

Czech banking sector, credits, risk premium

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Abstract: This paper deals with Czech banking sector and his key functions which are withdrawing deposits and providing credit to real economy in connection with macroeconomic variables. Factors influencing total volume of provided credits to economy to both nonfinancial companies and household segments are analyzed in more detail. Time series of Czech national bank were used for construction of the model. In general model identified key determinants of total volume of provided credits to economy as risk premium, economic growth (GDP) and interbank interest rates PRIBOR.

Keywords: banking sector, credit volume, PRIBOR, credit/loan market, risk premium

JEL Classification: E51, E30