Chapter 6.8

INFORMATION & COMMUNICATIONS

OVERVIEW

The information & communications sector expanded by 5.6 per cent year-on-year in the fourth quarter of 2022, extending the 6.9 per cent growth in the previous quarter. This positive outturn was largely due to the IT & information services segment, while the telecommunications segment saw more modest growth during the quarter. On the other hand, the "others" segment[8] contracted.

For the whole of 2022, the sector grew by 8.6 per cent, a slowdown from the 13.4 per cent expansion in 2021.

IT & INFORMATION SERVICES

In 2022, the growth of the information & communications sector was led by the IT & information services segment. Specifically, the segment expanded by 19.5 per cent, driven by strong enterprise demand for digital solutions and services.

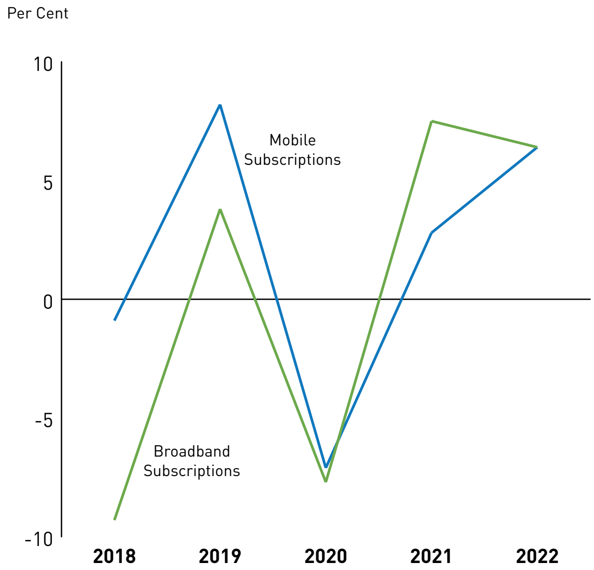
TELECOMMUNICATIONS

The telecommunications segment shrank by 0.4 per cent in 2022, weighed down by weaker demand for fixed line services. For instance, the total number of fixed line subscribers declined by 2.6 per cent on a year-on-year basis in the third quarter of 2022. This was partially offset by an increase in mobile and broadband subscriptions over the same period.

In September 2022[9], the number of mobile subscriptions grew by 6.4 per cent compared to the same period in 2021 (Exhibit 6.18). While there was a 24.7 per cent decline in the number of 3G subscriptions to 527,000, this was offset by a 9.3 per cent increase in 4G subscriptions to around 8.7 million.

In September 2022, the number of broadband subscriptions rose by 6.4 per cent. The increase was broad-based, led by a 7.0 per cent increase in wireless broadband subscriptions.

Exhibit 6.18: Information & Communications Growth



8 *The "others" segment consists of (i) publishing activities (including computer games and software publishing), (ii) motion picture, video and other programme production, sound recording, and music publishing activities, and (iii) radio and television broadcasting activities.*
9 *Full-year data are not available at the time of publication. October and November data are available but subject to further revisions.*