

Tourism Activity

October 2011

The trend of tourism accommodation activity is still upwards

The number of overnight stays in tourism accommodation establishments increased by 2.4% towards the same month of the previous year, accounting for 3.5 million. Non residents contributed exclusively for this outcome (+6%), with the emphasis on the Brazilian, British and Dutch markets. The number of overnight stays spent by residents, when compared with the previous year, decreased for the second consecutive month.

The revenue from the activity continues to show an upward trend, accounting for year-on-year increases of 4.6% in total revenue and 5.2% in revenue from accommodation.

Table 1. Global provisional results from tourism activity

GLOBAL RESULTS	Month		Accumulated	
	Oct 11	Change rate % 11/10	Jan to Oct 11	Change rate % 11/10
HOTEL ESTABLISHMENTS				
Guests (thousand)	1279.7	0.4	12 599.0	5.3
Overnight stays (thousand)	3 487.1	2.4	36 077.0	7.0
Residents in Portugal	971.0	-6.0	12 175.1	-0.9
Non residents	2 516.1	6.0	23 901.9	11.6
Average stay (no. of nights)	2.7	0.0	2.9	0.1
Net bed occupancy rate (%)	39.8	-0.1 p.p.	42.8	1.3 p.p.
Total revenue (€ Million)	172.4	4.6	1735.6	6.9
Revenue from accommodation (€ Million)	115.1	5.2	1199.7	8.1
Rev Par (Average revenue per available room) (€)	29.2	2.5	31.8	4.3

Overnight stays

In the period of **January to October 2011** tourism accommodation activity accounted for 12.6 million guests, 5.3% more than in the same period of the previous year. The number of overnight stays showed a higher growth (+7%), corresponding to 36.1 million. Non residents contributed exclusively for this growth

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(+11.6%) since residents recorded a slight decrease (-0.9%).

In the month of **October 2011**, tourist accommodation establishments accommodated 1.3 million guests, a similar number to the one of the

previous month (+0.4%). The number of overnight stays increased by 2.4%, reaching 3.5 million.

The tourist villages recorded the highest number of overnight stays (year-on-year change of +7.9%). Hotels followed (+6.4%), with the contribution of all categories, more so five star units (+15.6%). In the apartment hotels (+3.4%), positive contributions came from five and four star units. The "*pousadas*" and the tourist apartments presented decreasing results.

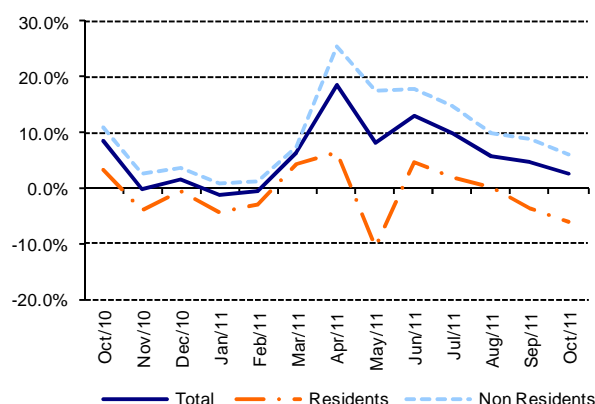
Table 2. Overnight stays by type and category of the establishment

Type of establishment and category	Overnight stays		Year-on-year change rate
	Oct-10	Oct-11	
Total	3 406.0	3 487.1	2.4
Hotels	2 087.1	2 220.2	6.4
*****	352.6	407.6	15.6
****	995.6	1 048.7	5.3
***	559.0	562.6	0.6
** / *	179.9	201.3	11.9
Apartment hotels	503.1	520.0	3.4
*****	36.9	42.9	16.2
****	340.1	356.4	4.8
*** / **	126.0	120.7	-4.2
<i>Pousadas</i>	38.2	36.0	-5.7
Tourist apartments	297.5	291.1	-2.1
Tourist villages	131.4	141.8	7.9
Inns, Motels and Boarding houses	348.7	278.0	-20.3

The total of overnight stays spent by residents was 971 thousand, which stood for 6% less than in October 2010. This performance deepens the negative trend that begun in the previous month (-3.8%).

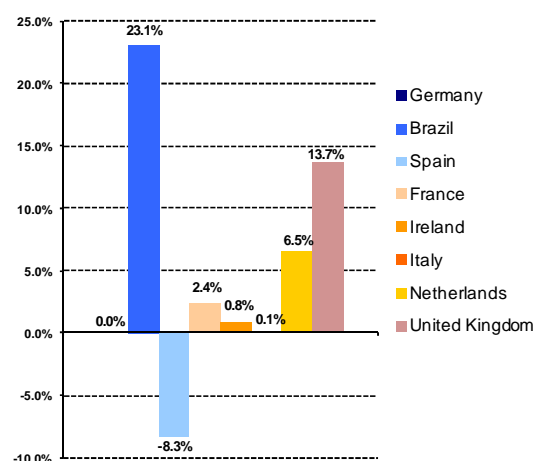
The number of overnight stays spent by non residents still kept evolving positively (year-on-year change rate of 6%), corresponding to 2.5 million in October.

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



The figures from the main markets of origin revealed an overall positive evolution vis-à-vis the same period of the previous year. The best results came from the Brazilian (+23.1% overnight stays), the British (+13.7%) and the Dutch (+6.5%) markets. The German market kept stable, whereas the Spanish one accounted for an 8.3% decrease. The latter stands for a reversed trend, in view and after a considerable period of positive results.

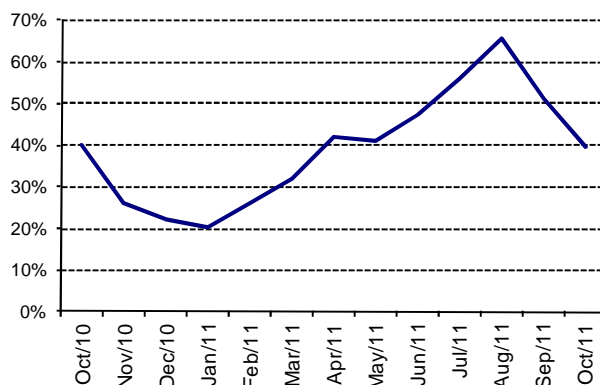
Figure 2. Overnight stays, by main markets of origin – month-to-month change rate – October 2011



The region of Algarve presented the highest increase in the number of overnight stays (+5.7%). The region of Madeira followed (+3.5%) and the North (+1.6%).

The Alentejo decreased by 3.2% and the Centre also decreased by 1.7%, both following a considerable amount of time with positive results.

The good performance of the region of Algarve was due to the contribution of both residents (+4.1%) and non residents (+6%). For the contribution of non residents, the British market stood out, with a year-on-year increase of 12.9% in the number of overnight stays. This particular market represents about half the number of overnight stays spent by non residents in the region.



The highest values of this indicator came from Lisbon (52.7%) and Madeira (52.3%). These regions were also the ones that grew the most in terms of year-on-year change rates, 1.2 p.p. and 1.6 p.p. respectively. The Centre decreased by 1.6 p.p., followed by the North and the Alentejo (-1.5 p.p. in both).

Table 3. Overnight stays by region (NUTS II)

Unit: Thousand

NUTS II	Overnight stays		Year-on-year change rate
	Oct-10	Oct-11	%
PORTUGAL	3 406.0	3 487.1	2.4
North	414.3	420.7	1.6
Center	382.4	376.0	-1.7
Lisbon	866.8	871.8	0.6
Alentejo	104.2	100.8	-3.2
Algarve	1104.7	1168.0	5.7
AZORES	82.9	83.3	0.4
MADEIRA	450.8	466.4	3.5

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

NUTS II	Occupancy rate		Average stay	
	%		(No. of nights)	
	Oct-10	Oct-11	Oct-10	Oct-11
PORTUGAL	39.9	39.8	2.7	2.7
North	35.3	33.8	1.7	1.7
Center	31.9	30.3	1.8	1.8
Lisbon	51.5	52.7	2.2	2.3
Alentejo	27.8	26.3	1.6	1.6
Algarve	37.3	38.1	4.5	4.4
AZORES	31.5	30.9	3.0	3.1
MADEIRA	50.7	52.3	5.1	5.2

Net bed occupancy rate and Average Stay

In the month of October 2011, tourism accommodation establishments registered an occupancy rate of 39.8%, almost as much as in October 2010 (39.9%).

Figure 3. Net bed occupancy rate

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By type of establishment, the "pousadas", hotels and apartment hotels accounted for the highest occupancy rates, above the national total. Among these type of establishments, only apartment hotels registered an year-on-year increase (+1.2 p.p.), with the contribution of five and four star units. In hotels, only five star units

accounted for improved performances, but not enough to compensate the decreasing results from the remaining units.

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)	
	Oct-10	Oct-11	Oct-10	Oct-11
Total	39.9	39.8	2.7	2.7
Hotels	45.0	44.4	2.3	2.4
*****	47.1	50.2	2.5	2.7
****	47.0	46.9	2.5	2.6
***	43.0	40.9	2.2	2.1
** / *	38.2	34.7	1.8	1.8
Apartment hotels	41.7	42.9	4.3	4.2
*****	45.9	49.7	5.0	4.7
****	43.1	45.1	4.4	4.1
*** / **	37.4	35.9	4.0	4.3
Tourist Apartments	30.9	30.0	5.4	5.3
Tourist villages	28.8	29.2	5.0	5.3
Pousadas	47.9	47.0	1.5	1.5
Inns, Motels and Boarding houses	29.1	27.7	2.2	2.3

The average stay was 2.7 nights, the same as in October 2010. The results from this indicator show an overall stability by region and by type of establishment.

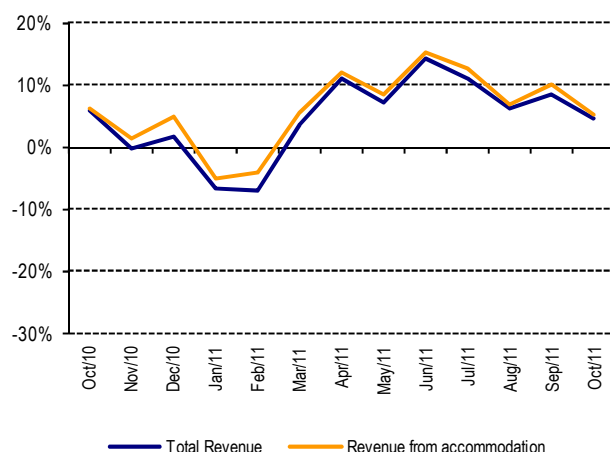
The regions of Madeira (5.2 nights) and the Algarve (4.4 nights) had longer stays. By type of establishment, only apartments and tourist villages accounted for longer average stays above five nights.

Revenue and Average Revenue per Available Room (Rev Par)

In the month of **October 2011**, tourist accommodation activity registered EUR 172.4 million of total revenue, which stood for a year-on-year increase of 4.6%. The total revenue from accommodation

reached EUR 115.1 million, corresponding to a 5.2% year-on-year increase.

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



The region of Lisbon presented the best results in terms of evolution, with year-on-year increases above 10% in both indicators. On the contrary, the regions of Alentejo and the Centre presented falls in both indicators, corresponding to a reversing trend in both regions.

Table 6. Revenue by region (NUTS II)

Unit: Million Euros

NUTS II	Total revenue	Year-on-year change rate	Revenue from accommodation	Year-on-year change rate
	Oct-11	%	Oct-11	%
Portugal	172.4	4.6	115.1	5.2
North	20.9	0.7	14.6	0.4
Center	17.4	-3.7	10.4	-6.3
Lisbon	60.8	10.2	43.3	11.2
Alentejo	5.1	-5.0	3.4	-4.3
Algarve	42.9	3.8	27.8	5.2
Azores	3.7	1.1	2.5	-5.4
Madeira	21.6	5.8	13.1	7.0

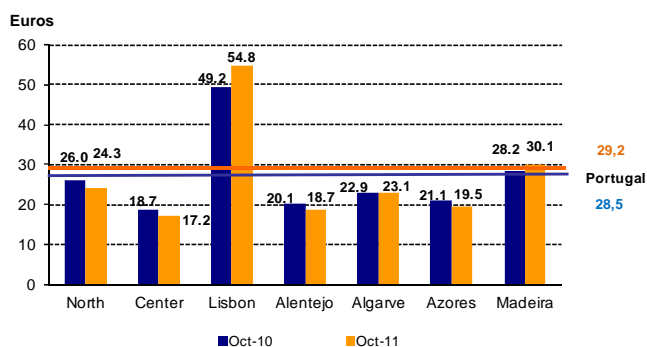
In the period under review, Rev Par from tourist accommodation activity was 29.2 €, 2.5% higher than in October 2010.

The region of Lisbon kept leading as far as this indicator in concerned (54.8 €), which also corresponded to the highest year-on-year increase (+11.4%).

The region of Madeira grew 6.7% vis-à-vis the same period of the previous year and the Algarve increased by 0.9%.

The remaining regions accounted for decreases in their average revenue.

Figure 5. Average revenue per room



When focusing the analysis on the type of establishment, the higher Rev Par figures came from the "Pousadas" (45.6 €) followed by hotels (35.6 €).

Comparing with the same period of the previous year, tourist villages grew the most (+7.5%) as well as apartments (+5.8%). The hotels had no changes in their revenues in spite of increases in five and four star units and decreases in three, two and one star units.

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
	Oct-10	Oct-11	%
Total	28.5	29.2	2.5
Hotels	35.6	35.6	0.0
*****	61.8	66.5	7.6
****	34.3	35.0	2.0
***	27.2	24.6	-9.6
** / *	22.0	19.2	-12.7
Apartment hotels	25.1	26.2	4.4
*****	28.1	29.2	3.9
****	27.9	29.3	5.0
*** / **	17.9	18.0	0.6
Tourist apartments	12.0	12.7	5.8
Tourist villages	16.1	17.3	7.5
Pousadas	43.9	45.6	3.9
Inns, Motels and Boarding houses	16.6	15.8	-4.8

In the period of January to October 2011, tourist accommodation establishments registered EUR 1 735.6 million of total revenue and EUR 1 199.7 million from accommodation, corresponding to year-on-year increases of 6.9% and 8.1%, respectively.

The Rev Par was 31.8 €, 4.3% higher than the one registered in the same period of the year before (30.5 €).

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: 12th of January 2012