By Chris Morris

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LOS ANGELES (Hollywood Reporter) - Physical album sales continued to decline in the U.S. during the first six months of 2006, down 4.2 percent in comparison to the same period last year.

However, Nielsen SoundScan figures indicate that digital sales might boost the business as a whole. Sales of digital albums soared 126 percent during the first half of the year, while digital tracks rose 77 percent.

Looking at the entire sales picture -- comprising physical albums, digital albums and digital tracks -- overall sales to date this year have gained about one-tenth of a percentage point over the first six months of '05.

A total of 270.6 million physical albums were sold domestically through the end of June, representing a drop of 12 million units from last year's six-month total of 282.6 million. Digital albums improved by 8.2 million units, with 14.7 million units sold since January versus just 6.4 million units in the first half of 2005. Digital tracks gained by 122 million units; 281 million tracks were sold in the first six months of the year versus 158 million in the same period last year.

The top-selling title of the year so far is Walt Disney Records' "High School Musical" soundtrack, which has shifted 2.6 million copies to date. Disney's Lyric Street imprint also accounts for the No. 2 release, Rascal Flatts' "Me and My Gang," which is just shy of 2 million units.

Three '05 holdovers round out the best-sellers of the first six months: U.K. troubadour James Blunt's "Back to Bedlam" (Custard/Atlantic), which sold nearly 1.7 million; R&B diva Mary J. Blige's "The Breakthrough" (Matriarch/Geffen), which moved 1.5 million; and "American Idol" Carrie Underwood's "Some Hearts" (Arista), at 1.4 million.

In market share, Universal Music Group led the field during the first six months of the
Digital sales fuel record biz in first-half ’06 – Yahoo! News

year, taking a whopping 31.6 percent of overall album sales; that figure includes sales from Fontana Distribution, UMG’s independent arm. Sony BMG Music Entertainment placed second with 23.9 percent of the market. The independent sector -- which includes the indie distributors operated by Sony BMG (RED), Warner Music Group (Alternative Distribution Alliance and Ryko Distribution) and EMI (Caroline Distribution) -- accounted for 19.3 percent of all albums sold.

Bringing up the rear are WMG, fourth with nearly 15.9 percent of the market, and EMI, which captured a slim 9 percent.

Reuters/Hollywood Reporter