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# Banks in Switzerland 2017

SCHWEIZERISCHE NATIONALBANK  
BANQUE NATIONALE SUISSE  
BANCA NAZIONALE SVIZZERA  
BANCA NAZIUNALA SVIZRA  
SWISS NATIONAL BANK





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# Banks in Switzerland 2017

Volume 102



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# Banks in Switzerland 2017

This publication contains data on the individual financial statements of banks (parent companies) as required by law. In the case of the big banks, in particular, these statements may deviate from the group financial statements. The breakdown of the banks' balance sheets and income statements is subject to the accounting rules issued by FINMA for banks, securities dealers, financial groups and conglomerates (ARB, FINMA-Circ. 15/01).<sup>1</sup>

## **Rounding differences**

The figures used in the text, tables and charts have been rounded. The use of such rounded figures in calculations (totals, balances, rates of change, proportions) may therefore result in deviations from the exact values.

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<sup>1</sup> Individual financial statements as required by law (parent company) relate to the business conducted by the banks' registered offices in Switzerland and their legally dependent domestic and foreign branches. Consolidated financial statements, by contrast, also include business conducted by the banks' legally independent subsidiaries in Switzerland and in other countries (banks and non-banks). Further information on the reporting entities and the accounting rules can be found at [data.snb.ch](http://data.snb.ch), *Resources, Notes, Banks*.

Against the backdrop of regulatory requirements (such as measures designed to improve resolvability), the big banks carried out three reorganisations which had an impact on the data in this publication.

First, one of the big banks transferred trading portfolio and securities financing business from a subsidiary abroad to a branch abroad. While transactions by subsidiaries are not included in the individual financial statements of banks, those of branches are. This meant that the transfer led to an expansion in the bank's balance sheet. On the liabilities side of the balance sheet this is particularly noticeable under trading portfolio liabilities (up approx. CHF 7 billion) and securities financing transactions (up approx. CHF 29 billion), and on the assets side mainly under trading portfolio assets (up approx. CHF 30 billion) and securities financing transactions (up approx. CHF 7 billion).<sup>1</sup>

Second, a big bank transferred the operations, assets and liabilities of an intragroup financing company located abroad to a newly established intragroup financing company in Switzerland. Prior to the transfer, the big bank had owed the financing company abroad some CHF 17 billion, which the company had initially acquired through a debt securities issue and then passed on to the big bank. This sum now became a liability with respect to the intragroup financing company in Switzerland. As a result, there was a reallocation within the big bank's balance sheet from amounts due in respect of customer deposits abroad to amounts due in respect of customer deposits in Switzerland, this also affecting the data in this publication.<sup>2</sup>

Third, the big banks transferred a number of central services to service companies within their group. Previously, these services had been provided by the parent company for the whole group. Subsequently, the staff concerned also moved from the big banks to the service companies. Since these service companies do not have a banking licence, the staff who work for them are not included in the banking statistics and are thus also excluded from this publication. Before this reorganisation, the big banks generated income from the provision of intragroup services; at the same time associated expenses were incurred in the form of staff expenses. This income and expenditure has disappeared as a result of the reorganisation. Expenditure is now booked for the services received from the service companies.

Staff numbers, as well as income and expenditure items, have decreased sharply at one big bank in particular. This bank moved some 10,000 staff (full-time equivalents) in Switzerland and abroad to the service company. The reorganisation reduced the bank's net profit for the period by CHF 0.2 billion. The reasons for this were, first, a CHF 1.9 billion reduction in income which would have been booked under 'other ordinary income' and, second, lower costs (down by CHF 1.7 billion). The decline in expenditure affected the following income statement items: personnel expenses (CHF –1.3 billion), general and administrative expenses (CHF –0.3 billion), and value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets (CHF –0.1 billion). The reduction in general and administrative expenses by CHF 0.3 billion mentioned above included new costs for acquiring services from the service company (CHF 1.0 billion), which have been offset against previous general and administrative expenses (CHF –1.3 billion) for in-house provision of services which have now been eliminated.<sup>3</sup>

<sup>1</sup> Further notes can be found at [data.snb.ch](http://data.snb.ch), *Resources, Notes, Banks, Developments*.

<sup>2</sup> Further notes can be found at [data.snb.ch](http://data.snb.ch), *Resources, Notes, Banks, Developments*.

<sup>3</sup> Further notes can be found at [data.snb.ch](http://data.snb.ch), *Resources, Notes, Banks, Developments*.

Table 1

**KEY FIGURES**

	2017	2016 <sup>1</sup>	Year-on-year change
Number of banks	253	261	-8
Balance sheet total (in CHF millions)	3 249 438	3 101 375	+4.8%
Operating result (in CHF millions)	11 324	7 913	+43.1%
Profit/loss <sup>2</sup> (result of the period, in CHF millions)	9 763	7 908	+23.5%
Fiduciary transactions (in CHF millions)	138 248	120 429	+14.8%
Securities holdings in bank custody accounts <sup>3</sup> (in CHF millions)	6 255 518	5 654 117	+10.6%
Number of staff (in full-time equivalents)	110 413	120 840	-10 427

1 Figures may have been revised since their inclusion in last year's publication.

2 Individual banks' profits and losses are offset against each other.

3 At offices in Switzerland. Securities held by branches abroad are not included.

Source: SNB



Table 2

**KEY FIGURES BY BANK CATEGORY 2017**

	Number of banks	Balance sheet total In CHF millions	Operating result In CHF millions	Profit/loss (result of the period) <sup>1</sup> In CHF millions	Fiduciary transactions In CHF millions	Number of staff <sup>2</sup> In full-time equivalents
<b>All banks in Switzerland</b>						
2013	283	2 849 157	7 627	10 517	120 736	127 133
2014	275	3 041 720	4 371	7 370	115 083	125 289
2015	266	3 026 117	6 857	15 788	114 016	123 890
2016	261	3 101 375	7 913	7 908	120 429	120 840
2017	253	3 249 438	11 324	9 763	138 248	110 413
<b>Cantonal banks</b>						
2013	24	495 555	2 939	2 300	1 906	17 222
2014	24	522 628	3 121	2 298	1 293	17 150
2015	24	537 441	3 253	2 741	1 160	17 360
2016	24	553 231	3 312	2 783	1 157	17 294
2017	24	575 343	3 585	2 936	1 226	17 322
<b>Big banks</b>						
2013	2	1 322 279	2 174	3 818	11 968	54 771
2014	2	1 460 240	836	4 756	10 529	53 410
2015	3	1 424 231	667	10 175	17 984	53 016
2016	4	1 454 808	592	1 793	26 388	50 399
2017	4	1 566 435	3 216	3 161	33 185	39 786
<b>Regional banks and savings banks</b>						
2013	64	106 426	414	349	71	3 997
2014	63	108 954	492	391	57	3 938
2015	62	113 076	554	422	25	3 836
2016	62	116 141	570	418	22	3 845
2017	62	118 131	579	417	26	3 855
<b>Raiffeisen banks</b>						
2013	1	173 619	860	699	17	8 266
2014	1	185 703	882	743	16	8 406
2015	1	202 412	913	727	2	8 807
2016	1	215 262	840	736	15	8 868
2017	1	225 253	1 081	894	12	9 079
<b>Stock exchange banks</b>						
2013	47	139 992	108	245	19 158	10 709
2014	47	206 694	908	741	37 802	13 996
2015	44	210 049	155	314	39 091	14 010
2016	43	226 300	1 187	1 103	39 586	14 838
2017	43	223 990	1 449	1 151	43 409	15 208

	Number of banks	Balance sheet total In CHF millions	Operating result In CHF millions	Profit/loss (result of the period) <sup>1</sup> In CHF millions	Fiduciary transactions In CHF millions	Number of staff <sup>2</sup> In full-time equivalents
<b>Other banking institutions</b>						
2013	14	188 306	806	660	1 709	6 979
2014	13	196 644	815	630	1 762	7 072
2015	14	198 580	1 079	856	1 793	7 933
2016	14	205 693	1 221	946	1 610	7 849
2017	14	209 474	903	711	1 687	7 749
<b>Private bankers</b>						
2013	11	65 636	350	180	20 989	4 177
2014	7	7 407	79	55	1 087	599
2015	7	6 699	51	48	1 158	614
2016	6	5 942	62	43	1 131	519
2017	6	6 198	78	50	1 346	531
<b>Foreign-controlled banks</b>						
2013	93	278 692	-111	2 242	64 347	19 972
2014	91	294 203	-2 942	-2 426	62 117	19 662
2015	85	260 962	-1	416	52 137	17 231
2016	81	248 080	-230	-142	50 188	16 131
2017	76	231 294	75	227	57 117	15 805
<b>Branches of foreign banks</b>						
2013	27	78 652	87	25	570	1 040
2014	27	59 248	181	181	419	1 057
2015	26	72 667	187	88	666	1 084
2016	26	75 919	360	228	332	1 096
2017	23	93 320	359	217	240	1 079

1 Individual banks' annual profit and annual loss are offset against each other.

2 Part-time jobs, apprenticeships and trainee posts are weighted.

Source: SNB

## 2 Number of banks

In 2017, the number of banks in Switzerland again declined, from 261 to 253. While one new bank was included in the banking statistics, nine were removed.

The fresh inclusion was due to the establishment of a new institution in the branches of foreign banks category. The removals affected the following categories: foreign-

controlled banks (–4), branches of foreign banks (–4) and stock exchange banks (–1). Three institutions were closed, three lost their status as a bank, two were acquired by other institutions, and one was liquidated. Furthermore, one bank was reclassified to another category (formerly a foreign-controlled bank, now a stock exchange bank).

Table 3

### NUMBER OF BANKS

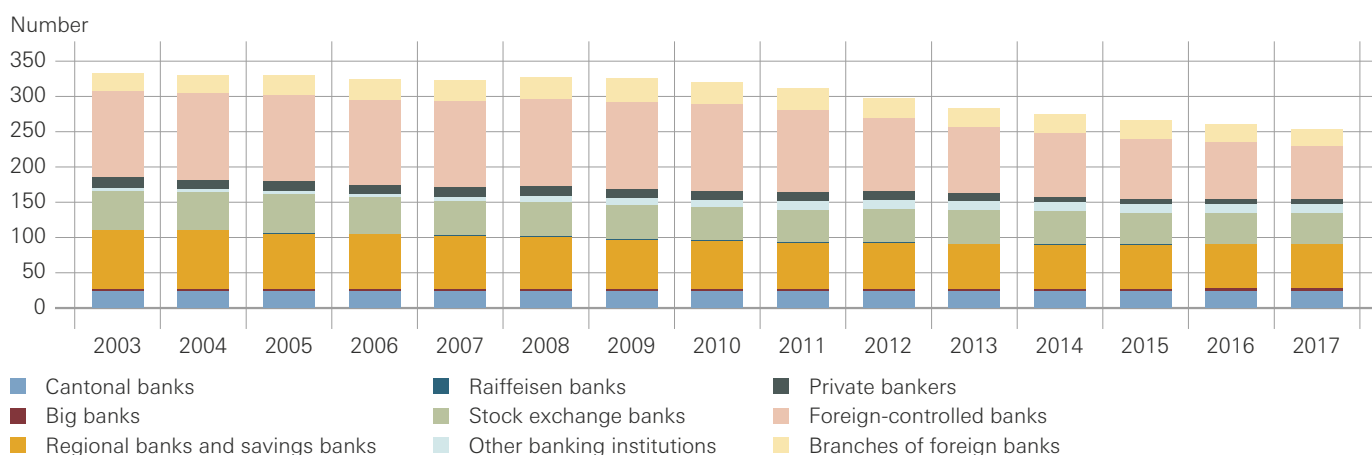
	Total at 31.12.2016	Additions	Change of bank category (reclassification)	Removals	Total at 31.12.2017
Cantonal banks	24				24
Big banks	4				4
Regional and savings banks	62				62
Raiffeisen banks	1				1
Stock exchange banks	43		1	1	43
Other banking institutions	14				14
Private bankers	6				6
Foreign-controlled banks	81		–1	4	76
Branches of foreign banks	26	1		4	23
<b>Total</b>	<b>261</b>	<b>1</b>		<b>9</b>	<b>253</b>

Source: SNB

Chart 1

### NUMBER OF BANKS

By bank category



Source: SNB

# 3

## Balance sheet

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### BALANCE SHEET TOTAL

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In 2017, the aggregate balance sheet total for all banks in Switzerland rose by 4.8% or CHF 148.1 billion to CHF 3,249.4 billion. The largest increases in absolute terms were registered by the big banks (7.7% or CHF 111.6 billion), cantonal banks (4.0% or CHF 22.1 billion), branches of foreign banks (22.9% or CHF 17.4 billion) and Raiffeisen banks (4.6% or CHF 10.0 billion). As in 2016, the strongest decline was recorded by the foreign-controlled banks (-6.8% or CHF -16.8 billion), albeit this was not attributable to the aforementioned removals.

The breakdown by domestic and foreign components shows that the rise in the balance sheet total occurred mainly from outside Switzerland, with foreign assets rising by 8.3% or CHF 104.0 billion, while domestic assets posted only a slight increase, up 2.4% or CHF 44.1 billion. On the liabilities side, by contrast, it was primarily the domestic component that was higher (6.8% or CHF 116.6 billion), whereas foreign liabilities showed a comparatively modest increase of 2.3% or CHF 31.4 billion.

As regards the currency breakdown, in the case of domestic assets it was primarily the stocks in Swiss francs that were higher (2.2% or CHF 37.5 billion), while the increases in the case of domestic liabilities were to be found in particular in the stocks in both Swiss francs (4.2% or CHF 62.6 billion) and US dollars (35.9% or CHF 41.4 billion). In the case of foreign assets, there was an increase in the stocks in US dollars (9.8% or CHF 63.9 billion). On the liabilities side, there were increases in particular for foreign liabilities in US dollars (2.0% or CHF 14.1 billion) and in Swiss francs (4.5% or CHF 8.2 billion).

Chart 2

### BALANCE SHEET TOTAL, BY BANK CATEGORY, 2017

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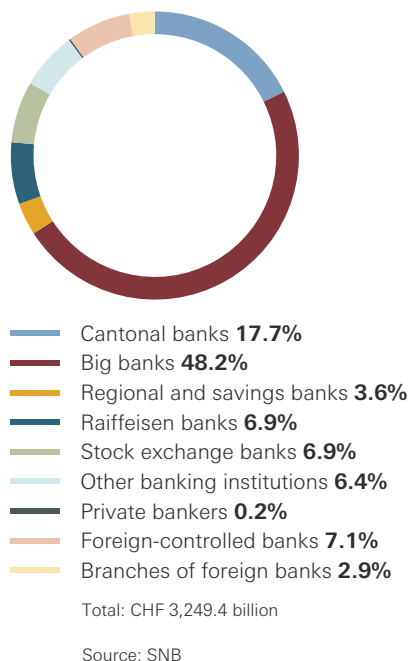
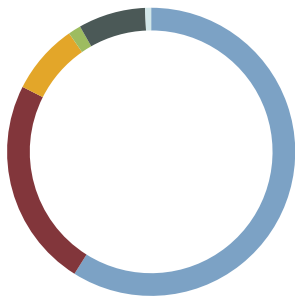


Chart 3

**ASSETS, BY CURRENCY, 2017**



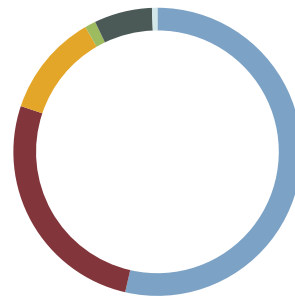
- Swiss franc **58.9%**
- US dollar **23.5%**
- Euro **7.9%**
- Yen **1.4%**
- Other currencies **7.5%**
- Precious metals **0.7%**

Total: CHF 3,249.4 billion

Source: SNB

Chart 4

**LIABILITIES, BY CURRENCY, 2017**



- Swiss franc **53.6%**
- US dollar **26.5%**
- Euro **11.5%**
- Yen **1.2%**
- Other currencies **6.5%**
- Precious metals **0.6%**

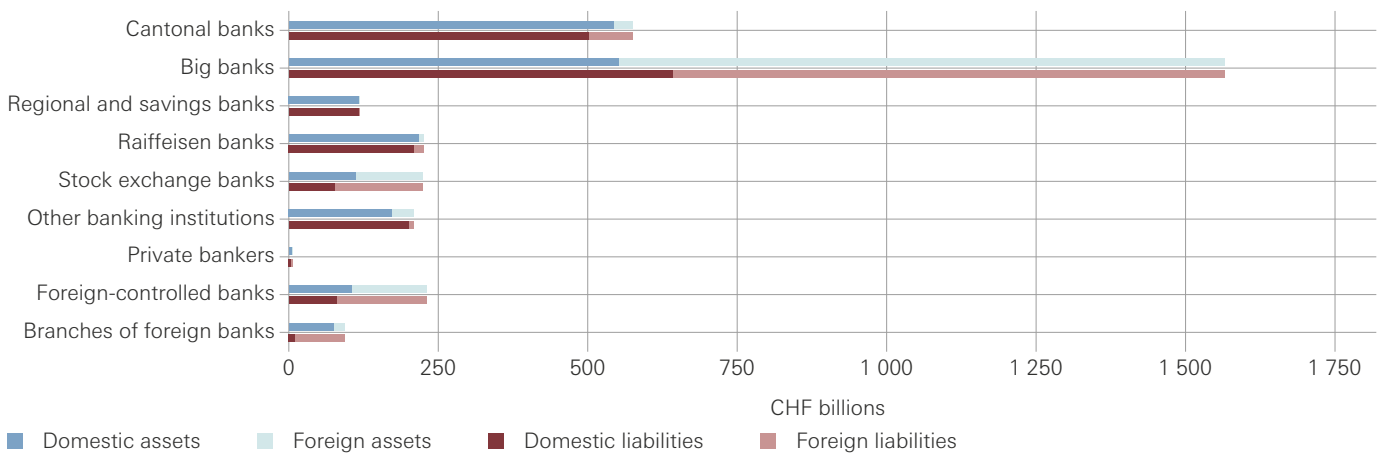
Total: CHF 3,249.4 billion

Source: SNB

Chart 5

**ASSETS AND LIABILITIES, DOMESTIC AND FOREIGN, 2017**

By bank category



Source: SNB

Table 4

**ASSETS**

In CHF millions

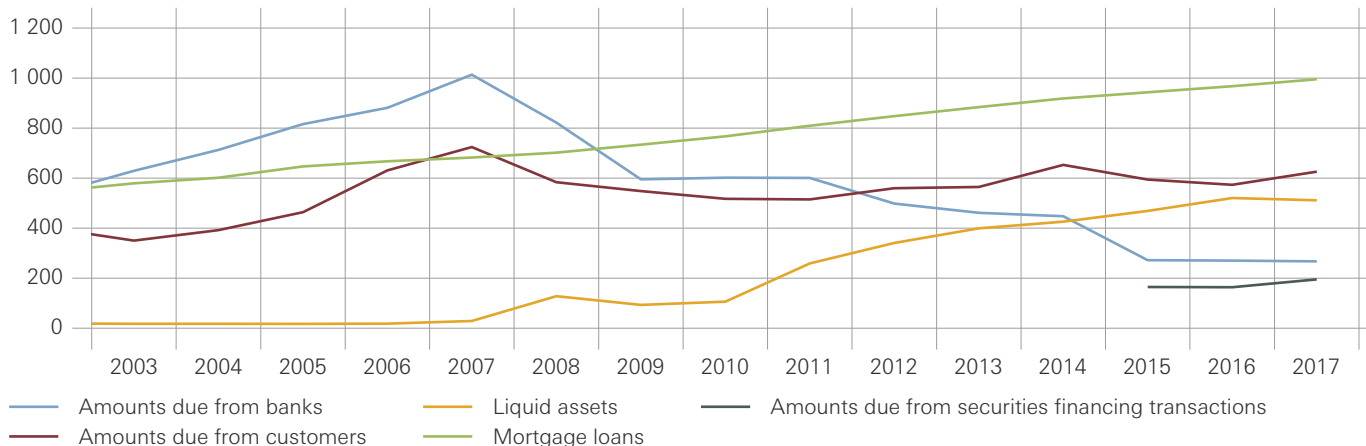
	2017	Domestic Year-on-year change	2017	Foreign Year-on-year change	2017	Total Year-on-year change
Liquid assets	459 889	-0.2%	51 517	-13.5%	511 406	-1.8%
Amounts due from banks	93 864	+18.9%	173 337	-9.4%	267 201	-1.1%
Amounts due from securities financing transactions	15 939	-30.7%	179 252	+27.3%	195 191	+19.1%
Amounts due from customers	156 383	-1.1%	469 518	+13.1%	625 902	+9.2%
Mortgage loans	974 673	+2.7%	20 613	+13.4%	995 286	+2.9%
Trading portfolio assets	32 689	+8.9%	164 389	+69.5%	197 078	+55.2%
Positive replacement values of derivative financial instruments	10 509	+129.0%	30 542	-34.3%	41 051	-19.7%
Other financial instruments at fair value	1 174	+1.4%	3 376	+6.6%	4 550	+5.2%
Financial investments	82 311	+4.9%	143 421	-11.5%	225 731	-6.1%
Accrued income and prepaid expenses	4 403	-13.7%	4 490	-9.9%	8 893	-11.8%
Participations	29 311	+7.1%	102 498	+0.2%	131 810	+1.7%
Tangible fixed assets	19 223	0.0%	2 132	-12.8%	21 355	-1.4%
Intangible assets	7 563	-22.8%	212	-3.6%	7 775	-22.4%
Other assets	10 153	+8.8%	6 055	+62.9%	16 208	+24.2%
Non-eligible value adjustments according to transitional provisions	-	-100.0%	-	-100.0%	-	-100.0%
Capital not paid in	-	-100.0%	-	-	-	-100.0%
<b>Total assets</b>	<b>1 898 085</b>	<b>+2.4%</b>	<b>1 351 353</b>	<b>+8.3%</b>	<b>3 249 438</b>	<b>+4.8%</b>

Source: SNB

Chart 6

**SELECTED ASSETS**

CHF billions



Source: SNB

Table 5

**LIABILITIES**

In CHF millions

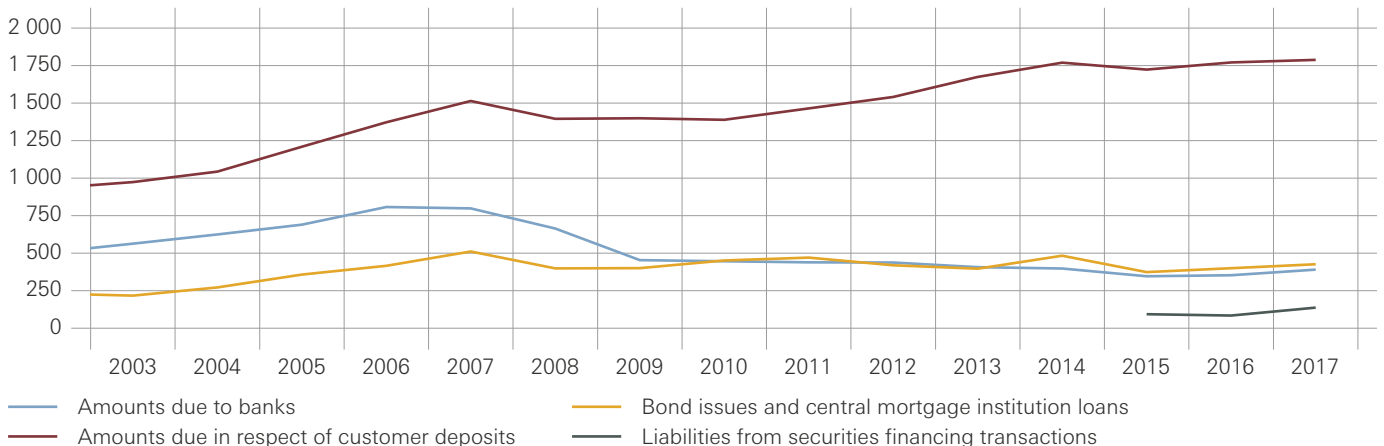
	2017	Domestic Year-on-year change	2017	Foreign Year-on-year change	2017	Total Year-on-year change
Amounts due to banks	99 178	+19.0%	291 230	+8.0%	390 408	+10.6%
Liabilities from securities financing transactions	36 742	+26.1%	100 444	+81.7%	137 186	+62.5%
Amounts due in respect of customer deposits	1 193 374	+5.1%	594 689	-6.4%	1 788 063	+1.0%
Trading portfolio liabilities	3 168	+14.7%	31 287	+70.6%	34 455	+63.3%
Negative replacement values of derivative financial instruments	7 303	+1 550.6%	33 813	-31.6%	41 116	-17.6%
Liabilities from other financial instruments at fair value	11 321	+4.1%	124 048	+3.8%	135 369	+3.8%
Cash bonds	9 513	-14.3%	98	+414.9%	9 611	-13.6%
Bond issues and central mortgage institution loans	199 539	+11.4%	226 623	+2.7%	426 162	+6.6%
Accrued expenses and deferred income	11 543	-0.0%	6 212	-13.9%	17 755	-5.4%
Other liabilities	16 983	+39.9%	3 036	-18.0%	20 018	+26.3%
Provisions	10 629	-4.7%	560	-23.8%	11 188	-5.9%
Reserves for general banking risks	24 380	+2.6%	383	+1.6%	24 763	+2.6%
Bank capital	27 206	-4.2%	-	-	27 206	-4.2%
Statutory capital reserve	112 768	+4.0%	-3	+122.5%	112 765	+4.0%
Statutory retained earnings reserve	24 792	+2.9%	-	-	24 792	+2.9%
Voluntary retained earnings reserves	43 586	-2.4%	35	+633.6%	43 621	-2.3%
Own shares	377	-22.4%	-	-100.0%	377	-22.4%
Profit carried forward/loss carried forward	6 258	+22.9%	-919	-2 808.8%	5 338	+4.1%
<b>Total liabilities</b>	<b>1 837 904</b>	<b>+6.8%</b>	<b>1 411 534</b>	<b>+2.3%</b>	<b>3 249 438</b>	<b>+4.8%</b>

Source: SNB

Chart 7

**SELECTED LIABILITIES**

CHF billions



Source: SNB

## ASSETS

Domestic mortgage loans continued to rise, and by the end of 2017 stood at CHF 974.7 billion, an increase of 2.7% or CHF 25.3 billion. They remained the largest item on the assets side, just under 30% of the aggregate balance sheet total. While stocks of domestic mortgage loans in the big banks category remained almost unchanged at CHF 260.5 billion, all other bank categories registered an increase. The largest advances in absolute terms were recorded in the categories of the Raiffeisen banks (4.4% or CHF 7.2 billion), other banking institutions (4.3% or CHF 2.4 billion) and cantonal banks (3.8% or CHF 13.2 billion). As in 2016, fixed-interest mortgage loans accounted for some 80% of total domestic mortgage loans.

The remaining loans, which are reported in the balance sheet under amounts due from customers, rose by CHF 52.6 billion to CHF 625.9 billion, an increase of 9.2%. While amounts due from domestic customers fell by CHF 1.8 billion to CHF 156.4 billion, amounts due from customers outside Switzerland rose by CHF 54.3 billion to CHF 469.5 billion. Outside Switzerland, sharp advances were recorded in particular in the big banks category (CHF 40.3 billion to CHF 342.0 billion) and the stock exchange banks category (CHF 9.4 billion to CHF 51.9 billion).

Overall, liquid assets decreased by CHF 9.1 billion to CHF 511.4 billion (-1.8%). They declined both domestically (CHF -1.1 billion to CHF 459.9 billion) and abroad (CHF -8.1 billion to CHF 51.5 billion). The decline abroad was primarily attributable to the big banks (CHF -8.2 billion to CHF 48.0 billion), and in particular their sight deposits with foreign central banks (CHF -8.0 billion). In the case of domestic liquid assets there were differences between the individual banking categories, with increases being recorded by branches of foreign banks (CHF 14.6 billion to CHF 67.1 billion) and cantonal banks (CHF 8.1 billion to CHF 93.6 billion), whereas there were decreases for the big banks (CHF -16.0 billion to CHF 117.9 billion) and foreign-controlled banks (CHF -8.2 billion to CHF 42.8 billion).

Amounts due from banks fell by CHF 3.1 billion to CHF 267.2 billion, this coming on the back of an increase in amounts due from domestic banks (CHF 14.9 billion to CHF 93.9 billion) coupled with a decrease in amounts due from banks outside Switzerland (CHF -18.0 billion to CHF 173.3 billion). Declines were registered especially in the case of the big banks (CHF -8.5 billion to CHF 112.2 billion), foreign-controlled banks (CHF -5.8 billion to CHF 30.0 billion) and stock exchange banks (CHF -4.6 billion to CHF 9.6 billion).

Chart 8

### BALANCE SHEET, BY ASSETS, 2017

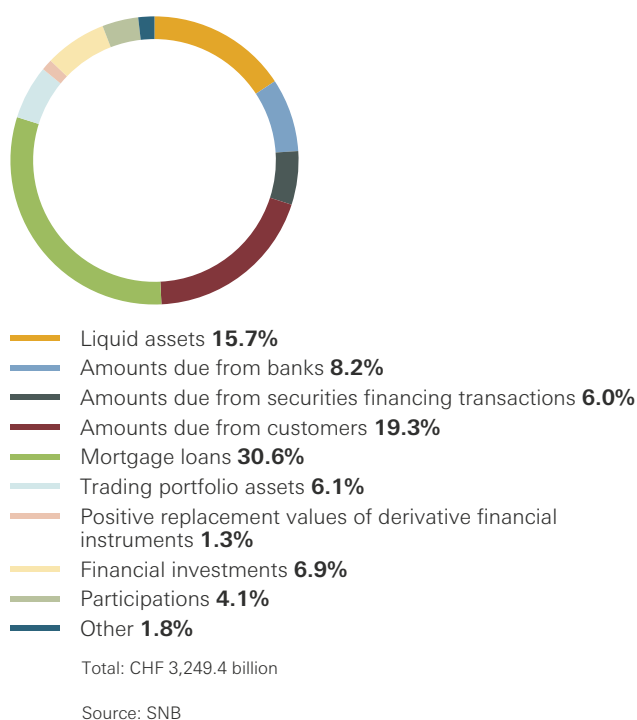
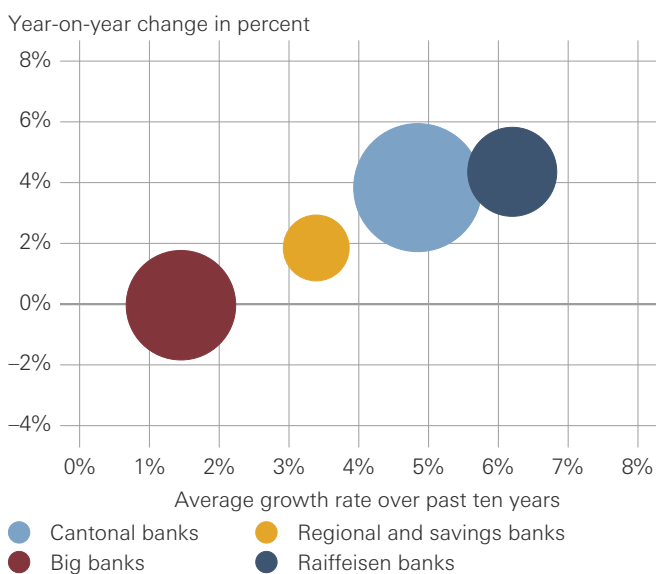


Chart 9

### DEVELOPMENTS IN DOMESTIC MORTGAGE LOANS, 2017

Circular areas represent domestic loan volumes





There were clear increases in both trading portfolio assets (CHF 70.1 billion to CHF 197.1 billion) and amounts due from securities financing transactions (CHF 31.4 billion higher at CHF 195.2 billion), these rises being in particular attributable to foreign assets and the big banks category. A primary factor behind this development was the transfer of the business of a foreign subsidiary of a big bank to a foreign branch of the same big bank, as described in the preliminary remarks. Across all banks, this transfer accounted for around 45% of the total increase in foreign trading portfolio assets (around CHF 30 billion of CHF 67.4 billion), and around 18% in the case of securities financing transactions in the foreign component (around CHF 7 billion of CHF 38.4 billion). Unaffected by this transfer, domestic trading portfolio assets increased by CHF 2.7 billion to CHF 32.7 billion, while amounts due from domestic securities financing transactions fell by CHF 7.1 billion to CHF 15.9 billion.

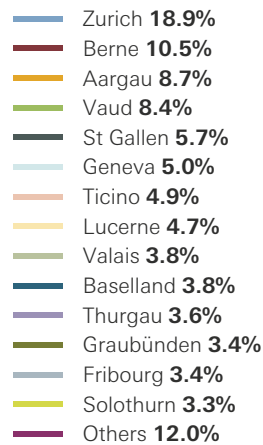
The positive replacement values of derivative financial instruments – an item that displays considerable volatility over time – declined by CHF 10.1 billion to CHF 41.1 billion. The balance sheet item ‘other financial instruments at fair value’ rose by CHF 0.2 billion in the year under review to CHF 4.5 billion. Overall, financial investments decreased by CHF 14.7 billion to CHF 225.7 billion. While domestic investments were up slightly by CHF 3.8 billion to CHF 82.3 billion, there was a clear decline in foreign investments, down CHF 18.6 billion to CHF 143.4 billion. In this latter instance there were marked reductions registered especially by the big banks (CHF –7.7 billion to CHF 54.1 billion) and stock exchange banks (CHF –8.4 billion to CHF 30.5 billion).

The balance sheet item ‘participations’ rose by CHF 2.2 billion to CHF 131.8 billion, this being in particular attributable to the fact that the big banks increased their domestic participations by CHF 1.9 billion.

Chart 10

### MORTGAGE LOANS, BY CANTON, 2017

By location of mortgage loan object



Total<sup>1</sup>: CHF 973.7 billion

<sup>1</sup> The data on mortgage loans broken down by canton are taken from a partial sample survey.

Source: SNB

## LIABILITIES

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Amounts due in respect of customer deposits registered an overall increase of 1.0%, rising by CHF 17.1 billion to CHF 1,788.1 billion. Domestic customer deposits were up CHF 57.6 billion to CHF 1,193.4 billion, while foreign customer deposits were CHF 40.5 billion lower, at CHF 594.7 billion. This divergence was attributable to the transfer of business activities by a big bank from a foreign to a domestic financing company covered in the preliminary remarks. The big bank in question also raised additional funds through the issue of new debt securities by the domestic financing company. Overall, domestic customer deposits in the big banks category rose by CHF 33.1 billion to CHF 373.3 billion, while foreign customer deposits declined by CHF 21.4 billion to CHF 345.2 billion.

Besides the big banks, there were also increases in amounts due in respect of customer deposits in Switzerland registered by the cantonal banks (CHF 9.4 billion to CHF 323.6 billion) and the Raiffeisen banks (CHF 6.7 billion to CHF 156.8 billion). Meanwhile, like the big banks, foreign-controlled banks (CHF -14.7 billion to CHF 97.4 billion) and stock exchange banks (CHF -6.4 billion to CHF 110.9 billion) contributed to the decrease in foreign customer deposits. All in all, amounts due in respect of customer deposits totalled CHF 1,788.1 billion, thus representing about 55% of the aggregate balance sheet total for all banks.

Tied pension provision under amounts due in respect of customer deposits were CHF 1.4 billion higher at CHF 95.2 billion. Customer deposits excluding pension fund monies rose by CHF 15.7 billion to CHF 1,692.8 billion. The latter are broken down by maturity into three components: 'on sight', 'cancellable' and 'remaining period to maturity'. There were decreases recorded in the case of both sight deposits (CHF -5.3 billion to CHF 890.0 billion) and cancellable deposits (CHF -7.0 billion to CHF 572.4 billion). In total across all bank categories, deposits with a remaining period to maturity (time deposits) rose by CHF 28.0 billion to CHF 230.4 billion. The big banks category accounted for the lion's share of this increase, registering a rise of CHF 22.3 billion to CHF 151.6 billion, this development also reflecting the transfer of business activities by a big bank from a foreign to a domestic financing company mentioned in the preliminary remarks.

Amounts due to banks increased by CHF 37.5 billion to CHF 390.4 billion. Domestically they were up CHF 15.8 billion to CHF 99.2 billion, this being largely attributable to the big banks (CHF 19.4 billion to CHF 50.9 billion). Amounts due to banks outside Switzerland also rose (CHF 21.6 billion to CHF 291.2 billion), this increase stemming primarily from the branches of foreign banks category (CHF 16.8 billion to CHF 79.6 billion).

There were clear increases in both trading portfolio liabilities (CHF 13.4 billion to CHF 34.5 billion) and amounts due from securities financing transactions (CHF 52.8 billion to CHF 137.2 billion), these rises being mainly attributable to foreign liabilities and the big banks category. This development resulted in particular from the transfer of the business of a foreign subsidiary of a big bank to a foreign branch of the same big bank, as described in the preliminary remarks. Taken across all banks, this transfer accounted for somewhat more than half of the increase in the case of foreign trading portfolio liabilities (around CHF 7 billion of CHF 12.9 billion), and some two-thirds in the case of securities financing transactions abroad (around CHF 29 billion of CHF 45.2 billion). Unaffected by this transfer, domestic trading portfolio liabilities increased by CHF 0.4 billion to CHF 3.2 billion, while liabilities from securities financing transactions in Switzerland rose by CHF 7.6 billion to CHF 36.7 billion.

The negative replacement values of derivative financial instruments declined by CHF 8.8 billion to around CHF 41.1 billion. Liabilities from other financial instruments at fair value increased slightly by CHF 5.0 billion to CHF 135.4 billion.

The balance sheet item 'bond issues and central mortgage institution loans' rose by CHF 26.4 billion to CHF 426.2 billion, with increases occurring both domestically (CHF 20.4 billion to CHF 199.5 billion) and abroad (CHF 6.0 billion to CHF 226.6 billion). The increase in the domestic component came predominantly in the cantonal banks category (CHF 9.2 billion higher). The rise registered outside Switzerland was attributable in particular to the big banks, although in this latter category there was an increase in the issuance of money market instruments (CHF 14.5 billion), while bond issues recorded a CHF 8.5 billion decrease.

**BALANCE SHEET, BY LIABILITIES, 2017**



- Amounts due to banks **12.0%**
- Liabilities from securities financing transactions **4.2%**
- Amounts due in respect of customer deposits **55.0%**
- Negative replacement values of derivative financial instruments **1.3%**
- Liabilities from other financial instruments at fair value **4.2%**
- Bond issues and central mortgage institution loans **13.1%**
- Statutory capital reserve **3.5%**
- Other **6.7%**

Total: CHF 3,249.4 billion

Source: SNB

In preparing their balance sheets, the banks can – subject to certain conditions – offset the positive and negative replacement values of individual contracts and derivative financial instruments (netting). The balance sheet items in question therefore generally show net figures. Unlike the balance sheet itself, the notes in the appendix show the positive and negative replacement values without netting, as well as the underlying contract volume in each case. Owing to the extensive use of netting, the figures in the notes are, as a rule, many times higher than the corresponding balance sheet items. The description of movements in contract volume and the attendant replacement values relates to figures prior to netting.

In 2017, the contract volume of derivative financial instruments increased by 8.5% to CHF 28,669.0 billion. The corresponding positive replacement values showed a decline of 26.6% to CHF 179.6 billion, and there was a similar decrease in the negative replacement values, down 26.9% to CHF 177.2 billion.

As in previous years, business in derivative financial instruments was dominated by the big banks category, which accounted for 92% of the contract volume.

The contract volume of interest rate derivatives rose again clearly in 2017, by 10.2% to CHF 18,902.7 billion. In terms of total contract volume, they remained the most significant category with a share of 65.9%. However, as in 2016, the corresponding replacement values fell, the positive values by 24.1% to CHF 71.3 billion and the negative values by 26.2% to CHF 66.3 billion.

In the case of foreign exchange derivatives, the second largest category of derivative financial instrument, contract volume also increased (2.2% to CHF 8,087.9 billion), but the corresponding positive and negative replacement values declined sharply (–37.8% to CHF 73.5 billion and –38.3% to CHF 72.0 billion respectively).

In terms of contract volume, trading instruments, at around 98%, comprised by far the largest share of derivative financial instruments. The remainder was made up of hedging instruments.

Table 6

**OUTSTANDING DERIVATIVE FINANCIAL INSTRUMENTS**

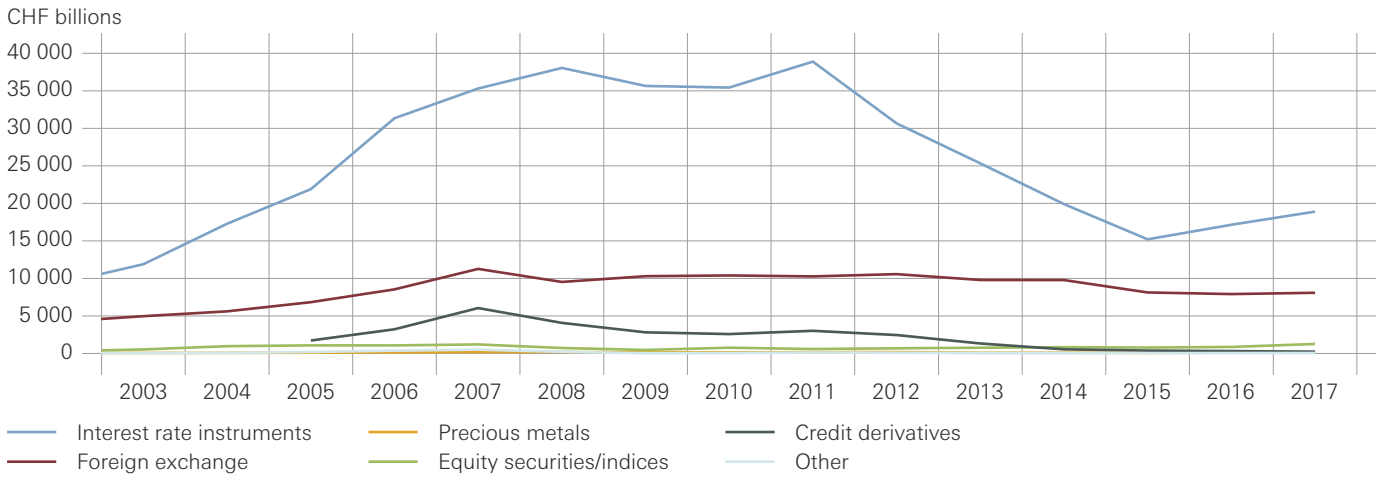
In CHF millions

	Positive replacement value		Negative replacement value		Contract volume	
	2017	Year-on-year change	2017	Year-on-year change	2017	Year-on-year change
Interest rate instruments	71 312	–24.1%	66 274	–26.2%	18 902 654	+10.2%
Foreign exchange	73 490	–37.8%	71 976	–38.3%	8 087 930	+2.2%
Precious metals	1 452	–40.3%	1 205	–38.3%	106 843	–6.8%
Equity securities/indices	27 602	+23.7%	31 996	+22.2%	1 266 787	+45.9%
Credit derivatives	3 439	–33.2%	4 576	–23.7%	241 121	–24.8%
Other	2 264	–10.4%	1 181	–28.6%	63 680	+13.2%
<b>Total</b>	<b>179 558</b>	<b>–26.6%</b>	<b>177 208</b>	<b>–26.9%</b>	<b>28 669 016</b>	<b>+8.5%</b>

Source: SNB

Chart 12

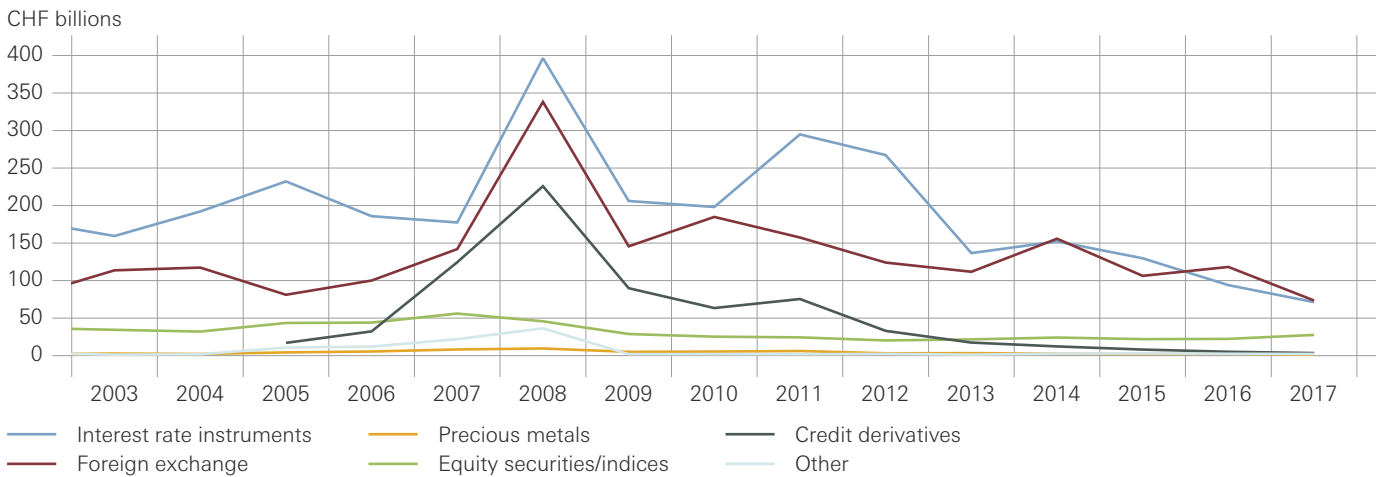
**CONTRACT VOLUME**



Source: SNB

Chart 13

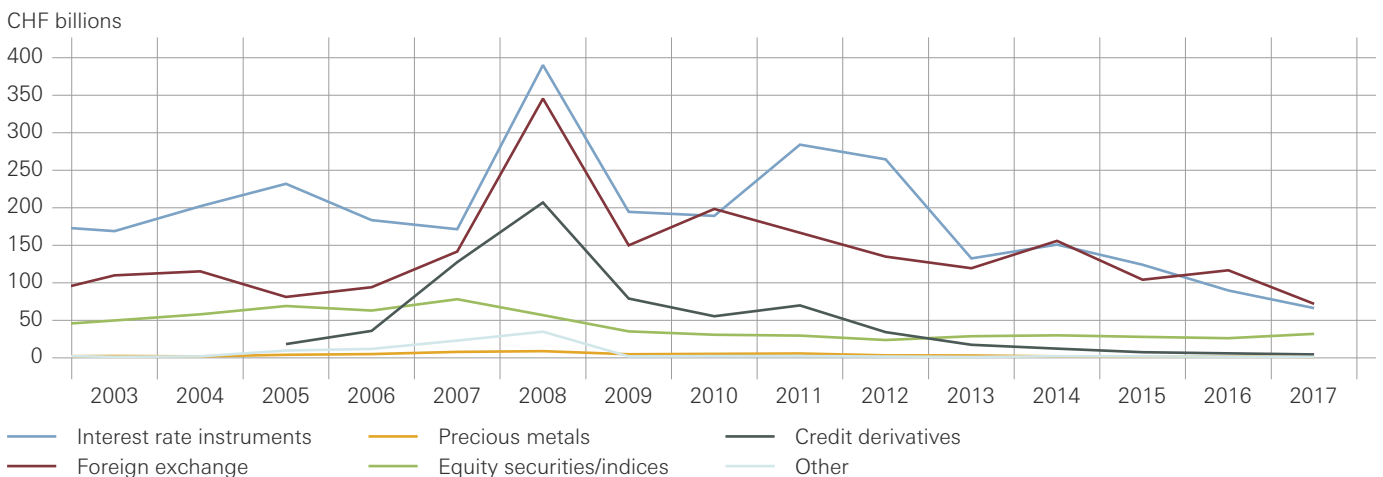
**POSITIVE REPLACEMENT VALUES**



Source: SNB

Chart 14

**NEGATIVE REPLACEMENT VALUES**



Source: SNB

# 5

## Fiduciary transactions

As in 2016, fiduciary funds administered by banks rose, by CHF 17.8 billion or 14.8% to CHF 138.2 billion. While domestic fiduciary funds registered a slight increase of CHF 0.9 billion to CHF 22.7 billion, there was a significant rise in deposits from abroad, which were CHF 16.9 billion higher at CHF 115.6 billion.

The breakdown by origin of the fiduciary funds shows the make-up by client domicile (domestic or foreign). Regarding fiduciary deposits from abroad, deposits from developed countries increased by 22.8%, those from developing countries by 35.2%, and those from offshore centres by 7.8%.

Fiduciary funds are accepted in the currency in which they are invested (the banks do not carry out any foreign exchange translation). The breakdown by currency is also influenced by the movement of interest rates on the money market, given that this is where fiduciary deposits are invested. Against the backdrop of the higher US dollar money market interest rates, deposits invested in US dollars were among those that increased; this item rose by CHF 17.1 billion to CHF 108.1 billion. There were comparatively low increases in fiduciary funds invested in euros (CHF 0.5 billion to CHF 9.2 billion) and those invested in Swiss francs (CHF 0.1 billion higher at CHF 3.8 billion).

The significance of fiduciary business in US dollars has risen continuously in recent years, with stocks in US dollars accounting for a 78.2% share at the end of 2017. The shares of fiduciary funds invested in euros and in Swiss francs were comparatively small, at 6.6% and 2.7% respectively.

Chart 15

### FIDUCIARY DEPOSITS FROM ABROAD, BY REGION AND COUNTRY, 2017



**Developed countries 22.1%**

- United Kingdom **5.6%**
- Cyprus **3.5%**
- Luxembourg **3.1%**
- Other developed countries **9.9%**

**Offshore centres 42.0%**

- West Indies (UK)(BIS) **16.2%**
- Bahamas **4.7%**
- Panama **3.9%**
- Other offshore centres **17.2%**

**Developing countries 36.0%**

- Saudi Arabia **8.6%**
- United Arab Emirates **5.9%**
- Turkey **1.9%**
- Other developing countries **19.6%**

Total<sup>1</sup>: CHF 108.6 billion

<sup>1</sup> The data on fiduciary deposits from abroad broken down by region and country are taken from a partial sample survey.

Source: SNB

Table 7

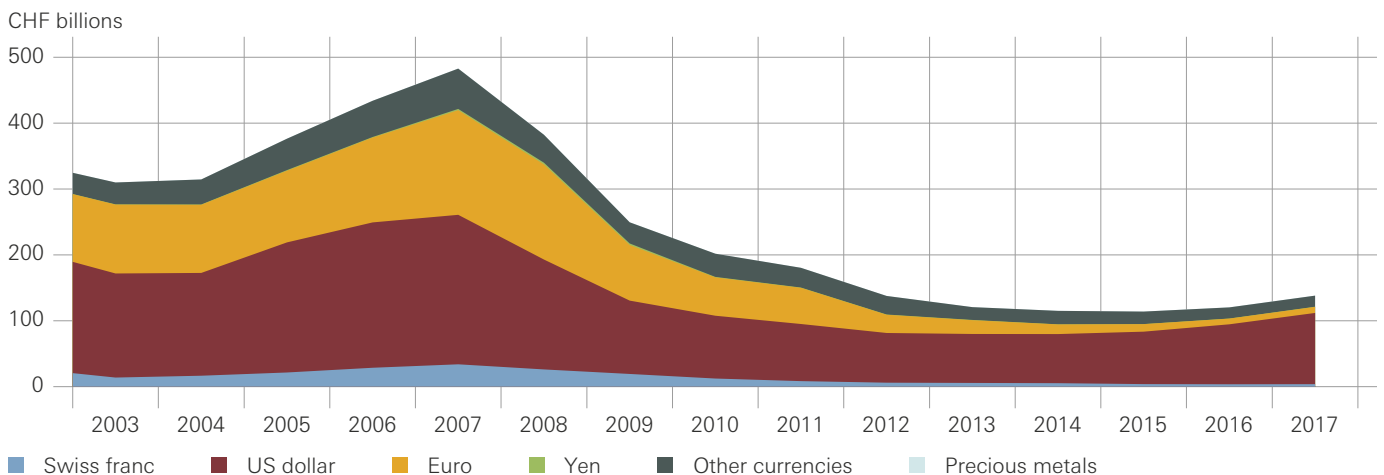
**FIDUCIARY TRANSACTIONS**

In CHF millions

	2017	Domestic Year-on-year change	2017	Foreign Year-on-year change	2017	Total Year-on-year change
<b>Fiduciary assets</b>						
Swiss franc	1 803	-4.9%	1 961	+14.1%	3 764	+4.1%
US dollar	2 016	+34.1%	106 104	+18.5%	108 120	+18.8%
Euro	46	-79.5%	9 130	+8.3%	9 176	+6.0%
Yen	-	-100.0%	311	+91.8%	311	+86.3%
Other currencies	71	-34.0%	16 713	-0.3%	16 784	-0.5%
Precious metals	3	-1.5%	90	-11.0%	93	-10.7%
<b>Total</b>	<b>3 940</b>	<b>+5.3%</b>	<b>134 309</b>	<b>+15.1%</b>	<b>138 248</b>	<b>+14.8%</b>
<b>Fiduciary liabilities</b>						
Swiss franc	3 261	+11.1%	503	-25.8%	3 764	+4.1%
US dollar	13 960	+8.7%	94 159	+20.4%	108 120	+18.8%
Euro	2 771	-9.8%	6 405	+14.8%	9 176	+6.0%
Yen	16	-63.3%	295	+141.0%	311	+86.3%
Other currencies	2 642	-6.7%	14 143	+0.7%	16 784	-0.5%
Precious metals	14	-43.0%	79	-0.4%	93	-10.7%
<b>Total</b>	<b>22 664</b>	<b>+4.2%</b>	<b>115 584</b>	<b>+17.1%</b>	<b>138 248</b>	<b>+14.8%</b>

Source: SNB

Chart 16

**FIDUCIARY TRANSACTIONS, BY CURRENCY**

Source: SNB

# 6

## Securities holdings in bank custody accounts

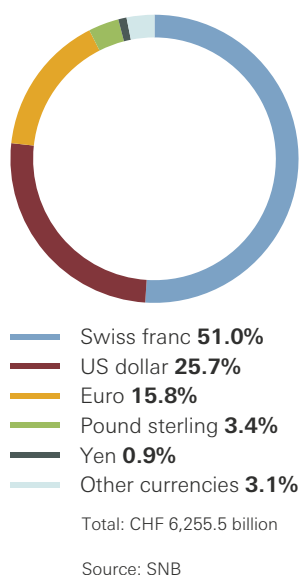
The information on stocks of securities relates to open custody accounts of customers at the domestic offices of banks in Switzerland. These include holdings that banks manage for domestic customers as well as those they manage or hold in custody for foreign customers.<sup>1</sup>

Following a pronounced 10.6% increase of CHF 601.4 billion, securities holdings reached a new high of CHF 6,255.5 billion. There were rises in all categories, with marked gains in some cases. Investment in shares was up by 13.0% to CHF 2,492.1 billion. At 39.8% of the total, this remained the most important category of securities. Units in collective investment schemes – the second most important category of securities – also recorded a strong increase of 14.5% to CHF 2,198.1 billion. The considerable rise in the holdings of shares and collective investment schemes was largely attributable to the global increase in share prices. Stocks of bonds and cash bonds also rose, by 1.5% to CHF 1,294.8 billion. Stocks of structured products grew by 7.6% to CHF 202.7 billion.

At 51.0%, the Swiss franc remained the most important investment currency, and corresponding stocks had risen by 9.3% to CHF 3,192.1 billion at the end of 2017. Stocks in US dollars increased once again (8.2% to CHF 1,608.0 billion) bringing their share to 25.7%, this coming against the backdrop of rising stock market prices and a lower valuation of the US dollar. Meanwhile, in the case of stocks in euros, the rise in share prices was further bolstered by the positive exchange rate trend, and the result was an overall increase of 18.0% to CHF 988.0 billion. As a consequence, their share in the total stocks grew to 15.8% in 2017.

Chart 17

### HOLDINGS OF SECURITIES IN BANK CUSTODY ACCOUNTS, BY CURRENCY, 2017



Stocks were higher in all investor categories, with institutional investors up 10.7% to CHF 4,730.5 billion, private customers up 11.3% to CHF 1,211.7 billion, and commercial customers up 6.9% to CHF 313.3 billion.

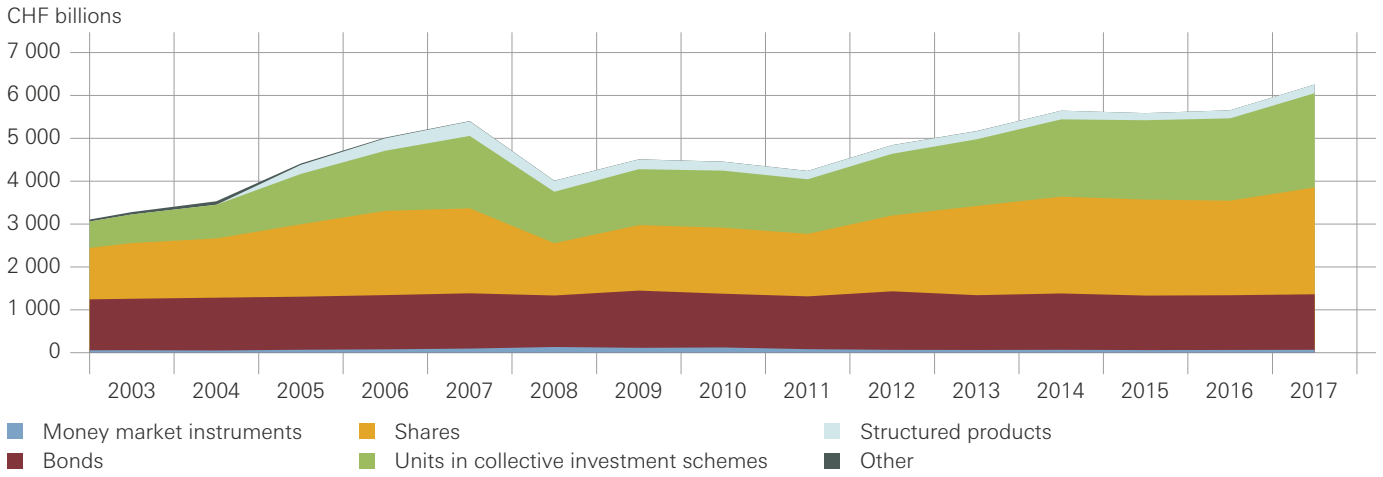
Stocks of securities held by resident custody account holders expanded by 10.4% to CHF 3,053.4 billion, and those of non-resident custody account holders by 10.9% to CHF 3,202.1 billion. As at the end of the 2017 financial year, non-resident custody account holders held 51.2% of the total securities holdings in Switzerland.

<sup>1</sup> For the purposes of this publication, the term 'managed securities holdings' does not refer to all kinds of asset management mandate held by the banks. Rather, the portfolios designated here as 'managed' indicate that the bank implements transaction decisions on behalf of the owner or their asset manager, maintains interest and/or dividend payments and provides information under tax legislation (custody account statements, tax statements). Custody of securities, by contrast, is understood to mean mere safekeeping. Further notes can be found at [data.snb.ch](http://data.snb.ch), *Resources*, *Notes*, *Banks*, *Surveys*.



Chart 18

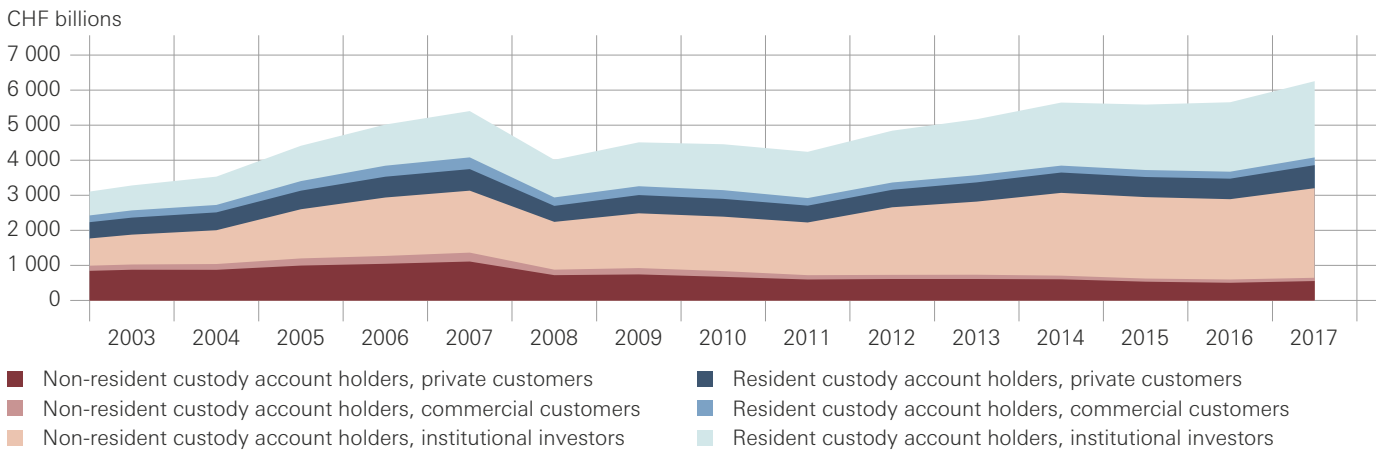
**HOLDINGS OF SECURITIES IN BANK CUSTODY ACCOUNTS, BY CATEGORY OF SECURITY**



Source: SNB

Chart 19

**HOLDINGS OF SECURITIES IN BANK CUSTODY ACCOUNTS, BY DOMICILE AND BUSINESS SECTOR OF CUSTODY ACCOUNT HOLDER**



Source: SNB

Table 8

**SECURITIES HOLDINGS IN BANK CUSTODY ACCOUNTS**

In CHF billions

	2017	All currencies Year-on-year change	2017	CHF Year-on-year change	2017	EUR Year-on-year change
<b>Resident custody account holders</b>						
Private customers	658	+12.5%	445	+9.8%	86	+18.6%
Commercial customers	220	+10.5%	169	+6.4%	19	+54.8%
Institutional investors	2 175	+9.8%	1 390	+9.6%	218	+12.4%
<b>Total</b>	<b>3 053</b>	<b>+10.4%</b>	<b>2 004</b>	<b>+9.4%</b>	<b>323</b>	<b>+15.9%</b>
<b>Non-resident custody account holders</b>						
Private customers	553	+9.9%	71	+8.6%	155	+18.9%
Commercial customers	93	-0.8%	6	+3.7%	30	+9.4%
Institutional investors	2 556	+11.5%	1 111	+9.2%	480	+19.7%
<b>Total</b>	<b>3 202</b>	<b>+10.9%</b>	<b>1 189</b>	<b>+9.2%</b>	<b>665</b>	<b>+19.0%</b>
<b>Resident and non-resident custody account holders</b>						
Private customers	1 212	+11.3%	516	+9.6%	242	+18.8%
Commercial customers	313	+6.9%	175	+6.3%	49	+23.5%
Institutional investors	4 731	+10.7%	2 502	+9.4%	698	+17.3%
<b>Total</b>	<b>6 256</b>	<b>+10.6%</b>	<b>3 192</b>	<b>+9.3%</b>	<b>988</b>	<b>+18.0%</b>

Source: SNB

In CHF billions

	2017	USD Year-on-year change	2017	Other currencies Year-on-year change
<b>Resident custody account holders</b>				
Private customers	93	+19.0%	34	+16.2%
Commercial customers	25	+13.3%	8	+17.3%
Institutional investors	426	+7.1%	141	+16.3%
<b>Total</b>	<b>543</b>	<b>+9.2%</b>	<b>183</b>	<b>+16.3%</b>
<b>Non-resident custody account holders</b>				
Private customers	277	+5.9%	51	+9.5%
Commercial customers	42	-12.1%	14	+19.7%
Institutional investors	746	+9.9%	219	+12.7%
<b>Total</b>	<b>1 065</b>	<b>+7.7%</b>	<b>284</b>	<b>+12.4%</b>
<b>Resident and non-resident custody account holders</b>				
Private customers	370	+8.9%	85	+12.1%
Commercial customers	67	-4.2%	23	+18.8%
Institutional investors	1 171	+8.8%	360	+14.1%
<b>Total</b>	<b>1 608</b>	<b>+8.2%</b>	<b>467</b>	<b>+13.9%</b>

# Income statement as well as appropriation of profit and coverage of losses

## SUMMARY

Of the 253 banks covered in 2017, 229 reported a profit, with an aggregate figure of CHF 10.3 billion. The remaining 24 institutions recorded an aggregate loss of CHF 0.5 billion.

The result of the period across all banks was thus CHF 9.8 billion, an increase of CHF 1.9 billion over 2016. While the big banks generated their operating result in interest operations as well as the commission business and services, in the other bank categories it was either one or the other of these two components that held sway. The result from interest operations constituted a significant part of the operating result in particular for the categories of cantonal banks, regional and savings banks, Raiffeisen banks and other banking institutions. By contrast, stock exchange banks, private bankers and branches of foreign banks generated their operating result mainly in the commission business and services.

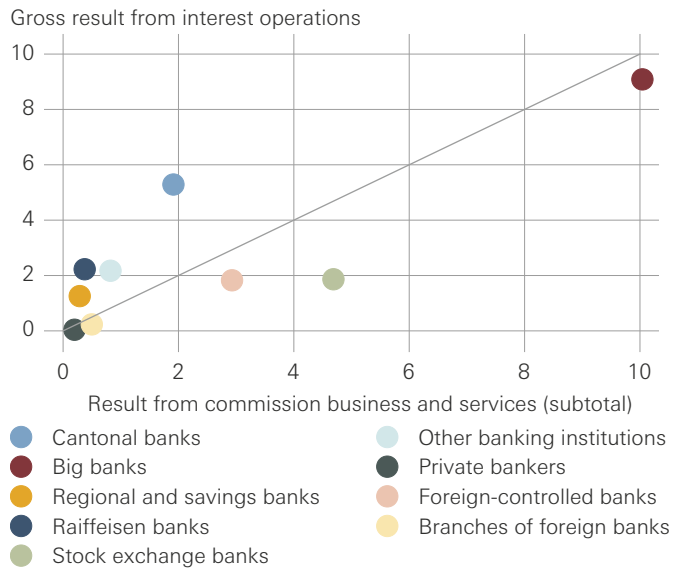
## RESULT FROM INTEREST OPERATIONS

The increase in interest income in 2017 (CHF 1.3 billion to CHF 41.8 billion) was slightly less than that recorded in the case of interest expense (CHF 1.4 billion to CHF 17.8 billion). As a result, the gross result from interest operations decreased marginally by CHF 0.1 billion to CHF 24.0 billion.

Chart 20

### INTEREST OPERATIONS VS COMMISSION BUSINESS AND SERVICES, 2017

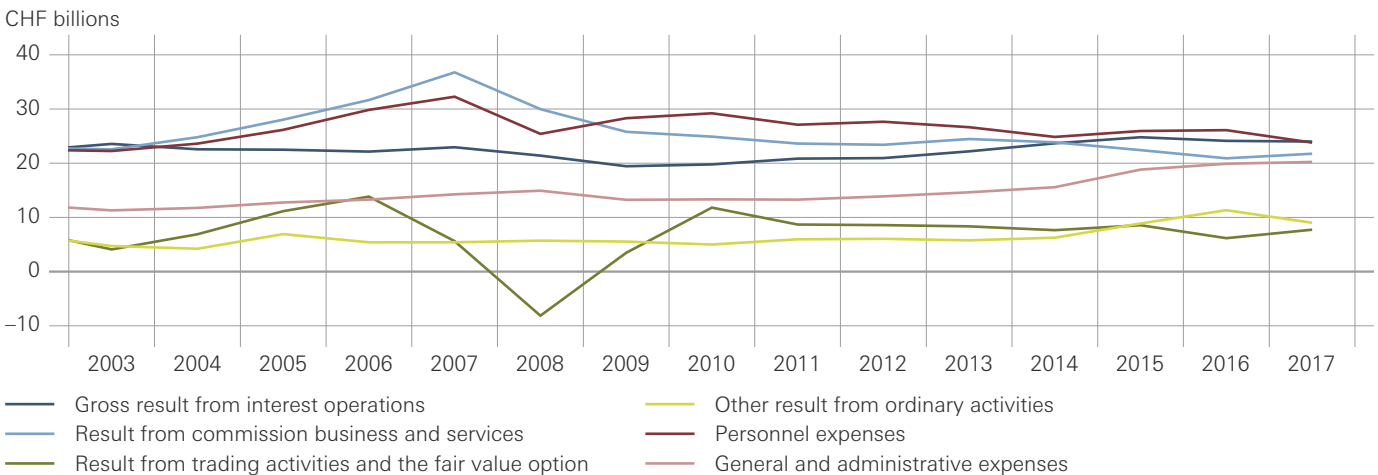
Result by bank category in CHF billions



Source: SNB

Chart 21

### INDIVIDUAL ELEMENTS OF THE INCOME STATEMENT



Source: SNB

Value adjustments and losses related to interest business amounting to CHF 0.8 billion are offset against the gross result from interest operations to give the net result from interest operations. This declined by CHF 0.2 billion to CHF 23.2 billion.

### RESULT FROM COMMISSION BUSINESS AND SERVICES

Having declined in the previous years, there was an increase of CHF 0.8 billion in the result from commission business and services to CHF 21.7 billion. This was mainly due to higher net commission income from securities trading and investment activities (CHF 1.2 billion to CHF 20.6 billion). The commission income from lending activities rose slightly, by CHF 0.1 billion to CHF 2.0 billion. Commission income from other services remained unchanged, at CHF 4.4 billion. The commission expense grew by CHF 0.4 billion to CHF 5.2 billion.

### RESULT FROM TRADING ACTIVITIES AND THE FAIR VALUE OPTION

The result from trading activities and the fair value option increased by CHF 1.6 billion to CHF 7.7 billion, this rise being primarily attributable to the big banks category (CHF 1.6 billion).

### OTHER RESULT FROM ORDINARY ACTIVITIES

The other result from ordinary activities item was down by CHF 2.3 billion to CHF 9.0 billion. The other ordinary income item included in this was CHF 1.2 billion lower at CHF 6.2 billion, this decrease being in particular attributable to a big bank having transferred certain operations to a newly established intragroup financing company, as covered in the preliminary remarks. This resulted in a CHF 1.9 billion drop in income from the

provision of services to other group companies since the corresponding tasks were passed over to the service company. Income from participations declined by CHF 1.1 billion to CHF 2.8 billion, with the big banks category again having a significant impact in this regard.

A slight decline was recorded in the other ordinary expenses item (CHF –0.1 billion to CHF 1.0 billion) and in the result from the disposal of financial investments (CHF –0.1 billion to CHF 0.3 billion), while the result from real estate remained essentially unchanged at CHF 0.8 billion.

### PERSONNEL EXPENSES AS WELL AS GENERAL AND ADMINISTRATIVE EXPENSES

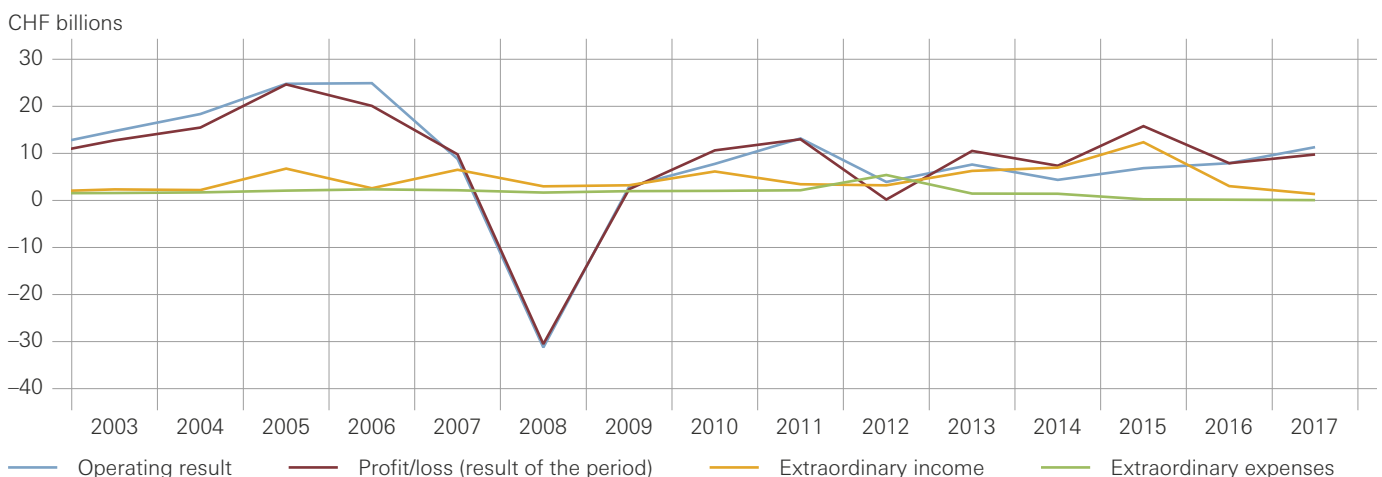
Personnel expenses decreased by CHF 2.3 billion to CHF 23.8 billion, this being mainly attributable to the transfer of staff to an intragroup service company at a big bank. The corresponding personnel expenses were thus no longer included in the banking statistics.

The general and administrative expenses increased by CHF 0.3 billion to CHF 20.2 billion, this also being influenced by the transfer of activities to an intragroup service company at a big bank. The restructuring reduced that bank's general and administrative expenses by CHF 0.3 billion. It has now registered an amount of around CHF 1 billion under this item to cover the use of central services, while at the same time booking lower general and administrative expenses of CHF 1.3 billion for the services which were previously provided in-house.

Operating expenses, which comprise personnel expenses as well as general and administrative expenses, thus decreased in total across all banks by CHF 2.0 billion to CHF 44.0 billion.

Chart 22

### OPERATING RESULT AND PROFIT/LOSS



Source: SNB

## **DEPRECIATION, VALUE ADJUSTMENTS AND PROVISIONS**

---

In 2016, the 'value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets' item decreased by CHF 1.6 billion to CHF 5.3 billion, with the big banks category declining by CHF 1.5 billion to CHF 3.2 billion.

As in 2016, the 'changes to provisions and other value adjustments, and losses' item stood at CHF 1.1 billion.

## **OPERATING RESULT**

---

Overall, the banks reported an operating result totalling CHF 11.3 billion in 2017, a rise of CHF 3.4 billion. The strongest results in this regard were recorded by the cantonal banks (CHF 3.6 billion), big banks (CHF 3.2 billion), stock exchange banks (CHF 1.4 billion), Raiffeisen banks (CHF 1.1 billion) and the other banking institutions category (CHF 0.9 billion).

## **EXTRAORDINARY INCOME AND EXTRAORDINARY EXPENSES**

---

In 2017, extraordinary income amounted to CHF 1.4 billion, of which CHF 0.7 billion was accounted for by the big banks category.

Extraordinary expenses were comparatively low over the year at CHF 0.1 billion.

## **PROFIT/LOSS (RESULT OF THE PERIOD)**

---

The changes in reserves for general banking risks (CHF –0.6 billion) and taxes (CHF 2.2 billion) are taken into account in calculating the profit/loss (result of the period) item. Of the 253 banks covered (2016: 261), 229 registered a profit (2016: 226). Aggregate profits declined by CHF 1.5 billion to CHF 10.3 billion. The remaining 24 institutions (2016: 35) recorded losses totalling CHF 0.5 billion. The aggregate losses were CHF 3.3 billion lower than in 2016.

Taking all banks together, the aggregate result of the period was CHF 9.8 billion, an increase of CHF 1.9 billion year-on-year. The highest aggregate figures in this respect were recorded by the big banks (CHF 3.2 billion), cantonal banks (CHF 2.9 billion) and stock exchange banks (CHF 1.2 billion).

Table 9

**INCOME STATEMENT**

In CHF millions

	2017	Year-on-year change
<b>Result from interest operations</b>		
Interest and discount income	36 088	+2.6%
Interest and dividend income from trading portfolios	3 377	+12.2%
Interest and dividend income from financial investments	2 363	-0.7%
Interest expense	17 836	+8.4%
Gross result from interest operations	23 993	-0.6%
Changes in value adjustments for default risks and losses from interest operations	776	+12.4%
<b>Subtotal net result from interest operations</b>	<b>23 217</b>	<b>-0.9%</b>
<b>Result from commission business and services</b>		
Commission income from securities trading and investment activities	20 594	+6.0%
Commission income from lending activities	1 975	+4.3%
Commission income from other services	4 405	+0.5%
Commission expense	5 224	+8.6%
<b>Subtotal result from commission business and services</b>	<b>21 749</b>	<b>+4.0%</b>
<b>Result from trading activities and the fair value option</b>	<b>7 732</b>	<b>+25.4%</b>
<b>Other result from ordinary activities</b>		
Result from the disposal of financial investments	294	-32.0%
Income from participations	2 776	-29.0%
Result from real estate	818	+2.2%
Other ordinary income	6 168	-16.4%
Other ordinary expenses	1 040	-12.5%
<b>Subtotal other result from ordinary activities</b>	<b>9 017</b>	<b>-20.4%</b>
<b>Operating expenses</b>		
Personnel expenses	23 803	-8.8%
General and administrative expenses	20 232	+1.7%
<b>Subtotal operating expenses</b>	<b>44 035</b>	<b>-4.3%</b>
<b>Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets</b>	<b>5 299</b>	<b>-22.9%</b>
<b>Changes to provisions and other value adjustments, and losses</b>	<b>1 056</b>	<b>+0.6%</b>
<b>Operating result</b>	<b>11 324</b>	<b>+43.1%</b>
<b>Extraordinary income</b>	<b>1 351</b>	<b>-55.5%</b>
<b>Extraordinary expenses</b>	<b>68</b>	<b>-55.0%</b>
<b>Changes in reserves for general banking risks</b>	<b>-612</b>	<b>+5.7%</b>
<b>Taxes</b>	<b>2 232</b>	<b>-3.5%</b>
<b>Profit/loss (result of the period)</b>	<b>9 763</b>	<b>+23.5%</b>

Source: SNB

Table 10

**APPROPRIATION OF PROFIT AND COVERAGE OF LOSSES**

In CHF millions

	2017	Year-on-year change
<b>Profit/loss (result of the period)</b>	<b>9 763</b>	<b>+23.5%</b>
<b>Profit carried forward/loss carried forward</b>	<b>4 868</b>	<b>-17.2%</b>
<b>Distributable profit/accumulated loss</b>	<b>14 631</b>	<b>+6.1%</b>
<b>Appropriation of profit</b>	<b>9 518</b>	<b>-17.9%</b>
Allocation to statutory retained earnings reserve	476	+2.2%
Allocation to voluntary retained earnings reserves	3 512	-48.5%
<b>Distributions from distributable profit</b>		
Distribution to shareholders, company members, proprietors, etc.	4 503	+36.5%
Allocation to cantons and municipalities	896	+4.7%
Interest on endowment capital	76	-2.4%
Subtotal distributions from distributable profit	5 475	+29.4%
<b>Other appropriation of profit</b>		
Emoluments	3	-13.2%
Allocation to staff pension schemes	3	+17.9%
Other appropriation	49	-21.2%
Subtotal other appropriation of profit	55	-19.3%
<b>Coverage of losses</b>	<b>225</b>	
Transfers from statutory retained earnings reserve	48	
Transfers from voluntary retained earnings reserves	177	
<b>New profit/loss carried forward</b>	<b>5 338</b>	<b>+4.5%</b>

Source: SNB



The number of staff at banks in Switzerland – in terms of full-time equivalents (FTEs) – was down by 10,427 to 110,413 (–8.6%). In the domestic component, the total number of staff decreased by 7,822 to 93,555 (–7.7%), and the number abroad declined by 2,605 to 16,858 (–13.4%). A key factor behind this significant reduction was a big bank that transferred service operations and the corresponding staff to an intragroup service company. These staff are no longer included in the banking statistics. Consequently, the number of staff in the big banks category fell by 7,959 to 26,566 in Switzerland (–23.1%) and by 2,654 to 13,220 abroad (–16.7%).

There were further reductions in staff numbers recorded in particular in the categories of foreign-controlled banks (–327 FTEs) and other banking institutions (–100 FTEs). Foreign-controlled banks employed fewer staff in Switzerland (–440 FTEs), but posted an increase of 114 abroad. There were expansions in staff numbers in particular at stock exchange banks (370 FTEs) and Raiffeisen banks (212 FTEs).

The proportion of women employed remained virtually unchanged at 39.0%.

Chart 23

**NUMBER OF STAFF, BY GENDER, 2017**

Measured in full-time equivalents, shares in %

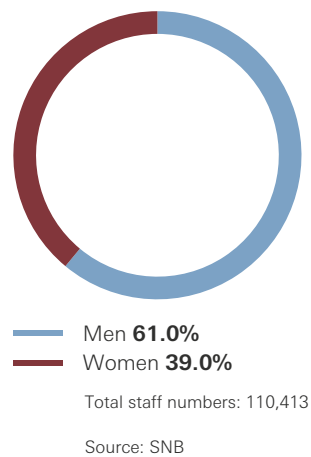


Table 11

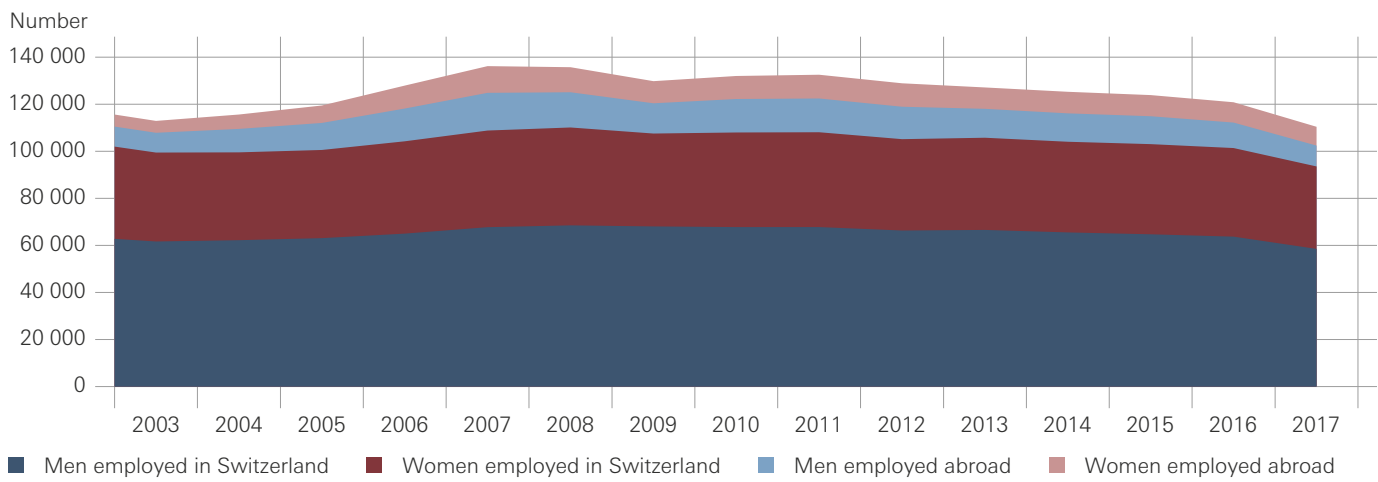
**NUMBER OF STAFF**

In full-time equivalents

	2017	Domestic Year-on-year change	2017	Foreign Year-on-year change	Domestic and foreign 2017	Domestic and foreign Year-on-year change
Men	58 514	-8.2%	8 868	-18.1%	67 382	-9.6%
Women	35 040	-6.9%	7 991	-7.5%	43 031	-7.0%
<b>Total</b>	<b>93 554</b>	<b>-7.7%</b>	<b>16 858</b>	<b>-13.4%</b>	<b>110 413</b>	<b>-8.6%</b>

Source: SNB

Chart 24

**CHANGE IN STAFF NUMBERS**

## Average rate of interest and distribution by rate of interest

The following comments refer to the average rate of interest, weighted by stocks, on balance sheet items denominated in Swiss francs.

The average rate of interest on domestic mortgage loans<sup>1</sup> declined by 11 basis points to 1.53%. As in the preceding years, this decrease affected all bank categories, ranging from 2 basis points in the case of stock exchange banks to 14 basis points for the branches of foreign banks category. The average rate of interest on amounts due from domestic customers was 6 basis points lower at 1.93%.

The average rate of interest on domestic amounts due in respect of customer deposits was down by 3 basis points to 0.15%. The most pronounced declines were recorded by branches of foreign banks (10 basis points to -0.29%), Raiffeisen banks (5 basis points to 0.20%) and regional banks and savings banks (4 basis points to 0.19%). The only exception in this regard were the stock exchange banks, which showed an increase of 1 basis point to 0.19%.

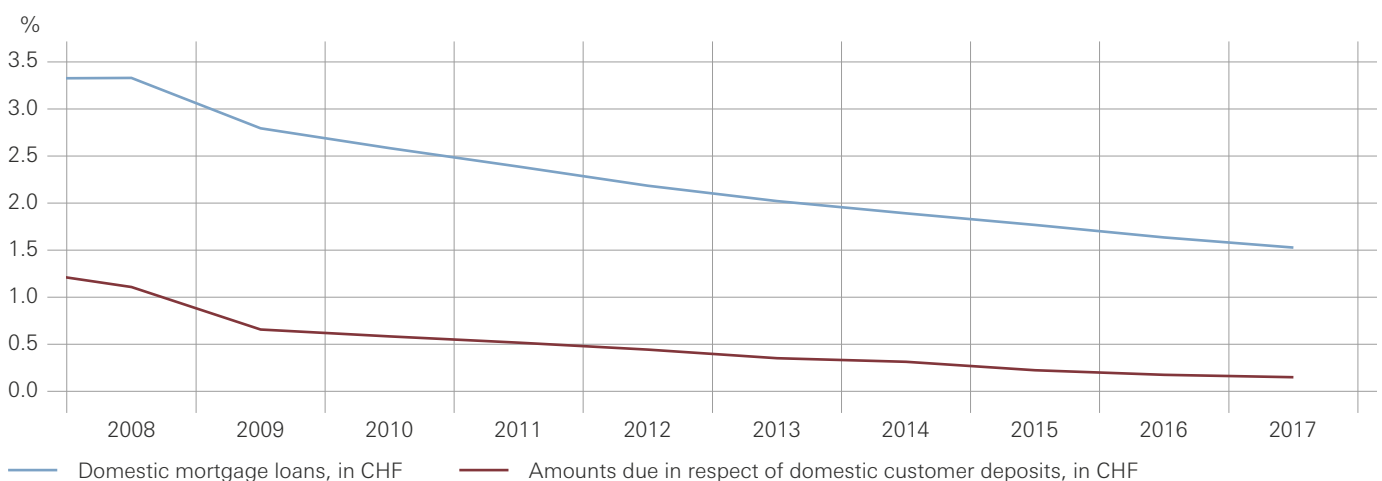
The average rate of interest on liabilities from cash bonds decreased by 10 basis points to 1.01%, while that on liabilities from bonds, warrant issues and convertible bonds was 19 basis points lower at 1.16%.

Unlike in 2016, the average rate of interest on amounts due from/to domestic banks in Swiss francs decreased again, both on the claims side (11 basis points to 0.05%) and the liabilities side (5 basis points to 0.08%).

<sup>1</sup> Not comparable with the reference interest rate for tenancies. For this rate, only banks in Switzerland whose domestic mortgage loans in Swiss francs exceed a total amount of CHF 300 million are required to report data.

Chart 25

### AVERAGE RATE OF INTEREST ON SELECTED BALANCE SHEET ITEMS



Source: SNB





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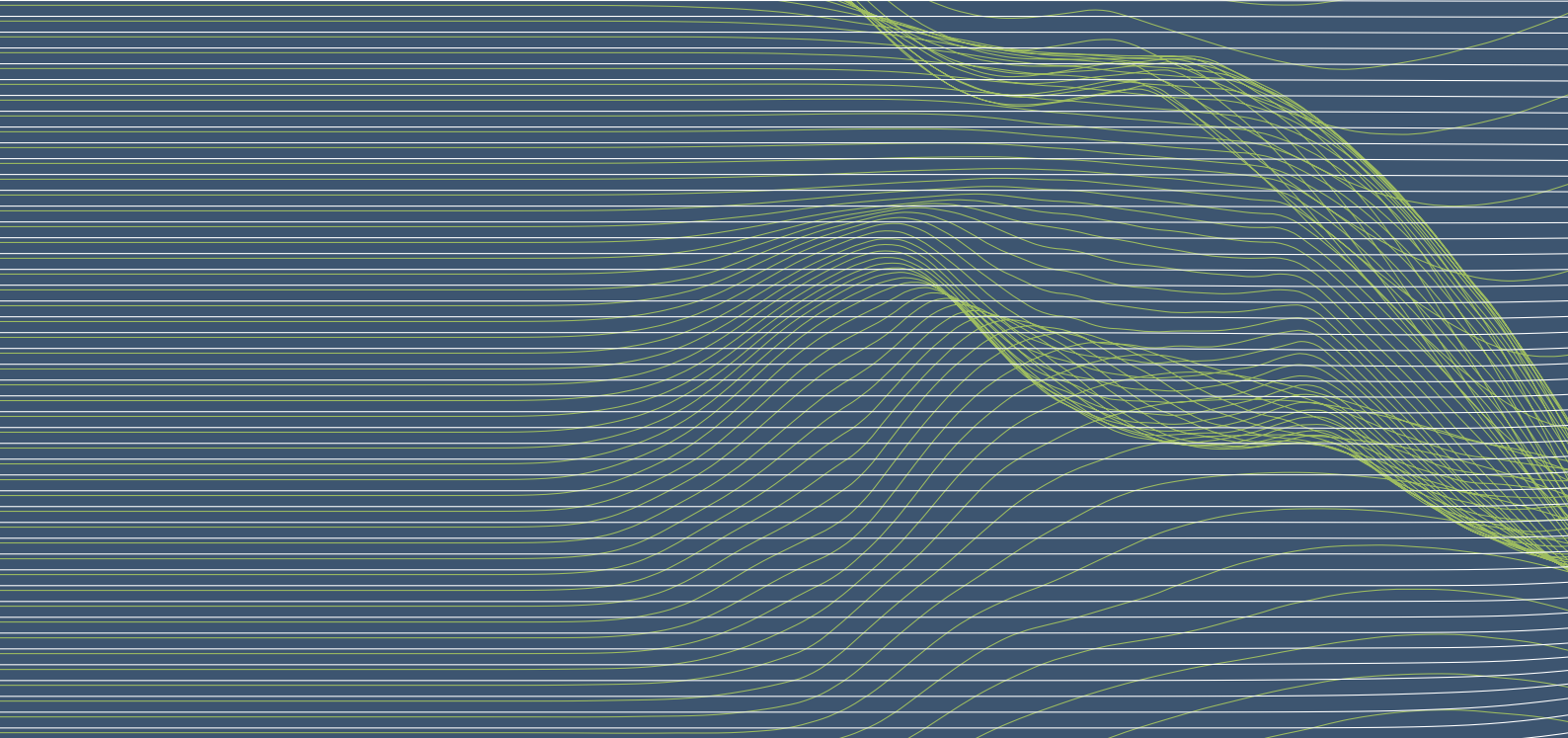
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