

# Monetary Statistics — IV/2023



Czech National Bank — Monetary Statistics — IV/2023

**CNB** CZECH  
NATIONAL  
BANK

[www.cnb.cz](http://www.cnb.cz)

The information are based on monetary statistics of the CNB harmonized with monetary statistics of European System of Central Banks (ESCB) (Tables 3 – 13, Table 16) and non-harmonised information according to ESCB respectively (Tables 14 – 15), unless otherwise stated.

The data are not seasonally adjusted and the last period data are always preliminary. The published data may be subject to inaccuracy in the last decimal place due to rounding.

The data quoted in this Publication are included in the ARAD time series system: [https://www.cnb.cz/cnb/STAT.ARADY\\_PKG.STROM\\_SESTAVY?p\\_strid=AAAG&p\\_sestuid=&p\\_lang=EN](https://www.cnb.cz/cnb/STAT.ARADY_PKG.STROM_SESTAVY?p_strid=AAAG&p_sestuid=&p_lang=EN) (Time series database ARAD >> Statistical data >> Money and financial statistics >> Monetary statistics >> Monetary Statistics Publication), with the exception of the data on cost-of-borrowing indicators for euro area countries which are available under this following link: <http://sdw.ecb.europa.eu/reports.do?node=1000004934>.

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## I. KEY INTEREST RATES AND FINANCIAL MARKET INTEREST RATES

### I.1 TABLE 1 – KEY INTEREST RATES

(in %)

	CNB			ECB
	from 1 April 2022 onwards	from 6 May 2022 onwards	from 23 June 2022 onwards	from 22 March 2023 onwards
2W repo rate	5.00	5.75	7.00	3.50
Deposit facility	4.00	4.75	6.00	3.00
Marginal lending facility	6.00	6.75	8.00	3.75

### I.2 TABLE 2A – MONEY MARKET INTEREST RATES

(in %, monthly average)

	2022		2023	
	February	December	January	February
<b>CZEONIA</b>				
overnight	3.73	6.54	6.59	6.72
<b>PRIBOR</b>				
1 month	4.54	7.11	7.11	7.11
3 months	4.69	7.26	7.22	7.20
6 months	4.80	7.26	7.22	7.22
1 year	4.87	7.28	7.25	7.23

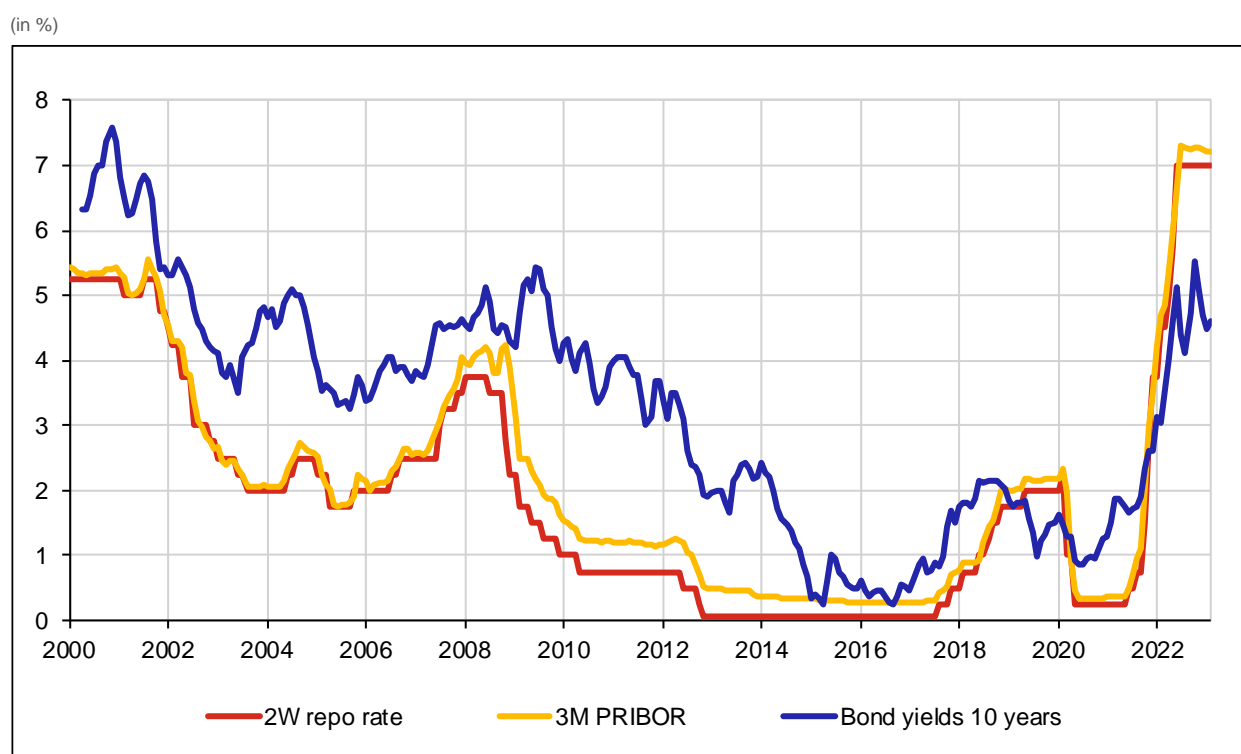
### I.3 TABLE 2B – CAPITAL MARKET INTEREST RATES

(in %, monthly average)

	2022				2023			
	February		December		January		February	
	CZ	Euro area	CZ	Euro area	CZ	Euro area	CZ	Euro area
<b>Bond yields</b>								
2 years	3.77	-0.19	5.19	2.55	5.38	2.77	5.51	3.01
5 years	3.20	0.43	4.90	2.76	4.73	2.78	4.87	2.97
10 years (Maastricht)	3.03	0.94	4.71	3.00	4.47	3.04	4.61	3.22

Source: Czech National Bank, European Central Bank.

Graph I.1 Financial market interest rates in CZ



## I.4 COMMENTARY ON TABLES 1 – 2

*Commentary on key interest rates (Table 1) and financial market interest rates (Table 2): February 2023.*

### I.4.1 Key interest rates

All the rates of the Czech National Bank (CNB) were changed on the basis of the CNB Bank Board's decision in late June 2022. They were all raised by 1.25 percentage points. Specifically, the 2W repo rate increased to 7.00%, the discount rate to 6.00% and the Lombard rate to 8.00%. The key interest rate of the European Central Bank (ECB) was raised to 3.50% with effect from 22 March 2023. The ECB's Lombard rate also increased by 0.50 percentage point (to 3.75%) as of the same date as the ECB's key rate. The ECB's discount rate rose by the same amount to 3.00%.

### I.4.2 Financial market interest rates

All four monitored interest rates on the Czech interbank deposit market declined or were flat in month-on-month terms in February. The 1M PRIBOR was unchanged from November at 7.11%. The 3M PRIBOR fell by 0.02 percentage point to 7.20%. The 6M PRIBOR was unchanged from January at 7.22%. The 1Y PRIBOR fell by 0.02 percentage point to 7.23%. The CZEONIA interest rate (i.e. the rate on unsecured O/N deposits placed by banks and foreign bank branches on the interbank market, including deposits placed in the CNB's deposit facility) increased by 0.13 percentage point to 6.72%.

All three monitored interest rates on the Czech capital market increased between January and February. The yield on the 2Y Czech bond rose by 0.13 percentage point to 5.51%. The yield on the 5Y Czech bond increased by 0.14 percentage point to 4.87% and that on the 10Y bond picked up by the same amount to 4.61%. The yield on the 2Y euro area bond increased by 0.24 percentage point to 3.01%. The yield on the 5Y euro area bond rose by 0.19 percentage point to 2.97%. The yield on the 10Y bond grew by 0.18 percentage point to 3.22%. The largest differential between Czech and euro area bond yields was recorded for the 2Y bond, reaching 2.50 percentage points.

## II. MONETARY DEVELOPMENTS

### II.1 TABLE 3 – KEY MONETARY INDICATORS

(CZK billions, unless otherwise indicated)

	2022						2023					
	February			December			January			February		
	Stocks	Flows <sup>4)</sup>	Annual growth rates (%)	Stocks	Flows <sup>4)</sup>	Annual growth rates (%)	Stocks	Flows <sup>4)</sup>	Annual growth rates (%)	Stocks	Flows <sup>4)</sup>	Annual growth rates (%)
M1	5 018.5	-4.2	0.9	4 798.7	-64.1	-4.6	4 804.0	13.5	-3.6	4 827.7	28.5	-3.0
M3 <sup>1)</sup>	5 810.5	61.5	5.7	5 953.1	-172.6	6.7	6 147.0	203.2	7.8	6 263.9	122.4	8.8
Loans to private sector <sup>2)</sup>	3 580.4	52.1	10.3	3 708.4	-35.3	8.0	3 738.6	39.0	8.6	3 735.1	5.6	7.2
Net foreign assets <sup>3)</sup>	2 482.1	-32.6	-0.9	2 202.6	-4.2	-0.7	2 310.6	91.8	2.6	2 234.3	-26.8	2.8

1) Monetary aggregates comprise monetary liabilities of MFIs vis-à-vis non-MFI Czech residents excluding central government. M1 is the sum of currency in circulation and overnight deposits; M2 is the sum of M1, deposits with an agreed maturity of up to two years and deposits redeemable at notice of up to three months; and M3 is the sum of M2, repurchase agreements, money market fund shares/units and debt securities up to two years.

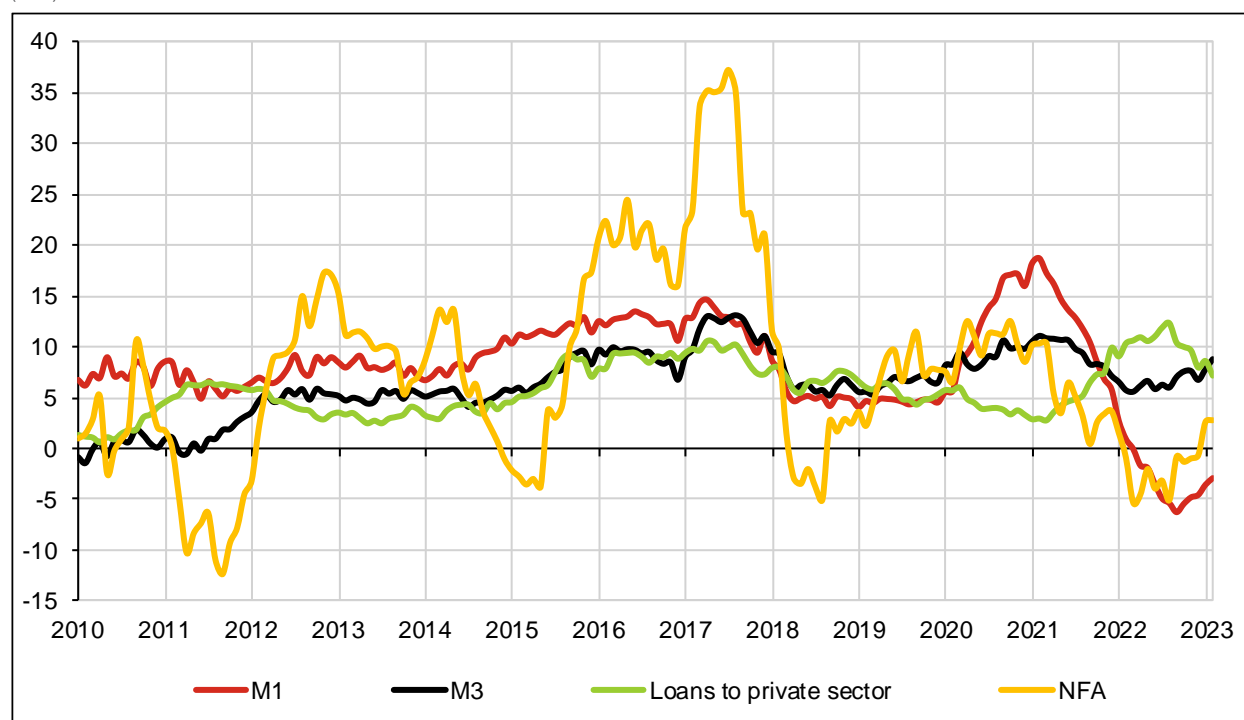
2) Including all resident sectors without general government (S.13) and MFIs sector (S.121, S.122 and S.123 according to ESA2010).

3) Net foreign assets (NFA) represent balance of financial claims and liabilities of the MFI sector vis-à-vis non-residents.

4) Net value of flow data calculated by adjusting the difference between end-of-period levels for the effect of non-transactions-related factors.

#### Graph II.1 Annual growth rates

(in %)



## II.2 TABLE 4 – MONETARY AGGREGATES AND COUNTERPARTS

(CZK billions, unless otherwise indicated)

	2022						2023					
	February			December			January			February		
	Stocks	Flows <sup>1)</sup>	Annual growth rates (%)	Stocks	Flows <sup>1)</sup>	Annual growth rates (%)	Stocks	Flows <sup>1)</sup>	Annual growth rates (%)	Stocks	Flows <sup>1)</sup>	Annual growth rates (%)
<b>COMPONENTS OF M3</b>												
(1) <b>M3 (items 1.3, 1.6 and 1.8)</b>	5 810.5	61.5	5.7	5 953.1	-172.6	6.7	6 147.0	203.2	7.8	6 263.9	122.4	8.8
(1.1) Currency in circulation	690.1	4.6	2.1	673.4	-4.9	-2.6	664.2	-9.2	-3.1	658.5	-5.7	-4.6
(1.2) Overnight deposits	4 328.5	-8.7	0.7	4 125.3	-59.2	-5.0	4 139.8	22.7	-3.7	4 169.2	34.2	-2.7
(1.3) <b>M1 (items 1.1 and 1.2)</b>	5 018.5	-4.2	0.9	4 798.7	-64.1	-4.6	4 804.0	13.5	-3.6	4 827.7	28.5	-3.0
(1.4) Deposits with agreed maturity up to 2 years	461.2	54.5	147.3	830.2	-33.7	194.3	943.4	114.3	136.2	1 015.7	73.0	124.4
(1.5) Deposits redeemable at notice up to 3 months	224.5	11.2	5.1	187.8	-17.5	-5.2	203.5	15.7	-4.6	201.6	-1.9	-10.1
(1.6) Other short term deposits (items 1.4 and 1.5)	685.7	65.6	71.4	1 018.0	-51.2	112.5	1 146.8	130.0	87.5	1 217.3	71.1	80.0
(1.7) <b>M2 (items 1.3 and 1.6)</b>	5 704.2	61.5	6.1	5 816.7	-115.3	5.6	5 950.9	143.6	6.3	6 045.0	99.7	6.9
(1.8) Marketable instruments <sup>2), 3)</sup>	106.3	0.1	-	136.5	-57.3	-	196.1	59.6	-	218.9	22.8	-
<b>COUNTERPARTS OF M3</b>												
<b>MFI liabilities</b>												
(2) Holdings deposits against central government	524.4	-23.5	29.6	624.3	41.3	2.5	591.3	-32.2	8.3	574.8	-15.6	10.1
(3) Longer-term financial deposits against other residents (items 3.1 to 3.4)	1 084.0	32.3	9.4	770.9	-9.2	2.1	788.3	7.8	4.0	735.0	5.0	1.5
(3.1) Deposits with agreed maturity over 2 years	229.5	-2.4	1.0	222.8	4.6	-4.1	224.0	1.2	-3.3	224.7	0.7	-2.0
(3.2) Deposits redeemable at notice over 3 months	16.9	-0.3	-30.2	24.7	0.0	42.5	24.7	-0.1	44.1	15.6	-9.1	-7.5
(3.3) Debt securities issued with maturity over 2 years	128.1	2.5	39.9	182.9	5.5	47.1	192.4	11.5	58.2	202.5	11.5	64.4
(3.4) Capital and reserves	709.6	32.6	9.8	340.5	-19.3	-8.7	347.2	-4.9	-9.1	292.2	1.9	-13.0
<b>MFI assets</b>												
(4) Credit to residents (items 4.1 and 4.2)	4 774.8	84.0	13.0	5 021.1	-121.7	10.2	5 105.0	113.2	11.6	5 162.2	72.4	11.2
(4.1) Credit to general government	1 109.5	32.1	24.1	1 221.1	-85.9	17.9	1 271.5	71.7	21.5	1 329.0	63.4	23.9
(4.2) Credit to private sector	3 665.3	51.9	10.0	3 800.0	-35.8	8.0	3 833.5	41.5	8.7	3 833.3	9.0	7.4
(5) Net foreign assets	2 482.1	-32.6	-0.9	2 202.6	-4.2	-0.7	2 310.6	91.8	2.6	2 234.3	-26.8	2.8
(6) Other counterparts of M3 (residual) (=M3+items 2,3 - items 4,5) <sup>2)</sup>	162.1	19.0	-	124.6	-14.6	-	111.0	-26.2	-	177.2	66.2	-

1) Net value of flow data calculated by adjusting the difference between end-of-period levels for the effect of non-transactions-related factors.

2) Given the significant variability of the underlying values, annual growth rates are not calculated.

3) Marketable instruments contain repo operations, MMF shares/units and debt securities with maturity up to 2 years.

## II.3 TABLE 5 – SECTOR BREAKDOWN OF COMPONENTS OF M3

(CZK billions)

	2022				2023			
	February		December		January		February	
	Stocks	Flows <sup>1)</sup>	Stocks	Flows <sup>1)</sup>	Stocks	Flows <sup>1)</sup>	Stocks	Flows <sup>1)</sup>
<b>(1) Overnight deposits</b>	4 328.5	-8.7	4 125.3	-59.2	4 139.8	22.7	4 169.2	34.2
(1.1) Other general government	268.7	9.7	232.1	-75.9	262.5	30.4	296.9	34.5
(1.2) Other financial intermediaries <sup>2)</sup>	126.2	-3.0	141.7	7.3	143.1	2.2	130.8	-11.8
(1.3) Insurance corporations and pension funds	24.1	-0.4	16.6	-6.4	22.3	5.7	22.9	0.5
(1.4) Non-financial corporations	1 135.2	-6.5	1 081.8	-7.4	1 061.2	-15.7	1 053.0	-5.0
(1.5) Households <sup>3)</sup>	2 774.2	-8.6	2 653.0	23.1	2 650.6	0.1	2 665.6	16.1
<b>(2) M2 - M1 (other short- term deposits)</b>	685.7	65.6	1 018.0	-51.2	1 146.8	130.0	1 217.3	71.1
(2.1) Other general government	73.2	5.5	39.7	-34.4	96.9	57.2	105.9	9.0
(2.2) Other financial intermediaries <sup>2)</sup>	53.7	1.9	93.0	-16.9	120.9	28.0	141.0	20.2
(2.3) Insurance corporations and pension funds	13.9	0.9	11.6	-3.5	12.4	0.9	15.0	2.6
(2.4) Non-financial corporations	182.5	27.0	287.6	-10.2	311.1	24.1	338.2	27.6
(2.5) Households <sup>3)</sup>	362.5	30.3	586.2	13.8	605.5	19.8	617.2	11.7
<b>(3) Repurchase agreements (a part of M3 - M2)</b>	106.7	0.1	135.7	-58.2	195.1	59.4	217.6	22.4

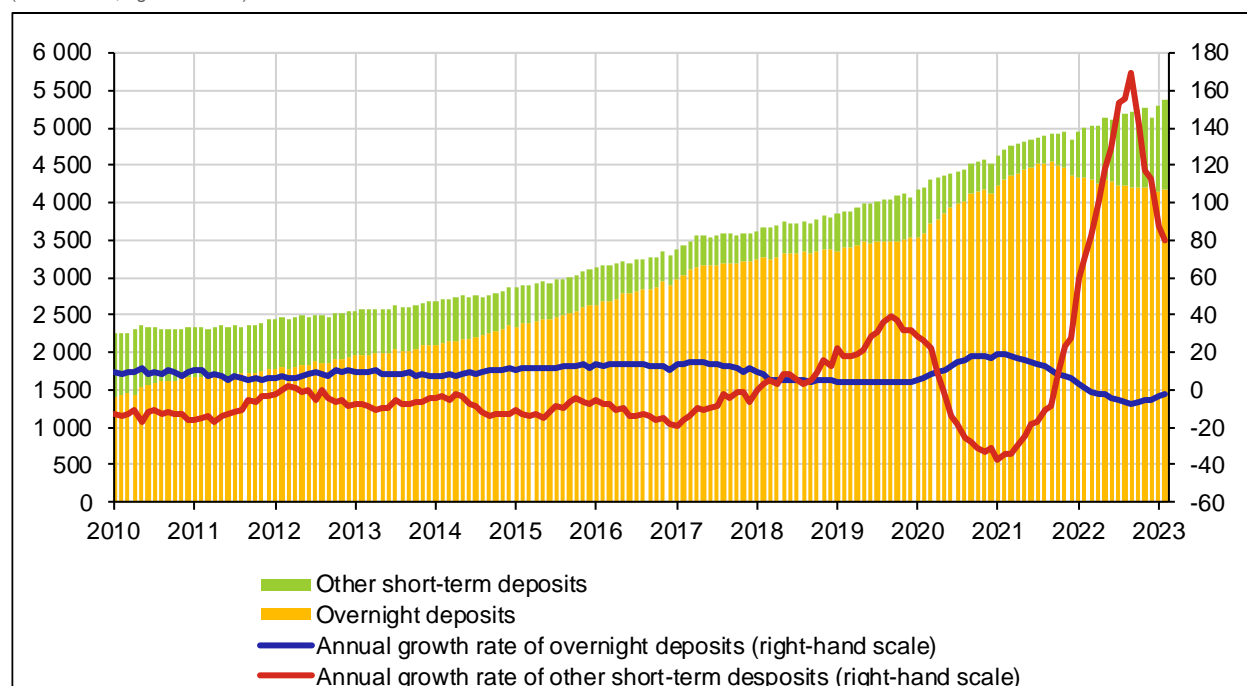
1) Net value of flow data calculated by adjusting the difference between end-of-period levels for the effect of non-transactions-related factors.

2) Including other financial intermediaries (without insurance corporations and pension funds) (S.124 and S.125 according to ESA2010), financial auxiliaries (S.126 according to ESA2010) and captive financial institutions (S.127 according to ESA2010).

3) Including households (S.14) and non-profit institutions serving households (S.15) according to ESA2010.

### Graph II.2 Overnight deposits and other short-term deposits and their annual growth rates

(CZK billions, right axis in %)



## II.4 TABLE 6 – LOANS TO PRIVATE SECTOR

(CZK billions)

	2022				2023			
	February		December		January		February	
	Stocks	Flows <sup>1)</sup>	Stocks	Flows <sup>1)</sup>	Stocks	Flows <sup>1)</sup>	Stocks	Flows <sup>1)</sup>
<b>(1) Loans to non-financial corporations</b>	1 252.3	41.3	1 243.6	-39.3	1 264.5	27.1	1 257.6	0.2
(1.1) up to 1 year	296.4	28.2	275.5	-39.0	283.7	10.1	280.4	-1.7
(1.2) over 1 year and up to 5 years	270.2	7.2	264.8	-1.9	276.8	12.0	273.3	-1.9
(1.3) over 5 years	685.7	6.0	703.3	1.6	704.0	5.0	703.9	3.8
<b>(2) Loans to households<sup>2)</sup></b>	2 072.1	11.8	2 146.6	5.4	2 149.2	3.0	2 153.7	4.7
(2.1) Consumer credit	284.0	1.8	302.4	0.5	302.6	0.5	303.9	1.4
(2.2) Lending for house purchase	1 617.0	9.2	1 674.0	4.7	1 676.9	2.9	1 680.3	3.5
(2.3) Other lending	171.1	0.8	170.2	0.1	169.7	-0.4	169.5	-0.2
<b>(3) Loans to other financial intermediaries<sup>3)</sup></b>	254.2	-0.6	315.6	-1.6	322.3	8.8	321.4	0.9
<b>(4) Loans to insurance corporations and pension funds</b>	1.9	-0.5	2.5	0.2	2.6	0.1	2.5	-0.1

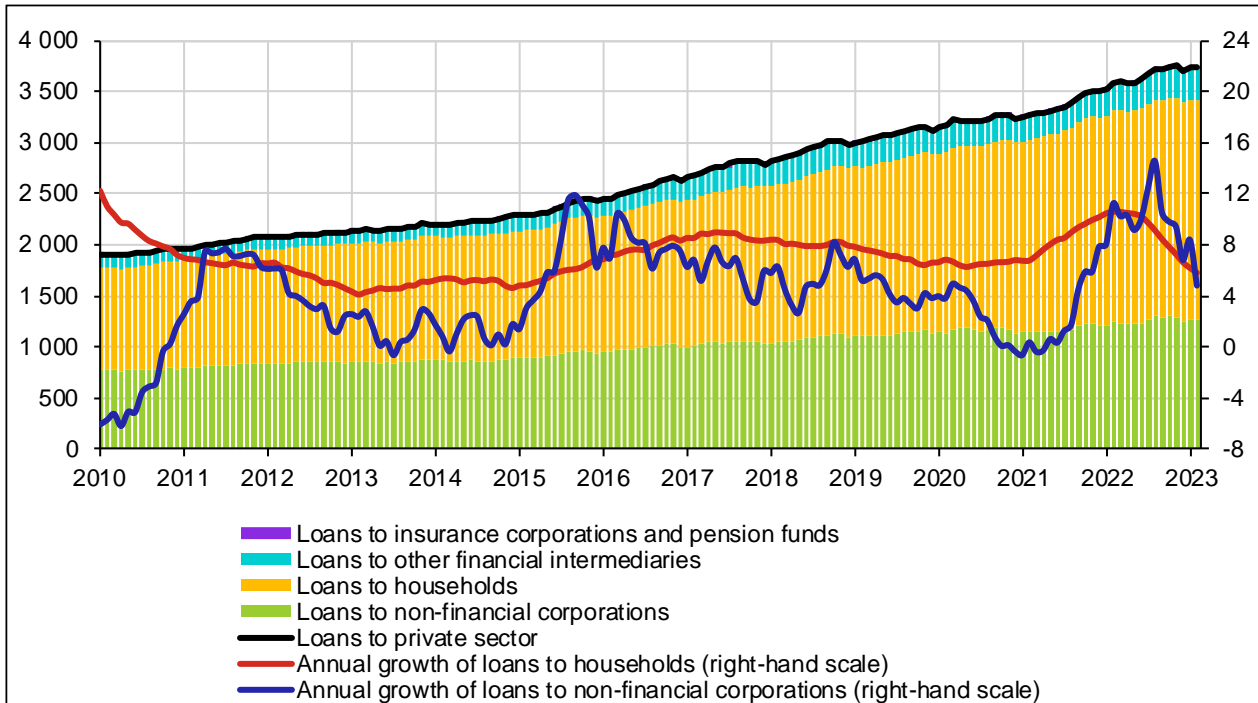
1) Net value of flow data calculated by adjusting the difference between end-of-period levels for the effect of non-transactions-related factors.

2) Including households (S.14) and non-profit institutions serving households (S.15) according to ESA2010.

3) Including other financial intermediaries (without insurance corporations and pension funds) (S.124 and S.125 according to ESA2010), financial auxiliaries (S.126 according to ESA2010) and captive financial institutions (S.127 according to ESA2010).

### Graph II.3 Loans to private sector and annual growth of loans to non-financial institutions and households

(CZK billions, right axis in %)



## II.5 TABLE 7 – CONTRIBUTIONS TO ANNUAL GROWTH OF M3

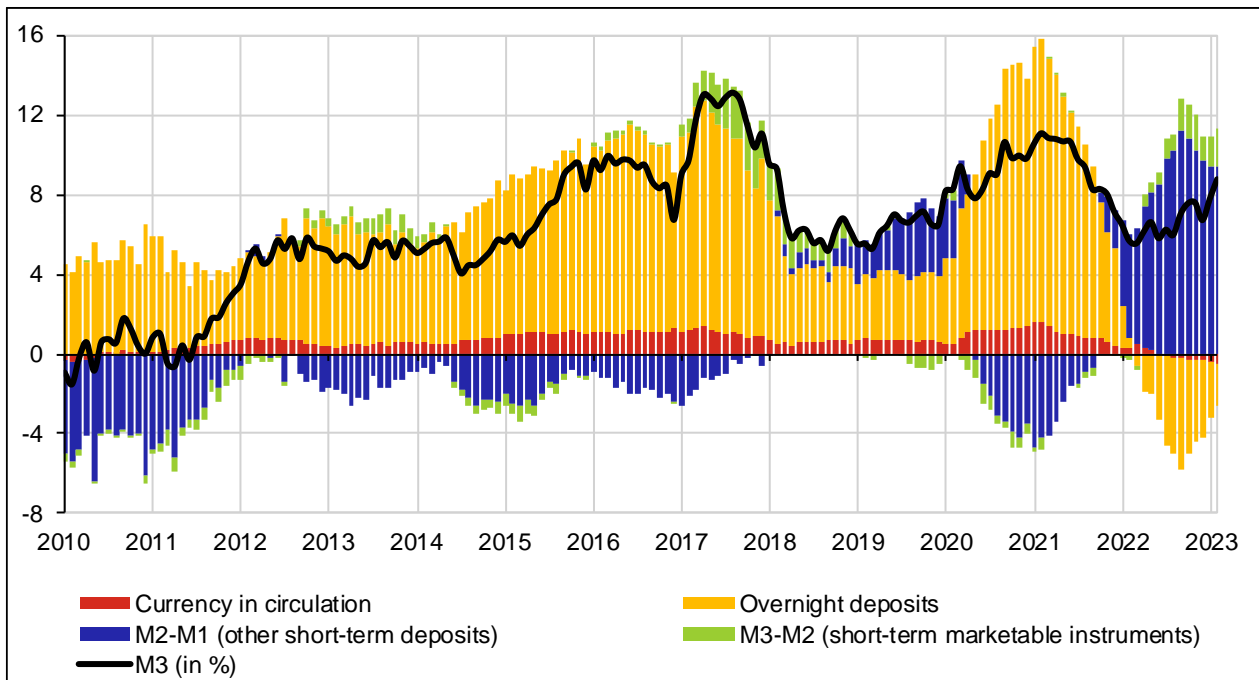
(in percentage points, unless otherwise indicated)

	2022		2023	
	February	December	January	February
M1	0.8	-4.2	-3.2	-2.6
of which: Currency	0.3	-0.3	-0.4	-0.5
Overnight deposits	0.5	-3.9	-2.8	-2.0
M2-M1 (=other short-term deposits)	5.2	9.7	9.4	9.4
M3-M2 (=short-term marketable instruments)	-0.3	1.2	1.6	1.9
M3 (in %)	5.7	6.7	7.8	8.8

Comment: Contributions to growth are the growth rates of M3 weighted by the share in total M3.

### Graph II.4 Contributions to annual growth of M3

(in percentage points, unless otherwise indicated)



## II.6 TABLE 8 – CONTRIBUTIONS TO ANNUAL GROWTH OF LOANS TO PRIVATE SECTOR

(in percentage points, unless otherwise indicated)

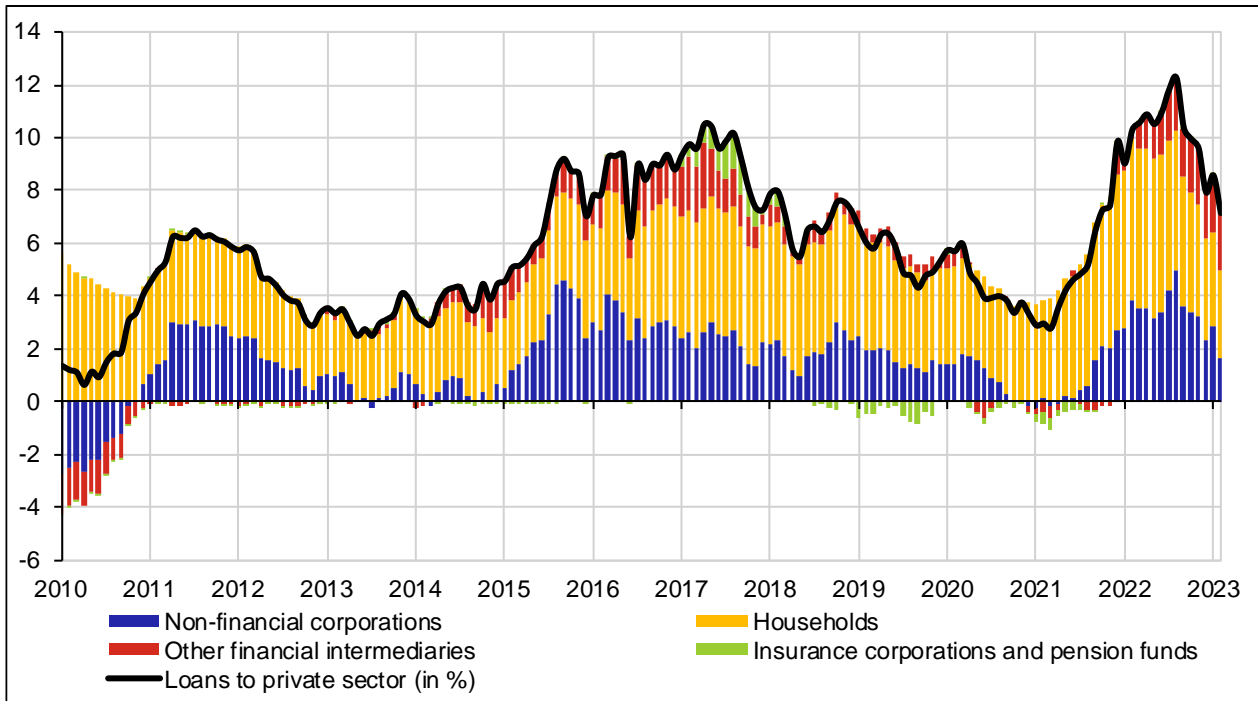
	2022		2023	
	February	December	January	February
Non-financial corporations	3.9	2.3	2.9	1.6
Households <sup>1)</sup>	6.1	3.8	3.6	3.3
Other financial intermediaries <sup>2)</sup>	0.4	1.8	2.2	2.2
Insurance corporations and pension funds	0.0	0.0	0.0	0.0
Loans to private sector <sup>3)</sup> (in %)	10.3	8.0	8.6	7.2

Comment: Contributions to growth are the growth rates of lending weighted by the share in total lending to private sector.

- 1) Including households (S.14) and non-profit institutions serving households (S.15) according to ESA2010.
- 2) Including other financial intermediaries (without insurance corporations and pension funds) (S.124 and S.125 according to ESA2010), financial auxiliaries (S.126 according to ESA2010) and captive financial institutions (S.127 according to ESA2010).
- 3) Including all sectors without general government (S.13) and MFIs sector (S.121, S.122 and S.123) according to ESA2010.

### Graph II.5 Contributions to annual growth of loans to private sector

(in percentage points, unless otherwise indicated)



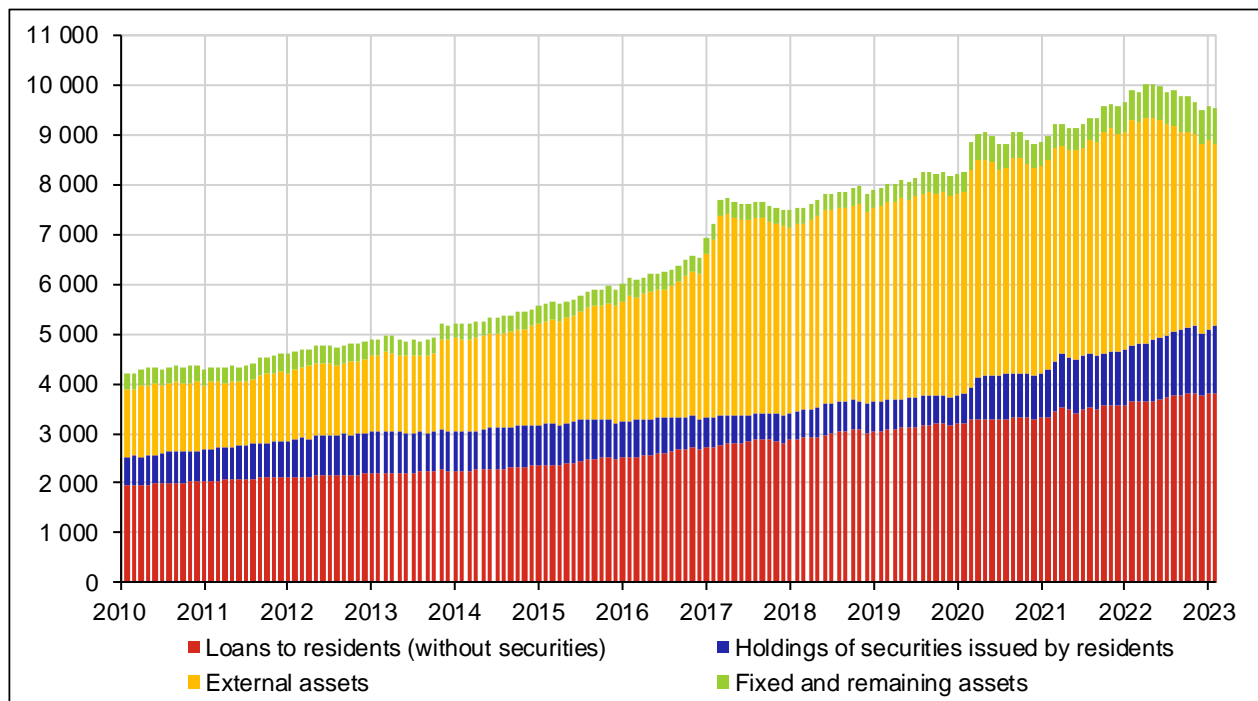
## II.7 TABLE 9A – BALANCE SHEETS OF MONETARY FINANCIAL INSTITUTIONS BY REPORTING INSTITUTIONS (ASSETS): FEBRUARY 2023

(CZK billions)

	MFI		Consolidated balance sheet of MFIs
	CNB	Other MFIs	
<b>(1) Assets total</b>	<b>3 018.8</b>	<b>9 747.8</b>	<b>9 533.7</b>
(1.1) Loans to residents (without securities)	1.8	6 566.1	3 803.4
MFI	0.0	2 764.5	-
General government	0.0	68.3	68.3
Other residents	1.8	3 733.3	3 735.1
(1.2) Holdings of securities other than shares issued by residents	2.4	1 645.7	1 293.8
MFI	0.0	354.3	-
General government	2.4	1 258.3	1 260.7
Other residents	0.0	33.1	33.1
(1.3) Holdings of shares/other equity issued by residents	0.0	150.8	65.1
MFI	0.0	85.7	-
Other residents	0.0	65.1	65.1
(1.4) External assets	2 957.7	689.0	3 646.7
(1.5) Fixed assets	11.4	189.5	200.9
(1.6) Remaining assets	45.5	506.9	523.9

### Graph II.6 Consolidated balance sheet of MFIs: assets

(CZK billions)



## II.8 TABLE 9B – BALANCE SHEETS OF MONETARY FINANCIAL INSTITUTIONS BY REPORTING INSTITUTIONS (LIABILITIES): FEBRUARY 2023

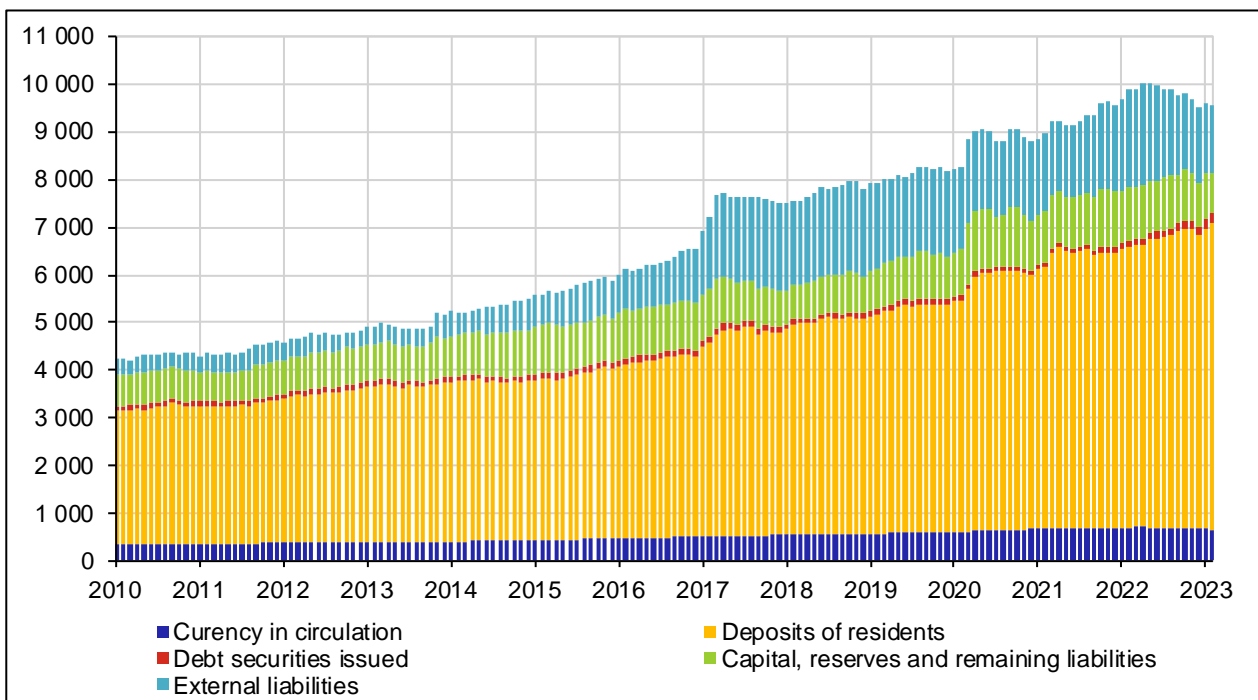
(CZK billions)

	MFI		Consolidated balance sheet of MFIs
	CNB	Other MFIs	
<b>(2) Liabilities total</b>	<b>3 018.8</b>	<b>9 747.8</b>	<b>9 533.7</b>
(2.1) Currency in circulation	687.1	-	658.5
(2.2) Deposits of residents	2 592.4	6 579.6	6 419.1
MFI	2 585.8	167.1	-
Central government	3.5	571.3	574.8
Other general government/other residents	3.1	5 841.3	5 844.4
(2.3) Debt securities issued	0.0	558.1	203.8
(2.4) Capital and reserves <sup>1)</sup>	-531.2	909.1	292.2
(2.5) External liabilities	261.6	1 150.8	1 412.4
(2.6) Remaining liabilities	9.0	550.2	559.2
(2.7) Excess of inter MFI liabilities	-	-	-11.6

1) Item Capital and reserves contains also MMF shares/units.

### Graph II.7 Consolidated balance sheet of MFIs: liabilities

(CZK billions)



## II.9 COMMENTARY ON TABLES 3 – 9

### *Commentary on monetary developments statistics<sup>1</sup> (Tables 3 – 9): February 2023.*

The evolution of the annual rate of growth of M3 was characterised by a downward trend from March 2021 (11.1% in February 2021) to March 2022 (5.5%). This trend halted in April when the rate rose by 0.6 percentage point from the previous month to 6.1%. The annual growth rate developed irregularly in the subsequent months, reaching 8.8% in February 2023 (up by 1.0 percentage point compared to January). As a result of financial transactions, M3 rose by CZK 122.4 billion month on month in February 2023 (up by CZK 506.7 billion year on year), reaching CZK 6,263.9 billion.

#### II.9.1 Main components of M3

Individual components of the annual rate of growth of M3 showed mixed developments in February 2023. The contribution of currency in circulation decreased marginally further (from -0.4 percentage point in January to -0.5 percentage point in February). Although the contribution of overnight deposits edged up again, it remained negative (up from -2.8 percentage points in January 2023 to -2.0 percentage points in February 2023). The contribution of other short-term deposits, which peaked at 11.2 percentage points in September 2022 – its highest level since 2003 (i.e. the start of the time series), decreased gradually or remained flat in the following months (9.4 percentage points in January and February 2023). The contribution of short-term marketable instruments increased slightly further (from 1.6 percentage points in January to 1.9 percentage points in February).

Owing to financial transactions, overnight deposits increased by 0.8% month on month, or CZK 34.2 billion, in February 2023. Growth was driven mainly by deposits of other government (up by 13.1%, or CZK 34.5 billion). This growth was also marginally due to deposits of insurance corporations and pension funds and households (up by 2.4%, or CZK 0.5 billion, and 0.6%, or CZK 16.1 billion respectively). By contrast, the remaining components dampened the growth in overnight deposits – decreases were recorded for deposits of other financial intermediaries and non-financial corporations (down by 8.3%, or CZK 11.8 billion, and 0.5%, or by CZK 5.0 billion respectively).

Other short-term deposits (excluding overnight deposits) also increased month on month (by 6.2%, or CZK 71.1 billion) in February, due to financial transactions. All components recorded increases, in particular deposits of insurance corporations and pension funds and deposits of other financial intermediaries (up by 20.9%, or CZK 2.6 billion and 16.7%, or CZK 20.2 billion respectively). Strong increases in deposits were also recorded by other government (up by 9.3%, or CZK 9.0 billion) and non-financial corporations (up by 8.9%, or CZK 27.6 billion). Deposits of households also increased (by 1.9%, or CZK 11.7 billion). The annual growth rate of other short-term deposits decreased by 7.5 percentage points to 80.0% in February. The annual growth rate of deposits redeemable at notice of up to three months and that of deposits with agreed maturity of up to two years decreased (by 5.5 percentage points to -10.1% and by 11.8 percentage points to 124.4% respectively).

Marketable instruments, which consist of repos, money market fund shares/units and debt securities with maturities of up to two years, increased by CZK 22.8 billion in February, to CZK 218.9 billion.

#### II.9.2 Main counterparts of M3

The annual rate of growth of loans to the private sector, which are the most important counterpart of M3, stood at 7.2% in February 2023 (down by 1.4 percentage points month on month). The annual growth rate of loans to non-financial corporations, a major component of this indicator, saw a month-on-month decrease of 3.6 percentage points from 8.3% in January 2023 to 4.7% in February 2023. The annual growth rate of loans to households, another major component, was slightly above 10% from December 2021 to June 2022. However, it gradually declined or remained flat from March 2022, falling to 5.7% in February 2023 (down by 0.4 percentage point from January).

As regards liabilities of monetary financial institutions, further increases were recorded for the annual growth rate of deposits of central government (from 8.3% in January to 10.1% in February), while the annual growth rate of longer-term financial liabilities declined slightly (from 4.0% in January to 1.5% in February). As regards assets of monetary financial institutions, increases were recorded for the annual growth rate of loans provided to the government sector and purchased securities (from 21.5% in January to 23.9% in February) and marginally also for the annual growth rate of net foreign assets (from 2.6% in January to 2.8% in February).

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<sup>1</sup> All increases and decreases referred to in this commentary relate only to financial transactions adjusted for non-transaction effects.

### III. MONETARY FINANCIAL INSTITUTIONS INTEREST RATES

#### III.1 TABLE 10 – MFI INTEREST RATES ON NEW BUSINESS

(CZK billions, unless otherwise indicated)

	2022				2023			
	February		December		January		February	
	Interest rate (% p.a.)	Volume	Interest rate (% p.a.)	Volume	Interest rate (% p.a.)	Volume	Interest rate (% p.a.)	Volume
<b>(1) Deposits from households<sup>1)</sup></b>								
(1.1) Overnight <sup>2)</sup>	0.47	2 643.2	1.33	2 508.1	1.41	2 503.9	1.46	2 519.2
of which: current accounts	0.06	1 670.8	0.22	1 437.7	0.20	1 397.2	0.20	1 389.6
(1.2) With agreed maturity	3.46	78.3	6.00	92.5	5.99	104.9	5.97	100.6
of which: Up to 2 years	3.47	77.3	6.02	91.0	6.00	103.6	5.98	98.8
(1.3) Redeemable at notice <sup>2), 3)</sup>	1.47	208.9	2.29	193.8	2.32	190.2	2.38	188.1
(1.3.1) Up to 3 months' notice	1.57	192.4	2.42	178.3	2.45	174.9	2.51	172.8
(1.3.2) Over 3 months' notice	0.28	16.6	0.72	15.4	0.79	15.4	0.86	15.3
<b>(2) Deposits from non-financial corporat.</b>								
(2.1) Overnight <sup>2)</sup>	0.43	820.5	1.10	769.2	1.65	734.7	1.68	729.9
of which: current accounts	0.33	730.0	0.81	673.8	1.01	591.9	0.97	578.3
(2.2) With agreed maturity	3.88	170.5	5.78	206.5	6.47	241.3	6.50	244.3
of which: Up to 1 year	3.88	170.3	5.78	206.1	6.47	240.6	6.50	244.0
<b>(3) Loans to households<sup>1)</sup></b>								
(3.1) Consumer house pur. and other loans	4.73	51.6	6.59	29.7	6.89	29.9	6.94	30.9
(3.1.1) Consumer credit	7.96	12.2	9.66	9.9	9.75	11.6	9.56	11.9
(3.1.2) Lending for house purchase	3.57	35.6	4.88	17.2	4.86	15.9	5.08	16.7
of which: Mortgage lending <sup>4)</sup>	3.46	32.5	4.68	15.6	4.64	14.3	4.85	14.8
Saving for building purposes	4.58	2.3	6.62	1.4	6.63	1.3	6.68	1.5
(3.1.3) Other lending	5.28	3.9	6.19	2.5	6.60	2.5	6.85	2.4
(3.2) Overdraft <sup>5)</sup> and revolving loans <sup>2)</sup>	13.31	18.0	15.42	17.2	15.50	17.0	15.35	16.7
(3.3) Credit cards <sup>2)</sup>	17.46	15.0	16.53	16.8	16.73	16.0	16.78	15.9
<b>(4) Loans to non-financial corporations</b>								
(4.1) Total loans (all size categories)	5.74	60.0	8.97	44.2	8.47	22.1	8.58	20.8
(4.1.1) Up to CZK 7.5 million	6.08	2.2	7.54	2.5	8.34	2.0	8.61	1.9
of which: Up to 3 months rate fixation <sup>6)</sup>	7.13	1.0	9.40	0.9	9.63	1.0	9.75	1.0
(4.1.2) CZK 7.5-30 million	5.51	3.8	8.03	4.2	7.81	2.9	7.57	2.6
of which: Up to 3 months rate fixation <sup>6)</sup>	6.20	2.0	8.69	1.6	8.86	1.3	8.57	1.4
(4.1.3) Over to CZK 30 million	5.75	54.0	9.17	37.5	8.59	17.2	8.74	16.3
of which: Up to 3 months rate fixation <sup>6)</sup>	5.87	47.7	9.29	26.9	8.61	12.8	8.85	13.5
(4.2) Overdraft <sup>5)</sup> , revolving and credit cards <sup>2)</sup>	6.34	207.9	9.01	163.9	9.03	168.7	8.99	166.9
<b>(5) APRC<sup>7)</sup> on loans to households<sup>1)</sup></b>	4.91	47.8	6.89	27.2	7.16	27.5	7.24	28.6
(5.1) Consumer credit	8.40	12.2	10.10	9.9	10.18	11.6	10.04	11.9
(5.2) Lending for house purchase	3.72	35.6	5.04	17.2	4.97	15.9	5.24	16.7
of which: Mortgage lending <sup>4)</sup>	3.59	32.5	4.75	15.6	4.70	14.3	4.93	14.8

Comment: The interest rates applied by MFIs to CZK-denominated deposits and loans vis-à-vis households and non-financial corporations resident in the Czech Republic. New business refers to any new agreement between the customer and the MFI within given period.

- 1) Including households (S.14) and non-profit institutions serving households (S.15) according to the classification ESA2010.
- 2) For this instrument category the new business are equal to the outstanding amounts (end-of-period stocks).
- 3) Households deposits redeemable at notice include similar deposits of non-financial corporations of which volumes are negligible in this category.
- 4) Since 2019, the amendment to Act No. 190/2004 Coll., on Bonds, as amended, has been fully applied, under which a mortgage loan is a loan, which is secured at least partly by lien (right of pledge) over real estate (property).
- 5) Debit balances on current accounts. The total amount owed by the borrower is included, irrespective of whether is within or beyond any limit agreed beforehand.
- 6) The initial period of fixations is a predetermined period of time at the start of the contract during which the value of the interest rate cannot change. Period up to 3 months includes floating rates.
- 7) Annual percentage rate of charge (APRC) covers total costs of the credit to the client including charges etc.

### III.2 TABLE 11 – INTEREST RATES OF MONETARY FINANCIAL INSTITUTIONS – OUTSTANDING AMOUNTS

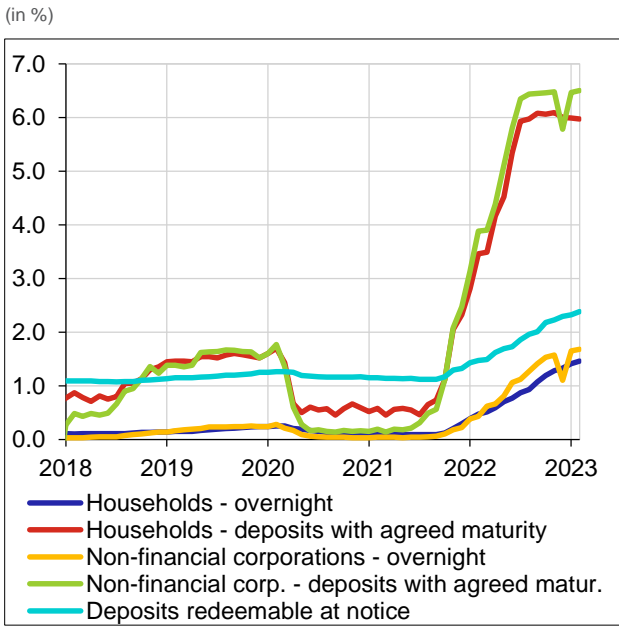
(CZK billions, unless otherwise indicated)

	2022				2023			
	February		December		January		February	
	Interest rate (% p.a.)	Volume	Interest rate (% p.a.)	Volume	Interest rate (% p.a.)	Volume	Interest rate (% p.a.)	Volume
<b>(1) Deposits from households<sup>1), 2)</sup></b>	0.69	3234.7	1.83	3304.0	1.94	3315.3	2.00	3339.3
(1.1) With agreed maturity	1.75	392.7	3.81	615.6	3.97	634.1	4.06	646.1
(1.1.1) Up to 2 years	2.75	173.6	5.24	403.0	5.40	420.7	5.48	432.2
(1.1.2) Over 2 years	0.96	219.1	1.11	212.6	1.14	213.4	1.19	213.9
<b>(2) Deposits from non-financial corp.<sup>2)</sup></b>	1.00	1 009.4	2.20	1 021.0	3.08	1 058.2	3.24	1 089.6
(2.2) With agreed maturity	3.47	167.5	5.57	238.0	6.18	261.1	6.25	278.1
(2.2.1) Up to 2 years	3.48	165.9	5.58	236.8	6.20	259.9	6.26	276.9
(2.2.2) Over 2 years	2.63	1.6	3.25	1.2	3.32	1.2	3.44	1.2
<b>(3) Loans to households</b>	3.29	2 066.3	3.61	2 138.7	3.64	2 141.2	3.67	2 145.5
(3.1) Lending for house purchase	2.43	1 616.1	2.71	1 672.6	2.74	1 675.4	2.77	1 678.8
of which: Mortgage lending <sup>3)</sup>	2.30	1 526.4	2.57	1 578.5	2.60	1 581.2	2.63	1 584.0
Saving for building purposes	4.77	79.1	5.05	84.4	5.08	84.7	5.13	85.3
(3.2) Consumer credit and other lending <sup>4)</sup>	6.47	450.2	6.95	466.1	6.97	465.8	6.98	466.7
of which: consumer credit	8.14	283.1	8.48	300.6	8.51	300.8	8.49	302.1
other lending	3.68	167.1	4.18	165.4	4.20	165.0	4.22	164.7
<b>(4) Loans to non-financial corporations</b>	5.28	802.7	7.33	681.5	7.35	684.7	7.35	681.5
(4.1) Up to 1 year	6.20	186.0	9.13	142.6	9.17	144.5	9.17	145.1
(4.2) Over 1 and up to 5 years	6.07	168.7	8.56	147.7	8.53	150.6	8.54	148.1
(4.3) Over 5 years	4.61	448.1	6.25	391.1	6.25	389.6	6.25	388.4

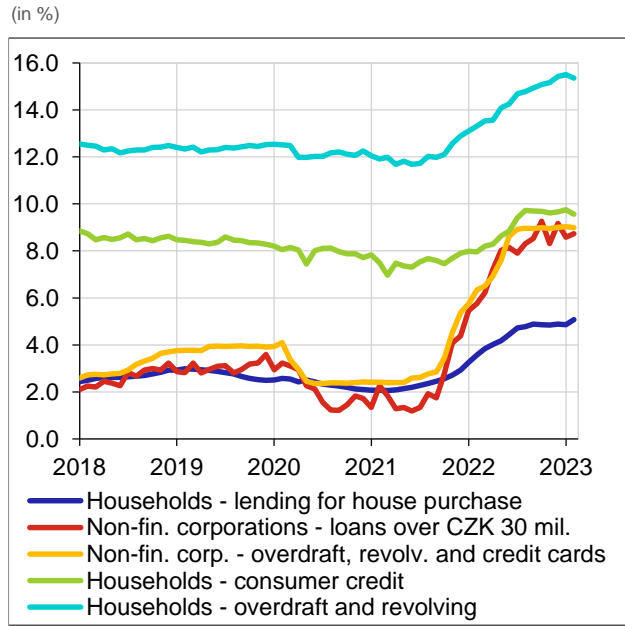
Comment: The interest rates that are applied by MFIs to CZK-denominated deposits and loans vis-à-vis households and non-financial corporations resident in the Czech Republic. Interest rates on outstanding amounts refer to the stock of all deposits and all loans at a specific moment.

- 1) Including households (S.14) and non-profit institutions serving households (S.15) according to the classification ESA2010.
- 2) Including overnight deposits and deposits redeemable at notice presented in Table 10. For this instrument category, new business and outstanding amounts coincide.
- 3) Since 2019, the amendment to Act No. 190/2004 Coll. on Bonds, as amended, has been fully applied, under which a mortgage loan is a loan, which is secured at least partly by lien (right of pledge) over real estate (property).
- 4) Consumer credit and other lending include bank overdrafts, revolving loans and credit cards presented in Table 10.

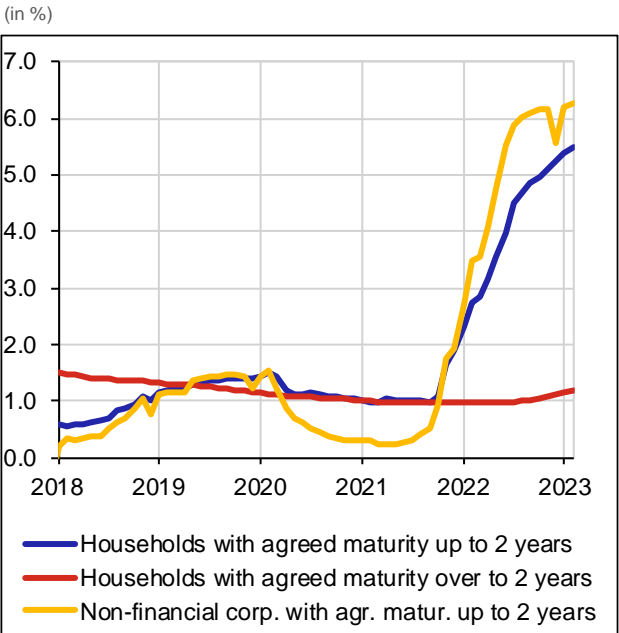
**Graph III.1 Interest rates of monetary financial institutions on new business (new business, deposits)**



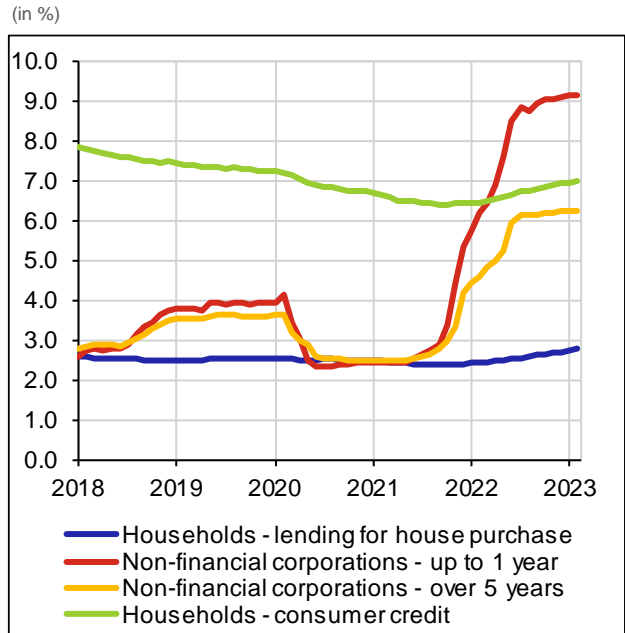
**Graph III.2 Interest rates of monetary financial institutions on new business (new business, loans)**



**Graph III.3 Interest rates of monetary financial institutions on outstanding amounts (outstanding amounts, deposits)**



**Graph III.4 Interest rates of monetary financial institutions on outstanding amounts (outstanding amounts, loans)**



### III.3 COMMENTARY ON TABLES 10 – 11

*Commentary on monetary financial institutions interest rates (Tables 10 – 11): February 2023.*

#### III.3.1 Interest rates on new business

In February, interest rates on new deposits of households recorded the largest change for deposits redeemable at notice. The interest rate on overnight deposits of households rose to 1.46%. The interest rate on current account deposits was 0.20%, unchanged from January. The rate on deposits with agreed maturity decreased marginally to 5.97%. The rate on deposits redeemable at notice rose by 0.06 percentage point to 2.38% (this rate is the only one to include, in addition to the household sector, also similar deposits of non-financial corporations, whose volumes are negligible in this category).

The interest rate on overnight deposits of non-financial corporations increased to 1.68%. The rate on current account deposits decreased to 0.97%. The rate on deposits with agreed maturity of up to one year (which as a rule account for 100% of all deposits with agreed maturity in this sector) saw an increase of 0.03 percentage point to 6.50%.

Within interest rates on new loans to households, other loans recorded the biggest change in February. Interest rates on loans to non-financial corporations saw the largest change for loans of up to CZK 7.5 million.

The overall interest rate on consumer credit, loans for house purchase and other loans rose to 6.94%. Consumer credit was remunerated at 9.56%, down by 0.19 percentage point. The interest rate on loans for house purchase rose by 0.22 percentage point to 5.08%. The rate on mortgage loans stood at 4.85%, up by 0.21 percentage point from January. Building society loans were remunerated at 6.68%, up by 0.05 percentage point. The rate on other loans increased by 0.25 percentage point to 6.85%. The interest rate on overdrafts and revolving loans decreased by 0.15 percentage point to 15.35%. The rate on credit card loans increased by 0.05 percentage point month on month to 16.78%.

The interest rate on new loans to non-financial corporations (excluding overdrafts, revolving loans and credit cards) picked up by 0.11 percentage point to 8.58%. The rate on loans of up to CZK 7.5 million increased, up by 0.27 percentage point to 8.61%. Loans of over CZK 7.5 million and up to CZK 30 million were remunerated at 7.57%, i.e. 0.24 percentage point lower than in January. The interest rate on loans of over CZK 30 million increased by 0.15 percentage point, reaching 8.74%. The interest rate on overdrafts, revolving loans and credit card loans fell by 0.04 percentage point to 8.99%.

#### III.3.2 Interest rates on outstanding amounts

The average interest rates on outstanding amounts of deposits of households changed by just a few basis points in February, while the rates on deposits of non-financial corporations saw more significant changes.

Total deposits of households were remunerated at 2.00%, representing an increase compared to January. The interest rate on overnight deposits picked up to 1.46%. The interest rate on deposits redeemable at notice rose to 2.38% and the rate on deposits with agreed maturity increased to 4.06%.

The interest rate on total deposits of non-financial corporations grew to 3.24%. The interest rate on overnight deposits also increased, reaching 1.68%. The interest rate on deposits with agreed maturity rose to 6.25%.

Interest rates on outstanding amounts of loans to households changed by just a few basis points in February. Rates on outstanding amounts of loans to non-financial corporations were almost unchanged.

The overall interest rate on loans to households increased slightly to 3.67%. The rate on loans for house purchase also grew, reaching 2.77%. The interest rate on consumer credit and other loans rose slightly to 6.98%.

The average interest rate on outstanding amounts of loans to non-financial corporations was unchanged from January at 7.35%. The interest rate on loans with maturity of up to one year was also flat at 9.17%. The interest rate on loans with maturity of over one year and up to five years edged up to 8.54%. The rate on loans with maturity of over five years was 6.25%, unchanged from January.

### III.4 COST-OF-BORROWING INDICATORS

The Czech National Bank has been publishing fully harmonised MIR statistics in accordance with Regulation ECB/2013/14 since January 2004. These statistics are used in the CNB's economic and monetary analyses and are reported to the ECB on a monthly basis. Over time, it has been found that in order to estimate the effectiveness of monetary policy pass-through across euro area and EU countries, it is necessary to use an accurate and comparable measure of the borrowing costs for non-financial corporations and households in those countries, in addition to the standard MIR indicators. For this reason, the euro area countries started to publish cost-of-borrowing indicators (CBI) in 2013. The CBIs were created to assess the effectiveness of monetary policy pass-through and economic forecasts and to compare economic conditions across the euro area countries. The Czech Republic voluntarily signed up to the publication of CBIs in June 2014.

The motive for implementing the CBIs was that aggregate indicators cannot be easily compiled for MIR statistics in some cases due to inhomogeneity in the definitions of the underlying instruments. For example, overdrafts<sup>2</sup> are recorded in the monthly statistics on new loan contracts ("new business"), but they have a higher periodicity and different characteristics. They cannot be left out if this segment is to be fully covered. Because of the difference in definitions, however, interest rates could previously be monitored only separately for individual instruments, not in aggregate form. The CBI calculation algorithm eliminates this shortcoming for certain instruments.

Four basic categories of underlying instruments were used to calculate the CBIs: interest rates on loans provided by banks to non-financial corporations and interest rates on loans provided by banks to households for house purchase. The MIR source statistics were used in two ways to construct the CBIs. Interest rates on long-term loans provided by banks to non-financial corporations and interest rates on short-term and long-term loans provided by banks to households for house purchase were obtained directly from the MIR statistics. In the case of interest rates on long-term loans provided by banks to non-financial corporations, two additional calculations had to be performed to make this aggregate indicator applicable. This involved accounting for the importance of overdrafts an important source of financing for firms and computing an estimate of the share of long-term loans with original and residual maturity of over one year and interest rate reset in the next twelve months, as these long-term loans are akin to short-term loans.

There are eight indicators: four basic ones and four derived ones. The basic indicators provide an assessment of the costs of borrowing broken down into short-term and long-term loans to households and non-profit organisations serving household for house purchase and to non-financial corporations. These four basic CBIs are used to compile the derived CBIs – short-term CBIs, long-term CBIs, CBIs for non-financial corporations as a whole and CBIs for households and non-profit institutions serving households as a whole. The CBIs cover CZK-denominated loans.

The CBIs are compiled on the basis of the existing MFI interest rate (MIR) and balance sheet statistics. The CBIs for households and non-profit institutions serving households (HH) are calculated using loans for house purchase (new business). Consumer credit and other loans are not included as their interest rates are too volatile across countries and thus not relevant for macroeconomic projections.

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<sup>2</sup> Overdrafts are debit balances on current accounts, revolving loans and card credit.

### III.5 TABLE 12 – DERIVED COST-OF-BORROWING INDICATORS IN THE CZECH REPUBLIC AND IRELAND

(in % p. a.)

	2022						2023	
	January		November		December		January	
	CZ	IE <sup>5)</sup>	CZ	IE	CZ	IE	CZ	IE
(1) Households - total <sup>1), 2)</sup>	3.25	2.72	4.82	2.78	4.85	2.84	4.85	3.00
(2) Non-financial corporations - total	5.56	2.66	8.53	4.44	8.99	4.62	8.72	4.26
(3) Total short-term cost of borrowing <sup>3)</sup>	5.67	2.70	8.64	4.35	9.14	4.51	8.88	4.19
(4) Total long-term cost of borrowing <sup>4)</sup>	3.41	2.66	5.13	2.72	5.18	2.81	5.14	2.97

1) MFI interest rate statistics cover CZK-denominated loans only. The rates on outstanding amounts are the rates applied to end of period balances.

2) Households comprise the household sector (S.14) and non-profit institutions serving households (S.15) under ESA2010.

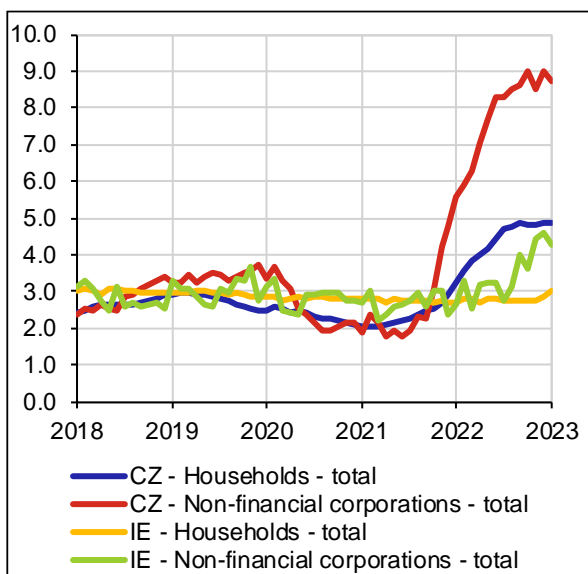
3) Short-term (ST) loans are loans with a floating rate or an initial rate fixation up to one year.

4) Long-term (LT) loans are loans with an initial rate fixation over one year.

5) IE = Ireland ([link](#) to data).

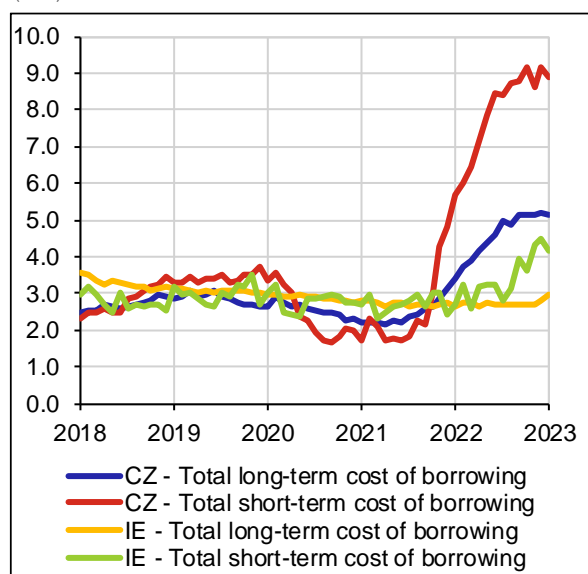
**Graph III.5 Cost-of-borrowing indicators of households and non-financial corporations**

(in %)



**Graph III.6 Long-term and short-term cost-of-borrowing indicators**

(in %)



### III.5.1 Recent developments in derived cost-of-borrowing indicators in the Czech Republic and Ireland

All cost-of-borrowing indicators (CBIs) were higher for Czech loans than for Irish loans in January 2023, with the differential exceeding 3.00 percentage points on average. All the monitored CBIs in the Czech Republic and Ireland rose year on year in January. Only two Irish CBIs of all CBIs monitored in the Czech Republic and Ireland rose in month-on-month terms. The Irish short-term CBI was the lowest in January. By contrast, the short-term CBI in the Czech Republic was the highest.

The cost of borrowing of Czech households was unchanged from December, representing the lowest month-on-month change among all the monitored CBIs in the Czech Republic and Ireland. In Ireland, this CBI was up by 0.16 percentage point month on month. In January, this CBI reached 4.85% in the Czech Republic and 3.00% in Ireland. The differential between this Czech and Irish CBI was thus 1.85 percentage points, the smallest differential among all the monitored CBIs in the Czech Republic and Ireland. In year-on-year terms, increases of 1.60 percentage points and 0.28 percentage point respectively were recorded in the Czech Republic and Ireland.

The borrowing costs of non-financial corporations in the Czech Republic saw a month-on-month decline of 0.27 percentage point to 8.72%. This CBI in Ireland was 4.26%, i.e. 4.46 percentage points lower than in the Czech Republic. This was the second biggest differential among all the monitored CBIs in the Czech Republic and Ireland. This CBI dropped by 0.36 percentage point month on month in Ireland. The month-on-month change in this Irish CBI was the largest among all the Czech and Irish CBIs. In year-on-year terms, this indicator increased by 1.60 percentage points in Ireland and by 3.16 percentage points in the Czech Republic. The year-on-year change in this Czech CBI was the second largest among all the Czech and Irish CBIs.

The total short-term cost of borrowing, which comprises both households and non-financial corporations, recorded a month-on-month decrease of 0.26 percentage point to 8.88% in the Czech Republic. In Ireland, this CBI was 4.69 percentage points lower. This was the biggest differential among all the monitored CBIs in the Czech Republic and Ireland. This indicator thus stood at 4.19% in Ireland. This CBI dropped by 0.32 percentage point month on month in Ireland. This was the second smallest monthly change among all the monitored CBIs in the Czech Republic and Ireland. In year-on-year terms, increases of 1.49 percentage points and 3.21 percentage points respectively were recorded in Ireland and the Czech Republic. The year-on-year change in this Czech CBI was the largest among all the Czech and Irish CBIs.

In the Czech Republic, the long-term cost of borrowing (comprising both households and non-financial corporations) fell by 0.04 percentage point month on month to 5.14% in January, the second lowest month-on-month change among the monitored Czech and Irish CBIs. In Ireland, this CBI recorded a month-on-month increase of 0.16 percentage point. The long-term CBI in Ireland was 2.97%, i.e. 2.17 percentage points lower than in the Czech Republic. This CBI increased by 1.73 percentage points year on year in the Czech Republic. In Ireland, it rose by 0.31 percentage point.

## IV. INVESTMENT FUNDS EXCEPT MONEY MARKET FUNDS

### IV.1 TABLE 13 – AGGREGATED BALANCE SHEET OF INVESTMENT FUNDS

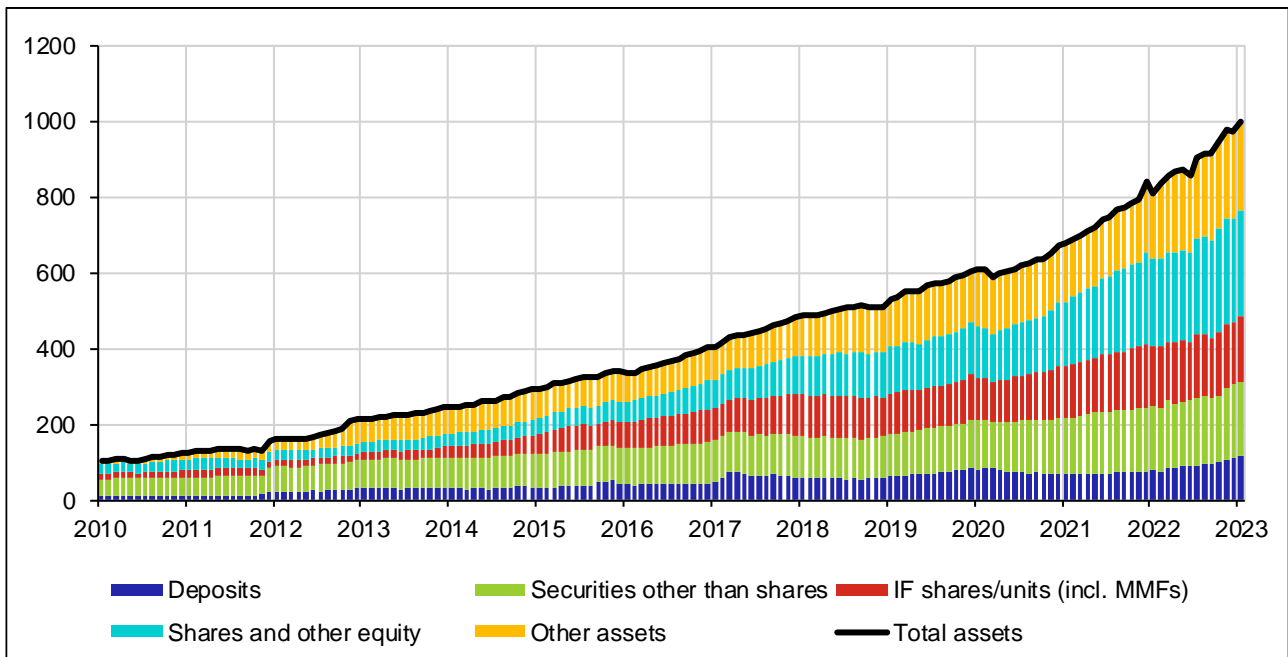
(CZK billions)

	2022						2023	
	January		November		December		January	
	Stocks	Flows	Stocks	Flows	Stocks	Flows	Stocks	Flows
<b>Total Assets</b>	810.2	-16.7	979.6	15.2	972.8	1.9	1003.3	18.6
(1.1) Deposits	77.7	4.0	108.0	8.1	112.3	4.3	115.1	2.8
(1.2) Securities other than shares	169.5	3.3	189.2	5.6	193.3	6.0	198.7	3.8
Residents	108.3	0.7	133.9	5.6	137.4	4.6	140.3	1.3
Non-residents	61.2	2.7	55.3	0.0	55.9	1.3	58.4	2.5
(1.3) Shares and other equity	229.9	-10.7	275.3	0.0	271.7	0.4	278.8	0.9
Residents	93.4	-11.7	134.4	0.4	135.3	-0.7	134.8	-1.0
Non-residents	136.5	1.0	140.9	-0.4	136.4	1.1	144.0	1.9
(1.4) Investment fund shares (including MMFs)	161.9	-1.5	170.1	-0.5	166.1	0.7	171.7	2.3
Residents	35.7	-1.4	56.1	-0.5	55.3	-0.7	53.9	-2.1
Non-residents	126.1	-0.1	114.0	0.1	110.9	1.4	117.8	4.4
(1.5) Other assets	171.3	-11.9	237.0	1.9	229.3	-9.5	239.1	8.8
<b>Total Liabilities</b>	810.2	-16.7	979.6	15.2	972.8	1.9	1003.3	18.6
(2.1) Loans accepted	27.5	0.1	34.2	3.1	34.4	0.3	37.8	3.4
(2.2) Investment fund shares	745.0	-14.8	896.9	9.9	897.2	8.9	922.4	13.1
(2.3) Other liabilities	37.6	-1.9	48.5	2.1	41.2	-7.3	43.2	2.1

Comment: Investment Funds (IFs) represent Mutual and Investment Funds other than Money Market Funds which are residents in the Czech Republic. Funds of funds and funds of qualified investors are classified under the category of assets or funds in which they primarily invest. Data are published by the 15th calendar day of the second month following the reference period.

#### Graph IV.1 Balance sheet total – breakdown by asset items

(CZK billions)



## IV.2 COMMENTARY ON TABLE 13

### *Commentary on the aggregated balance sheet of investment funds (Table 13): January 2023.*

**Net assets value:** The net assets value of investment funds was CZK 922.4 billion at the end of January. This means an increase of CZK 25.3 billion compared to December (monthly transactions accounted for CZK +13.1 billion). Compared to the same period last year, the net assets value rose by 23.8%. The biggest month-on-month change in the net assets value was recorded for bond funds, up by CZK 11.6 billion to CZK 259.5 billion.

**Investment in bonds:** The value of bond holdings was CZK 198.7 billion at the end of January. Compared to the previous month, the total volume of bonds in the funds' portfolio increased by CZK 5.4 billion (monthly transactions accounted for CZK +3.8 billion). The proportion of debt securities in the funds' net assets value was unchanged from the previous month at 21.5%.

**Investment in equity securities:** During the month under review, the volume of equity securities in the funds' portfolio increased. As of the end of the month, the value of holdings of equity securities amounted to CZK 450.4 billion, of which CZK 171.7 billion was investment in the shares and units of investment funds and CZK 278.8 billion was investment in shares and other equity. The value of equity securities grew by CZK 12.6 billion compared to December (monthly transactions accounted for CZK +3.2 billion). The proportion of equity securities in the funds' net assets value was unchanged from the previous month at 48.8%.

**Other investment:** The value of funds invested in other assets increased in the period under review. The total volume of other investment was CZK 335.3 billion in January, of which CZK 62.6 billion was fixed investment and CZK 115.1 billion investment in deposits. The proportion of other investment in the funds' net assets value increased to 36.3% compared to the previous month.

**Reporting population:** At the end of January 2023, a total of 745 resident investment funds were active in the Czech Republic, of which 78 were equity funds, 67 bond funds, 76 mixed funds, 120 real estate funds, 391 other funds and 13 funds without an investment policy.

## V. FINANCIAL CORPORATIONS ENGAGED IN LENDING (FINANCIAL LEASING, HIRE PURCHASE AND PROVISION OF PERSONAL OR COMMERCIAL FINANCE, FACTORING AND FORFAITING)

### V.1 TABLE 14 – AGGREGATED BALANCE SHEET OF FINANCIAL CORPORATIONS ENGAGED IN LENDING

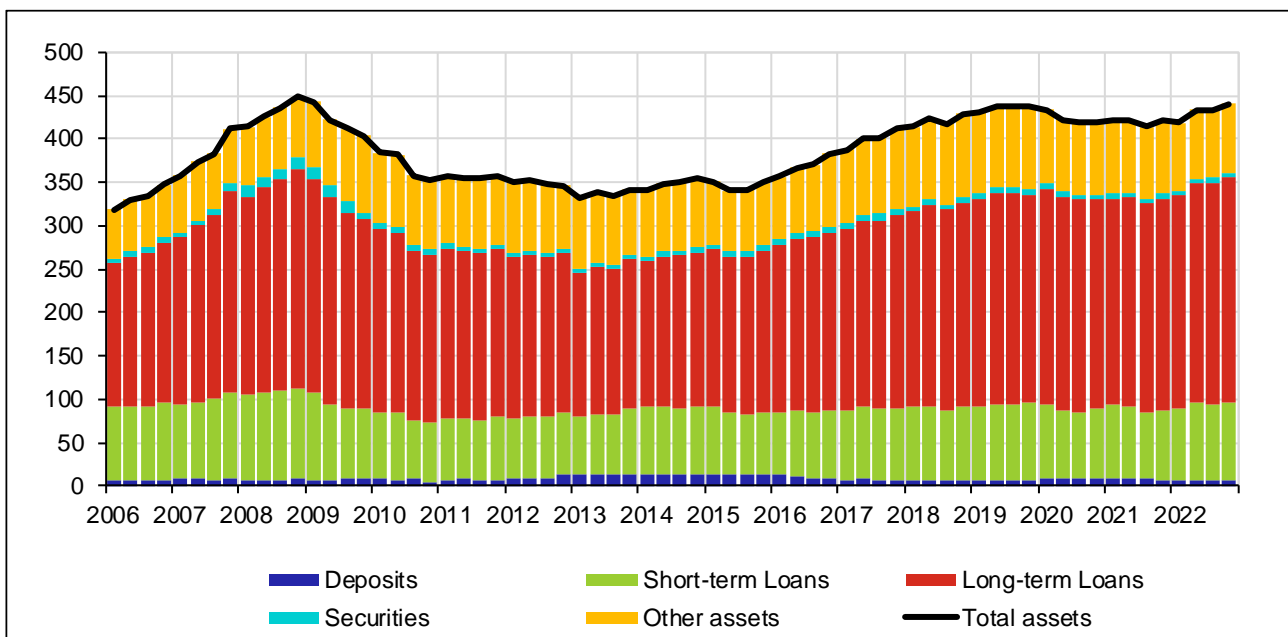
(CZK billions, end of period)

	2021	2022			
	December	March	June	September	December
<b>Total Assets</b>	420.8	418.8	433.8	434.3	440.5
(1.1) Deposits	6.1	7.4	6.5	7.4	6.8
(1.2) Loans provided	325.3	328.3	342.8	342.7	348.6
Residents	319.2	322.0	336.2	336.5	342.3
Non-residents	6.1	6.3	6.6	6.2	6.3
(1.3) Securities other than shares	0.3	0.3	0.3	0.3	0.1
(1.4) Shares and equity	4.9	4.8	5.0	4.9	4.9
Mutual fund shares/units (including MMFs)	0.1	0.1	0.1	0.1	0.1
Other shares and equity	4.8	4.8	4.9	4.8	4.8
(1.5) Other assets	84.2	78.0	79.2	79.0	80.1
<b>Total Liabilities</b>	420.8	418.8	433.8	434.3	440.5
(2.1) Loans taken	256.1	253.9	264.9	261.7	268.9
Residents	192.5	193.3	205.1	203.4	208.6
Non-residents	63.6	60.6	59.8	58.4	60.3
(2.2) Securities other than shares issued	21.1	20.8	24.3	25.6	26.0
(2.3) Own funds	105.3	104.6	104.6	106.5	105.9
(2.4) Other liabilities	38.3	39.5	40.1	40.4	39.6

Comment: Financial corporations engaged in lending - corporations classified within sector other financial intermediaries which are predominantly engaged in granting credit or loans or entering into agreements of similar nature, for example financial leasing, factoring, consumer credit, hire purchase, etc., (see Decree No. 314/2013 Coll.). Data are published by the 15th calendar day of the second month following the reference period.

#### Graph V.1 Balance sheet total – breakdown by asset items

(CZK billions)



## V.2 TABLE 15A – SUMMARY OF LOANS PROVIDED BY FINANCIAL CORPORATIONS ENGAGED IN LENDING TO RESIDENTS

(CZK billions, end of period)

	2021	2022			
	December	March	June	September	December
<b>(1) Non-financial corporations</b>	252.9	252.9	267.5	267.9	272.9
Up to 1 year	61.5	61.5	69.3	65.6	67.7
Over 1 year up to 5 years	126.9	123.0	127.5	130.6	133.6
Over 5 years	64.4	68.5	70.7	71.7	71.6
<b>(2) Financial corporations</b>	3.2	3.2	2.3	2.3	3.2
Up to 1 year	0.8	0.6	0.2	0.0	0.3
Over 1 year up to 5 years	2.1	2.3	1.8	1.5	2.1
Over 5 years	0.4	0.4	0.4	0.8	0.7
<b>(3) Government</b>	0.1	0.1	0.1	0.1	0.1
Up to 1 year	0.0	0.0	0.0	0.0	0.0
Over 1 year up to 5 years	0.0	0.0	0.0	0.0	0.0
Over 5 years	0.0	0.0	0.0	0.0	0.0
<b>(4) Households</b>	62.8	65.5	66.0	65.9	65.9
Up to 1 year	14.2	14.4	14.6	14.7	14.6
Over 1 year up to 5 years	35.5	34.9	35.0	34.8	35.1
Over 5 years	13.1	16.3	16.4	16.4	16.3
<b>(5) NPISHs</b>	0.3	0.2	0.2	0.2	0.2
Up to 1 year	0.0	0.0	0.0	0.0	0.0
Over 1 year up to 5 years	0.0	0.0	0.0	0.0	0.0
Over 5 years	0.2	0.2	0.2	0.2	0.2

Comment: Financial corporations engaged in lending - corporations classified within sector other financial intermediaries which are predominantly engaged in granting credit or loans or entering into agreements of similar nature, for example financial leasing, factoring, consumer credit, hire purchase, etc., (see Decree No. 314/2013 Coll.). Data are published by the last working day of the second month following the reference period.

### V.3 TABLE 15B – BREAKDOWN OF LOANS PROVIDED BY FINANCIAL CORPORATIONS ENGAGED IN LENDING TO HOUSEHOLDS

(CZK billions, end of period)

	2021	2022			
	December	March	June	September	December
<b>(1) Total</b>	62.8	65.5	66.0	65.9	65.9
<b>(1.1) Consumer credit</b>	47.8	47.4	47.6	47.6	47.6
Up to 1 year	13.2	13.4	13.7	13.7	13.6
Over 1 year up to 5 years	26.5	25.9	25.9	25.8	25.9
Over 5 years	8.1	8.0	8.1	8.1	8.0
<b>(1.2) Lending for house purchase</b>	0.4	0.3	0.3	0.3	0.3
Up to 1 year	0.0	0.0	0.0	0.0	0.0
Over 1 year up to 5 years	0.0	0.0	0.0	0.0	0.0
Over 5 years	0.3	0.3	0.3	0.3	0.3
<b>(1.3) Other loans</b>	14.7	17.8	18.1	18.0	18.1
Up to 1 year	0.9	0.9	1.0	1.0	1.0
Over 1 year up to 5 years	9.1	8.9	9.1	9.0	9.1
Over 5 years	4.7	7.9	8.0	8.0	8.0

Comment: Financial corporations engaged in lending - corporations classified within sector other financial intermediaries which are predominantly engaged in granting credit or loans or entering into agreements of similar nature, for example financial leasing, factoring, consumer credit, hire purchase, etc., (see Decree No. 314/2013 Coll.).

### V.4 COMMENTARY ON TABLES 14 – 15

*Commentary on the aggregated balance sheet of financial corporations engaged in lending (Tables 14 – 15): December 2022.*

Financial corporations engaged in lending had total assets of CZK 440.5 billion as of 31 December 2022, up by CZK 6.2 billion in quarter-on-quarter terms. Compared to 2021 Q4, total assets increased by CZK 19.7 billion (or 4.7%) year on year.

The largest asset item was loans provided, amounting to CZK 348.6 billion, of which CZK 342.3 billion was provided to residents. Compared to the previous quarter, total loans provided rose by CZK 5.9 billion in 2022 Q4. In year-on-year terms, they increased by CZK 23.4 billion.

The largest part of loans provided to residents consisted of loans to non-financial corporations amounting to CZK 272.9 billion, i.e. 79.7% of total loans to residents. Compared to the previous quarter, loans to non-financial corporations grew by CZK 5.0 billion. In year-on-year terms, they increased by CZK 20.1 billion.

The second largest category of loans to residents consisted of loans to households, totalling CZK 65.9 billion. These loans accounted for 19.3% of loans granted to residents.

## VI. PENSION FUNDS

### VI.1 TABLE 16 – QUARTERLY AGGREGATED BALANCE SHEET OF PENSION FUNDS

(CZK billions, end of period)

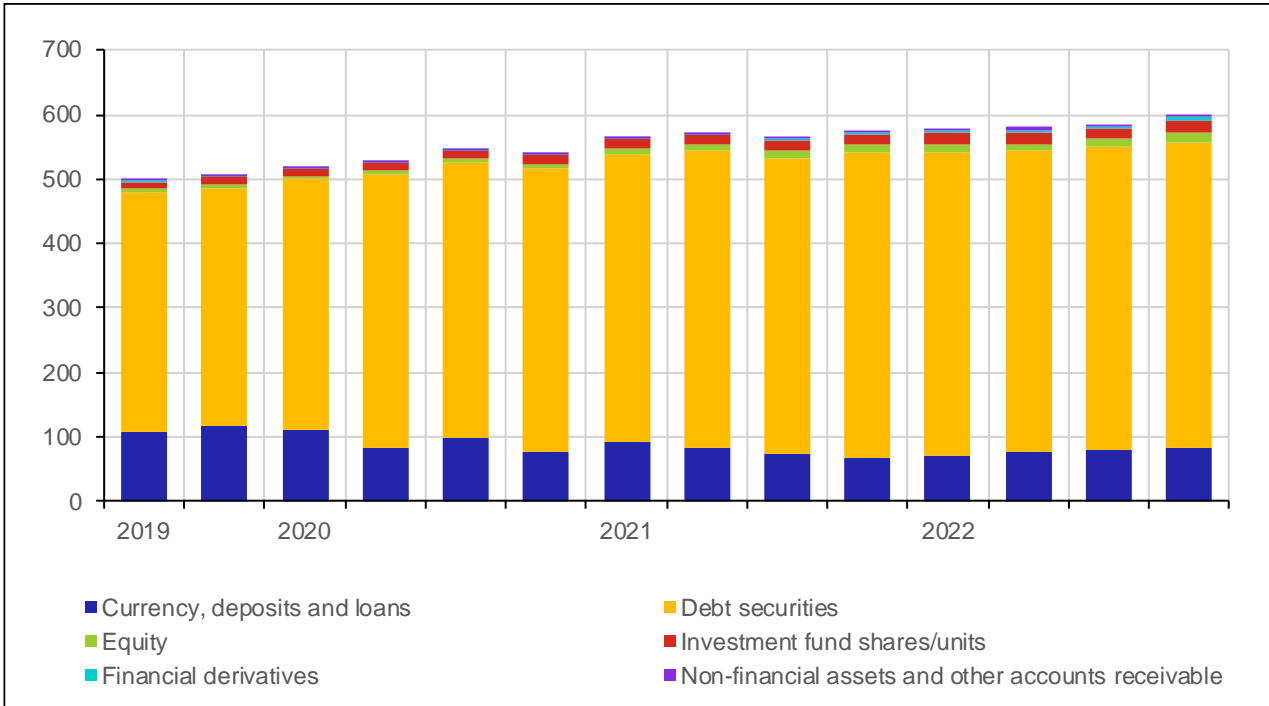
	2021		2022					
	December		June		September		December	
	Stocks	Quarterly transactions <sup>1)</sup>	Stocks	Quarterly transactions <sup>1)</sup>	Stocks	Quarterly transactions <sup>1)</sup>	Stocks	Quarterly transactions <sup>1)</sup>
<b>(1) Total assets</b>	574.7	15.4	580.3	11.7	585.8	7.3	599.9	10.4
(1.1) Currency, deposits and loans	69.1	-5.9	78.3	5.8	81.7	3.3	82.1	0.5
(1.2) Debt securities	471.7	19.0	464.8	1.9	467.6	3.5	475.8	5.3
Residents	423.2	19.6	421.6	3.3	427.0	5.7	436.0	5.7
Monetary financial institutions	6.2	0.0	7.5	1.1	8.0	0.6	10.1	2.1
General government	410.1	19.3	408.0	2.3	413.1	5.4	420.1	3.6
Others	6.8	0.2	6.1	-0.2	5.8	-0.3	5.8	0.0
Non-residents	48.6	-0.5	43.3	-1.4	40.6	-2.2	39.8	-0.4
Monetary financial institutions	15.6	0.3	14.4	0.5	14.2	-0.1	13.8	-0.2
General government	9.2	0.0	6.7	-1.7	6.6	0.0	7.4	0.9
Others	23.7	-0.8	22.2	-0.2	19.9	-2.2	18.6	-1.1
(1.3) Equity	11.5	0.6	11.8	0.9	12.6	1.6	14.6	1.1
Residents	1.4	0.0	1.4	0.1	1.3	0.1	1.4	0.1
Non-residents	10.1	0.6	10.4	0.9	11.3	1.5	13.2	1.0
(1.4) Investment fund shares/units	16.8	0.0	16.9	1.3	17.1	0.5	19.8	2.6
Residents	1.9	0.4	1.6	0.0	1.6	0.0	2.1	0.3
Non-residents	14.9	-0.4	15.2	1.3	15.4	0.5	17.7	2.4
(1.5) Financial derivatives	2.8	1.5	3.0	0.0	3.6	0.6	5.2	1.6
(1.6) Non-financial assets and other accounts receivable	2.8	0.1	5.5	1.8	3.3	-2.3	2.4	-0.8
<b>(2) Total liabilities</b>	574.7	15.4	580.3	11.7	585.8	7.3	599.9	10.4
(2.1) Loans received	0.0	-0.2	0.0	0.0	0.0	0.0	0.0	0.0
(2.2) Pension fund reserves	564.3	9.0	571.7	6.0	575.2	4.5	583.4	4.8
(2.3) Equity	1.8	-0.6	0.5	-0.4	2.3	1.7	6.2	3.9
(2.4) Financial derivatives	0.7	-0.1	1.9	1.2	1.8	-0.1	0.7	-1.2
(2.5) Other accounts payable	8.0	7.2	6.1	5.0	6.4	1.2	9.6	2.9

Comment: Pension funds (PFs) are participation or transformed funds whose assets are managed by pension management companies and that are residents of the Czech Republic.

- 1) Net value of flow data calculated by adjusting the difference between end-of-period levels for the effect of non-transactions-related factors.
- 2) Other counterparties comprise other financial institutions (S.125 + S.126 + S.127), insurance corporations (S.128) and non-financial corporations (S.11) according to ESA2010.

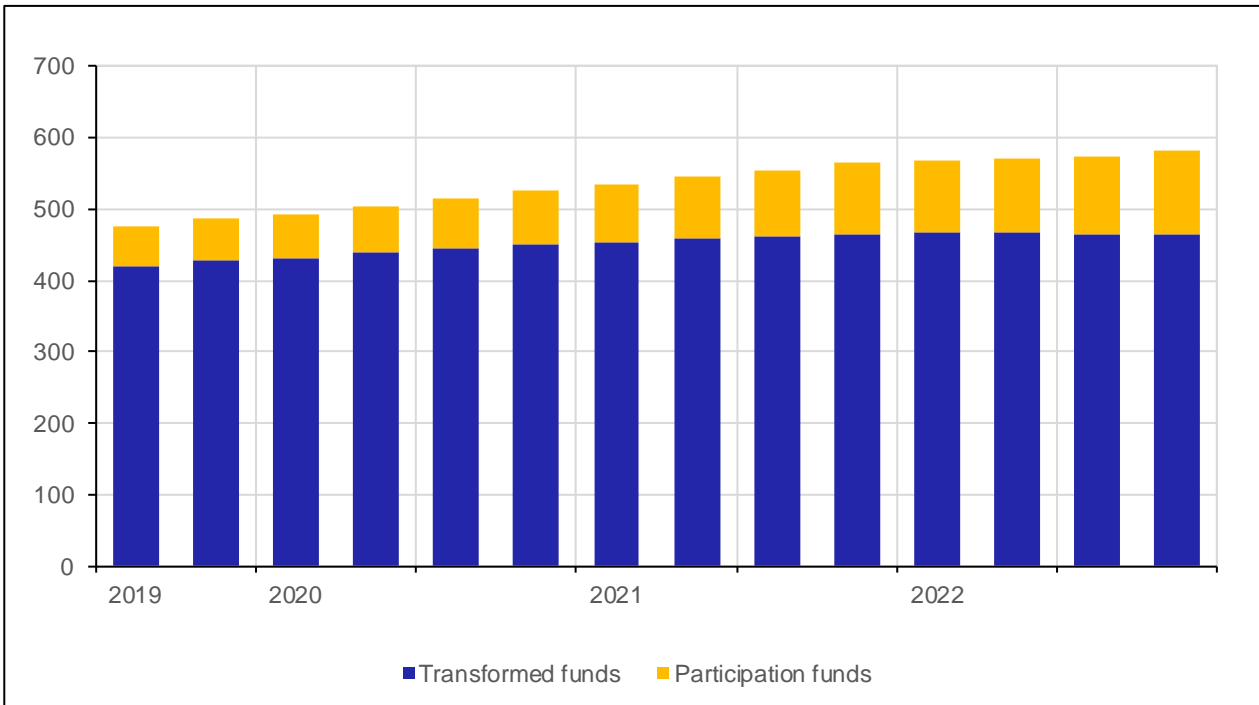
**Graph VI.1 Balance sheet total – breakdown by asset items**

(CZK billions)



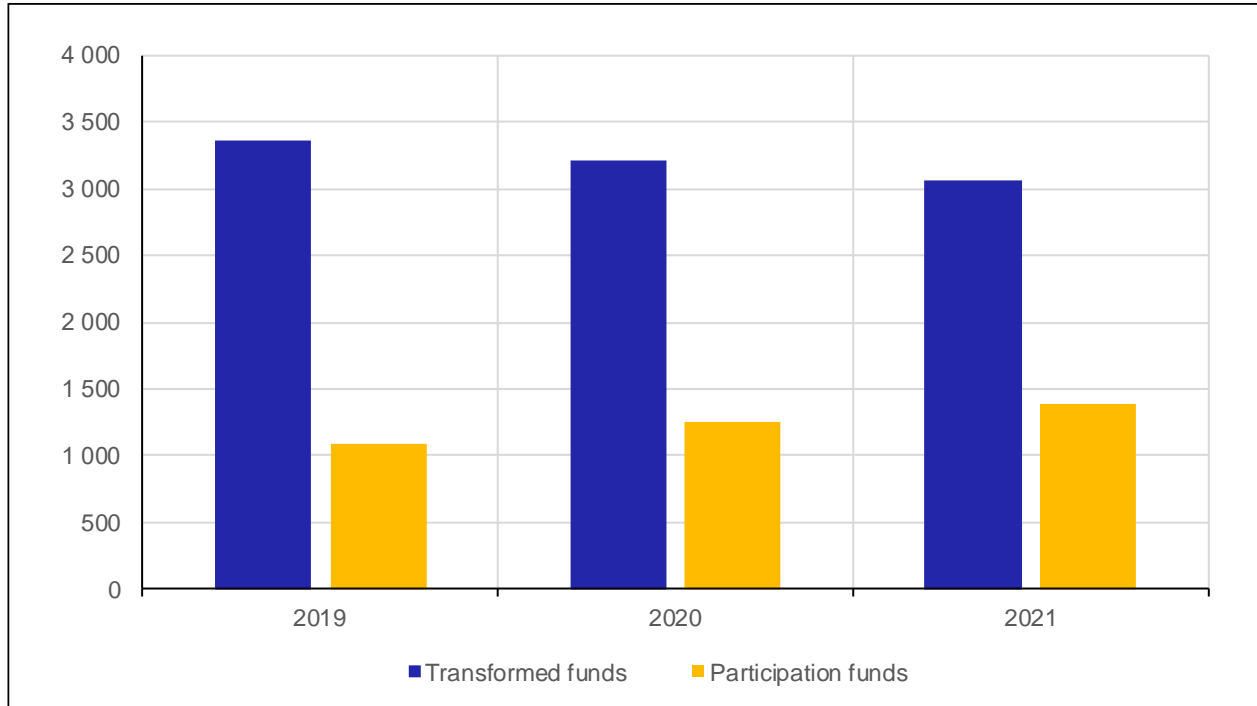
**Graph VI.2 Volume of pension entitlements in transformed and participation funds**

(CZK billions)



### Graph VI.3 Number of members in transformed and participation funds

(in thousands)



## VI.2 COMMENTARY ON TABLE 16

### *Commentary on the aggregated balance sheet of pension funds (Table 16): December 2022.*

At the end of December 2022, a total of 44 resident pension funds were active in the Czech Republic, eight of them transformed funds and 36 participation funds.

The balance sheet total of pension funds is gradually increasing and amounted to CZK 599.9 billion as of 31 December 2022. This represents an increase of CZK 14.2 billion compared with the previous quarter. Quarterly transactions stood at CZK 10.4 billion. Compared with the same period last year, the balance sheet total rose by CZK 25.2 billion (or 4.4%) year on year.

Debt securities had the largest share in the structure of pension funds' assets (79.3%). They stood at CZK 475.8 billion at the end of the year, an increase of CZK 8.2 billion compared with the previous quarter. Investments in government bonds accounted for CZK 427.6 billion and investments in bonds of monetary financial institutions for CZK 23.9 billion of the total volume of bonds. As regards the country of the issuer, bonds issued by Czech entities are predominant. Their share in total bonds held was slightly above 90% in all the monitored periods of 2022. Deposits and loans provided are another important item on the asset side. They increased to CZK 82.1 billion in the period under review. This represents 13.7% of total assets.

Equity securities grew by CZK 4.7 billion to CZK 34.4 billion in the period under review. Quarterly transactions amounted to CZK 3.7 billion. Listed shares accounted for CZK 14.3 billion, unlisted shares for CZK 0.3 billion and shares and investment fund units for CZK 19.8 billion of total equity securities.

Pension entitlements, i.e. the capital that pension funds hold in order to meet the future pension claims of their participants, are the largest item on the liabilities side. They amounted to CZK 583.4 billion as of 31 December 2022, an increase of CZK 8.2 billion compared with the previous quarter and CZK 19.1 billion on a year earlier.

Resident pension funds had 4,445,967 members at the end of 2021, of which 4,408,643 were active members, 15,855 deferred members and 21,469 retired members. The total number of members dropped by 13,189 compared with 2020. The number of members in transformed funds fell by 153,373, while the number of members in participation funds rose by 140,184.

## VII. GLOSSARY

**Harmonisation of statistics:** the Treaty establishing the European Community tasked the European Central Bank (ECB) with ensuring harmonised statistics according to Article 5 of the Statute of the European System of Central Banks. The national central banks of EC Member States therefore collect statistical information according to a uniform definition, from which the ECB then compiles aggregate data for euro area monetary policy. Although Council Regulation No 2533/98, which specifies the requirements for statistical data collection, only concerns euro area countries, the ECB also receives full data sets from the non-participating countries (e.g. the Czech Republic) in order to monitor their economic and financial development.

**Monetary statistics:** financial macrostatistics of constituent sub-sectors of the sector S.12 based exclusively on the “host country” principle. According to this principle, a resident reporting unit is an institution resident in a given economic territory. The reporting population includes

- 1) institutions incorporated and located in the territory, including subsidiaries of parent companies located outside that territory,
- 2) branches of institutions that have their head office outside that territory.

**APRC:** annual percentage rate of charge, i.e. the rate including interest expenses and all related costs of the credit to the client (fees etc.).

**Investment funds:** for the purposes of monetary and banking statistics, investment funds comprise investment funds other than money market funds which are resident in the Czech Republic. These are undertakings the sole object of which is collective investment, i.e. pooling investor funds and investing them under conditions stipulated in the Act on Management Companies and Investment Funds (No. 240/2013 Coll.). Such undertakings may be constituted under the Act either as unit trust managed by an investment company or as investment funds.

**Consolidated balance sheet of the MFI sector:** the basic statistical tool of monetary statistics. It is based on the residency principle and is obtained by netting out inter-MFI positions on their aggregated balance sheet.

**Consumer credit:** loans granted to households for personal use in the consumption of goods and services.

**Contribution to annual growth rate:** the growth rate of a selected component weighted by its share in the total growth rate.

**Deposits redeemable at notice:** deposits that can be withdrawn by clients only after the expiry of a period of notice agreed in advance, which starts at the moment of notification of the intention to withdraw the deposit.

**Deposits with agreed maturity:** deposits than cannot be withdrawn by clients before a predefined maturity.

**Financial corporations engaged in lending (FCLs):** FCLs mean corporations classified within sector S.125 other financial intermediaries which are predominantly engaged in granting credit or loans or entering into agreements of similar nature, for example financial leasing, factoring, consumer credit, hire purchase, etc. (see Decree No. 314/2013 Coll.)

Type of services:

- 1) financial leasing – it is financial service, when lessee acquires the right to use good in exchange for rental payment over predetermined term. All risk and rewards of ownership are transferred from lessor to lessee. After lapse of predetermined term ownership of good is transferred from lessor to lessee.
- 2) factoring – it is financial service consisting in purchase of short-term receivables (with maturity 30-90 days) before their maturity date. Receivables are transferred on factoring company – factor- by supplier of goods or services.
- 3) other lending – this category encompass granting credit or loans or agreements of similar nature different from financial leasing and factoring. It deals especially with consumer credit, hire purchase, consumption loans, etc.

**Growth rate:** the percentage change in the monitored variable over the reference period, calculated from the volumes of monthly financial transactions and the outstanding amounts at the beginning of each month.

**Household sector:** institutional units included in the sectors of households (S.14) and non-profit institutions serving households (S.15) under ESA2010.

**Housing loans:** loans granted to households for the purpose of purchasing/investing in housing, including building and home improvements.

**Interest rate fixation:** a period of interest rate fixation, i.e. a period at the beginning of a contract for which the agreed interest rate cannot be changed. Period up to 1 year includes floating rates.

**MFI longer-term financial liabilities:** comprise deposits with an agreed maturity of over two years, deposits redeemable at a period of notice of over three months, debt securities issued with an original maturity of more than two years and the capital and reserves of the Czech MFI sector.

**Monetary aggregates:** comprise the monetary liabilities of monetary financial institutions to non-MFI Czech residents except central government. The narrow monetary aggregate M1 includes currency in circulation (excluding cash at banks' cash desks) and overnight deposits. The intermediate monetary aggregate M2 comprises M1, deposits redeemable at a period of notice of up to and including three months and deposits with a maturity of up to and including two years. The broad monetary aggregate M3 comprises M2, money market fund shares/units, debt securities with a maturity of up to two years and repurchase agreements.

**Monetary financial institutions (MFIs):** financial institutions forming the money-issuing sector. Under Community law, these include the central bank, resident credit institutions, and all other resident financial institutions whose business is to receive deposits and/or close substitutes for deposits from entities other than MFIs and, for their own account (at least in economic terms), to grant credit and/or invest in securities. In the Czech Republic, MFIs include the central bank, banks, money market funds and credit unions.

**Money-holding sector:** all residents' institutional units except central government (S.1311) and monetary financial institutions (S.121, S.122 and S.123) under ESA2010.

**Money-issuing sector:** all institutional units included in the sectors of the central bank (S.121) and other monetary financial institutions (S.122 and S.123) under ESA2010.

**Money-neutral sector:** an institutional sector comprising the central government sector (S.1311) under ESA2010.

**Money market funds (MMFs):** are collective investment undertakings that have been authorised pursuant to Article 4 of Regulation (EU) 2017/1131 of the European Parliament and of the Council<sup>3</sup> and that issue shares/units which are close substitutes for deposits.

**Net external assets:** comprise external assets of Czech MFIs (such as monetary gold, non-koruna banknotes, securities issued by non-residents and loans granted to non-residents) minus external liabilities of the Czech MFI sector (such as non-residents' holdings of deposits, repurchase agreements, money market fund shares and units, and debt securities with a maturity of up to and including two years issued by MFIs and held by non-residents).

**Non-MFIs:** all resident sectors excluding MFIs, i.e. general government (S.13), non-financial corporations (S.11), financial institutions other than MFIs (S.124, S.125, S.126, S.127, S.128, and S.129) and households and non-profit institutions serving households (S.14 and S.15) under ESA2010.

**Other financial intermediaries (OFIs):** entities included in the sectors of other financial intermediaries except insurance corporations and pension funds (S. 125), financial auxiliaries (S.126), captive financial institutions and money lenders (S.127), insurance corporations (S.128), and pensions funds (S.129) under ESA2010.

**Private sector:** a sector comprising all institutional sectors except general government (S.13) and monetary financial institutions (S.121, S.122 and S.123) under ESA2010.

**Rates on new business:** interest rates agreed by the bank and the client for all agreements negotiated during the reference period.

**Rates on outstanding amounts:** interest rates applied to end-of-period balances.

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<sup>3</sup> Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.

**Reclassifications:** comprise any changes in the MFI balance sheet resulting from changes in the reporting population, corporate restructuring, reclassifications of assets and liabilities, and corrections of reported errors.

**Residents:** all domestic and foreign legal entities and natural persons, including branches of foreign banks and foreign owners of buildings and land, whose centre of economic interest is in the given territory. Foreign legal entities and natural persons are considered residents after at least one year of economic activity in the territory, with the exception of foreign bank branches and owners of buildings and land, who become residents at the moment they perform a valid legal act (in the case of foreign owners of buildings and land, this only applies in connection with transactions relating to the building or land in question).

**Transaction (flow) data:** values related to the whole period which are calculated as the difference between the balances at the end of the current and the previous period adjusted for non-transaction effects, i.e. effects connected with reclassifications, valuation changes and exchange rate variations over the period. These factors result in breaks in time series, thereby affecting the comparability of end-of-period balances. Transaction (flow) data only reflect those changes that arise from transactions, i.e. from accepting financial assets or providing financial liabilities.

**Unit trusts other than money market funds:**

- 1) Equity funds – funds investing mainly in shares and other equity.
- 2) Bond funds – funds investing mainly in securities other than shares.
- 3) Mixed funds – funds investing in equity and debt securities without a clear preference for either approach.
- 4) Real estate funds – funds investing mainly in real estate.
- 5) Hedge funds – funds applying more or less unlimited investment strategies in order to achieve positive absolute yields, whose managers are remunerated based on the fund's performance in addition to their salary.
- 6) Other funds – investment funds other than equity funds, bond funds, mixed funds, real estate funds or hedge funds.

Funds of funds and funds of qualified investors are classified under the aforementioned categories according to their investment strategies.

## VIII. TECHNICAL NOTES

### VIII.1 CALCULATION OF GROWTH RATES

The growth rate for the reference period is calculated from the volumes of monthly financial transactions and the outstanding amounts at the beginning of each month. Monthly transactions are calculated from differences in outstanding amounts adjusted for reclassifications, other revaluations, exchange rate variations and other changes which do not arise from transactions. This data thus reflects only those changes that arise from accepting financial assets or providing financial liabilities. Reclassifications and other non-transaction corrections are introduced into the transaction statistics to preserve the comparability of the gradual monitoring results, thereby enabling calculation of the indices of expected outstanding balances of the monitored variables and determination of their growth rates.

#### VIII.1.1 Method of calculation

- 1) The month-on-month percentage change  $a_t^M$  for month t is calculated as:  $a_t^M = \left( \frac{F_t^M}{L_{t-1}} \right) * 100$
- 2) The annual growth rate for month t, i.e. the change for the last 12 months ending with month t, is calculated as the product of the twelve coefficients for each previous month:  $a_t = \left[ \prod_{i=0}^{11} \left( 1 + \frac{F_{t-i}^M}{L_{t-1-i}} \right) - 1 \right] * 100$ , where

$$F_t^M = (L_t - L_{t-1}) - C_t^M - E_t^M - V_t^M,$$

$F_t^M$  – transactions in month t,

$L_t$  – outstanding amount at the end of month t,

$C_t^M$  – reclassifications in month t,

$E_t^M$  – exchange rate variations in month t,

$V_t^M$  – valuation changes in month t.

The calculation of the annual growth rate from the month-on-month growth rates thus enables transaction changes and non-transaction effects in the individual months to be taken into account.

- 3) Growth rates for other reference periods are derived from formula (2).

### VIII.2 CALCULATION OF THE CONTRIBUTION TO THE ANNUAL GROWTH RATE OF A MONITORED VARIABLE (E.G. M3)

If  $a_t(M3)$  represents the annual growth rate of M3 for the year ending with month t, and  $F_{t-i}(M1)$ ,  $F_{t-i}(M3 - M2)$  and  $F_{t-i}(M2 - M1)$  are the monthly transactions of the components M1, M2-M1 and M3-M2 in month t-i, the contribution of M1 to the annual growth rate of M3, for example, is calculated as:  $\frac{\sum_{i=0}^{11} F_{t-i}(M1)}{\sum_{i=0}^{11} [F_{t-i}(M1) + F_{t-i}(M2 - M1) + F_{t-i}(M3 - M2)]} * a_t(M3)$ .

# List of abbreviations and codes

## Codes

CBI	cost-of-borrowing indicators
CNB	Czech National Bank
ECB	European Central Bank
ESA2010	European System of National and Regional Accounts
Eurozone	the European Union member states that have adopted the EUR
FCL	financial corporations engaged in lending (financial leasing, hire purchase and provision of personal or commercial finance, factoring and forfaiting)
IF	investment funds excluding money market funds
LTIR	yield of the 10-year bond
M1, M2, M3	monetary aggregates
MFI	monetary financial institutions
MMF	money market funds
NFA	net foreign assets
NISH	non-profit institutions serving households
non-MFI	all institutions excluding MFIs
OFI	other financial intermediaries

**Institutional sectors and subsectors according to ESA2010**

S.11	non-financial corporations
S.121	central bank
S.122	deposit-taking corporations, except the central bank
S.123	money market funds
S.124	non-MMF investment funds
S.125	other financial intermediaries, except insurance corp. and pension funds
S.126	financial auxiliaries
S.127	captive financial institutions and money lenders
S.128	insurance corporations
S.129	pension funds
S.13	general government
S.1311	central government
S.14	households
S.15	non-profit institutions serving households

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