

## Brief analytical comments

In January to March **financial intermediation sector** showed decrease in the average number of employees in actual persons by 0,1 %. The average monthly wage of actual persons decreased by 2,8 % year-on-year to CZK 50 988.

The gross profit in the sector during the reference period decreased by 26,7 %. This fall caused non-banking monetary institutions.

In January to March **banking monetary institutions** (CZ-NACE 64.19 – banks without CNB, building societies) realized the total revenues amounting to CZK 50,9 billion, including financial revenues amounting to CZK 49,9 billion. The total costs stood at CZK 33,9 billion, including the total financial costs amounting to CZK 14,1 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 quarter of 2015 the difference between the total revenues and total cost was CZK 17,0 billion and the profit from financial and some other operations was CZK 3,1 billions. The banking monetary institutions made pre-tax net income amounting to CZK 20,1 billion, which means an increase by 13,6 % year-on-year.

During 2015 all 44 banks and building societies employed 39 048 actual persons on average, by 0,2 % more than in the same period of 2014. The average monthly wage of actual persons decreased by 4,6 % and stood at CZK 55 052.

Interests receivable reached CZK 38,2 billion and interests payable reached the amount of CZK 10,8 billion in 2015. Interests receivable decreased by 0,4 % year-on-year. Interests payable decreased by 4,3 % year-on-year. The interest margin increased from CZK 27,0 to 27,4 billion.

**Financial leasing companies** (CZ-NACE, code 64.91) reached a pre-tax profit of CZK 1,9 billion in the first quarter of 2015, an increase of 178,8 % compared to the corresponding period of the previous year.

Outputs (including received financial leasing instalments) decreased during the first quarter of 2015 in comparison with the same period of 2014 reached the amount of CZK 9,2 billion (down 5,6 %). Received financial leasing instalments decreased about 8,2

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 5,8 billion, an increase of 28,9 % compared to the corresponding period of the previous year.

In the first quarter of 2015 gross premiums written stood at CZK 44,6 billion, accounting for 73,1 % of total revenues and down by 1,4 % year-on-year. Insurance claims paid amounted to CZK 29,5 billion, making up 53,3 % of total expenses of the insurance companies. Costs of these insurance claims increased by 11,2 % year-on-year.

In the period from the beginning of 2015 till the end of March all of the 55 insurance companies employed a total of 13 754 employees (actual persons) on average. The average monthly wage (related to actual persons) was CZK 48 014, up 1,9 % in comparison to the same period of 2014.

During first quarter of 2015 there were concluded 2 588 985 non-life insurance contracts, by 0,7 % more than in the same period of the previous year. The number of life insurance contracts during the observed period of 2015 was 286 745, an increase of 8,8 %.

In the first quarter of 2015 **pension companies and funds** (CZ-NACE 65.30) made their pre-tax profits amounting to CZK 1,3 billion, an increase of 20,7 % year-on-year.

The first quarter of 2015 saw total technical provisions of pension funds growing by 12,4 % to CZK 328 billion.

Contributions received from members and employers (excluding government contributions) stood at CZK 11,2 billion, an increase of 2,9 % from the same period a year earlier.

Government contributions decreased by 2,3 % in the observed period of 2015 and amounted to CZK 1,7 billion. Supplementary pension insurance benefits paid stood at CZK 3,9 billion.

*There were 4 839 326 active supplementary pension insurance policy holders (members of pension schemes) in total on 31th March 2015. The number decreased by 3,3 % in comparison with the end of the same period of 2014.*

*All of the pension companies employed a total of 520 actual persons on average in the first quarter of 2015, which resulted in the 8,1 % decrease in comparison with the same period of 2014. The average monthly wage related to actual persons amounted to 41 324 CZK, less 0,5 % year-on-year.*