

Brief analytical comments

In January to September **financial intermediation sector** showed increase in the average number of employees in actual persons by 0,7 %. The average monthly wage of actual persons increased by 2,8 % year-on-year, the average wage stated at CZK 48 009.

The gross profit in the sector during the reference period dropped by 24 %. On this negative result participated all of the financial institutions, except of banks, with slight increase of their profit.

In January to September **banking monetary institutions** (CZ-NACE 64.19 – banks without CNB, building societies) realized the total revenues amounting to CZK 174,6 billion, including financial revenues amounting to CZK 172,4 billion. The total costs stood at CZK 110,6 billion, including the total financial costs amounting to CZK 54,0 billion.

Unlike the difference between total revenues and total expenses, the financial performance of the monetary banking institutions is higher by the profits (lower by the losses) made from certain financial and some other transactions (e.g. foreign currency, derivatives and securities transactions). Since 2007, the financial performance of these institutions has been measured in terms of their results – i.e. as profits or losses from these financial and other transactions – and not in terms of revenues and expenses.

In the first three quarters of 2011 the difference between the total revenues and total cost was CZK 64,0 billion and the net loss from financial and some other operations was CZK 11,2 billions. The banking monetary institutions made pre-tax net income amounting to CZK 52,8 billion, which means an increase by 2,8 % year-on-year.

During the first three quarters of 2011 all 41 banks and building societies employed 38 963 actual persons on average, by 2,8 % more than in the same period of 2010. The average monthly wage of actual persons increased by 3,7 % and stood at CZK 52 488.

Interests receivable reached CZK 128,3 billion and interests payable reached the amount of CZK 46,2 billion in the first three quarters of 2011. Interests receivable increased by 2,2 % year-on-year. Interests payable decreased by 2,1 % year-on-year. The interest margin raised from CZK 78,3 to 82,0 billion.

Financial leasing companies (CZ-NACE, code 64.91) reached a pre-tax profit of CZK 6,7 billion in the first three quarters of 2011, an increase of 61,9 % compared to the corresponding period of the previous year.

Outputs (including received financial leasing instalments) decreased during the first three quarters in comparison with the same period of 2010 reached the amount of CZK 43,6 billion (down 23,3 %). Received financial leasing instalments decreased about 27,8 %.

In January to September **insurance companies** (CZ-NACE 65.11 and 65.12) and **reinsurance companies** (CZ-NACE 65.20) made pre-tax profits amounting to CZK 11,1 billion, a decrease of 34,5 % compared to the corresponding period of the previous year.

In the first three quarters of 2011 gross premiums written stood at CZK 122,8 billion, accounting for 90,5 % of total revenues, up 9,8 % year-on-year. Insurance claims paid amounted to CZK 66,4 billion, making up 53,3 % of total expenses of the insurance companies. Costs of these insurance claims increased by 6,6 % year-on-year.

In period from the beginning of 2011 till the end of September all of the 52 insurance companies employed a total of 14 241 employees (actual persons) on average, i.e., by 0,9 % less than in the corresponding period of 2010. The average monthly wage (related to actual persons) was CZK 41 780, up – 1,6 % in comparison to the same period of 2010.

During the first three quarters of 2011 there were concluded 5 872 817 non-life insurance contracts, by 21,7 % less than in the same period of the previous year. The number of life insurance contracts during the observed period of 2011 was 1 122 298, an increase of 56,5 %.

In the first three quarters of 2011 **pension funds** (CZ-NACE 65.30) made their pre-tax profits amounting to CZK 3,2 billion, an decrease of 12,1 % year-on-year.

The first three quarters of 2011 saw total technical provisions of pension funds growing by 7,9 % to CZK 227,9 billion. Contributions received from members and employers (excluding government contributions) stood at CZK 27,8 billion, an increase of 15,7 % from the same period a year earlier.

Government contributions decreased by 0,9 % in the observed period of 2011 and amounted to CZK 4,1 billion. Supplementary pension insurance benefits paid stood at CZK 21,6 billion, up 24,0 % year-

on-year.

There were 4 572 389 active supplementary pension insurance policy holders (members of pension schemes) in total on 30th September 2011. The number increased by 0,2 % in comparison with the end of the same period of 2010.

All of the pension funds employed a total of 466 actual persons on average in the first three quarters of 2011, which resulted in the 3,1 % increase in comparison with the same period of 2010. The average monthly wage related to actual persons amounted to 43 757 CZK, an increase of 3,7 % year-on-year.