

Financial stability indicators								
	2005	2006	2007	2008	2009			
					January	February	March	April
Financial soundness of banks								
Capital adequacy (%)	11.9	11.4	11.5	12.3	12.2	12.4	12.9	
Tier 1 capital adequacy (%)	11.3	10.0	10.3	11.8	11.6	11.9	12.3	
Non-performing loans / total gross client loans (%)	4.1	3.8	2.8	3.3	3.5	3.6	3.9	
Sectoral breakdown of total loans (%)								
- non-financial corporations	44.6	44.9	41.7	40.9	40.6	40.3	40.1	
- households	32.2	35.0	37.5	38.9	38.9	39.2	39.8	
- sole traders	2.8	2.5	2.2	2.1	2.0	2.0	2.1	
- other (incl. non-residents)	20.4	17.5	18.7	18.1	18.4	18.5	18.0	
Return on assets (%)	1.4	1.2	1.3	1.2	1.3	1.2	1.2	
Return on Tier 1 (%)	25.2	22.5	24.5	21.8	24.5	22.8	21.3	
Quick assets / total assets (%)	32.8	30.4	24.0	23.1	24.4	24.5	25.5	
Quick assets / client deposits (%)	50.5	45.5	36.6	35.9	37.6	37.5	38.9	
Net open position in foreign exchange / capital (%)	0.5	0.2	0.3	0.1			1.1	
Macroeconomic environment								
Real GDP growth (year on year, %)	6.3	6.8	6.0	3.2				
Consumer price inflation (end of period, %)	2.2	1.7	5.4	3.6	2.2	2.0	2.3	1.8
Public finance deficit / GDP (%)	-3.6	-2.6	-0.6	-1.5				
Public debt / GDP (%)	29.8	29.6	28.9	29.8				
Trade balance / GDP (%)	2.0	2.0	3.3	2.8				
Balance of payments current account / GDP (%)	-1.3	-2.6	-3.2	-3.1				
Monetary policy ZV repo rate (end of period, %)	2.0	2.5	3.5	2.25	2.25	1.75	1.75	1.75
Financial markets								
1Y PRIBOR (average, %)	2.1	2.7	3.4	4.1	3.3	2.6	2.7	2.7
10Y government bond yield (average, %)	3.6	3.8	4.3	4.6	4.0	4.6	5.2	5.6
Eurobond spread (EMBI spread, b.p.)	17.0	23.0	26.0	66.7				
CZK/EUR exchange rate (average)	29.8	28.3	27.8	25.0	27.2	28.5	27.2	26.8
Change in the PX stock index (% year on year, end of period)	42.7	7.7	14.2	-52.7	-48.4	-59.1	-51.7	-45.3
Real estate market								
Total change in residential property prices (transfer prices, % year on year)	6.0	10.4	18.9	12.5*				
Change in apartment prices (supply prices according to CZSO, % year on year)	0.2	13.4	23.2	19.6			9.9	
Apartment price / average annual wage	4.1	4.2	5.0	5.1				
Apartment price / rent (according to IRI)	13.6	15.3	20.3	19.9			19.9	
Non-financial corporations								
Return on equity (%)	9.5	10.5	10.9	10.4				
Debt (% of total liabilities)	46.5	47.5	48.8	49.4				
Debt (% of GDP)	40.9	39.3	45.0	46.5				
- loans from Czech banks (% of GDP)	14.8	19.7	21.1	23.0				
- loans from Czech non-bank financial corporations (% of GDP)	4.7	4.7	4.9	5.2				
- other (incl. financing from abroad, % of GDP)	22.1	15.0	16.1	18.3				
Interest coverage ratio (earnings / interest expense, %)	9.5	11.8	9.8	9.3				
12M default rate (average, %)	2.7	2.7	3.8	6.6			7.0	
Households (incl. sole traders, excl. 12M default)								
Debt / gross disposable income (%)	34.0	40.3	45.2	49.2				
Debt / financial assets (%)	22.5	26.0	28.7	31.3				
Net financial assets (total financial assets – total liabilities, % of GDP)	...	41.5	39.2	38.3				

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Debt / GDP (%)	17.3	20.3	25.0	27.7				
- loans from Czech banks to households (% of GDP)	10.7	15.3	18.9	21.6				
- loans from Czech non-bank financial corporations to households (% of GDP)	3.1	3.1	3.7	3.6				
- loans from Czech banks to sole traders (% of GDP)	0.9	1.1	1.1	1.1				
- loans from Czech non-bank financial corporations to sole traders (% of GDP)	0.4	0.4	0.6	0.4				
- other (incl. financing from abroad, % of GDP)	2.2	0.3	0.7	1.0				
Interest expenses / gross disposable income (%)	1.1	1.3	1.9	1.7				
12M default rate of households (average, %)	3.0	3.7			4.4	
Financial sector								
Debt / gross disposable income (%)	34.0	40.3	45.2	49.2				
Debt / financial assets (%)	22.5	26.0	28.7	31.3				
Banking sector								
Share in financial sector assets (%)	74.1	73.3	74.2	75.0				
Client loans / bank assets (%)	39.5	45.2	48.4	51.8	50.5	51.0	51.0	
Client loans / client deposits (%)	62.8	69.3	75.1	80.7	77.8	78.1	77.9	
Growth in loans (% , end of period, year on year):								
total	16.7	19.9	26.4	16.4	16.2	15.6	13.5	
non-financial corporations	14.3	20.8	17.2	14.1	13.7	12.4	9.5	
- loans for property purchase (CZ-NACE 70)	36.5	37.0	37.4	21.2				
households	34.0	30.4	35.1	20.9	19.9	19.2	18.8	
- loans for house purchase	34.1	32.5	37.6	20.1	19.2	18.6	18.2	
- consumer credit	36.8	26.5	26.1	22.8	21.4	20.5	20.3	
sole traders	16.9	7.7	8.7	10.4	9.3	8.4	6.6	
Non-performing loans / total loans (%):								
non-financial corporations	5.1	4.4	3.1	4.3	4.4	4.7	5.1	
households	3.2	2.9	2.7	2.7	2.8	2.9	3.0	
- loans for house purchase	1.6	1.6	1.5	1.6	1.7	1.7	1.8	
- consumer credit	7.8	7.3	6.6	6.7	7.0	7.2	7.2	
sole traders	10.7	9.2	7.2	8.2	8.6	8.6	8.9	
Non-bank financial corporations								
Share in financial sector assets (%)	25.9	26.7	25.8	25.0				
Premiums written / GDP (%)	3.9	3.8	3.7	3.8				
Solvency of insurance companies: life insurance (%)	325	301	276	...				
Solvency of insurance companies: non-life insurance (%)	339	327	337.0	...				
Change in financial investment of insurance companies (%)	11.6	8.9	8.0	5.1				
Return on equity of insurance companies (%)	13.5	24.6	21.7	14.0				
Claim settlement costs / net technical provisions (life, %)	12.1	10.3	12.8	14.8				
Claim settlement costs / net technical provisions (non-life, %)	69.4	71.7	61.4	60.7				
Change in assets managed by pension funds (%)	20.9	18.2	14.6	14.7				
Return on equity of pension funds (%)	...	121.8	112.2	21.9				
Growth in loans from non-bank financial corporations engaged in lending (%):								
total	...	7.4	21.0	6.1				
households	...	9.2	29.8	1.5				
non-financial corporations	...	5.8	14.7	11.2				
Composite indicators**								
Banking stability index (average for period)	0.6	0.5	0.3	0.2			0.2	
Creditworthiness index for non-financial corporations (average for period)	0.971	0.973	0.972	0.972				
Market liquidity index (average for period)	0.2	0.3	0.1	-0.4	-1.2	-1.2	-1.3	-1.3

* estimate for 2008 H1; only for family houses and apartments (around 74.4% of index)

** see FSR 2007 and the main text of this report for the methodology and interpretation of the composite indicators