MALTA COMMUNICATIONS AUTHORITY

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Mobile telephony and fixed broadband continue to register positive growth in most areas

The MCA publishes the Data Report Sheet for Quarter 3, 2015

The Malta Communications Authority (MCA) has updated its Data Report Sheet to cover a number of market indicators up to the end of the third quarter in 2015. This report is compiled from the data submitted by local service providers. Overall, the communications market has fared positively when compared to the same period a year earlier and continues to demonstrate the importance and strength of these sectors. The following is a high level overview of the main developments.

Mobile telephony

The mobile telephony sector continues to exhibit a solid performance, with subscriptions and voice traffic volumes growing at a strong pace. At the end of September 2015, mobile subscriptions stood at 567,607. This figure exceeds national population figures, meaning that there are 1.3 active subscriptions for every person in Malta. The number of mobile calls and minutes consumed increased by 5% (increase of 6.7 million) and 9.4% (increase of 17.1 million) respectively. Not only are mobile subscribers making more calls, but they are spending more time per call. In contrast, they are making less use of the SMS facility. In fact, the number of SMSs recorded in the third quarter of 2015 was down by 7.5% (or by 9.5 million) than recorded during the same period a year earlier. Looking at this decline in SMS traffic and the increase in the number of calls and minutes, it is evident that subscribers are shifting towards voice calling, as opposed to SMSing. This is possibly due to a fall in the price of placing a mobile call or more advantageous offers by local operators, in terms of, for example, improved minute allowances. In fact, another positive trend in the take-up of mobile telephony is related to post-paid subscriptions, which increased by 10% during the period under review, as opposed to a fall of 2% in pre-paid subscriptions.

Mobile subscriptions	↑ 0.8% - 1.3 subscriptions for every man, woman and child
Post-paid subscriptions	↑ 10%
Pre-paid subscriptions	↓ 2% - as people shift towards post-paid plans, providing for minute and data allowances
Mobile calls	↑ 5% - an increase of approximately 24,542 calls per day
Mobile minutes	↑ 9.4% - an increase of approximately 62,637 minutes per day

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Fixed telephony

With the rising popularity of mobile voice telephony services, the fixed telephony sector recorded further declines both in terms of subscriptions and usage. These subscriptions fell by 1.5%, whilst voice traffic volumes were down by 5% (almost 2 million) in terms of voice calls and by 4.2% (almost 6 million) in terms of voice call minutes. Despite such declines, people still maintain this service at home and their business premises.

Fixed subscriptions	↓ 1.5%
Fixed calls	↓ 5% - as usage of mobile voice telephony services improves
Fixed call minutes	↓ 4.2% - as usage of mobile voice telephony services improves

Fixed Broadband

Positive trends were recorded in most broadband indicators, with the overall number of subscriptions increasing at a very strong rate year-on-year, particularly for products offering higher speeds. Total subscriptions increased by 6.7%, on the back of higher take-up of products with download speeds of 30Mbps or higher. In fact, subscriptions to broadband services with download speeds lower than 30Mbps declined by 7.3%. This decline was however offset by significant increases in subscriptions to higher broadband speeds. Subscriptions to broadband services with speeds of 30Mbps but less than 100Mbps increased by 17.9% (14,228 subscriptions), however the highest increase was recorded in subscriptions to speeds of 100Mbps or more, which registered a growth of 109.6% (from 1,056 subscriptions at the end of September 2014 to 2,213 at the end of September 2015).

Total Fixed Broadband subscriptions	↑ 6.7%
Subscriptions to broadband speeds lower than 30 Mbps	↓ 7.3% - As subscribers shift towards higher broadband speed packages.
Subscriptions to broadband speeds between 30 Mbps and 100 Mbps	↑ 17.9%
Subscriptions to broadband speeds of 100 Mbps or more	↑ 109.6%

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Pay TV services

Whilst the number of pay TV subscriptions at the end of Q3 2015 was down by 1,039 compared to the end of Q3 2014, 800 disconnections (almost 77% of the total) are attributed to the analogue pay TV platform, which is no longer commercially available. The number of digital pay TV services was down only marginally, as strong take-up of IPTV almost countered the fall in take-up of digital cable and digital terrestrial (DTTV). IPTV has in fact registered strong growth, with subscriptions for this service increasing by 65% to reach 17,532 subscriptions by the end of September 2015.

Analogue Pay TV subscriptions	↓ 11.3% - as analogue pay TV is no longer on offer and new users opt for digital services
IPTV subscriptions	↑ 65% - This increase almost offsets marginal declines in other digital pay TV subscriptions.

Postal services

Whilst the overall number of postal items delivered in the third quarter of 2015 declined by 2.2% compared to the same period a year earlier, it is important to note the positive effects of eCommerce activity for the sector. Increased activity on the eCommerce front has resulted in a significant increase of 30.5% (or 28,280) in parcel mail volumes, although this increase was not sufficient to offset declines in other postal mail activities.

Overall postal volumes	↓ 2.2%
Parcel mail volumes	↑ 30.5% - boosted by higher eCommerce activity

Notes:

1. The data published in this release is based on quarterly submissions to the MCA by local electronic communications and postal service providers.
2. Data should be considered as provisional and is therefore subject to revision. Each release may therefore include revisions of figures provided in previous publications.
3. A more detailed overview of figures for electronic communications and post is available in a separate document with this release entitled *Data Report Sheet (DRS)*.
4. For further information about data in this publication, you are invited to visit the MCA website at **www.mca.org.mt/market-overview**

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