

Brief analytical comments

In January to December **financial intermediation sector** showed an increase in the average number of employees in actual persons by 2,2 %. The average monthly wage of actual persons increased, by 3,3 % to CZK 49 654.

The gross profit in the sector during the reference period increased by 118,7 %.

In January to December **banking monetary institutions** (CZ-NACE 64.19 – banks without CNB, building societies) realized the total revenues amounting to CZK 206,5 billion, including financial revenues amounting to CZK 200,0 billion. The total costs stood at CZK 126,5 billion, including the total financial costs amounting to CZK 45,9 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 four quarters of 2016 the difference between the total revenues and total cost was CZK 80,0 billion and the profit from financial and some other operations was CZK 9,2 billions. The banking monetary institutions made pre-tax net income amounting to CZK 89,2 billion, which means an increase by 10,7% year-on-year.

During the first four quarters of 2016 all 45 banks and building societies employed 39 991 actual persons on average, by 2,0 % more than in the same period of 2015. The average monthly wage of actual persons increased by 2,6 % and stood at CZK 53 725.

Interests receivable reached CZK 143,4 billion and interests payable reached the amount of CZK 33,6 billion in the first four quarters of 2016. Interests receivable decreased by 4,9 % year-on-year. Interests payable decreased by 16,0 % year-on-year. The interest margin decreased from CZK 110,9 to 109,9 billion.

In January to December **non-banking monetary institutions** (CZ-NACE, code 64.1, 64.2, 64.3, 64.9 and 66) realized the total expenses amounting to CZK 219,2 billion, up by 7,1 % in comparison to the same period of 2015.

Consumption of materials, energy and services amounted to CZK 34,3 billion, which means an increase of 5,1 % year-on-year.

During the first three quarters of 2016 non-banking monetary institutions employed 16 427 actual persons on average, by 5,1 % more than in the same period of 2015. The average monthly wage of actual persons increased by 5,6 % to CZK 43 856.

Financial leasing companies (CZ-NACE, code 64.91) reached a pre-tax profit of CZK 6,1 billion during the year 2016, a decrease of 22,6 % compared to the corresponding period of the previous year.

Received financial leasing instalments a decrease of 3,3 % in the first three quarters of 2016 and amounted to CZK 28,0 billion.

In January to December **insurance companies** (CZ-NACE 65.11 and 65.12) and **reinsurance companies** (CZ-NACE 65.20) made pre-tax profits amounting to CZK 14,6 billion, a increase of 56,4 % compared to the corresponding period of the previous year.

In the first four quarters of 2016 gross premiums written stood at CZK 158,7 billion, accounting for 90,1 % of total revenues and lowered by 2,8 % year-on-year. Insurance claims paid amounted to CZK 102,5 billion, making up 63,6 % of total expenses of the insurance companies. Costs of these insurance claims decreased by 2,4 % year-on-year.

In the period from the beginning of 2016 till the end of December all of the 55 insurance companies employed a total of 13 730 employees (actual persons) on average, i.e., by 0,3 % less than in the corresponding period of 2015. The average monthly wage (related to actual persons) was CZK 45 305, up by 3,7 % in comparison to the same period of 2015.

During the first four quarters of 2016 there were concluded 9 318 810 non-life insurance contracts, a decrease of 6,1 %.

In the first four quarters of 2016 **pension companies and funds** (CZ-NACE 66.30) made their pre-tax profits amounting to CZK 4,4 billion, a decrease by 2,2 % year-on-year.

The first four quarters of 2016 saw total technical provisions of pension companies and funds growing by 8,6 % to CZK 383,0 billion. Contributions received from members and employers (excluding government contributions) stood at CZK 43,8 billion, a decrease of 0,1 % from the same period a year earlier.

Government contributions increased by 0,1 % in the observed period of 2016 and amounted to CZK 6,6 billion. Pension insurance benefits paid stood at CZK 21,4 billion, up by 12,4 % year-on-year.

There were 4 518 832 active pension insurance policy holders (members of pension schemes) in total on 31st December 2016. The number decreased by 4,0 % in comparison with the end of the same period of 2015.

All of the pension companies and funds employed a total of 514 actual persons on average in the first four quarters of 2016, which resulted in the 1,7 % decrease in comparison with the same period of 2015. The average monthly wage related to actual persons amounted to 34 277 CZK, a decrease of 4,9 % year-on-year.