
TRENDS IN
TELECOMMUNICATIONS
PRICES
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ANACOM



AUTORIDADE
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Trends in telecommunications prices¹

Summary

- In January 2018, telecommunications prices¹ increased 0.35% compared to the previous month (in January 2017 there were no changes). This increase resulted from changes in post-paid mobile telephone service tariffs by one provider.

On a year-on-year basis, the variation in prices was +0.21%.

In average annual terms, prices increased by 2.20%, 0.85 percentage points (p.p.) over inflation (1.34%). The increase in prices reported was the 12th highest among the 43 products/services considered.

Since January 2014, telecommunications prices¹ have been increasing at average annual rates above the rate of change reported in the CPI.

- In January 2018, in average annual terms, Portugal reported the second highest increase in prices in the EU. On average, telecommunications prices¹ in the EU fell by 0.84%.

Since March 2011, telecommunications prices¹ have risen more in Portugal than in the EU.

¹ "Telephone and telefax services" sub-index of the Consumer Price Index (CPI) and of the Harmonized Indices of Consumer Prices (HICP), which comprises voice, Internet and subscription TV (STV) services acquired on a stand-alone basis or as part of a bundle of services. Analysis of the prices presented in this report should be complemented by an examination of the characteristics of the offers; this information is available in the reports: "Electronic communications bundles", "Fixed telephone service and nomadic VoIP", "Mobile services", "Internet access service" and "Subscription television service", all available on ANACOM's website.

1. Trends in telecommunications prices¹ in January 2018

According to INE², in January 2018, telecommunications prices increased 0.35% compared to the previous month (in January 2017 there was no change)¹. This increase resulted from changes in post-paid mobile telephone service tariffs by one provider.

Compared with the corresponding month of the previous year, and the average in the last 12 months, telecommunications prices¹ increased by 0.21% and by 2.20%, respectively.

Table 1 - Change in Consumer Price Index (CPI) and in telecommunications prices¹

	January 2018			2017 Var. average 12 months
	Var. Year-on- year change	Var. average 12 months	Var. previous month	
CPI	1.03%	1.34%	-1.02%	1.37%
.. Telecommunications ¹	0.21%	2.20%	0.35%	2.35%
Ranking in descending order (43 groups)	27	12	12	10

Source: INE

Unit: %

Note: The variation between the average change in the CPI over the previous 12 months and the telecommunications sub-index resulting from the table is different to that mentioned in the text due to rounding.

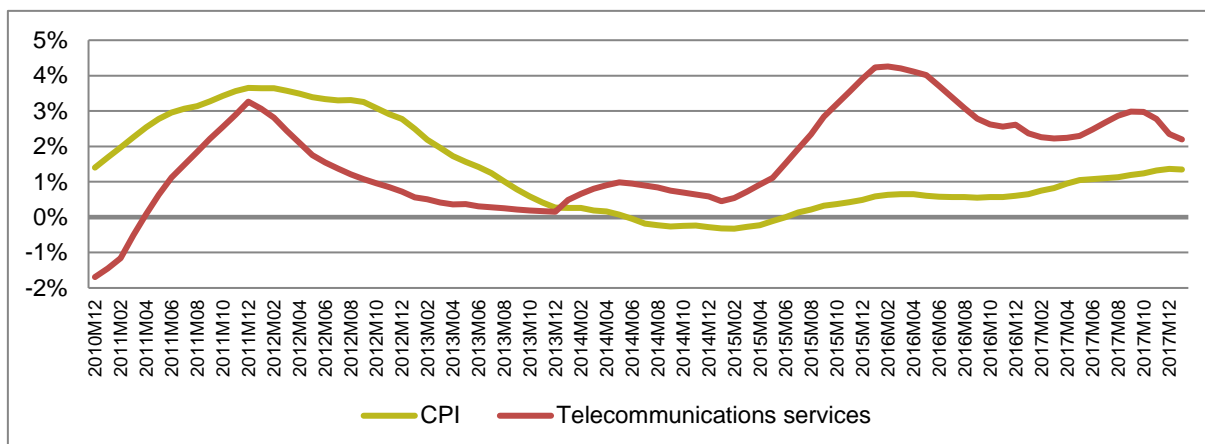
On a year-on-year basis, the variation in prices (+0.21%) was the 27th highest among the sectors of the Portuguese economy. The difference between the CPI was -0.83 percentage points (p.p.).

In average annual terms, the increase in prices reported (2.20%) was the 12th highest among 43 products/services considered.

Since January 2014, telecommunications prices¹ have been increasing at average annual rates above the rate of change reported in the CPI. In January 2018, the difference between the two rates was reported at 0.85 percentage points (p.p.), the smallest variation since January 2015.

² See "Consumer Price Index – January 2018" (INE, 2018), available at [secure http://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_destaquas&DESTAQUESdest_boui=308027153&DESTAQUESmodo=2](http://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_destaquas&DESTAQUESdest_boui=308027153&DESTAQUESmodo=2)

Graph 1 -Average 12-month change in CPI and telecommunications prices¹



Source: INE
Unit: %

2. Trends in telecommunication prices¹ in the UE.³ in January 2018

According to EUROSTAT⁴, in January 2018, the increase in prices in average annual terms reported in Portugal was 3.04 percentage points above the EU average³, with Portugal the EU country with the second highest increase in prices. The country with a larger increase than in Portugal was Latvia.

On a year-on-year basis, the increase in telecommunications prices¹ in Portugal was the 12th highest among the EU countries³.

³ Information not available for the United Kingdom. Information available for Ireland from December 2016.

⁴ See HICP- monthly data (EUROSTAT, 2018), available at http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=prc_hicp_midx&lang=en.

The methodology used is described at

http://ec.europa.eu/eurostat/statistics-explained/index.php/HICP_methodology

Table 2 – Changes in telecommunications prices¹: Portugal vs E.U.³

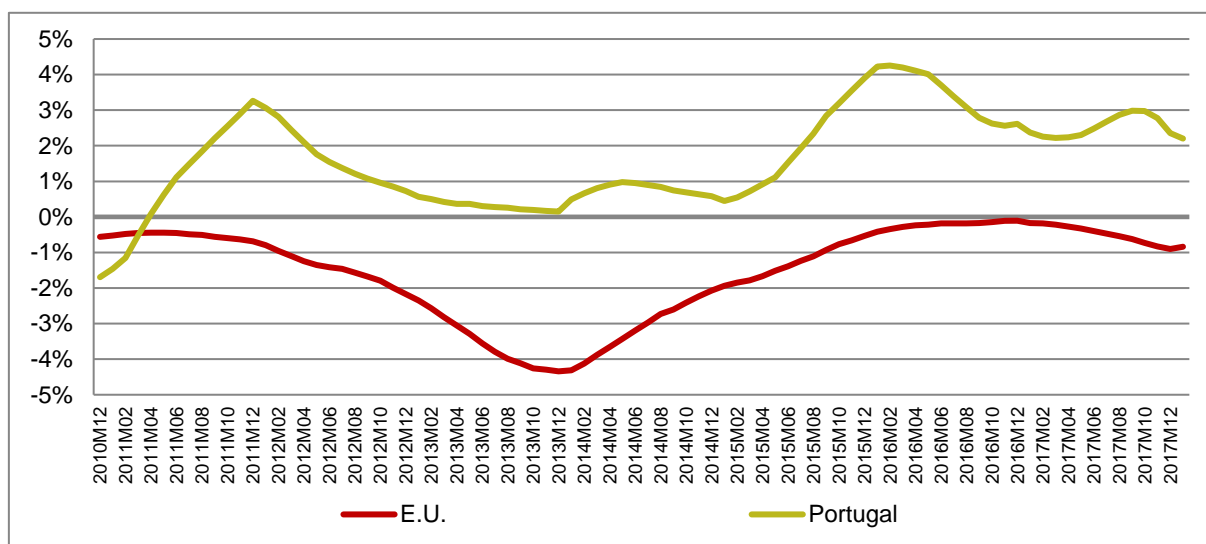
	January 2018			2017
	Var. Year-on-year change	Var. average 12 months	Var. previous month	Var. average 12 months
E.U. ³	-0.18%	-0.84%	0.05%	-0.90%
Portugal	0.21%	2.20%	0.35%	2.35%
Deviation PT / E.U.³	0.39 p.p.	3.04 p.p.	0.30 p.p.	3.25 p.p.
Ranking in descending order (26 countries)	12	2	6	2

Source: EUROSTAT
Unit: %, pp

Note: Information not available for the United Kingdom. Ireland was also not included in the ranking due to a lack of available information before December 2016.

Since April 2011, telecommunications prices¹ have risen more in Portugal than in the E.U.³ (in average annual terms).

Graph 2 - Average rate of change over previous 12 months - telecommunications prices: Portugal vs E.U.³



Source: EUROSTAT
Unit: %

Note: From the publication, by EUROSTAT, on 25 February 2016, for data for January 2016, the reference year of the HICP series was changed from 2005 to 2015. There may be differences in the series due to rounding effects⁵.

For further information, please go to <http://ec.europa.eu/eurostat/documents/272892/272971/HICP+reference+year+2015%3D100/>.

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