

## Brief analytical comments

In January to December **financial intermediation sector** showed increase in the average number of employees in actual persons by 1,8 %. The average monthly wage of actual persons increased, the sector struggled with 8,1 % increase, the average wage stated at CZK 51 265.

The gross profit in the sector during the reference period increased by 30,5 %. This increase was observed all institutions.

In January to December **banking monetary institutions** (CZ-NACE 64.19 – banks without CNB, building societies) realized the total revenues amounting to CZK 229,9 billion, including financial revenues amounting to CZK 226,2 billion. The total costs stood at CZK 153,0 billion, including the total financial costs amounting to CZK 74,4 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 four quarters of 2012 the difference between the total revenues and total cost was CZK 77,0 billion and the net loss from financial and some other operations was CZK 252 millions. The banking monetary institutions made pre-tax net income amounting to CZK 76,7 billion, which means an increase by 20,9 % year-on-year.

During 2012 all 44 banks and building societies employed 39 804 actual persons on average, by 1,7 % more than in the same period of 2011. The average monthly wage of actual persons increased by 8,6 % and stood at CZK 55 066.

Interests receivable reached CZK 170,4 billion and interests payable reached the amount of CZK 62,6 billion in 2012. Interests receivable decreased by 1,1 % year-on-year. Interests payable increased by 0,3 % year-on-year. The interest margin dropped from CZK 109,9 to 107,8 billion.

**Financial leasing companies** (CZ-NACE, code 64.91) reached a pre-tax profit of CZK 7,4 billion in the 1 to 4 quarters of 2012, an decrease of 14,5 % compared to the corresponding period of the previous year.

Outputs (including received financial leasing instalments) decreased during the 1 to 4 quarters in comparison with the same period of 2011 reached the amount of CZK 51,8 billion (down 6,9 %). Received financial leasing instalments decreased about 7,7 %.

In January to December **insurance companies** (CZ-NACE 65.11 and 65.12) and **reinsurance companies** (CZ-NACE 65.20) made pre-tax profits amounting to CZK 15,9 billion, a increase of 32,7 % compared to the corresponding period of the previous year.

In the first four quarters of 2012 gross premiums written stood at CZK 165,1 billion, accounting for 82,3 % of total revenues and rising by 1,9 % year-on-year. Insurance claims paid amounted to CZK 93,8 billion, making up 50,8 % of total expenses of the insurance companies. Costs of these insurance claims increased by 5,2 % year-on-year.

In the period from the beginning of 2012 till the end of December all of the 54 insurance companies employed a total of 14 459 employees (actual persons) on average. The average monthly wage (related to actual persons) was CZK 45 705, up 7,7 % in comparison to the same period of 2011.

During 2012 there were concluded 9 952 744 non-life insurance contracts, by 7,0 % more than in the same period of the previous year. The number of life insurance contracts during the observed period of 2012 was 1 697 307, an increase of 11,3 %.

In the four quarters of 2012 **pension funds** (CZ-NACE 65.30) made their pre-tax profits amounting to CZK 4,9 billion, a increase of 7 % year-on-year.

The four quarters of 2012 saw total technical provisions of pension funds growing by 6,2 % to CZK 246,6 billion. Contributions received from members and employers (excluding government contributions) stood at CZK 34,9 billion, an increase of 8,1 % from the same period a year earlier.

Government contributions decreased by 0,1 % in the observed period of 2012 and amounted to CZK 5,6 billion. Supplementary pension insurance benefits paid stood at CZK 30,3 billion, up 5,7 year-on-year.

There were 5 150 415 active supplementary pension insurance policy holders (members of

*pension schemes) in total on 31<sup>th</sup> December 2012. The number increased by 12 % in comparison with the end of the same period of 2011.*

*All of the pension funds employed a total of 531 actual persons on average in the four quarters of 2012, which resulted in the 13 % increase in comparison with the same period of 2011. The average monthly wage related to actual persons amounted to 48 833 CZK, an increase of 14,4 % year-on-year.*