



BANKA QENDRORE E REPUBLIKËS SË KOSOVËS  
CENTRALNA BANKA REPUBLIKE KOSOVA  
CENTRAL BANK OF THE REPUBLIC OF KOSOVO

# FINANCIAL SYSTEM

## MONTHLY INFORMATION

JANUARY 2015

*Values calculated for January 2015 (\*if missing, December 2014)*

*Values are in millions of Euro (unless stated otherwise)*

**PUBLISHER** © Central Bank of the Republic of Kosovo  
Economic Analysis and Financial Stability Department  
St. Garibaldi 33, 10000 Prishtinë, Republic of Kosovo  
Tel: ++381 38 222 055 Fax: ++381 38 243 763  
[www.bqk-kos.org](http://www.bqk-kos.org)  
[economicanalysis@bqk-kos.org](mailto:economicanalysis@bqk-kos.org)

## COMMERCIAL BANKS

### Structure

|                                       |              |
|---------------------------------------|--------------|
| <b>Number of Banks</b>                | <b>10</b>    |
| <i>of which foreign owned</i>         | 8            |
| Number of offices                     | 277          |
| <b>Concentration Rate<sup>1</sup></b> | <b>66.9%</b> |
| <b>Foreign Ownership<sup>2</sup></b>  | <b>90.4%</b> |
| Number of employees                   | 3,518        |

### Activities

|                                       |                |
|---------------------------------------|----------------|
| <b>Assets</b>                         | <b>3,212.9</b> |
| <b>Loans</b>                          | <b>1,863.1</b> |
| <i>to households</i>                  | 618.5          |
| <i>to nonfinancial corporations</i>   | 1,237.9        |
| <b>Annual Growth Rate of Loans</b>    | <b>3.8%</b>    |
| <i>to households</i>                  | 10.5%          |
| <i>to nonfinancial corporations</i>   | 2.4%           |
| Foreign currency denominated loans    | 6.1            |
| <b>Deposits</b>                       | <b>2,547.2</b> |
| <i>of households</i>                  | 1,883.6        |
| <i>of nonfinancial corporations</i>   | 530.7          |
| <b>Annual Growth Rate of Deposits</b> | <b>4.2%</b>    |
| <i>of households</i>                  | 4.7%           |
| <i>of nonfinancial corporations</i>   | 6.1%           |
| Foreign currency denominated deposits | 109.2          |
| <b>Shareholder's Equity</b>           | <b>330.7</b>   |
| Claims on non-residents               | 770.4          |
| Liabilities to non-residents          | 187.8          |

### Performance and Stability

|  |             |
|--|-------------|
| <b>Income</b>                                  | <b>23.6</b> |
| <i>Interest income</i>                         | 18.2        |
| <b>Expenditures</b>                            | <b>17.8</b> |
| <i>Interest expenditures</i>                   | 3.3         |
| <i>General and administrative expenditures</i> | 9.0         |
| <b>Net Profit</b>                              | <b>5.7</b>  |
| ROAA <sup>3</sup> (Return on average assets)   | 2.1%        |
| ROAE <sup>3</sup> (Return on average equity)   | 20.8%       |
| Liquidity Ratio <sup>4</sup>                   | 44.3%       |
| Loan to deposit ratio                          | 73.1%       |
| CAR <sup>5</sup>                               | 18.0%       |
| NPL <sup>6</sup>                               | 8.6%        |
| Loan Loss provisions to nonperforming loans    | 113.9%      |

### Effective Interest Rates

|   |             |
|---|-------------|
| <b>Interest Rate on Loans<sup>7</sup></b> | <b>9.6%</b> |
|---|-------------|

|  |              |
|--|--------------|
| <i>to households</i>                         | 9.6%         |
| <i>to nonfinancial corporations</i>          | 9.7%         |
| <b>Interest Rate on Deposits<sup>7</sup></b> | <b>0.8%</b>  |
| <i>of households</i>                         | 0.8%         |
| <i>of nonfinancial corporations</i>          | 0.4%         |
| <b>Interest Rate Spread</b>                  | <b>8.9pp</b> |

## MICROFINANCIAL INSTITUTIONS (MFI)

### Structure

|  |              |
|--|--------------|
| <b>Number of MFIs</b>                  | <b>18</b>    |
| <i>of which foreign owned</i>          | 13           |
| Number of offices                      | 111          |
| <b>Concentration Ratio<sup>1</sup></b> | <b>52.7%</b> |
| <b>Foreign Ownership<sup>2</sup></b>   | <b>92.4%</b> |
| Number of employees                    | 778          |

### Activities

|                                     |              |
|-------------------------------------|--------------|
| <b>Assets</b>                       | <b>113.3</b> |
| <b>Loans</b>                        | <b>74.1</b>  |
| <i>to households</i>                | 48.6         |
| <i>to nonfinancial corporations</i> | 25.4         |
| <b>Annual Growth Rate of Loans</b>  | <b>2.3%</b>  |
| <i>of households</i>                | -1.4%        |
| <i>of nonfinancial corporations</i> | 10.2%        |
| <b>Interest Rate on Loans</b>       | <b>24.2%</b> |
| Financial Lease                     | 22.5         |
| *Claims on non-residents            | 0.9          |
| *Liabilities to non-residents       | 61.8         |

### Performance and Stability

|  |            |
|--|------------|
| <b>Income</b>                                    | <b>1.6</b> |
| <i>Interest income</i>                           | 1.4        |
| <b>Expenditures</b>                              | <b>1.5</b> |
| <i>Interest expenditures</i>                     | 0.3        |
| <i>Personnel expenditures and administration</i> | 0.9        |
| <b>Net Profit</b>                                | <b>0.1</b> |
| ROAA <sup>3</sup> (Return on average assets)     | 0.8%       |
| ROAE <sup>3</sup> (Return on average equity)     | 2.8%       |
| *NPL <sup>6</sup>                                | 4.8%       |
| *Loan Loss provisions to nonperforming loans     | 113.1%     |

## INSURANCE COMPANIES

### Structure

|                                      |           |
|--------------------------------------|-----------|
| <b>Number of insurance companies</b> | <b>14</b> |
| <i>life'</i>                         | 3         |
| <i>'non-life'</i>                    | 11        |

|   |              |
|---|--------------|
| <i>of which foreign owned</i>           | 9            |
| *Number of offices                      | 440          |
| <b>*Concentration Ratio<sup>1</sup></b> | <b>34.0%</b> |
| <b>*Foreign Ownership<sup>2</sup></b>   | <b>67.4%</b> |
| *Number of employees                    | 1,617        |

### Activities

|                                   |              |
|-----------------------------------|--------------|
| <b>*Assets</b>                    | <b>140.0</b> |
| <i>'life'</i>                     | 14.1         |
| <i>'non-life'</i>                 | 125.9        |
| <b>*Value of Written Premiums</b> | <b>82.1</b>  |
| of which 'life'                   | 2.4          |
| of which 'non-life'               | 79.7         |
| <i>Third party liability</i>      | 42.3         |
| <i>Non third party liability</i>  | 23.2         |
| <b>*Value of Claims Paid</b>      | <b>32.3</b>  |
| <i>of which to third party</i>    | 19.1         |

### Performance and Stability

|                                       |              |
|---------------------------------------|--------------|
| <b>*Net Income</b>                    | <b>70.4</b>  |
| <b>*Claims Incurred</b>               | <b>32.0</b>  |
| <b>*Expenditures</b>                  | <b>40.9</b>  |
| <b>*Net Profit</b>                    | <b>-2.5</b>  |
| *ROAA (Return on average assets)      | -1.8%        |
| *ROAE (Return on average equity)      | -5.5%        |
| <b>*Claims Paid /Written Premiums</b> | <b>39.4%</b> |
| *Capital/Assets                       | 32.5%        |

## PENSION FUNDS

### Structure

|                                |          |
|--------------------------------|----------|
| <b>Number of Pension Funds</b> | <b>2</b> |
| Number of employees            | 31       |

### Activities

|                                       |                |
|---------------------------------------|----------------|
| <b>*Assets</b>                        | <b>1,094.1</b> |
| *Kosovo Pension Saving Trust (KPST)   | 1,088.3        |
| *Kosovo-Slovenian Pension Fund (KSPF) | 5.8            |

### Performance

|  |         |
|--|---------|
| KPST - unit price per share <sup>8</sup> | 1.31€   |
| KSPF - unit price per share <sup>8</sup> | 147.86€ |
| *Net Foreign Assets of Pension Funds     | 1,028.3 |

\* Values calculated based on data of December 2014

<sup>1</sup> Assets of 3 largest institutions/total assets

<sup>2</sup> Assets of foreign owned institutions/total assets

<sup>3</sup> Annualized based on performance by January 2015

<sup>4</sup> Liquid Assets (broad)/short-term liabilities

<sup>5</sup> Regulatory capital /risk-weighted assets

<sup>6</sup> Nonperforming loans/ total gross loans

<sup>7</sup> Weighted average interest rate

<sup>8</sup> Base value of unit price: KPST =1; KSPF =100