

# Business Today



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MSE (daily change)	BOV (weekly change)	HSBC (weekly change)	Lombard (weekly change)	GO (weekly change)	prices in euro	Karlheinz Knapp page 10
-0.52% 4602.48	-6.140% 5.350	-0.113% 4.405	-1.515% 13.000	-0.627% 3.010		

## Maltese telecoms market consolidating into a handful of quad-play operators, EU warns

Charlot Zahra

It is latest progress report on the implementation of the Single European Communications Market, the European Commission (EC) said that Malta's communications market was consolidating into a handful of quad-play telecoms operators.

"While the fixed incumbent and the main cable operator each remained dominant in their respective markets, 2007 was characterised by a drive to create converged fixed-mobile service operators.

"Broadband penetration grew at a faster rate this year (to 17%) after some previous slow-down and

the market saw decreased prices," however Malta remained short of the EU average of 20% of broadband subscriptions.

Moreover, the EC said "consumers' choice of mobile operators is set to improve following the allocation of the third 3G licence" in August last year to 3G Telecommunications Limited (the licence was subsequently acquired by Melita Cable), which might also lead to a positive effect on prices, which are "among the highest in the EU".

The EC warned that there was certainly room for more competition in the fixed telephony sector, "as the incumbent continues to be dominant

with a 98% market share."

The report also highlighted the fact that alternative broadband operators were struggling, losing their market share from 21% in January 2007 to 14.4% in January this year, mostly to the benefit of GO's ISP subsidiary, which strengthened its position on the retail broadband market for the fourth consecutive year to reach a market share of 41%

"While cable broadband is widespread, the incumbent's ADSL (formerly known as Datastream) still accounts for 55.5% of all retail broadband lines," the EC said.

See page 6



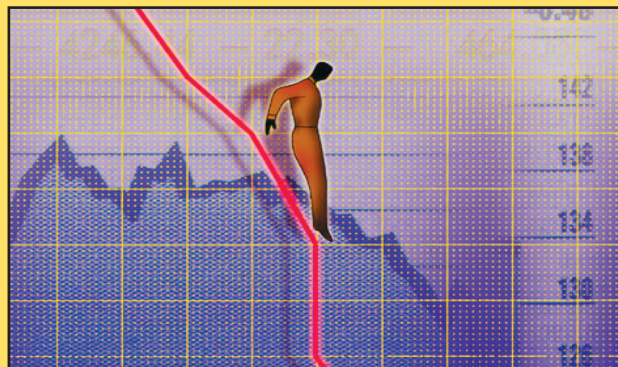
Broadband penetration grew at a faster rate but alternative broadband operators lost market share to GO's ISP subsidiary in a market dominated by GO and Melita Cable

## Unemployment drops but not in Gozo

David Darmanin

In the 12 months to February 2008, Malta experienced a decline in unemployment by 863 persons, whereas Gozo registered a slight increase of 18 – the National Statistics Office revealed yesterday.

A report compiled by the Labour Market Statistics Unit within the NSO announced that registered unemployment now stands at a total of 6,342 persons, compared to the 7,167 registered in the same month last year. ▶ page 3



### Olympic boycott



French President Nicolas Sarkozy suggested Tuesday that a boycott of the opening ceremony of the Beijing Olympics was a possibility — the first world leader to raise the prospect of punishing China over its ongoing crackdown in Tibet. The United States, Britain and Germany all condemned China for using force against Tibetan protesters, but they stopped short of threatening to boycott the games or the Aug. 8 opening ceremony. China, meanwhile, showed no sign of letting up on its crackdown. At least two people were killed in a clash between protesters and police in an area of western China that borders on Tibet, yesterday.

### World Business Highlights

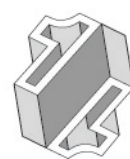
**Xstrata, Brazil's Vale Scrap Talks on Mining Takeover, Disagree on Terms**  
Xstrata Plc, the world's biggest exporter of power-station coal, and Brazil's Cia. Vale do Rio Doce scrapped talks for the world's biggest mining takeover.

**Dollar May Drop Second Day Against Euro, Yen on Outlook for Fed Rate Cuts**  
The dollar may decline a second straight day against the euro and yen as traders bet the Federal Reserve will cut its target lending rate by as much as a half-percentage point next month to revive economic growth.

**Consumer Confidence in U.S. Falls; Outlook Drops to Lowest Level Since '73**  
U.S. consumer confidence fell more than forecast in March as Americans' outlook for the economy dropped to the lowest level since Richard Nixon was president.

**Stocks in U.S. Rise, Led by Commodities Producers; Freeport-McMoRan Gains**  
U.S. stocks rose for a third day as a rally in commodity producers helped the market overcome weakening consumer confidence and a record drop in home prices.

#### FTSE 100



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