

Slovak Republic

I. Institutional coverage

All banks cover commercial banks, home saving banks and branch offices of foreign banks operating in the Slovak Republic except providers of banking services on the cross-border basis. All banks operating in the Slovak Republic are governed by law. A bank is a legal entity with its registered office in the territory of the Slovak republic, founded as a joint stock company, which accepts deposits and provides loans and which holds banking license to perform payments and settlements, clearing and investments in securities for the bank's own account.

Commercial banks (for the purposes of this statistics) are banks excluding home savings banks (Savings banks) and branch offices of foreign banks.

Savings banks are a group of banks conducting typical operations of savings banks according to the act on building savings; however they have universal license according to the act on banks and act on home savings banks.

Branch offices of foreign banks are part of the Slovak banking sector. All statistical reports of Slovak banking sector always include also data concerning branch offices of foreign banks. (i.e. total assets, profit/loss, etc.). As mentioned, they are included in the category "All banks".

Foreign banks as a part of commercial banks are owned by foreign shareholders (more than 50 %).

Large commercial banks include all banks with the amount of assets greater than 5% of the all banks amount.

Branches correspond to branches of commercial banks including sub-branches of commercial banks.

Data about number of branches during 1995-2001 shows only number of domestic branches.

Number of branches of insurance companies from 2004 includes only number of foreign branches of insurance companies based in the Slovak Republic.

Due to the change of methodology data for 2002-08 include local units only.

II. Geographical coverage and degree of consolidation

The data cover all domestic and foreign banks operating in the Slovak Republic excluding branches of domestic banks abroad.

Data included in this statistics are not consolidated.

IFSR accounting rules were applied to all financial instruments.

III. Summary description of activities of banks

Deposits

All commercial banks have a complete range of deposit accounts in domestic and foreign currency, *i.e.* demand deposits, sight deposits, term deposits, deposit certificates and specific-purpose deposits. Deposit means entrusted funds that represent an obligation towards the depositor to repay them. There are four types of deposit protection: state guarantees, reserve funds created by banks and centralised in Deposit Protection Fund, insurance of deposits and banking supervision.

Home savings banks are reserved for the Slovak residents permanently domiciled in the Slovak Republic and legal entities or entrepreneurs permanently domiciled in the Slovak Republic.

Loans

Slovak banks offer credit facilities, in domestic and foreign currency, to corporations, households, local governments and non-residents. They also offer loan guarantees and endorsements and provide factoring and leasing. Ten mortgage banks provide mortgage lending.

Payment facilities

Slovak banks offer the totality of standard means of payment. Banks have introduced electronic payment facilities and several types of payment cards and provide clients with special services such as home banking, internet banking, etc.

Money Market business

Slovak banks participate on:

- Interbank deposit and securities market:
 1. Operation with bank's deposits in domestic and foreign currency.
 2. Guarantee's operations in securities form.
- Intervention operation market.

Slovak banks are active in the domestic and foreign interbank market.

Securities business and portfolio management

Banks operate with securities on the stock exchange, on the primary and secondary markets, under conditions governed by the Central bank. Banks invest part of their working capital in securities. Banks manage client's portfolios as well. This is often performed through investments funds or corporations.

Other business

Banks provide other services such as foreign exchange operations, consulting and information services, export and import financing, bank guarantees, hedging in foreign currencies, etc.

Financial assets

Financial assets are cash and other assets that convert directly into known amounts of cash.

Assets on residents and non-residents

Assets on residents and non-residents are quoted in brut value (including provisions), other amount of assets or liabilities are net.

Assets of the Central bank

Assets of the Central bank do not consider changes in accounting procedures which have influenced total amount of assets of the Central bank.

By the Act on Accounting 431/2002 Z.z. was the bank obligated from the day of 1 January 2003 to evaluate and show gold, financial derivatives and trading securities in his real value. Price revaluation to the real value as at 1 January 2003 is shown directly in the own funds account (it is valid in the case of the change of the real value of gold). Under the influence of the revaluation of the Central bank's gold to the market price was established a fund for the new revaluation of gold. The difference from the revaluation of trading securities and financial derivatives to market prices as at 1 January 2003 was 2 198 mil. Sk. The whole amount of changes to the real value from the revaluation of gold, financial derivatives and trading securities as at 1 January 2003 was 15 476 mil. Sk.

Since August 2005, assets of the Central bank include:

Gold. This item includes the value of the gold reserves administered by the National Bank of Slovakia (NBS).

Deposits with the International Monetary Fund in foreign currency. Slovak Republic's membership quota paid in foreign currency.

Deposits with foreign banks and international institutions in foreign currency. Foreign currency deposits held at foreign banks and international finance institutions.

Claims on abroad in foreign currency

Foreign currency loans made by the NBS to clients abroad.

Claims on domestic financial institutions

This item consists of NBS loans in Slovak crowns and foreign currency granted to financial institutions, banks and branch offices of foreign banks.

Securities

This item includes securities owned by the NBS.

Participations

This item represents the NBS domestic and foreign participating interests including capital share of the NBS in ECB.

Claims on the general government

Resources granted to the general government units, which are not components of the State Treasury. Claims on general government include delimited part of redistributed loans, which have been taken over from the banking sector and granted by the former State Bank of Czechoslovakia.

Other assets

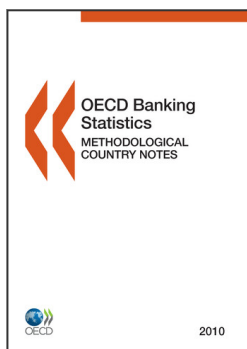
This item includes tangible and intangible assets net of accumulated depreciation, loans granted to other NBS clients, and assets that are not covered in above accounts.

IV. Reconciliation of national data with the OECD presentation**Balance sheet total****Average total**

This is the average calculated over 12 months.

V. Sources

The data in *Banking Statistics – Financial Statements of Banks* has been compiled by the National Bank of Slovakia (www.nbs.sk) from Income Statement and Balance Sheet.



From:
OECD Banking Statistics: Methodological Country Notes 2010

Access the complete publication at:
<https://doi.org/10.1787/9789264089907-en>

Please cite this chapter as:

OECD (2011), "Slovak Republic", in *OECD Banking Statistics: Methodological Country Notes 2010*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9789264089907-25-en>

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