

Credit Suisse profit falls as investment banking weakens

Kinibiz.com

Apr 16, 2014

By dpa

Credit Suisse, Switzerland's second-largest bank, said Wednesday that its net profit dropped by a third to 859 million Swiss francs (RM3.1 billion) in the first quarter as its investment banking branch posted lower earnings.

Analysts had expected a profit of some 1 billion francs.

Credit Suisse shares fell 2.08% at the SIX exchange in Zurich in the first hour of trading.

Investment banking pre-tax profits dropped 36% to 827 million francs year-on-year as clients substantially reduced their investment activities.

Credit Suisse also said its investment bankers encountered difficulties in emerging markets, as well as in currency and commodity trading.

At the same time, strong business with rich clients in emerging markets of Asia, Latin America and the Middle East boosted the bank's wealth management results.

The lender's private banking and wealth management operation posted a pre-tax profit of 965 million francs, 28% higher than in the first quarter last year.

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