

Tourism Activity

July 2012

Overnight stays up by 1.4% and revenue up by 1.5% in tourism accommodation activity

The tourism accommodation activity registered 5.1 million overnight stays in July 2012, 1.4% more than in the same month of the previous year. Once more, this increase is only due to residents from abroad (+4.8%), since the number of overnight stays spent by Portuguese residents kept a downward trend (-5.3%) for the 11th month in a row.

The revenue from the activity presented increased results when compared with July 2011, up by 1.5% in total revenue and increasing by 3.8% in revenue from the accommodation. This outcome stands for a trend reversal after four consecutive months of declining results.

Table 1. Global provisional results from tourism activity

GLOBAL PROVISIONAL RESULTS	Month		Accumulated	
	July 12	Year-on-year change rate (%)	Jan to Jul 12	Year-on-year change rate (%)
Guests (thousand)	1550.6	-0.9	7 754.5	-1.5
Overnight stays (thousand)	5 073.0	1.4	21 853.9	-0.4
Residents in Portugal	1597.8	-5.3	6 688.3	-9.1
Non residents	3 475.2	4.8	15 165.6	3.9
Average stay (no. of nights)	3.3	0.1	2.8	0.0
Net bed occupancy rate (%)	54.9	-0.9 p.p.	37.4	-1.2 p.p.
Total revenue (€Million)	240.1	1.5	1 008.1	-2.5
Revenue from accommodation (€Million)	176.5	3.8	691.3	-1.5
RevPar (Average revenue per available room) (€)	43.1	0.9	26.2	-4.3

Overnight stays

In the period January to July 2012, the tourism accommodation activity establishments hosted 7.8 million guests, 1.5% less than in the same period of the previous year.

The number of overnight stays was 21.9 million, similar to the one recorded in the same period of 2011 (-0.4%).

Residents kept a significant decrease in terms of overnight stays (-9.1%). On the contrary, the growth trend of overnight stays spent by residents abroad (+3.9%) was kept.

In July 2012, tourism accommodation activity establishments hosted 1.6 million guests, slightly less than in July 2011 (-0.9%). Overnight stays stood at 5.1 million and recorded a 1.4% increase.

The tourist villages recorded the highest increase in the number of overnight stays (+19.9%), followed by

tourist apartments (+10.8%). Apartment hotels (+5.1%) came next, where the positive contribution of five and four star units (above 9%) surpassed the negative evolution of the remaining categories. In hotels, the number of overnights spent was similar to the one recorded in the same period of the previous year (-0.6%), an outcome that mirrors the year-on-year decreases occurred in five and three star units. The remaining hotel categories had positive evolutions (+2.3% in four star units and +10.4% in two and one star units). The "*pousadas*" kept a declining trend in terms of overnight stays (-9.6%), which begun in January, however with quite less expression when compared with the previous month (-18.2%).

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

Unit: 10³

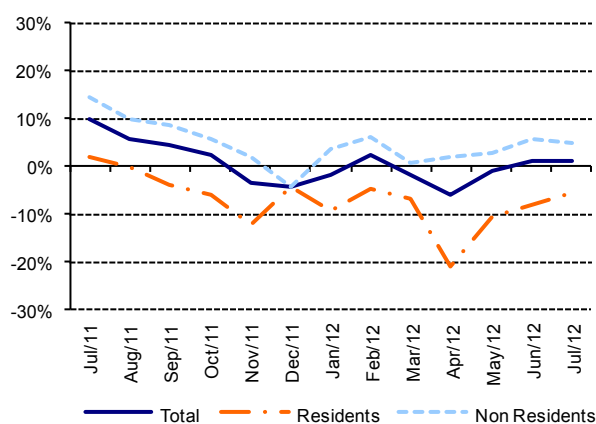
Type of establishment and category	Overnight stays		Year-on-year change rate
	July-11	July-12	%
Total	5 002.4	5 073.0	1.4
Hotels	2 820.4	2 804.0	-0.6
*****	530.2	488.4	-7.9
****	1364.9	1396.5	2.3
***	689.5	659.0	-4.4
** / *	235.7	260.2	10.4
Apartment hotels	853.3	896.5	5.1
*****	63.0	68.9	9.4
****	564.2	618.3	9.6
*** / **	226.1	209.3	-7.4
Pousadas	46.1	41.7	-9.6
Tourist apartments	641.4	710.6	10.8
Tourist villages	254.6	305.4	19.9
Other tourist establishments	386.7	314.8	-18.6

Residents kept a declining trend for the eleventh consecutive month, in terms of overnight stays. They spent 1.6 million overnight stays (with a 31.5%

weight), 5.3% less than in July 2011 (with a weight of 33.7%).

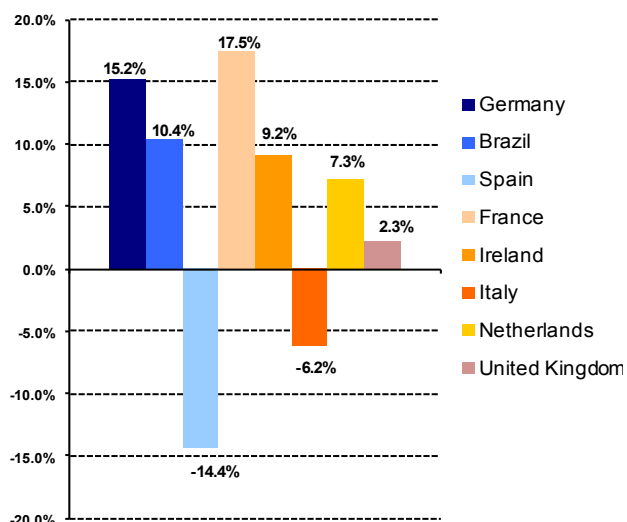
Residents abroad spent 3.5 million overnight stays, 4.8% more than in the same period of the previous year.

Figure 1. Overnight stays, month-to-month change rate



The group of the main markets of origin represented 74% of overnight stays spent by non residents and, in overall, performed positively in July. In year-on-year terms, the best results came from the French market (+17.5%), the German (+15.2%) and the Brazilian (+10.4%). On the contrary, the Spanish (-14.4%) and the Italian (-6.2%) markets presented the only decreases. It should be noted that the Spanish market is declining for the tenth consecutive month, while the Italian market presents a downward trend for the third month in a row.

Figure 2. Overnight stays, by main markets of origin – month-to-month change rate – July 2012



The regions of Algarve and Lisbon presented the highest year-on-year increases in overnight stays (+4.6% and +4.2%, respectively).

The Alentejo grew 1.8%, after six consecutive months of declining results.

The remaining regions decreased their number of overnight stays, more so in the Azores (-7.2%).

Table 3. Overnight stays by region (NUTS II)

Unit: 10³

NUTS II	Overnight stays		Year-on-year change rate
	July-11	July-12	%
Portugal	5 002.4	5 073.0	1.4
North	493.1	467.9	-5.1
Centre	443.4	418.6	-5.6
Lisbon	973.8	1014.5	4.2
Alentejo	137.0	139.4	1.8
Algarve	2 208.2	2 309.6	4.6
Azores	157.7	146.4	-7.2
Madeira	589.3	576.6	-2.1

The Algarve benefited from the growing demand of the main markets of origin of the region, namely the German (+17.4%), the Dutch (+8%) and the British (+5.4%). On the contrary, the Spanish market along with the internal market declined (-17.9% and -2.1%, respectively).

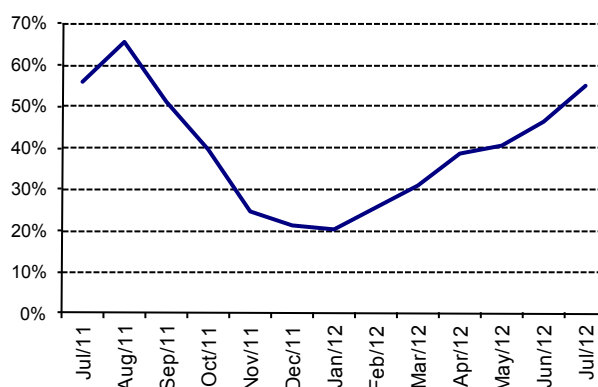
In Lisbon, the positive contributions of the German market (+15.1%), the French (+11.4%) and the Brazilian (+9.3%) stood out. Among the main markets, the Spanish (-11.4%) and the Italian (-6%) declined.

Lisbon was the only region where the internal market showed some stability (+0.3% of overnight stays). In the remaining, there was a contraction, more so in the regions of Madeira (-18%) and Azores (-12.9%) and in the North (-11.4%).

Net bed occupancy rate and average stay

In July 2012, the net bed occupancy rate in tourism accommodation activity establishments was 54.9%, slightly less than in July 2011 (55.8%).

Figure 3. Net bed occupancy rate



Lisbon was the only region to record a slight increase on the indicator (+0.8 p.p.). The remaining regions had reduced occupancy rates, more so in the North (-3.2 p.p.), the Centre (-2.4 p.p.) and in Azores (-2.2 p.p.).

The Algarve recorded the highest occupancy rate (68.9%), followed by Madeira (65%), Lisbon (58%) and the Azores (55.2%).

Table 4. Net bed occupancy rate and average stay, by region

NUTS II	Occupancy rate		Average stay	
	%		(No. of nights)	
	July-11	July-12	July-11	July-12
Portugal	55.8	54.9	3.2	3.3
North	39.6	36.4	1.8	1.9
Centre	35.1	32.7	2.0	2.0
Lisbon	57.2	58.0	2.3	2.4
Alentejo	34.3	32.6	1.9	2.1
Algarve	69.5	68.9	5.1	5.1
Azores	57.4	55.2	3.3	3.1
Madeira	65.3	65.0	5.6	5.7

The apartment hotels recorded the highest occupancy rate with 67.1%, with the emphasis on five star (73.2%) and four star units (69.5%). Tourist apartments (62.2%) and hotels (54.7%) followed. In the latter, five star (63.1%) units as well as four star (60%) units stood out also.

In year-on-year terms, there were declining results in overall, with even greater expression in the "pousadas" (-21.3 p.p.). On the positive side, there were the tourist villages (+1.2 p.p.), as well as the four star apartment hotels (+1.8 p.p.) and five star hotels (+0.8 p.p.).

Table 5. Net bed occupancy rate and average stay, by type and category of the establishment

Type of establishment and category	Occupancy rate		Average stay	
	%		(No. of nights)	
	July-11	July-12	July-11	July-12
Total	55.8	54.9	3.2	3.3
Hotels	56.5	54.7	2.7	2.8
*****	62.3	63.1	3.3	3.2
****	61.3	60.0	3.0	3.1
***	51.1	48.2	2.4	2.4
** / *	41.9	39.6	1.9	1.9
Apartment hotels	68.0	67.1	5.0	5.0
*****	77.4	73.2	5.8	5.7
****	67.7	69.5	5.1	5.0
*** / **	66.4	59.6	4.6	4.5
Pousadas	57.5	36.2	1.8	1.8
Tourist apartments	63.0	62.2	5.6	5.7
Tourist villages	53.0	54.2	5.9	4.3
Other tourist establishments	34.0	32.8	2.3	2.4

The average stay was 3.3 nights, slightly higher than in July 2011.

As usual, the regions that recorded the longest stays were Madeira (5.7 nights), Algarve (5.1) and the Azores (3.1).

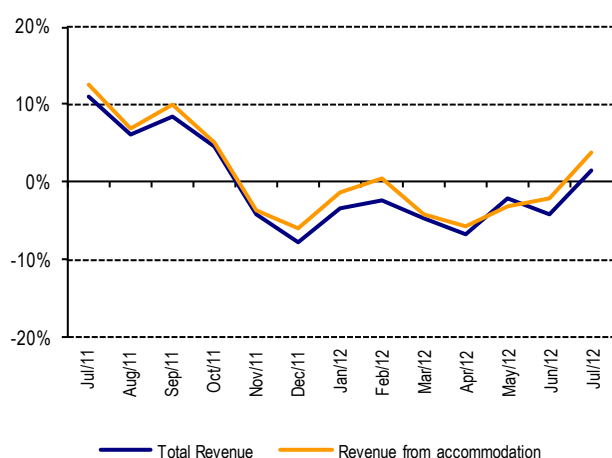
The tourist apartments presented the highest average stay (5.7 nights), followed by apartment hotels (5) where five (5.7) and four star (5) units stood out. In tourist villages (4.3 nights) there was a substantial decrease on the average stay (5.9 nights in July 2011).

Revenue and Average Revenue per Available Room (RevPAR)

In **June 2012**, the evolution of the revenue from tourist accommodation activity establishments was positive, after a period of declining results for both total and accommodation revenues that lasted for four consecutive months.

The total revenue from the activity was EUR 240.1 million, which stood for 1.5% more than in July 2011. The growth in total revenue from accommodation was higher (+3.8%), corresponding to EUR 176.5 million.

Figure 4. Total revenue and total revenue from accommodation - month-to-month change rate



The Algarve kept leading in terms of the revenue values and in year-on-year change rates, with increases in both indicators. The Alentejo followed (+5.9% in total revenue and +4.5% in revenue from accommodation). In overall, the remaining regions recorded declines (more so in the Azores).

Table 6. Revenue by region (NUTS II)

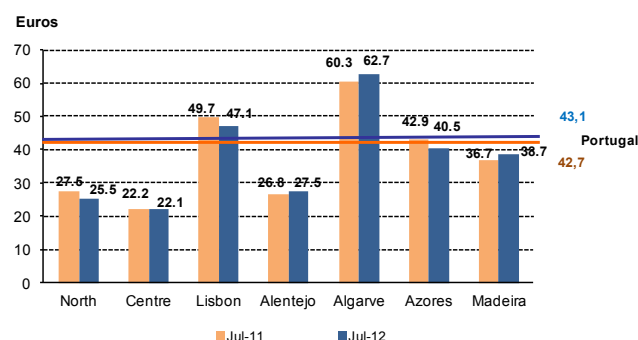
NUTS II	Total revenue	Year-on-year change rate	Revenue from accommodation	Year-on-year change rate
	July-12	%	July-12	%
Portugal	240.1	1.5	176.5	3.8
North	212	-8.9	15.6	-5.1
Centre	19.6	-2.9	13.7	1.7
Lisbon	519	-3.1	38.6	-2.8
Alentejo	7.2	5.9	5.1	4.5
Algarve	107.2	8.4	81.8	10.7
Azores	6.6	-10.9	5.1	-9.1
Madeira	26.4	-0.2	16.6	3.7

Unit: 10⁶ euros

RevPAR from tourist accommodation activity was EUR 43.1, slightly higher (+0.9%) than in July 2011.

The regions with a higher RevPAR were the Algarve (EUR 62.7) and Lisbon (EUR 47.1). In year-on-year terms, the best results came from Madeira (+5.4%), Algarve (+4%) and Alentejo (+2.6%). The remaining regions decreased, more so in the North (-7.3%), Azores (-5.6%) and in Lisbon (-5.2%).

Figure 5. Average revenue per room



The tourist villages recorded the highest RevPAR (EUR 58.4), also corresponding to the highest year-on-year increase (+24%). Also, in terms of this indicator, the "pousadas" (EUR 55.4) and the apartment hotels (EUR 53.1) stood out. However, the highest value of this indicator among the several categories occurred in five star hotels (EUR 83.7) and in five star apartment hotels (EUR 70.7).

With regard to year-on-year rate changes, tourist apartments presented the second best result (+5.6%) after the tourist villages, followed by "pousadas" (3.4%). On the contrary, hotels decreased (-4.1%), with all categories contributing with the exception of five star units that presented positive results (+5.4%) in what concerns RevPAR improvement.

**Table 7. Average revenue per room,
by type and category of the establishment**

Unit:€

Type of establishment and category	RevPAR		Year-on-year change rate
	July-11	July-12	%
Total	42.7	43.1	0.9
Hotels	45.9	44.0	-4.1
*****	79.4	83.7	5.4
****	45.8	45.2	-1.3
***	33.1	29.8	-10.0
** / *	26.8	21.6	-19.4
Apartment hotels	52.4	53.1	1.3
*****	59.2	70.7	19.4
****	55.8	56.1	0.5
*** / **	42.2	40.4	-4.3
Pousadas	53.6	55.4	3.4
Tourist apartments	39.4	41.6	5.6
Tourist villages	47.1	58.4	24.0
Other tourist establishments	20.8	20.4	-1.9

In the period January to July 2012, hotel accommodation activity establishments accounted for EUR 1 008.1 million of total revenue and EUR 691.3 million of revenue from accommodation, corresponding to year-on-year decreases of 2.5% and 1.5%, respectively. The revenue from accommodation trended similarly (-1.5%) and accounted for EUR 691.3 million.

The RevPAR was EUR 26.2, also declining (-4.3%) when compared with the same period of 2011.

Methodology notes

Net bed occupancy rate – the relation between the number of overnight stays and the number of available beds, in the reference period, accounting two beds for each double bed.

RevPAR (*Revenue per Available Room*) – Revenue per available room, measured by the relation between the revenues from accommodation and the number of available rooms, in the reference period.

Year-on-year change rates – 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.

Date of next press release: 12 October 2012