

Brief analytical comments

In January to September **financial intermediation sector** showed an increase in the average number of employees in actual persons by 0,03 %. The average monthly wage of actual persons decreased, by 0,04 % to CZK 48 586.

The gross profit in the sector during the reference period decreased by 22,8 %. This fall caused non-banking monetary institutions and pension companies and funds.

In January to September **banking monetary institutions** (CZ-NACE 64.19 – banks without CNB, building societies) realized the total revenues amounting to CZK 161,6 billion, including financial revenues amounting to CZK 158,3 billion. The total costs stood at CZK 99,9 billion, including the total financial costs amounting to CZK 40,5 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 2015 the difference between the total revenues and total cost was CZK 61,7 billion and the net profit from financial and some other operations was CZK 2,6 billions. The banking monetary institutions made pre-tax net income amounting to CZK 64,3 billion, which means an increase by 6,6 % year-on-year.

During the first three quarters of 2015 all 46 banks and building societies employed 39 199 actual persons on average, by 0,4 % more than in the same period of 2014. The average monthly wage of actual persons increased by 0,2 % and stood at CZK 53 049.

Interests receivable reached CZK 114,3 billion and interests payable reached the amount of CZK 30,6 billion in the first three quarters of 2015. Interests receivable decreased by 4,5 % year-on-year. Interests payable decreased by 17,2 % year-on-year. The interest margin raised from CZK 82,8 to 83,8 billion.

Financial leasing companies (CZ-NACE, code 64.91) reached a pre-tax profit of CZK 6,1 billion in the 1 to 3 quarter of 2015, an increase of 50 % compared to the corresponding period of the previous year.

Outputs (including received financial leasing instalments) decreased during the 1 to 3 quarter of 2015 in comparison with the same period of 2014 reached the amount of CZK 29,2 billion (down 1,0 %). Received financial leasing instalments increase about 0,8 %.

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 11,8 billion, an increase of 47,4 % compared to the corresponding period of the previous year.

In the first three quarters of 2015 gross premiums written stood at CZK 123,6 billion, accounting for 85,1 % of total revenues and dropped by 4,1 % year-on-year. Insurance claims paid amounted to CZK 79,8 billion, making up 59,8 % of total expenses of the insurance companies. Costs of these insurance claims increased by 2,6 % year-on-year.

In the period from the beginning of 2015 till the end of September all of the 55 insurance companies employed a total of 13 759 employees (actual persons) on average, i.e., by 1,9 % less than in the corresponding period of 2014. The average monthly wage (related to actual persons) was CZK 43 642, down by 0,3 % in comparison to the same period of 2014.

During the first three quarters of 2015 there were concluded 8 226 607 non-life insurance contracts. The number of life insurance contracts during the observed period of 2015 was 722 399, a decrease of 8,2 %.

In the first three quarters of 2015 **pension companies and funds** (CZ-NACE 66.30) made their pre-tax profits amounting to CZK 3,2 billion, a decrease by 4,5 % year-on-year.

The first three quarters of 2015 saw total technical provisions of pension companies and funds growing by 11,3 % to CZK 344,7 billion. Contributions received from members and employers (excluding government contributions) stood at CZK 31,0 billion, an increase of 0,3 % from the same period a year earlier.

Government contributions decreased by 4,7 % in the observed period of 2015 and amounted to CZK 4,8 billion. Pension insurance benefits paid stood at CZK 13,8 billion, up by 6,1 % year-on-year.

There were 4 750 788 active pension insurance policy holders (members of pension schemes) in total on 30th September 2015. The number decreased by 3,3 % in comparison with the end of the same period of 2014.

All of the pension companies and funds employed a total of 522 actual persons on average in the first three quarters of 2015, which resulted in the 5,4 % decrease in comparison with the same period of 2014. The average monthly wage related to actual persons amounted to 35 907 CZK, a decrease of 6,1 % year-on-year.