

record industry

# interim Sales

September 1999

# 99

Global sales of recorded music in the first half of 1999 were flat in value terms and decreased by 4% in units, compared to the same period in 1998. The overall decline was a result of the fall off in Europe and Latin America, although there was positive growth in a number of other markets.

CD sales worldwide were up by 1% over the same period in 1998, but cassette sales were down by 17% and singles sales by 16%, due principally to the comparison with exceptionally strong sales in 1998.

As always, it should be noted that interim sales figures are sensitive to variations in the timing of label release schedules, which can distort period-to-period comparisons.

## NORTH AMERICA

After a strong year in 1998, the US market experienced a further 2% rise in volume and value fuelled by particularly strong growth of 7% in CD album sales, although both singles and cassette sales were down. Canada's music market declined by 5% in units and 2% in value due to reduced cassette sales.

## EUROPE

There was a very mixed performance in Europe. The EU overall fell by 5% in units and 3% in value, due primarily to declines in Germany of 10% in units and 4% in value, in the Netherlands of 8% in units and 2% in value, and in the United Kingdom of 6% units 1% in value. However there was growth in France, which rose by 5% in units and 1% in value, as well as in Denmark and Norway.

The region including Eastern Europe declined by 10% in units and 3% in local currency value, reflecting sizeable falls in

Russia linked to its economic crisis in late 1998, as well as declines in Poland and the Czech and Slovak Republics.

## ASIA

In Japan, despite a 1% increase in CD shipments, singles fell considerably leading to an 8% reduction in overall units and a 2% value fall. Outside of Japan, the markets of Indonesia, South Korea, and Thailand began to regain earlier losses, with increases in all formats contributing to an overall 5% unit increase, a 1% increase in local currency, and a 11% increase in dollar value as currencies strengthened. However, China, Hong Kong, Malaysia, Singapore, and Taiwan continued to shrink.

## LATIN AMERICA

The largest Latin American market, Brazil, fell by 31% in units and was affected by a weakened economy and increased levels of CD piracy. Conversely, Mexico

was a strong performer, up by 4% in units and 13% in value as CD sales improved. Argentina also showed a modest increase, but there were falls in all the smaller markets. The Latin America region fell overall by 17% in dollar value and 16% in units.

## OTHER MARKETS

Australia performed well, with singles and CD album increases resulting in 9% additional units and a value increase of 5%. New Zealand fell slightly, due to lower singles and cassette sales. South Africa declined by 13% in units and 19% in dollar value, affected by currency depreciation.

## NOTES

These half year figures cover the sales in 45 countries from over 70 surveyed on an annual basis by IFPI.

Local currency value growth for the world or a region is an average of all the individual countries' local currency value growths, weighted by the size of each market.

For the purposes of calculating unit growth, 3 Singles are counted as 1 Album.

Figures represent the total legitimate market in each country. Values represent an estimate of the retail value corresponding to the reported sales.

Average exchange rates have been calculated from quarterly averages provided by the IMF.

REGION	unit growth	value growth
World	-4%	0%
North America	2%	2%
Europe	-10%	-3%
EU	-5%	-3%
Asia (including Japan)	-3%	-2%
Asia (excluding Japan)	5%	11% \$
Latin America	-16%	-17% \$
Australasia	7%	4%

COUNTRY	US\$m	unit growth	value growth
USA	5,843.6	2%	2%
Japan	3,338.8	-8%	-2%
Germany	1,304.3	-10%	-4%
UK	1,083.9	-6%	-1%
France	887.9	5%	1%
Canada	354.0	-5%	-2%
Netherlands	267.3	-8%	-2%
Mexico	261.4	4%	13% \$
Spain	257.2	-	-
Australia	253.7	9%	5%
Brazil	253.3	-31%	-41% \$

\$ - value measured in US dollars



figures in millions

	UNITS				RETAIL VALUE			GROWTH		
	Singles	LPs	MCs	CDs	US\$	Local Currency	Units	Local Currency	US\$	
<b>NORTH AMERICA</b>										
Canada	0.4	-	2.9	29.1	354.0	CAD 528.0	-5%	-2%	-6%	
USA	41.5	1.4	56.7	397.9	5,843.6	USD 5,843.6	2%	2%	2%	
<b>EUROPE</b>										
Austria	1.7	0.01	0.3	7.4	140.3	EUR 128.9	-9%	-4%	-4%	
Belgium	4.4	0.02	0.1	9.4	148.0	EUR 135.9	6%	-5%	-4%	
Czech Republic	0.02	-	1.2	1.4	20.3	CSK 695.0	-33%	-34%	-35%	
Denmark	0.7	-	0.1	7.3	110.4	DKK 753.6	2%	2%	2%	
Finland	0.2	-	0.4	4.0	54.7	EUR 50.2	-13%	-4%	-4%	
France	18.0	0.2	6.4	46.9	887.9	EUR 815.6	5%	1%	2%	
Germany	27.1	0.3	9.9	84.5	1,304.3	EUR 1,198.1	-10%	-4%	-4%	
Greece*	-	0.002	0.2	2.7	35.2	GRD 10,468.6	-21%	-24%	-23%	
Ireland	-	-	-	-	-	EUR -	-	-	-	
Netherlands	3.2	0.05	0.1	19.3	267.3	EUR 245.5	-8%	-2%	-2%	
Norway	0.8	-	0.1	6.4	113.4	NOK 876.1	1%	3%	0%	
Poland	0.1	0.001	9.2	6.8	62.4	PLZ 240.3	25%	-13%	-22%	
Portugal	0.5	-	1.3	5.2	73.3	EUR 67.4	-18%	-7%	-7%	
Russia	-	0.02	24.0	3.0	42.6	RUB 1,009.3	-50%	-22%	-68%	
Slovakia	0.003	-	0.3	0.4	5.6	SKK 230.1	-18%	-15%	-28%	
Spain	0.9	0.01	4.3	21.4	257.2	EUR 236.3	-	-	-	
Sweden	2.6	0.01	0.3	9.0	144.9	SEK 1,189.0	-1%	2%	-1%	
Switzerland	1.4	0.04	0.6	8.7	126.3	CHF 185.6	3%	4%	2%	
UK	39.2	1.0	6.4	69.2	1,083.9	GBP 669.3	-6%	-1%	-3%	
<b>ASIA</b>										
China	-	-	32.3	3.7	46.5	CNY 385.2	-8%	-10%	-10%	
Hong Kong	0.1	0.0002	0.04	4.7	48.8	HKD 378.1	-16%	-26%	-26%	
Indonesia	-	-	24.3	1.8	55.1	IDR 459,796.2	39%	74%	108%	
Japan	52.1	5.3	3.3	148.3	3,338.8	JPY 396,452.3	-8%	-2%	8%	
Malaysia	0.04	-	3.0	1.5	23.9	MYR 90.7	-29%	-23%	-21%	
Philippines	0.03	0.01	3.0	0.5	16.6	PHP 637.6	-12%	4%	9%	
Singapore	0.1	-	0.05	2.2	22.5	SGD 38.3	-8%	-21%	-23%	
South Korea	0.01	-	9.8	7.6	106.2	SKW 126,793.5	33%	35%	70%	
Taiwan	0.7	-	3.9	14.4	160.1	TWD 5,225.3	-9%	-3%	-1%	
Thailand	-	-	24.1	2.1	67.0	THB 2,485.0	15%	9%	29%	
<b>LATIN AMERICA</b>										
Argentina	-	-	2.8	8.7	139.4	ARP 139.4	4%	-	2%	
Bolivia	-	-	-	-	-	BOL -	-	-	-	
Brazil	0.03	-	0.02	35.3	253.3	RRC 441.4	-31%	-	-41%	
Chile	-	-	1.4	2.0	30.4	CLP 14,859.4	-15%	-	-19%	
Colombia*	0.8	-	0.3	5.2	71.6	COP 114,497.7	-	-	-	
Central America	0.01	-	0.5	1.2	19.0	USD 19.0	-	-	-	
Mexico	0.2	0.05	9.4	22.3	261.4	MXP 2,537.3	4%	-	13%	
Paraguay	-	-	-	-	-	PYG -	-	-	-	
Peru	0.0003	-	0.1	0.2	4.7	PEN 15.6	-47%	-	-46%	
Uruguay	-	-	0.05	0.3	6.0	UYP 66.0	-21%	-	-24%	
Venezuela	0.007	-	0.1	2.0	27.4	VEB 16,028.3	-17%	-	-24%	
<b>AUSTRALASIA</b>										
Australia	5.1	0.01	0.3	16.4	253.7	AUD 394.1	9%	5%	5%	
New Zealand	0.4	0.002	0.4	3.0	41.7	NZD 77.3	-1%	-2%	-5%	
<b>AFRICA</b>										
South Africa	0.8	-	2.3	4.5	63.3	ZAR 386.6	-13%	-3%	-19%	

Colombia - 1998/1999 figures not comparable

Greece - Figures exclude 1.9m premium CD units in 1999

Spain - 1998/1999 figures not comparable

figures in millions

	UNITS				RETAIL VALUE			GROWTH		
	Singles	LPs	MCs	CDs	US\$	Local Currency		Units	Local Currency	US\$
<b>NORTH AMERICA</b>										
Canada*	0.3	-	4.2	29.5	375.2	CAD	539.7	4%	9%	9%
USA	54.2	1.5	68.6	370.6	5,714.6	USD	5,714.6	8%	12%	12%
<b>EUROPE</b>										
Austria*	1.5	0.01	0.4	8.1	145.7	EUR	134.5	-10%	-3%	-9%
Belgium	4.3	0.03	0.1	8.8	154.4	EUR	142.6	3%	6%	-1%
Czech Republic	0.03	-	1.6	2.2	31.1	CSK	1,054.3	-6%	-3%	-15%
Denmark	0.6	-	0.1	7.2	107.7	DKK	741.5	-11%	-5%	-11%
Finland	0.2	0.001	0.7	4.3	56.9	EUR	52.5	-1%	-1%	-9%
France	20.3	0.1	6.8	42.7	870.6	EUR	803.8	-5%	-1%	-7%
Germany*	28.2	0.3	12.9	92.6	1,357.2	EUR	1,253.5	-7%	-6%	-6%
Greece	-	0.02	0.2	3.4	45.8	GRD	13,799.5	15%	15%	1%
Ireland	0.8	0.01	0.5	2.1	42.5	EUR	38.8	27%	36%	21%
Netherlands*	4.1	0.1	0.2	20.6	273.0	EUR	251.4	-10%	-10%	-10%
Norway	0.8	-	0.1	6.2	113.1	NOK	852.8	6%	14%	4%
Poland	0.1	-	8.3	4.5	79.7	PLZ	277.1	-5%	36%	21%
Portugal	0.2	-	1.2	6.9	79.0	EUR	72.8	13%	22%	12%
Russia	-	0.04	50.0	3.5	132.8	RUB	1,288.8	-1%	-	-2%
Slovakia*	0.01	-	0.3	0.5	7.8	SKK	272.0	-2%	5%	5%
Spain	0.7	0.02	5.5	21.5	285.2	EUR	262.6	1%	4%	-3%
Sweden*	2.1	0.01	0.3	9.2	146.7	SEK	1,160.7	18%	15%	14%
Switzerland	1.4	0.04	0.6	8.4	123.6	CHF	179.2	7%	8%	8%
UK	37.3	1.0	11.9	69.7	1,119.5	GBP	678.8	6%	3%	4%
<b>ASIA</b>										
China*	-	-	34.9	4.2	51.5	CNY	426.0	-	-	-
Hong Kong*	0.1	0.0002	0.1	5.5	65.6	HKD	508.4	-33%	-30%	-30%
Indonesia	-	-	17.6	1.2	26.5	IDR	263,794.6	-45%	18%	-71%
Japan*	77.1	11.2	5.5	147.5	3,096.3	JPY	405,337.7	6%	4%	4%
Malaysia	0.1	-	4.6	1.7	30.2	MYR	118.4	-27%	-12%	-44%
Philippines	0.1	0.03	3.5	0.5	15.3	PHP	613.0	-19%	-2%	-35%
Singapore	0.1	-	0.3	2.2	29.2	SGD	48.6	-24%	-14%	-26%
South Korea	0.03	-	7.2	5.9	62.5	SKW	93,815.5	-54%	-49%	-70%
Taiwan	0.4	0.0001	6.5	13.8	161.7	TWD	5,386.1	-14%	-11%	-26%
Thailand	-	-	20.5	2.3	52.0	THB	2,271.0	-1%	7%	-37%
<b>LATIN AMERICA</b>										
Argentina	-	-	2.8	8.2	137.0	ARP	-	18%	-	20%
Bolivia	0.001	0.001	0.2	0.1	3.2	BOL	-	-1%	-	22%
Brazil	0.01	0.001	0.1	51.0	432.2	RRC	-	-15%	-	-16%
Chile	-	-	2.0	2.1	37.4	CLP	-	-7%	-	-10%
Colombia	0.1	0.3	1.3	6.0	86.1	COP	-	-1%	-	-4%
Central America	-	-	-	-	-	USD	-	-	-	-
Mexico*	0.1	0.01	12.0	18.6	232.3	MXP	-	2%	-	13%
Paraguay	-	-	0.1	0.1	1.7	PYG	-	-60%	-	-60%
Peru	0.001	-	0.2	0.4	8.6	PEI	-	41%	-	31%
Uruguay	-	-	0.1	0.4	7.9	UYP	-	75%	-	50%
Venezuela	0.01	0.004	0.3	2.3	36.2	VEB	-	-	-	-
<b>AUSTRALASIA</b>										
Australia	4.3	0.01	0.5	15.0	242.5	AUD	374.9	0%	1%	-15%
New Zealand	0.5	0.003	0.6	2.9	43.9	NZD	79.1	1%	6%	-15%
<b>AFRICA</b>										
South Africa	1.0	-	3.0	4.9	78.4	ZAR	397.1	13%	13%	0%

Austria - 1998 figures re-estimated since last publication  
 Canada - 1998 club sales re-estimated since last publication  
 China - 1998 figures re-estimated since last publication  
 Germany - 1998 figures adjusted to include non-IFPI members estimate  
 Hong Kong - 1998 figures adjusted to include non-IFPI members

Japan - Basis of 1998 figures changed from production to net shipments  
 Mexico - 1998 figures re-estimated since last publication  
 Netherlands - 1998 figures re-estimated since last publication  
 Slovakia - 1998 non-IFPI members estimate adjusted  
 Sweden - 1998 figures re-estimated since last publication  
 Taiwan - 1998 figures re-estimated since last publication



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