

Abstract

The structure of the banking sector has changed significantly in recent years. The number of banking organizations has been reducing, the concentration of the market has been growing, mergers and acquisitions have been a global phenomenon that crosses borders of the banking industry. This thesis focuses on searching both reasons and consequences of this restructuralization.

Even though we have been dealing with a worldwide trend, associated with technology development and deregulation of financial markets, European integration has had a deep impact on the development of banking sector. Introduction of a single market and creation of a monetary union together with elimination of other barriers have led to the connection of banking systems. On the other hand this process has not been finished yet and there have been plenty of obstacles, given primarily by the different developments in individual EU member states that need to be overcome. I try to show how the real situation of the EU banking sector looks like and whether it corresponds to the theoretic assumptions.

Analysis of consequences of these changes represents an important part of my thesis: What advantages and negatives will the restructuralization bring along? We can answer this question from many different views. I concentrate only on some of them: new problems that banks can encounter, challenges that this structure brings to regulators and possible consequences for small and medium enterprises.

At the end of the thesis, I study the situation in the Czech Republic, where I illustrate described changes and deal with the future of the Czech banking sector, mainly in the connection with announced changes in 2007.