

Brief analytical comments

In January to September **financial intermediation sector** showed increase in the average number of employees in actual persons by 0,1 %. The average monthly wage of actual persons decreased, the sector struggled with 5,1 % decrease, the average wage stated at CZK 46 788.

The gross profit in the sector during the reference period increased by 14,3 %. On this positive result participated pension companies and funds together with non-banking monetary institutions.

In January to September **banking monetary institutions** (CZ-NACE 64.19 – banks without CNB, building societies) realized the total revenues amounting to CZK 164,4 billion, including financial revenues amounting to CZK 160,8 billion. The total costs stood at CZK 104,4 billion, including the total financial costs amounting to CZK 46,4 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 first three quarters of 2013 the difference between the total revenues and total cost was CZK 60,0 billion and the net profit from financial and some other operations was CZK 0,2 billions. The banking monetary institutions made pre-tax net income amounting to CZK 60,2 billion, which means a decrease by 3,1 % year-on-year.

During the first three quarters of 2013 all 44 banks and building societies employed 39 437 actual persons on average, by 1,2 % more than in the same period of 2012. The average monthly wage of actual persons increased by 4,8 % and stood at CZK 53 233.

Interests receivable reached CZK 115,8 billion and interests payable reached the amount of CZK 37,4 billion in the first three quarters of 2013. Interests receivable decreased by 10,6 % year-on-year. Interests payable decreased by 21,8 % year-on-year. The interest margin dropped from CZK 81,7 to 78,5 billion.

Financial leasing companies (CZ-NACE, code 64.91) reached a pre-tax profit of CZK 4,6 billion in the 1 to 3 quarters of 2013, a decrease of 24,9 % compared to the corresponding period of the previous year.

Outputs (including received financial leasing instalments) decreased during the 1 to 3 quarters in comparison with the same period of 2012 reached the amount of CZK 33,7 billion (down 13,0 %). Received financial leasing instalments decreased about 15,2 %.

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 10,0 billion, a decrease of 15,5 % compared to the corresponding period of the previous year.

In the first three quarters of 2013 gross premiums written stood at CZK 124,7 billion, accounting for 90,1% of total revenues and dropped by 1,4 % year-on-year. Insurance claims paid amounted to CZK 77,9 billion, making up 60,7 % of total expenses of the insurance companies. Costs of these insurance claims increased by 14,1 % year-on-year.

In the period from the beginning of 2013 till the end of September all of the 53 insurance companies employed a total of 14 233 employees (actual persons) on average, i.e., by 1,5 % less than in the corresponding period of 2012. The average monthly wage (related to actual persons) was CZK 42 623, down by 4,1 % in comparison to the same period of 2012.

During the first three quarters of 2013 there were concluded 8 531 767 non-life insurance contracts, by 6,1 % more than in the same period of the previous year. The number of life insurance contracts during the observed period of 2013 was 784 373, a decrease of 23,9 %.

In the first three quarters of 2013 **pension companies and funds** (CZ-NACE 65.30) made their pre-tax profits amounting to CZK 3,4 billion, an increase by 5,9 % year-on-year.

The first three quarters of 2013 saw total technical provisions of pension companies and funds growing by 12,1 % to CZK 272,8 billion. Contributions received from members and employers (excluding government contributions) stood at CZK 30,4 billion, an increase of 21,6 % from the same period a year earlier.

Government contributions increased by 17,4 % in the observed period of 2013 and amounted to CZK 4,8 billion. Pension insurance benefits paid stood at CZK 11,6 billion, down by 43,9 % year-on-year.

There were 5 063 121 active pension insurance policy holders (members of pension schemes) in total on 30th September 2013. The number increased by 8,3 % in comparison with the end of the same period of 2012.

All of the pension companies and funds employed a total of 621 actual persons on average in the first three quarters of 2013, which resulted in the 18,4% increase in comparison with the same period of 2012. The average monthly wage related to actual persons amounted to 39 349 CZK, a decrease of 15,0 % year-on-year.