

Brief analytical comments

In the first half of 2015 **financial intermediation sector** showed a decrease in the average number of employees in actual persons by 0,2 %. The average monthly wage of actual persons decreased by 0,7 % to CZK 50 132.

The gross profit in the sector during the reference period decreased by 23,6 %.

In January to June **banking monetary institutions** (CZ-NACE 64.19 – banks without CNB, building societies) realized the total revenues amounting to CZK 109,7 billion, including financial revenues amounting to CZK 107,3 billion. The total costs stood at CZK 67,0 billion, including the total financial costs amounting to CZK 27,1 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 half of 2015 the difference between the total revenues and total cost was CZK 42,7 billion and the net profit from financial and some other operations was CZK 1,4 billions. The banking monetary institutions made pre-tax net income amounting to CZK 44,1 billion, which means an increase by 4,0 % year-on-year.

During the first half of 2015 all 45 banks and building societies employed 39 125 actual persons on average, up by 0,3 % than in the same period of 2014. The average monthly wage of actual persons decreased by 0,7 % and stood at CZK 55 495.

Interests receivable reached CZK 76,2 billion and interests payable reached the amount of CZK 20,5 billion in the first half of 2015. Interests receivable decreased by 1,3 % year-on-year. Interests payable decreased by 10,9 % year-on-year. The interest margin increased from CZK 54,2 to 55,7 billion.

Financial leasing companies (CZ-NACE, code 64.91) reached a pre-tax profit of CZK 4,0 billion in the 1 and 2 quarters of 2015, an increase of 55,6 % compared to the corresponding period of the previous year.

Outputs (including received financial leasing instalments) decreased during in the 1 and 2 quarters of 2015 in comparison with the same period of 2014 reached the amount of CZK 18,7 billion (down 7,4 %). Received financial leasing instalments decreased about 7,8 %.

In January to **June insurance companies** (CZ-NACE 65.11 and 65.12) and **reinsurance companies** (CZ-NACE 65.20) made pre-tax profits amounting to CZK 9,8 billion, an increase of 17,6 % compared to the corresponding period of the previous year.

In the first half of 2015 gross premiums written stood at CZK 83,8 billion, accounting for 84,8 % of total revenues and down by 5,7 % year-on-year. Insurance claims paid amounted to CZK 54,5 billion, making up 61,3 % of total expenses of the insurance companies. Costs of these insurance claims increased by 2,3 % year-on-year.

In the period from the beginning of 2015 till the end of June all of the 55 insurance companies employed a total of 13 742 employees (actual persons) on average, i.e., by 2,4 % less than in the corresponding period of 2014. The average monthly wage (related to actual persons) was CZK 44 467, up by 0,2 % in comparison to the same period of 2014.

During the first half of 2015 there were concluded 5 275 401 non-life insurance contracts, by 1,4 % less than in the same period of the previous year. The number of life insurance contracts during the observed period of 2015 was 510 559, a decrease of 5,6 %.

In the first half of 2015 **pension companies and funds** (CZ-NACE 66.30) made their pre-tax profits amounting to CZK 2,2 billion, an increase by 3,1 % year-on-year.

First half of 2015 saw total technical provisions of pension companies and funds growing by 11,7 % to CZK 337,6 billion. Contributions received from members and employers (excluding government contributions) stood at CZK 22,0 billion, an increase of 3,1 % from the same period a year earlier.

Government contributions decreased by 1,6 % in the observed period of 2015 and amounted to CZK 3,4 billion. Pension insurance benefits paid stood at CZK 9,7 billion, up by 11,4 % year-on-year.

There were 4 787 635 active pension insurance policy holders (members of pension schemes) in total on 30th June 2015. The number decreased by 3,4 % in comparison with the end of the same period of 2014.

All of the pension companies and funds employed a total of 527 actual persons on average in the first half of 2015, which resulted in the 6,1 % decrease in comparison with the same period of 2014. The average monthly wage related to actual persons amounted to 36 887 CZK, a decrease of 5,8 % year-on-year.