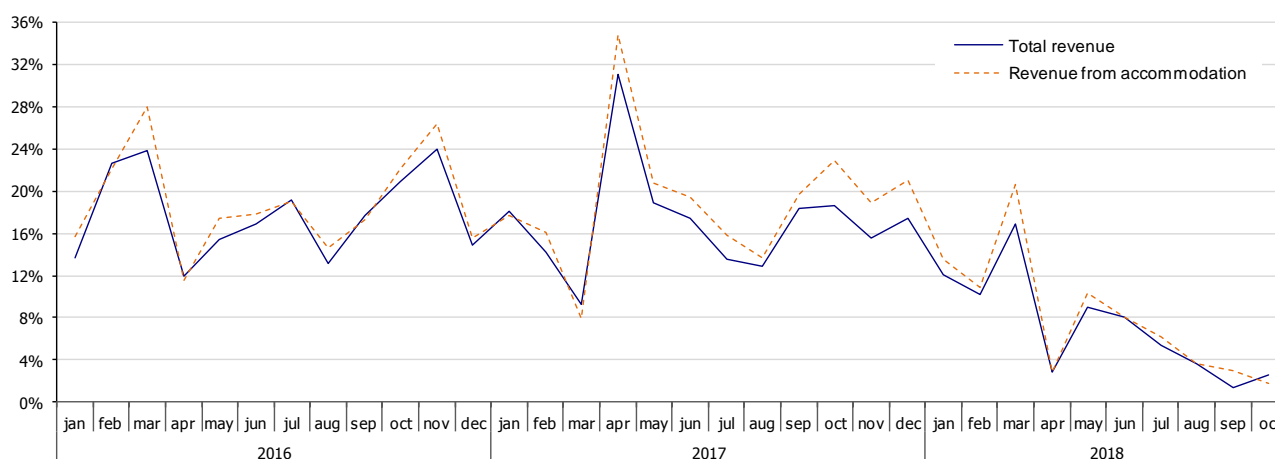
Figure 7. Net bed occupancy rate



Revenue kept increasing

Total revenue amounted to EUR 332.1 million and revenue from accommodation stood at EUR 239.8 million in October, which stood for increases of 2.6% and 1.7% respectively (+1.4% and +2.9% in September, in the same order).

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



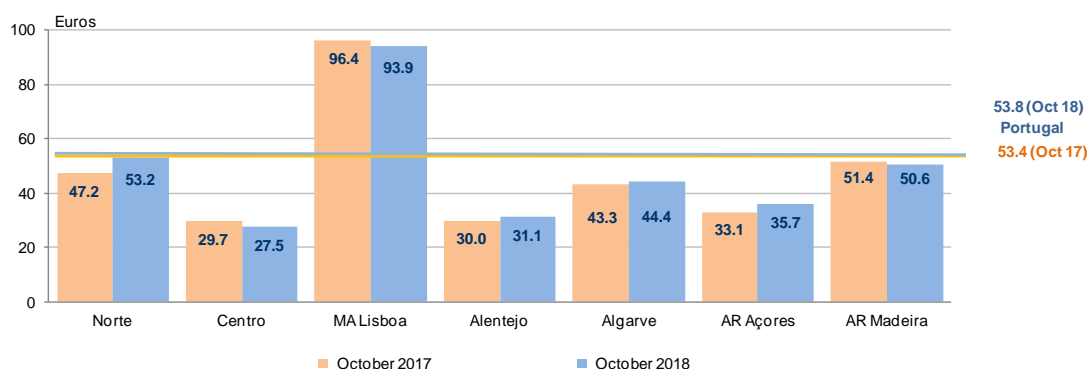
Amongst the various regions, the emphasis went to the increases in revenue in the Norte (+14.5% in total revenue and +15.8% in revenue from accommodation) and in AR Açores (+6.8% and +10.9%, respectively).

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 (%)
	Oct-17	Oct 18		Oct-17	Oct 18	
Portugal	323.7	332.1	2.6	235.7	239.8	1.7
Norte	41.6	47.6	14.5	31.7	36.7	15.8
Centro	27.5	26.5	-3.6	18.7	17.7	-5.7
MA Lisboa	118.2	117.5	-0.6	92.7	91.1	-1.8
Alentejo	8.7	9.1	3.6	5.8	6.1	4.4
Algarve	84.7	88.7	4.7	58.5	60.0	2.6
AR Açores	7.1	7.6	6.8	5.0	5.6	10.9
AR Madeira	35.7	35.1	-1.7	23.2	22.7	-2.4

The average revenue per available room (RevPAR) was EUR 53.8 in October, which corresponded to a 0.8% increase (+1.8% in September). MA Lisboa accounted for the highest RevPAR (EUR 93.9). As regards this indicator, the emphasis went to the increases in the Norte (+12.8%) and in AR Açores (+8.0%).

Figure 10. Average revenue per available room



In October, the evolution of RevPAR was overall positive concerning the different typologies. The emphasis was on the increases occurred in tourist apartments (+9.2%) and in "pousadas" (+8.9%). "Pousadas" and hotels recorded the highest values in this indicator (EUR 82.6 and EUR 60.8, respectively).

Figure 11. RevPAR by type and category of the establishment

Type of establishment and category	RevPAR (€)		Year-on-year change rate
	Oct-17	Oct 18	%
Total	53.4	53.8	0.8
Hotels	61.6	60.8	-1.3
*****	107.4	106.2	-1.1
****	61.9	61.0	-1.5
***	42.2	41.0	-2.7
** / *	32.6	31.7	-3.0
Apartment hotels	42.4	44.2	4.2
*****	56.4	57.2	1.4
****	44.3	45.3	2.3
*** / **	31.2	35.2	12.8
Pousadas	75.8	82.6	8.9
Tourist apartments	25.6	27.9	9.2
Tourist villages	33.2	34.5	4.0
Other tourist establishments	28.9	29.4	1.8

Camping sites and holiday camps

In October 2018, camping sites welcomed 115.2 thousand campers (+10.8%) that spent 365.5 thousand overnight stays (+9.1%). The internal market (+20.7%) contributed for this increase given that the external markets declined by 3.2%. Residents in Portugal were predominant standing for 57.1% of total overnight stays. The average stay (3.17 nights) decreased by 1.5%.

Holiday camps and youth hostels hosted 23.9 thousand guests (-8.6%) and 51.2 thousand overnight stays (+9.6%). The internal market concentrated 61.9% of the total overnight stays and grew by 9.0%. The external markets grew more (+10.6%). The average stay (2.14 nights) increased by 19.9%.

Figure 12. Camping, holiday camps and youth hostels

	Unit	Total				Residents				Non residents			
		Oct 18		Jan - Oct 18		Oct 18		Jan - Oct 18		Oct 18		Jan - Oct 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	115.2	10.8	1 854.9	2.0	65.0	27.9	1 128.5	2.1	50.2	-5.6	726.4	1.8
Overnight stays	"	365.5	9.1	6 454.5	4.7	208.7	20.7	4 212.5	5.6	156.8	-3.2	2 242.0	3.1
Average stay	no. nights	3.17	-1.5	3.48	2.7	3.21	-5.6	3.73	3.4	3.12	2.5	3.09	1.3
Holiday camps and youth hostels													
Guests	10 ³	23.9	-8.6	300.0	0.5	15.0	-16.2	217.8	-1.5	8.9	7.7	82.3	6.0
Overnight stays	"	51.2	9.6	629.1	-0.6	31.7	9.0	447.0	-4.6	19.5	10.6	182.2	10.6
Average stay	no. nights	2.14	19.9	2.10	-1.1	2.11	30.0	2.05	-3.1	2.18	2.7	2.21	4.3

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:

2018 – January to September: provisional results; 2018 – October: 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 Sept. 18	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 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: 15 January 2019