ANNUAL BRIEF

HISTORICAL EDITION · Historical edition, published on 4 September 2026 with data for 2025.

Tourism & Hospitality Brief

Portugal, 2025: overnight stays +2.1% and total revenue +7.2% year on year.

2025 was a year of value rather than volume: overnight stays rose 2.1% and total revenue 7.2%. The domestic market grew 5.4% and carried demand, while the large European markets and the Algarve stood still.

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Portugal | Annual Review 2025

Historical edition v1.0 - revised data

EXECUTIVE SUMMARY

A slower year, with revenue still growing

MAIN CONCLUSION

The year added 7.2% of total revenue on 2.1% of overnight stays, with the domestic market up 5.4% and the external market 0.8%.

Statistics Portugal closed the year with the headline that tourism activity continued to slow: arrivals of non-resident tourists, measured for the country as a whole and not for this series, reached 29.9 million, up 3.3% after 9.3% the year before. In tourist accommodation establishments, the definitive results give 32.5 million guests (+2.8%) and 82.0 million overnight stays (+2.1%), below the first reading of 82.1 million and +2.2%.

The calendar shaped the path: Carnival moved from February to March and Easter from March to April, taking overnight stays out of February (-2.5%) and March (-2.9%) and giving them back in April (+8.9%). The year had two movements: a first quarter held back by the calendar and a second that returned the volume, then a summer that decelerated, from +3.9% in July to +1.3% in August and +0.6% in September, and a fourth quarter uneven again, at +2.2% in October, +0.7% in November and +3.0% in December. On the value side, total revenue came to EUR 7,154.4 million (+7.2%) and room revenue to EUR 5,483.9 million (+6.8%), with revenue growth losing pace as the year went on.

The year reads simply for owners and lenders: growth came from the value of each night sold rather than from more nights, and the distance between regions and source markets was wider than the national average suggests. 2026 starts from a base in which the domestic market has already done the work and the external one barely moved.

KEY INDICATORS

A year that added revenue without adding nights

GUESTS	OVERNIGHT STAYS	TOTAL REVENUE	ROOM REVENUE
32.5 M	82.0 M	EUR 7,154.4 M	EUR 5,483.9 M
+2.8% YoY	+2.1% YoY	+7.2% YoY	+6.8% YoY
definitive results	definitive results	December 2025 release	December 2025 release

Reading: total revenue rose 7.2% and room revenue 6.8%, against 2.1% for overnight stays and 2.8% for guests. The year added revenue without adding matching volume, and it did so with the domestic market (+5.4%) far ahead of external markets (+0.8%).

DEMAND

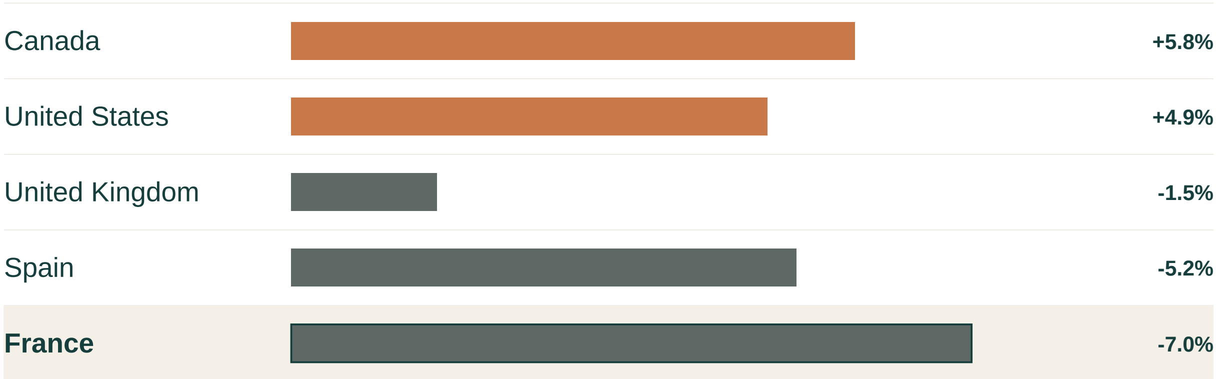
Domestic demand delivered the year's growth

RESIDENT OVERNIGHT STAYS	NON-RESIDENT STAYS
25.1 M	**57.0 M**
+5.4% YoY	+0.8% YoY

Resident overnight stays reached 25.1 million, up 5.4%, while non-resident stays came to 57.0 million, up 0.8%. External markets still dominated the total, but domestic demand produced the growth. The United Kingdom remained the leading source market, with 17.7% of non-resident overnight stays, despite a decrease of 1.5%. Germany followed with 11.3% of the total, ahead of the United States (9.6%), Spain (9.1%) and France (7.4%). The largest gains came from Canada (+5.8%) and the United States (+4.9%); the largest losses from France (-7.0%) and Spain (-5.2%). The seasonality rate fell to 36.4%, its lowest since 2013, and was higher among residents (40.4%) than among non-residents (34.4%). Across all accommodation types, non-resident overnight stays accounted for 67.1% of the total, one of the years with the greatest dependence on international markets since 2013.

Change in overnight stays by source market

2025, year-on-year change



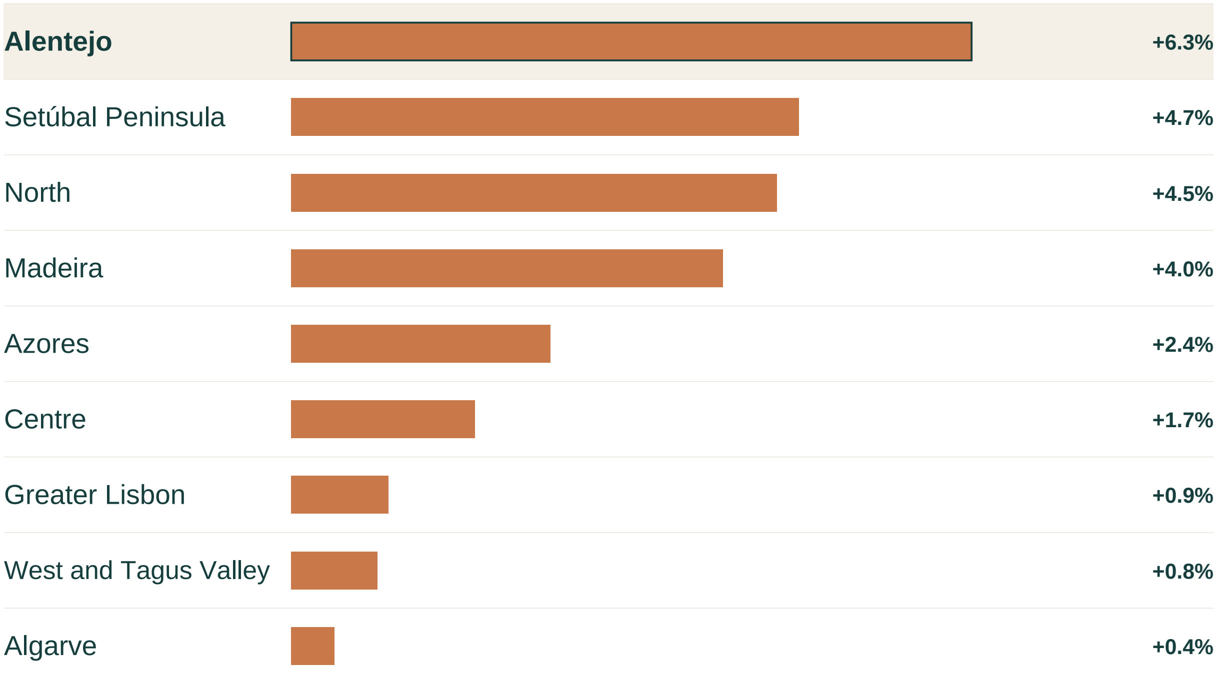
Statistics Portugal, Tourism Activity - Flash Estimates, December 2025.

REGIONS

Every region grew, and the biggest grew least

Change in overnight stays by region

2025, year-on-year change



Statistics Portugal, Tourism Activity - Flash Estimates, December 2025.

Every region recorded growth in overnight stays in 2025. The largest increases were in the Alentejo (+6.3%), the Setúbal Peninsula (+4.7%) and the North (+4.5%), followed by Madeira (+4.0%) and the Azores (+2.4%). At the other end came the Algarve (+0.4%), the West and Tagus Valley (+0.8%), Greater Lisbon (+0.9%) and the Centre (+1.7%). The two largest destinations by volume, the Algarve and Greater Lisbon, were among the slowest growing.

REGION IN FOCUS

The Algarve, the largest region by overnight stays, grew just 0.4%. A destination of that size standing almost still holds back the national average and puts the whole burden of revenue growth on rate.

OPERATING PERFORMANCE

Revenue growth was concentrated in the early months

Portugal, tourist accommodation establishments.

TOTAL REVENUE	ROOM REVENUE
EUR 7,154.4 M	**EUR 5,483.9 M**
+7.2% YoY	+6.8% YoY

Total revenue reached EUR 7,154.4 million (+7.2%) and room revenue EUR 5,483.9 million (+6.8%). The pace was uneven: total revenue rose 13.9% in January, 12.6% in April and 10.0% in July, but only 5.7% in September, 1.6% in November and 6.8% in December. With overnight stays growing 2.1%, the extra revenue came mainly from the value of each stay. Statistics Portugal publishes no annual RevPAR, ADR or net bed occupancy for tourist accommodation establishments, so yield has to be read month by month.

REAL ESTATE LENS

The least seasonal year since 2013

FACT

Overnight stays +2.1% and guests +2.8%, against total revenue +7.2% and room revenue +6.8%; residents +5.4% and non-residents +0.8%; seasonality rate 36.4%.

INTERPRETATION

Revenue grew without volume keeping pace, which places asset performance in the value of each night and in the demand mix. Room yield cannot be observed at year level; what can be seen is revenue rising on an almost flat base of nights, with regional dispersion from +6.3% in the Alentejo to +0.4% in the Algarve. Seasonality of 36.4% spreads the year more evenly across the months and lowers how much of an asset's annual yield depends on the peak.

IMPLICATION

Before projecting revenue into the next year, it is necessary to know how much of the gain is price and how much is mix. Exposure to the domestic market, up 5.4%, protected results; exposure to the British, Spanish and French markets cost volume. Assets in the Algarve and Greater Lisbon need new demand rather than only higher rates, and any valuation should test how far price holds with occupancy flat.

OUTLOOK

Three signals to watch in 2026

01	**Whether the United Kingdom, Spain and France reverse their decreases of 1.5%, 5.2% and 7.0%, or whether Canada and the United States keep offsetting them.**
02	**Whether the Algarve moves off 0.4% growth and Greater Lisbon accelerates beyond 0.9%, or whether growth keeps coming from the smaller regions.**
03	**Whether revenue keeps growing faster than overnight stays once the domestic market slows, or whether RevPAR starts growing below ADR, the sign that pricing has used up its room.**

SOURCES

Statistics Portugal, Tourism Statistics 2025, released 9 July 2026. Statistics Portugal, Tourism Activity - Flash Estimates, December 2025, released 30 January 2026. Full-year cumulative: revenue, resident and non-resident stays, markets and regions. Statistics Portugal, Tourism Activity, Q4 2025, released 13 February 2026. Full-year 2025 cumulative.

Guests and overnight stays for tourist accommodation establishments follow the definitive results of Tourism Statistics 2025, released 9 July 2026 (32.5 million guests, +2.8%; 82.0 million overnight stays, +2.1%). Revenue comes from the monthly release of 30 January 2026, which publishes the full-year cumulative for the same series; the annual publication reports no separate revenue for it. Every figure refers to tourist accommodation establishments, not to all accommodation types. INE publishes no annual RevPAR, ADR or occupancy for this series.

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