

Brief analytical comments

In January to March **financial intermediation sector** showed increase in the average number of employees in actual persons by 1,0 %. The average monthly wage of actual persons decreased by 11,3 % year-on-year to CZK 47 829.

The gross profit in the sector during the reference period decreased by 15,5 %. This decrease was observed all institutions.

In January to March **banking monetary institutions** (CZ-NACE 64.19 – banks without CNB, building societies) realized the total revenues amounting to CZK 53,2 billion, including financial revenues amounting to CZK 50,9 billion. The total costs stood at CZK 35,8 billion, including the total financial costs amounting to CZK 15,6 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 quarter of 2013 the difference between the total revenues and total cost was CZK 17,4 billion and the profit from financial and some other operations was CZK 0,1 billions. The banking monetary institutions made pre-tax net income amounting to CZK 17,5 billion, which means a decrease by 9,5 % year-on-year.

During 2013 all 45 banks and building societies employed 40 002 actual persons on average, by 0,9 % more than in the same period of 2012. The average monthly wage of actual persons decreased by 12,8 % and stood at CZK 52 041.

Interests receivable reached CZK 38,9 billion and interests payable reached the amount of CZK 12,9 billion in 2013. Interests receivable decreased by 10,5 % year-on-year. Interests payable decreased by 18 % year-on-year. The interest margin fell from CZK 27,6 to 25,9 billion.

Financial leasing companies (CZ-NACE, code 64.91) reached a pre-tax profit of CZK 1,1 billion in the 1 quarter of 2013, a decrease of 47,2 % compared to the corresponding period of the previous year.

Outputs (including received financial leasing instalments) decreased during the 1 quarter in comparison with the same period of 2013 reached the amount of CZK 11,6 billion (down 11,4 %). Received financial leasing instalments decreased about 11,4 %.

In January to March **insurance companies** (CZ-NACE 65.11 and 65.12) and **reinsurance companies** (CZ-NACE 65.20) made pre-tax profits amounting to CZK 4,4 billion, a decrease of 9,2 % compared to the corresponding period of the previous year.

In the first quarter of 2013 gross premiums written stood at CZK 43,1 billion, accounting for 87,2 % of total revenues and rising by 2,8 % year-on-year. Insurance claims paid amounted to CZK 24,9 billion, making up 55,2 % of total expenses of the insurance companies. Costs of these insurance claims increased by 9,1 % year-on-year.

In the period from the beginning of 2013 till the end of March all of the 53 insurance companies employed a total of 14 294 employees (actual persons) on average. The average monthly wage (related to actual persons) was CZK 42 820, down 7,5 % in comparison to the same period of 2012.

During first quarter of 2013 there were concluded 2 809 197 non-life insurance contracts, by 15,7 % more than in the same period of the previous year. The number of life insurance contracts during the observed period of 2013 was 283 490, a decrease of 27,1 %.

In the first quarter of 2013 **pension companies and funds** (CZ-NACE 65.30) made their pre-tax profits amounting to CZK 1,3 billion, a decrease of 12,9 % year-on-year.

The first quarter of 2013 saw total technical provisions of pension funds growing by 8,3 % to CZK 255 billion. Contributions received from members and employers (excluding government contributions) stood at CZK 11,3 billion, an increase of 29,5 % from the same period a year earlier.

Government contributions increased by 15,1 % in the observed period of 2013 and amounted to CZK 1,6 billion. Supplementary pension insurance benefits paid stood at CZK 3,3 billion.

There were 5 071 336 active supplementary pension insurance policy holders (members of pension schemes) in total on 31st March 2013. The number increased by 8,2 % in comparison with the end of the same period of 2012.

All of the pension funds employed a total of 613 actual persons on average in the first quarter of 2013, which resulted in the 21,1% increase in comparison with the same period of 2012. The average monthly wage related to actual persons amounted to 40 407 CZK, down 24,9 % year-on-year.