NÁRODNÁ BANKA SLOVENSKA
EUROSYSTÉM

QUARTERLY COMMENTARY ON MACROPRUDENTIAL POLICY

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Contents

Foreword

Financial system stability is essential for a well-functioning economy. It encompasses many areas, ranging from the security of bank deposits and other similar products to the smooth-functioning of the lending market based on the responsible approach of financial institutions and their customers. The purpose of macroprudential policy is to contribute to financial stability, in particular by strengthening the financial sector's resilience during good times, when risks are typically still at an early stage. This purpose also entails preventing the build-up of systemic risks, so as to make the economy less vulnerable in crisis periods.

Macroprudential policy in Slovakia is implemented primarily by Národná banka Slovenska (NBS), with its formal obligation in this regard laid down in Act No 747/2004 Coll. on financial market supervision. In implementing this policy, NBS may use any of several tools (from mitigating a specific risk to increasing capital requirements across the board), and may apply them in different ways (from issuing risk warnings to laying down statutory obligations).[1] The European Central Bank (ECB) has the power to impose further, stricter macroprudential policy settings.

A key element of macroprudential policy implementation is the regular quarterly assessment of developments in the area of financial stability, and any ensuing decision of the NBS Bank Board to apply a specific instrument. The fulfilment of the core objective, i.e. the maintenance of financial stability, is assessed through the monitoring of five intermediate objectives:[2]

1. to mitigate and prevent excessive credit growth and leverage;
2. to mitigate and prevent excessive maturity mismatch and market illiquidity;
3. to limit direct and indirect exposure concentrations;
4. to limit the systemic impact of misaligned incentives with a view to reducing moral hazard;
5. to strengthen the resilience of financial infrastructures.

The **first intermediate objective** is to prevent excessive credit growth and leverage, which has been generally identified as a key driver of the financial and economic crisis. This is a particularly important objective in Slovakia, owing to the traditional nature of the financial market in this country. Most of the significant trends, as well as risks, in the domestic banking sector are related to the market in lending to households and enterprises. Looking at loans to the domestic economy as a share of total assets, the ratio in Slovakia is one of the highest of any country, with banks earning the bulk of their income from such lending.

The **second intermediate objective** relates to excessive maturity mismatch in the assets and liabilities of bank balance sheets. In other words, the maturity of banks' assets should not differ significantly from the maturity of their funding liabilities. Although the role of banks is to intermediate the funding of long-term assets (loans) with short-term liabilities (deposits), experience has shown that an excessive maturity mismatch between assets and liabilities makes the financial system more vulnerable and contributes to a build-up of economic and financial imbalances.

[1] Further details about these instruments can be found on the NBS website, at http://www.nbs.sk/en/financial-market-supervision1/macroprudential-policy

[2] The intermediate objectives are set out in line with Recommendation No ESRB/2013/1 of the European Systemic Risk Board of 4 April 2013 on intermediate objectives and instruments of macro-prudential policy.

The **third intermediate objective** is to limit direct and indirect exposure concentrations. Direct concentration risk typically arises from significant exposures to, for example, households, general government, or certain sectors of the economy. Indirect exposures arise from the interconnectedness of financial and non-financial institutions. Elevated concentration is a long-standing structural feature of the domestic financial sector. This is largely attributable to the structure of the Slovak economy, which is heavily dependent on a small number of sectors, as well as to the concentration of bank's claims on and/or sources of funding from certain customers or groups of customers. Another significant feature of the Slovak banking sector is the high share of domestic government bonds in banks' balance sheets.

The **fourth intermediate objective** aims to limit the systemic risk arising from misaligned incentives of financial institutions and their customers. The primary aim here is to reduce the risk of moral hazard related to the presence of systemically important financial institutions. Whereas, in respect of the third intermediate objective, concentration risk is monitored for its potential impact on individual banks or the banking sector, in the case of systemically important institutions concentration is monitored owing to the large impact that potential default of such an institution would have on the financial sector and real economy. Moral hazard may also arise in relation to management remuneration at financial institutions or in the terms of cooperation with financial intermediaries.

The **fifth intermediate objective** is to strengthen the resilience of financial infrastructures. The most important elements of the financial infrastructure in Slovakia are the payment systems (TARGET2, SIPS), the Deposit Protection Fund, and securities settlement systems. Their reliable operation is crucial for the country's financial stability.

The Quarterly Commentary on Macroprudential Policy (QCMP) is structured according to these objectives, pursuant to Recommendation ESRB/2013/1. Its main part is a situation analysis (based on the indicators in the annex), which is a basis for NBS decision-making. This edition of the QCMP is based mostly on data as at 30 June 2017, although the qualitative assessment also takes account of information available until the submission date of the QCMP.

The document is divided into three parts. The first part contains a brief analysis of the most significant developments related to systemic risk which occurred during the quarter under review, broken down into sub-headings that correspond to the above-mentioned intermediate objectives. The second part, focusing on decisions taken in the area of macroprudential policy, includes not only decisions of NBS, but also decisions of the ECB. The third part comprises annexes that include: tables showing indicators used to monitor the intermediate objectives, and reference information for decisions on the countercyclical capital buffer rate.

1 Situation analysis by Národná banka Slovenska

1.1 Excessive credit growth and leverage

The expansionary phase of the financial cycle continued in the second quarter of 2017, with several trends observed in the previous period becoming even more pronounced. Annual credit growth[3] accelerated to 12.1% (from 11.4% in the first quarter of 2017), its highest rate since early 2009. The annual growth rate of loans to non-financial corporations (NFCs) joined that of household loans in double figures. Demand for credit is being stoked by favourable macroeconomic developments (reflected in historically low unemployment rate and increasing corporate sales), the long-standing low interest rate environment and strong competition in the lending market. The stock of household loans increased in the second quarter of 2017 by 13.4% year on year, after a slightly higher increase of 13.9% in the first quarter. This slowdown reflected strong household credit growth in the second quarter of 2016, stimulated by the impact of a new statutory cap on early repayment fees for housing loans. At the same time, however, the first half of 2017 saw increased volatility in lending to households. The growth in household loans was also reflected in the residential real estate market. The average price of a flat in the second quarter of 2017 increased, year on year, by double digits, at an even higher rate than average annual wage growth. As a result, the housing affordability index fell further, continuing a decreasing trend going back to the start of 2015. Property market developments are also contributing to the increasing demand for credit. Household credit growth has been higher in Slovakia than in any other EU country for one and a half years. A corollary of strong credit growth has been increasing household indebtedness. The household debt-to-GDP ratio increased in the second quarter to 39.9%. A positive development was the fall in the average loan-to-value (LTV) ratio, to close to 71% in the reviewed period. The fall in the LTV ratio may be attributed to the entry into force of NBS Decree No 10/2016, which tightens limits on bank lending for house purchase. Lower LTV ratios are also making banks less vulnerable to the risk of a sudden decline in property prices.

NFC credit growth in the second quarter of 2017 accelerated to 10% year on year (up from 7.4 % in the first quarter). The last time that the stock of NFC loans increased at such a pace was in early 2009, towards the end of the previous credit cycle upswing. The latest NFC loan growth was observed across economic sectors, but was more elevated in the sectors of industry, commercial real estate, energy supply and, to a lesser extent, retail trade, services and construction. Most of the credit growth was accounted for by operating loans and investment-related loans. Credit demand among firms continues to be supported by historically low interest rates, the improving financial condition of firms, and favourable sentiment. NFC credit growth, like household growth, was also higher in Slovakia than in other EU countries in the second quarter. The increase in the stock of NFC loans was reflected in an increase in the NFC debt-to-GDP ratio in the second quarter, to 54.1% of GDP.

The credit market situation was also reflected in indicators evaluating the extent to which the market is overheating. All the indicators used as buffer guides are indicating the need for a non-zero countercyclical capital buffer (CCyB) rate (Table 3), and most of them increased during the quarter

[3] Loans provided by domestic banks to the household sector (S.14 and S.15) and the NFC sector (S.11) in Slovakia (source: Statement V (NBS) 33-12).

under review. The Domestic credit-to-GDP_{trend} gap[4] increased for a tenth successive quarter, to 5.39%. A CCyB rate consistent with that level would be 1.75% (Chart 3). The Standardised credit-to-GDP_{trend} gap[5] also increased in the second quarter, to a level corresponding to a 2.25% CCyB rate (Chart 2). The Cyclogram, a composite indicator of financial cycle trends, moved further towards its historical high of summer 2008. Its components either increased or remained unchanged; none fell (Chart 4). The Standardised credit-to-GDP gap[6] rose to 0.25%, also consistent with a non-zero CCyB rate (Chart 1).

Credit market pressures became more pronounced in the second quarter of 2017, as the financial cycle moved further into its upswing. The increasing momentum of this expansionary phase is not a surprise, and was already priced in to the most recent decision on the CCyB rate. The entry into force of an NBS decree regulating lending conditions for retail loans[7] started to be phased in from early 2017. The decree is expected to have some mitigating effect on lending-related risks. At the same time, the CCyB rate has increased from 0% to 0.5% from August 2017, and then up to 1.25% from 1 August 2018. A further hike of the CCyB rate is therefore not required at present, and will only be considered if credit market pressures continue to increase.

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[4] The indicator is based on the amount of loans provided by domestic banks to NFCs and households.

[5] The indicator is compiled from data on the total debt of the NFC sector by estimating the missing data on total private sector debt up to 1993 and incorporating a less volatile indicator in the denominator: GDP_{trend}.

[6] Calculated in accordance with the requirements laid down in Recommendation ESRB 2014/1 on guidance for setting countercyclical buffer rates. Given its counter-intuitive and difficult-to-interpret developments in the past, the financial cycle is evaluated using other indicators.

[7] Decree No 10/2016 of Národná banka Slovenska of 13 December 2016 laying down detailed provisions on the assessment of borrowers' ability to repay housing loans.

1.2 Excessive maturity mismatch and market illiquidity

Trends related to increasing liquidity risk in the banking sector continued in the second quarter of 2017. The further increase in long-term illiquid assets (mostly in the form of housing loans) and growth in the stock of short-term deposits extended the maturity mismatch between assets and liabilities to a new all-time high. At the same time, the liquidity coverage ratio fell slightly. At a time when investment in government bonds is falling, it is increasingly important for the banking sector to have sufficient stable deposits. Therefore the continuing increase in the loan-to-deposit ratio, also up to a new all-time high, is seen as a negative development.

1.3 Concentration

The second quarter of 2017 did not see significant changes in regard to concentration risk. The most notable change was an increase in credit risk in the agriculture and mining sector, with the non-performing loan ratio for loans to this sector increasing from 4.3% in May 2017 to 6.3% in June 2017. Even so, banks' overall exposure to this sector remains low, amounting to around 1% of their total assets. At the same time, banks' overall exposure to Cypriot counterparties continued to fall (in terms of both the exposure amount and the credit spread of Cypriot government bonds over German Bunds).

1.4 Moral hazard

Moral hazard indicators remained almost unchanged in the second quarter of 2017, as compared with the first quarter. In historical terms, the concentrations of total net assets, total liabilities and total assets in the financial system remain relatively high. While the share of Slovak government bonds held by banks continues to fall, the concentration of banks' investments in these bonds is rising. Since the largest banks are maintaining their leading position in the banking sector, it remains important to increase the resilience of these banks.

1.5 Financial infrastructures and other risks

The annual contribution to the Deposit Protection Fund (DPF) for 2017 was set at €3 million and was paid by 15 June 2017. This was lower than the previous year's contribution, since the contribution rate for 2017 was reduced to 0.01% of covered deposits, down from 0.03% in 2016. Therefore the extent of the DPF's deposit protection will remain largely unchanged in 2017, with its funds equivalent to around 0.67% of total covered deposits. Given, however, that the target level for its coverage is set at 0.8% of covered deposits by 2024, the contributions are expected to increase substantially in the years ahead. Furthermore, the DPF's estimated target level for 2024 reckons on extraordinary revenue from insolvency proceedings, but if this revenue does not materialise, the future increase in contributions could be even higher.

The cumulative proceeds of the special levy payable by banks in Slovakia exceeded €750 million by the end of the second quarter of 2017. The exceeding of that amount would in the past have triggered a reduction in the levy rate, to 0.1%, but under an amendment to the Special Levy Act[8], the rate remains set at 0.2% per year until 2020.

Domestic banks' contributions to the EU's Single Resolution Fund for 2017 totalled €17.5 million (the size of the contributions has been set by Slovakia's Resolution Council since 2016).

2 Decisions in the area of macroprudential policy

2.1 Decisions taken by NBS with respect to developments in the quarter under review

Developments in the Domestic credit-to-GDP$_{trend}$ gap (Chart 3) and the Cyclogram (Chart 4), as well as developments in the indicators of excessive credit growth and leverage (see table in Annex A), further supported the reasons behind NBS's existing decision to apply a non-zero countercyclical capital buffer (CCyB). In view of the recent continuing trends in the credit market, as described in section 1.1, the NBS Bank Board decided on 24 October 2017 to leave the CCyB rate at 1.25% from 1 November 2018.[9] The rate was already scheduled to be increased from 0% to 0.5% as of 1 August 2017 and further to 1.25% as of 1 August 2018. In taking its rate-setting decision on the CCyB, the NBS Bank Board gave due consideration to the views of the European Central Bank (ECB) in accordance with Article 5 of the SSM Regulation.[10]

2.2 Current instrument settings

Under NBS Decision No 20/2016 of 26 July 2016, the CCyB was set at a non-zero rate of 0.50% with effect from 1 August 2017.

On 13 December 2016 the NBS Bank Board approved a Decree laying down detailed provisions on the assessment of borrowers' ability to repay housing loans (NBS Decree No 10/2016). This Decree largely enacts housing loan-related recommendations set out in Macroprudential Policy Recommendation No 1/2014 of Národná banka Slovenska on risks related to market developments in retail lending ("the Recommendation"). There are certain changes from the Recommendation in regard to minimum financial resources requirements for borrowers and additional loan-to-value ratio limits.[11]

On 31 January 2017 the NBS Bank Board approved an amendment to the Recommendation which revokes those parts of the Recommendation that have been adopted into law by NBS Decree No 10/2016 and certain statutes.[12]

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8 Act No 384/2011 Coll. on a special levy on financial institutions, as amended.

9 https://www.nbs.sk/en/financial-market-supervision1/macroprudential-policy/macroprudential-policy-decisions

10 Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions ("the SSM Regulation").

11 http://www.nbs.sk/_img/Documents/_Legislativa/_FullWordingsOther/EN_O_10_2016.pdf

12 http://www.nbs.sk/_img/Documents/_Legislativa/_BasicActs/A90-2016.pdf
http://www.nbs.sk/_img/Documents/_Legislativa/_BasicActs/A129-2010.pdf

Under Decision Nos 18/2016 and 19/2016 of Národná banka Slovenska of 24 May 2016, banks in Slovakia identified as 'other significantly important institutions' (O-SIIs) are required from 1 January 2017 to maintain a total additional capital buffer (comprising an O-SII buffer and in some cases also a systemic risk buffer) of between 1% and 2% of risk-weighted assets. From 1 January 2018, under NBS Decision Nos 5/2017 and 6/2017 of 30 May 2017, the total additional capital buffer requirement will be kept at 2% for the two largest banks and be reduced to either 1% or 1.5% for the other O-SIIs. Other currently applicable macroprudential policy instruments, covering mainly the area of capital requirements, are listed in Table 1.

2.3 Potential application of macroprudential policy instruments in the medium term

Planned legislative amendments in the area of consumer loans

Preparations are now being made to enact in secondary legislation the recommendations set out in Macroprudential Policy Recommendation No 1/2014, as amended, and at the same time to recalibrate some of these recommendations. A key benefit of this enactment will be to extend the regulatory framework to cover non-bank entities. The new legislation will bring greater certainty to all banks and non-bank entities regarding the equality of business conditions in the retail lending market.

Expected developments in the countercyclical capital buffer rate in the next quarter

Current indicator trends do not imply any immediate need to increase the CCyB rate. A further hike of the CCyB rate will be considered if credit market pressures continue to increase.

2.4 ECB decisions concerning the Slovak banking sector

As of 24 October 2017 the European Central Bank had not issued any macroprudential policy decision concerning the Slovak banking sector.

Table 1 Current setting of instruments applicable in Slovakia

Macroprudential instruments	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Note
Macroprudential instruments applicable in Slovakia						
Capital conservation buffer (Article 33b of the Banking Act)	2.5%	2.5%	2.5%	2.5%	2.5%	
Countercyclical capital buffer rate (Article 33g of the Banking Act)	0%	0%	0%	0.5%	0.5%	To be increased to 0.5% since 1 August 2017 and to 1.25% since 1 August 2018.
O-SII buffer (Article 33d of the Banking Act)[13]	1%	1% - 2%	1% - 2%	1% - 2%	1% - 2%	To be decreased to 0.5% and 1% since 1 January 2018.
Systemic risk buffer (Article 33e of the Banking Act)[14]		1%	1%	1%	1%	
Risk-weight for exposures fully secured by mortgages for residential property (Article 124 of the EU's Regulation on prudential requirements for credit institutions and investment firms –hereinafter "the CRR")	35%	35%	35%	35%	35%	
Risk-weight for exposures fully secured by mortgages on commercial immovable property (Article 124 of the CRR)	50%	50%	50%	50%	50%	Scheduled increase.
Minimum exposure-weighted average LGD for all retail exposures secured by residential property and not benefiting from guarantees from central governments (Article 164 of the CRR)	10%	10%	10%	10%	10%	
Minimum exposure-weighted average LGD for all retail exposures secured by commercial immovable property and not benefiting from guarantees from central governments (Article 164 of the CRR)	15%	15%	15%	15%	15%	
Risk-weight for exposures fully secured by mortgages on commercial immovable property - other EU Member States (Article 124 of the CRR)	50%	50%	50%	50%	50%	
Minimum exposure-weighted average LGD for all retail exposures secured by residential property and not benefiting from guarantees from central governments - other EU Member States (Article 164 of the CRR)	10%	10%	10%	10%	10%	
Minimum exposure-weighted average LGD for all retail exposures secured by commercial immovable property and not benefiting from guarantees from central governments - other EU Member States (Article 164 of the CRR)	15%	15%	15%	15%	15%	

Source: NBS.

[13] O-SII buffer is set for Československá obchodná banka, a.s., Poštová banka, a.s., Slovenská sporiteľňa, a.s., Tatra banka, a.s. and Všeobecná úverová banka, a.s.
[14] Systemic risk buffer is set for Československá obchodná banka, a.s., Slovenská sporiteľňa, a.s., Tatra banka, a.s. and Všeobecná úverová banka, a.s.

Table 2 Current setting of instruments applicable to foreign exposures

Macroprudential instrument	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Note
Macroprudential instruments applicable abroad						
Countercyclical capital buffer rate for **Czech Republic** (Article 33j of the Banking Act)	0%	0.5%	0.5%	0.5%	0.5%	To be increased to 1.0% since 1 July 2018.
Countercyclical capital buffer rate for **Sweden** (Article 33j of the Banking Act)	1.5%	1.5%	2%	2%	2%	
Countercyclical capital buffer rate for **United Kingdom** (Article 33j of the Banking Act)	0%	0%	0%	0%	0%	To be increased to 0.5% since 27 June 2018.
Countercyclical capital buffer rate for other EU Member States (Article 33j of the Banking Act)	0%	0%	0%	0%	0%	
Countercyclical capital buffer rate for **Norway** (Article 33j of the Banking Act)	1.5%	1.5%	1.5%	1.5%	2%	To be increased to 2% from 31 December 2017.
Countercyclical capital buffer rate for **Iceland** (Article 33j of the Banking Act)	0%	0%	1%	1%	1.25%	To be increased to 1.25% from 1 November 2017.
Countercyclical capital buffer rate for **Hong Kong** (Article 33i and Article 33j of the Banking Act)	0.625%	1.25%	1.25%	1.25%	1.25%	To be increased to 1.875% since 1 January 2018 and to 2.5% since 1 January 2019.
Countercyclical capital buffer rate for countries other than EU Member States (Article 33i and Article 33j of the Banking Act)	0%	0%	0%	0%	0%	
Systemic risk buffer for **Estonia** (Article 33f of the Banking Act)	1%	1%	1%	1%	1%	
Systemic risk buffer for other EU Member States (Article 33f of the Banking Act)	0%	0%	0%	0%	0%	
Risk-weight for exposures fully secured by mortgages on residential property - other EU Member States (Article 124 of the CRR)	35%	35%	35%	35%	35%	**Ireland, Croatia, Malta, Slovenia:** conditions to be tightened for application of the 35% risk weight
Risk-weight for exposures fully secured by mortgages on commercial immovable property – **Sweden** and **Romania** (Article 124 of the CRR)	100%	100%	100%	100%	100%	**Romania:** conditions to be tightened for application of the 50% risk weight
Risk-weight for exposures fully secured by mortgages on commercial immovable property - other EU Member States (Article 124 of the CRR)	50%	50%	50%	50%	50%	**United Kingdom:** conditions to be tightened for application of the 50% risk weight
Minimum exposure-weighted average LGD for all retail exposures secured by residential property and not benefiting from guarantees from central governments - other EU Member States (Article 164 of the CRR)	10%	10%	10%	10%	10%	
Minimum exposure-weighted average LGD for all retail exposures secured by residential property and not benefiting from guarantees from central governments – **Norway** (Article 164 of the CRR)	20%	20%	20%	20%	20%	
Minimum exposure-weighted average LGD for all retail exposures secured by commercial immovable property and not benefiting from guarantees from central governments - other EU Member States (Article 164 of the CRR)	15%	15%	15%	15%	15%	

Souce: ESRB.

Annexes

A) Selected indicators broken down by main risk categories

	Excessive credit growth and leverage																				
	Total private debt							Domestic credit 9)							Households sector				Corporate sector		
	Standardised credit-to-GDP gap	Total credit: year-on-year increase	Total households' credit: year-on-year increase	Total corporate credit: year-on-year increase	Total credit-to-GDP level	Total households' credit-to-GDP level	Total corporate credit-to-GDP level	Domestic credit-to-GDP trend gap	Domestic credit: year-on-year increase	- Households	- Enterprises	Domestic credit-to-GDP level	- Households	- Enterprises	Domestic credit-to-disposable income gap	Domestic credit-to-disposable income level	LTV on new housing loans 1)	Housing affordability index (interest rate effect excluded)	Total debt-to-trend revenues gap	Domestic credit-to-trend revenues gap	Cyclogram 2)
6.17	2,66%	12%	13%	12%	94%	40%	54%	5,39%	12%	13%	10%	59%	38%	21%	3%	64%	71%	95	1,1%	0,4%	7,8
3.17	2,09%	14%	14%	15%	92%	39%	53%	4,96%	11%	14%	7%	58%	37%	21%	2%	63%	72%	96	0,9%	0,4%	7,6
12.16	1,34%	11%	12%	10%	91%	38%	52%	4,48%	10%	13%	5%	57%	36%	20%	2%	62%	73%	98	0,7%	0,2%	7,2
9.16	-0,45%	9%	12%	7%	88%	37%	51%	3,97%	10%	13%	5%	56%	35%	20%	2%	60%	74%	101	0,1%	0,1%	6,6
6.16	-1,39%	8%	12%	5%	86%	37%	50%	3,17%	9%	13%	4%	54%	34%	20%	1%	59%	73%	102	-0,2%	-0,1%	6,0
3.16	-3,57%	4%	11%	-1%	83%	36%	48%	2,95%	10%	12%	8%	53%	33%	20%	1%	57%	73%	104	-0,9%	0,0%	6,4
12.15	-2,72%	5%	11%	2%	84%	35%	49%	2,91%	11%	12%	9%	53%	33%	20%	2%	56%	71%	105	-0,6%	0,0%	6,4
9.15	-2,70%	4%	12%	-1%	83%	34%	49%	2,41%	9%	13%	3%	52%	32%	20%	1%	55%	70%	106	-0,6%	-0,2%	5,5
6.15	-2,59%	3%	12%	-2%	83%	34%	49%	1,94%	9%	13%	3%	51%	32%	20%	1%	54%	69%	107	-0,5%	-0,2%	5,4
3.15	-1,59%	7%	12%	4%	83%	33%	50%	1,16%	7%	13%	-1%	50%	31%	19%	0%	53%	71%	108	-0,1%	-0,5%	4,6
12.14	-1,79%	6%	12%	3%	82%	33%	50%	0,68%	6%	12%	-2%	49%	30%	19%	0%	52%	73%	109	-0,2%	-0,8%	4,4
9.14	-0,72%	9%	10%	8%	83%	32%	51%	0,94%	7%	11%	1%	49%	30%	20%	0%	50%	72%	108	0,5%	-0,6%	4,2
6.14	0,02%	14%	9%	17%	83%	31%	52%	0,50%	6%	11%	0%	48%	29%	20%	-1%	49%	72%	107	0,9%	-0,7%	3,9
3.14	-2,11%	10%	9%	10%	80%	30%	49%	0,39%	6%	10%	0%	48%	28%	20%	-1%	48%	73%	106	0,1%	-0,7%	3,5
12.13	-1,81%	8%	9%	7%	79%	30%	50%	0,18%	4%	9%	-3%	47%	28%	20%	-1%	47%	71%	105	0,4%	-0,8%	3,4
9.13	-2,94%	7%	9%	5%	78%	29%	48%	0,32%	4%	9%	-2%	47%	27%	20%	-1%	46%	71%	103	-0,1%	-0,8%	3,3
6.13	-5,92%	3%	9%	0%	74%	29%	45%	0,26%	4%	9%	-3%	47%	27%	20%	-1%	45%	70%	103	-1,3%	-0,8%	3,2
3.13	-5,82%	4%	9%	1%	74%	28%	46%	0,34%	3%	9%	-4%	46%	26%	20%	-2%	44%	70%	102	-1,1%	-0,8%	3,2
12.12	-4,36%	5%	9%	3%	75%	28%	47%	0,84%	3%	9%	-3%	46%	26%	21%	-1%	44%	70%	102	-0,5%	-0,7%	3,3
9.12	-4,87%	5%	8%	3%	74%	27%	47%	1,09%	2%	9%	-5%	46%	25%	21%	-1%	43%	70%	100	-0,5%	-0,6%	3,6
6.12	-5,36%	5%	8%	3%	73%	27%	46%	1,42%	3%	8%	-2%	46%	25%	21%	-2%	42%	71%	100	-0,7%	-0,5%	3,8
3.12	-5,21%	5%	9%	3%	73%	27%	47%	1,91%	7%	9%	4%	46%	24%	22%	-2%	41%	72%	99	-0,6%	-0,3%	4,3
12.11	-4,19%	8%	10%	7%	74%	27%	47%	2,53%	9%	10%	7%	46%	24%	22%	-1%	41%	70%	97	-0,3%	-0,1%	4,5
9.11	-3,82%	6%	11%	3%	74%	26%	47%	3,29%	9%	11%	8%	47%	24%	23%	-1%	41%	70%	96	-0,3%	0,2%	5,1
6.11	-4,45%	6%	11%	3%	73%	26%	47%	3,21%	10%	12%	8%	46%	24%	23%	-1%	40%	69%	94	-0,6%	0,1%	5,3
3.11	-3,71%	5%	12%	2%	73%	26%	47%	2,47%	7%	12%	3%	45%	23%	22%	-1%	39%	68%	93	-0,5%	-0,1%	4,8
12.10	-4,60%	3%	11%	-1%	71%	25%	46%	2,30%	6%	12%	0%	45%	23%	22%	-1%	38%	66%	95	-1,1%	-0,3%	4,4
9.10	-2,58%	1%	10%	-3%	73%	25%	48%	2,65%	4%	11%	-1%	45%	23%	22%	-1%	37%	68%	93	-0,5%	-0,2%	3,6
6.10	-2,49%	-1%	9%	-6%	72%	25%	48%	2,43%	3%	10%	-3%	45%	22%	22%	-1%	36%	67%	92	-1,1%	-0,4%	3,4
3.10	-0,78%	-1%	10%	-6%	73%	24%	49%	2,65%	2%	10%	-4%	45%	22%	23%	-1%	35%	67%	91	-1,0%	-0,4%	3,1
12.09	0,24%	3%	9%	0%	73%	24%	49%	2,92%	3%	11%	-3%	45%	22%	23%	-1%	35%	65%	91	-1,2%	-0,5%	3,1
9.09	2,67%	7%	12%	6%	74%	23%	51%	3,82%	6%	13%	0%	44%	21%	23%	-1%	34%	65%	89	-0,4%	-0,3%	3,8
6.09	2,73%	12%	16%	10%	73%	22%	50%	4,30%	9%	17%	3%	43%	20%	23%	0%	33%	65%	86	-0,3%	-0,3%	4,5
3.09	2,91%	19%	20%	18%	71%	21%	50%	5,30%	15%	22%	10%	42%	19%	23%	0%	32%	65%	80	0,2%	0,0%	5,7
12.08	-0,02%	17%	24%	14%	66%	21%	46%	5,98%	18%	25%	13%	40%	18%	22%	0%	32%	70%	75	-0,6%	0,1%	6,6
9.08	0,36%	19%	27%	16%	66%	20%	46%	6,77%	23%	28%	20%	40%	18%	22%	0%	31%	84%	70	0,0%	0,4%	7,8
6.08	0,14%	19%	28%	16%	64%	19%	45%	6,77%	24%	28%	21%	39%	17%	22%	0%	30%	90%	67	0,0%	0,5%	8,0
3.08	-1,04%	17%	28%	13%	62%	18%	44%	6,06%	26%	28%	24%	38%	16%	21%	0%	29%	91%	65	-0,4%	0,5%	7,5
12.07	-0,28%	27%	29%	26%	62%	18%	44%	6,50%	24%	28%	22%	37%	16%	21%	0%	28%	91%	69	-0,2%	0,6%	7,6
9.07	0,11%	19%	29%	16%	61%	17%	44%	5,81%	25%	27%	24%	36%	15%	20%	0%	27%	90%	75	0,0%	0,5%	7,7
6.07	0,31%	14%	30%	8%	60%	17%	43%	5,50%	23%	28%	19%	35%	15%	20%	0%	26%	90%	82	0,0%	0,5%	7,0
3.07	0,45%	18%	32%	13%	59%	16%	43%	4,58%	23%	30%	18%	33%	14%	19%	0%	25%	88%	93	0,2%	0,3%	6,9
12.06	-2,88%	21%	30%	18%	55%	16%	39%	4,97%	25%	32%	20%	33%	14%	19%	1%	25%	87%	103	-1,4%	0,5%	7,0
9.06	0,47%	28%	33%	26%	58%	15%	43%	3,97%	23%	34%	15%	32%	14%	18%	1%	23%	84%	111	0,1%	0,2%	5,4
6.06	3,77%	31%	37%	30%	60%	15%	45%	4,18%	26%	38%	20%	32%	13%	19%	1%	22%	82%	110	1,5%	0,4%	5,8
3.06	3,55%	29%	40%	26%	57%	14%	43%	3,16%	27%	40%	19%	31%	12%	18%	0%	21%	80%	113	1,4%	0,3%	5,3
12.05	-0,39%	13%	43%	5%	50%	13%	37%	2,89%	28%	41%	21%	30%	12%	18%	1%	20%	78%	110	-0,5%	0,3%	5,3
9.05	-0,12%	17%	43%	10%	50%	13%	38%	2,30%	21%	42%	11%	29%	11%	18%	1%	19%	76%	109	-0,3%	0,2%	4,8
6.05	0,35%	17%	41%	12%	50%	12%	38%	1,47%	16%	41%	4%	28%	11%	17%	1%	18%	75%	111	0,0%	0,1%	4,1
3.05	-0,30%	19%	39%	15%	48%	11%	37%	0,38%	11%	39%	-1%	27%	10%	17%	0%	16%	74%	108	-0,2%	-0,1%	3,1
12.04	0,44%	17%	38%	13%	49%	10%	38%	-0,39%	10%	38%	-1%	26%	9%	16%	0%	16%	71%	113	0,2%	-0,5%	3,5
9.04	0,13%				47%	10%	37%	0,35%	16%	42%	6%	26%	9%	18%	0%	15%	70%	104	0,0%	-0,2%	3,4
6.04	0,00%				47%	9%	38%	0,73%	19%	44%	11%	27%	8%	18%	0%	14%	69%	101	0,0%	0,0%	3,8
3.04	0,00%				44%	9%	36%	0,81%	17%	41%	10%	26%	8%	19%	0%	13%	69%	102	0,0%	0,2%	4,1
12.03	0,00%				46%	8%	38%	0,19%	12%	37%	4%	26%	7%	18%	0%	13%		100	0,0%	0,1%	3,7

	Excessive maturity mismatch and market liquidity							Concentration											
															Exposures to countries with high or increasing spreads, as a share of own funds 4) (pooled via relatively category)		Loans to corporate segments with a high or increasing NPL ratio as a share of total assets 5)		
	Cumulative liquidity gap of up to 7 days	Cumulative liquidity gap of up to 30 days	Cumulative liquidity gap of up to 1 year	Cumulative liquidity gap of up to 2 years	Pledged securities / Total securities	Bonds maturing in next 12 months / Total bonds issued	Net foreign position (excluding foreign capital 3))	Large exposures (total) as a share of own funds	Exposures to the Slovak Republic as a share of total assets	Assets from own financial group as a share of total assets	Liabilities to own financial group as a share of total assets	Assets fair-valued through profit and loss	Liabilities fair-valued through profit and loss	Nominal value of derivatives as a share of total assets	Greece	Cyprus	Construction	Commercial real estate	Agriculture and mining
6.17	-41%	-42%	-48%	-41%	17%	12%	4%	91%	11%	6%	5%	1%	1%	34%	0%	3%	1%	6%	1%
3.17	-40%	-41%	-48%	-43%	17%	10%	5%	92%	12%	7%	4%	1%	1%	33%	0%	4%	1%	6%	1%
12.16	-41%	-43%	-48%	-42%	13%	14%	3%	105%	13%	5%	5%	1%	1%	28%	0%	5%	1%	6%	1%
9.16	-42%	-43%	-47%	-44%	14%	14%	4%	106%	14%	5%	4%	1%	1%	33%	0%	6%	1%	6%	1%
6.16	-41%	-42%	-46%	-43%	15%	12%	5%	102%	14%	6%	3%	1%	1%	32%	0%	7%	1%	5%	1%
3.16	-39%	-39%	-46%	-42%	14%	9%	4%	119%	14%	6%	4%	1%	1%	32%	0%	8%	1%	5%	1%
12.15	-40%	-40%	-46%	-40%	16%	14%	4%	102%	15%	6%	4%	1%	1%	29%	0%	9%	1%	5%	1%
9.15	-39%	-40%	-46%	-39%	15%	16%	5%	114%	16%	5%	3%	1%	1%	28%	0%	15%	2%	5%	1%
6.15	-39%	-41%	-47%	-41%	14%	17%	4%	112%	17%	5%	3%	1%	1%	29%	1%	17%	2%	5%	1%
3.15	-38%	-39%	-46%	-42%	14%	18%	5%	107%	17%	5%	3%	1%	1%	30%	1%	17%	1%	5%	1%
12.14	-37%	-37%	-46%	-41%	16%	19%	4%	101%	17%	6%	3%	1%	1%	29%	1%	16%	1%	5%	1%
9.14	-37%	-39%	-46%	-42%	12%	16%	4%	111%	18%	5%	4%	2%	1%	31%	1%	16%	2%	5%	1%
6.14	-38%	-40%	-45%	-41%	11%	20%	4%	124%	18%	5%	4%	1%	1%	33%	1%	15%	2%	5%	1%
3.14	-36%	-38%	-45%	-40%	11%	14%	3%	105%	18%	4%	3%	2%	1%	31%	1%	14%	2%	5%	1%
12.13	-36%	-38%	-43%	-40%	11%	14%	4%	99%	18%	5%	3%	2%	1%	31%	1%	15%	2%	5%	1%
9.13	-36%	-38%	-43%	-40%	13%	9%	3%	94%	20%	5%	3%	2%	1%	34%	1%	14%	2%	6%	1%
6.13	-34%	-36%	-41%	-38%	15%	11%	2%	106%	21%	5%	3%	2%	1%	35%	1%	13%	2%	6%	1%
3.13	-31%	-33%	-40%	-36%	16%	14%	4%	109%	20%	5%	2%	2%	1%	34%	1%	14%	2%	6%	1%
12.12	-32%	-33%	-37%	-33%	25%	15%	5%	108%	20%	6%	1%	2%	1%	31%	1%	12%	2%	6%	1%
9.12	-31%	-33%	-39%	-34%	22%	15%	3%	100%	21%	6%	2%	4%	1%	34%	1%	12%	2%	5%	1%
6.12	-30%	-32%	-36%	-32%	22%	14%	4%	95%	21%	6%	2%	3%	1%	36%	1%	11%	2%	6%	1%
3.12	-29%	-32%	-36%	-32%	24%	17%	2%	90%	20%	5%	2%	4%	2%	37%	3%	10%	2%	6%	1%
12.11	-33%	-35%	-40%	-35%	28%	12%	2%	117%	20%	4%	4%	3%	1%	37%	13%	10%	2%	6%	1%
9.11	-32%	-37%	-40%	-37%	17%	14%	0%	139%	20%	5%	6%	4%	2%	38%	14%	7%	2%	6%	1%
6.11	-35%	-38%	-39%	-37%	17%	14%	1%	135%	20%	6%	6%	4%	2%	41%	15%	7%	2%	6%	1%
3.11	-34%	-38%	-39%	-35%	17%	19%	2%	110%	21%	6%	6%	4%	2%	39%	16%	10%	2%	6%	1%
12.10	-36%	-39%	-38%	-34%	17%	14%	2%	110%	21%	5%	5%	4%	2%	37%	18%	8%	2%	6%	1%
9.10	-36%	-40%	-37%	-33%	15%	16%	0%	99%	23%	5%	7%	5%	2%	38%	18%	4%	2%	6%	1%
6.10	-36%	-39%	-37%	-33%	26%	22%	2%	101%	23%	4%	4%	5%	3%	40%	19%	4%	2%	6%	1%
3.10	-36%	-37%	-40%	-34%	26%	30%	3%	111%	22%	3%	4%	5%	3%	40%	20%	4%	2%	6%	1%
12.09	-32%	-34%	-39%	-31%	27%	28%	2%	110%	21%	4%	4%	5%	2%	42%	0%	5%	2%	6%	1%
9.09	-30%	-34%	-38%	-30%	24%	22%	5%	111%	21%	6%	4%	5%	3%	43%	0%	6%	2%	6%	1%
6.09	-31%	-35%	-36%	-30%	25%	16%	6%	121%	19%	5%	4%	5%	3%	46%	0%	4%	2%	6%	1%
3.09	-29%	-32%	-35%	-30%	15%	15%	5%	146%	18%	3%	4%	5%	3%	48%	0%	3%	2%	6%	1%
12.08	-23%	-23%	-28%	-24%	21%	12%	-14%	164%	14%	2%	10%	10%	6%	69%			2%	5%	1%
9.08	-30%	-30%	-28%	-24%	7%	22%	-13%	155%	14%	1%	12%	9%	6%	112%			2%	4%	1%
6.08	-27%	-30%	-28%	-23%	5%	22%	-13%	168%	15%	1%	13%	10%	5%	108%			2%	4%	1%
3.08	-29%	-30%	-30%	-25%	4%	20%	-12%	179%	17%	1%	9%	12%	6%	111%			2%	4%	1%
12.07	-33%	-32%	-29%	-24%		14%	-12%		18%	1%	10%	10%	6%	105%			2%	4%	0%
9.07	-28%	-30%	-29%	-24%		7%	-11%		18%	1%	8%	11%	6%	107%			2%	4%	1%
6.07	-28%	-31%	-28%	-23%		13%	-11%		18%	1%	8%	12%	7%	110%			2%	4%	1%
3.07	-27%	-26%	-28%	-24%		13%	-12%		14%	1%	9%	10%	7%	114%			1%	3%	1%
12.06	-28%	-31%	-31%	-25%		10%	-8%		19%	1%	5%	10%	6%	113%			2%	3%	1%
9.06	-26%	-27%	-30%	-24%		5%	-7%		16%	1%	4%	5%	5%	126%			1%	3%	1%
6.06	-23%	-26%	-27%	-22%		5%	-14%		16%	1%	7%	6%	7%	131%			1%	2%	1%
3.06	-28%	-24%	-28%	-23%		4%	-16%		16%	0%	7%	4%	7%	110%			1%	2%	1%
12.05																			
9.05																			
6.05																			
3.05																			
12.04																			
9.04																			
6.04																			
3.04																			
12.03																			

	Moral hazard												Financial infrastructure				Resilience of financial system			
	Total net assets		Guaranteed deposits		Investments in domestic government bonds as a share of the total amount of government bonds issued		Loans to the real sector (outstanding amount)		Total assets within financial system		Total liabilities within financial system		Coverage of covered deposits 6)	Assets from the bank levy as a share of total assets 7)	Change in TARGET2 balance of the Slovak Republic (EUR millions)	TARGET2 balance of the Slovak Republic as a ratio to NBS assets	Tier 1 ratio	Own funds ratio	Liquid asset ratio 8)	Loan-to-deposit ratio
	C5	HHI	C5	HHI	C5	HHI	C5	HHI	C5	HHI	C5	HHI								
6.17	74%	1 306	76%	1 470	19%	2 050	80%	1 637	68%	1 438	84%	1 598	0,7%	1,0%	-776	-34%	17%	19%	1,44	97%
3.17	74%	1 292	76%	1 451	20%	2 101	80%	1 623	69%	1 388	85%	1 610	0,7%	1,0%	-2 630	-32%	17%	18%	1,50	96%
12.16	73%	1 270	75%	1 433	21%	1 862	80%	1 609	61%	1 175	84%	1 566	0,7%	1,0%	-554	-22%	16%	18%	1,49	95%
9.16	73%	1 269	75%	1 427	22%	1 867	79%	1 590	58%	949	85%	1 609	0,7%	1,0%	-1 918	-21%	17%	18%	1,47	93%
6.16	73%	1 263	75%	1 412	22%	1 843	79%	1 591	62%	963	86%	1 581	0,7%	0,9%	-2 029	-13%	16%	17%	1,60	90%
3.16	73%	1 248	75%	1 410	22%	1 857	79%	1 587	61%	898	86%	1 553	0,7%	0,9%	-1 079	-3%	16%	17%	1,69	90%
12.15	72%	1 250	75%	1 416	24%	1 739	79%	1 583	61%	1 008	87%	1 572	0,7%	0,9%	988	3%	17%	18%	1,64	90%
9.15	72%	1 237	69%	1 273	24%	1 772	79%	1 580	58%	845	89%	1 641	0,6%	0,9%	-1 602	-2%	16%	17%	1,53	91%
6.15	71%	1 231	70%	1 283	24%	1 757	79%	1 580	53%	791	87%	1 615	0,6%	0,9%	807	7%	16%	18%	1,49	91%
3.15	71%	1 230	70%	1 283	25%	1 759	79%	1 571	53%	867	86%	1 550	0,6%	0,8%	-1 973	2%	16%	17%	1,58	90%
12.14	71%	1 221	70%	1 279	25%	1 772	79%	1 564	53%	878	86%	1 587	0,6%	0,8%	-2 149	12%	16%	17%	1,6	91%
9.14	71%	1 226	70%	1 276	26%	1 817	80%	1 571	50%	807	84%	1 538	0,6%	0,8%	1 602	22%	16%	17%	1,36	91%
6.14	70%	1 218	70%	1 278	26%	1 832	80%	1 568	55%	961	83%	1 534	0,6%	0,8%	-3 699	16%	16%	17%	1,36	90%
3.14	70%	1 205	70%	1 276	26%	1 764	80%	1 558	53%	1 038	82%	1 508	0,6%	0,7%	3 800	30%	16%	17%	1,44	89%
12.13	70%	1 214	70%	1 284	27%	1 788	80%	1 559	55%	987	84%	1 605	0,5%	0,6%	-4 256	16%	15%	17%	1,42	89%
9.13	71%	1 223	73%	1 354	27%	1 771	81%	1 577	52%	980	84%	1 596	0,5%	0,5%	-395	32%	15%	16%	1,42	89%
6.13	71%	1 213	73%	1 360	27%	1 689	82%	1 610	49%	857	86%	1 627	0,5%	0,4%	2 527	33%	15%	16%	1,46	88%
3.13	71%	1 220	73%	1 361	28%	1 824	83%	1 641	48%	783	87%	1 654	0,5%	0,3%	3 923	23%	15%	16%	1,5	87%
12.12	71%	1 221	73%	1 371	30%	1 797	83%	1 644	49%	750	86%	1 656	0,5%	0,3%	2 439	5%	13%	16%	1,51	88%
9.12	72%	1 254	73%	1 386	32%	1 848	83%	1 643	55%	882	86%	1 688	0,5%	0,2%	3 718	-8%	13%	16%	1,47	90%
6.12	72%	1 250	73%	1 383	31%	1 827	83%	1 659	56%	905	84%	1 644	0,5%	0,1%	2 779	-27%	12%	15%	1,47	89%
3.12	71%	1 222	73%	1 359	33%	1 734	84%	1 672	55%	853	82%	1 550	0,5%	0,0%	5 574	-39%	12%	13%	1,51	89%
12.11	72%	1 254	73%	1 389	34%	1 777	84%	1 672	57%	914	81%	1 537	0,5%	0,0%	-2 617	-63%	12%	13%	1,36	90%
9.11	71%	1 220	75%	1 458	37%	1 766	84%	1 661	59%	882	79%	1 409	0,4%	0,0%	3 128	-55%	13%	13%	1,36	88%
6.11	71%	1 221	75%	1 454	36%	1 746	84%	1 659	57%	905	78%	1 395	0,4%	0,0%	-2 350	-72%	13%	13%	1,35	87%
3.11	71%	1 220	75%	1 458	38%	1 789	84%	1 665	62%	1 027	78%	1 448	0,3%	0,0%	1 529	-63%	12%	13%	1,36	86%
12.10	72%	1 237	75%	1 478	40%	1 839	84%	1 682	62%	1 077	74%	1 375	0,3%	0,0%	1 140	-67%	12%	13%	1,37	85%
9.10	72%	1 252	75%	1 508	45%	1 844	85%	1 694	59%	942	74%	1 373	0,2%	0,0%	587	-74%	12%	13%	1,39	87%
6.10	73%	1 275	76%	1 513	47%	1 808	85%	1 698	60%	1 034	75%	1 266	0,2%	0,0%	-572	-71%	12%	12%	1,35	83%
3.10	72%	1 265	76%	1 517	47%	1 805	85%	1 698	63%	1 168	77%	1 331	0,1%	0,0%	54	-73%	11%	12%	1,39	86%
12.09	72%	1 273	77%	1 536	47%	1 909	85%	1 683	62%	1 135	74%	1 316					11%	12%	1,31	85%
9.09	72%	1 266	78%	1 590	47%	1 924	85%	1 678	62%	1 050	74%	1 259					11%	12%	1,30	84%
6.09	70%	1 214	76%	1 571	45%	1 891	83%	1 638	61%	1 032	66%	1 075					12%	12%	1,32	83%
3.09	69%	1 187	76%	1 575	46%	1 920	82%	1 618	62%	945	65%	1 053					11%	12%	1,40	83%
12.08	72%	1 197	76%	1 605	38%	1 701	82%	1 611	61%	910	71%	1 149					11%	12%	1,46	78%
9.08	68%	1 090	74%	1 512	34%	1 913	82%	1 619	62%	960	69%	1 097					11%	13%		85%
6.08	67%	1 083	74%	1 571	33%	2 026	82%	1 613	69%	1 095	66%	1 060					12%	13%		84%
3.08	67%	1 086	74%	1 576	37%	2 071	82%	1 606	62%	982	67%	1 090					11%	13%		83%
12.07	68%	1 085	75%	1 573	40%	2 306	82%	1 587	68%	1 076	65%	1 056					12%	13%		77%
9.07	68%	1 075	75%	1 582	40%	2 404	82%	1 595	65%	1 005	66%	1 124					13%	14%		74%
6.07	68%	1 086	75%	1 579	39%	2 366	81%	1 599	67%	1 091	70%	1 188					13%	14%		71%
3.07	66%	1 065	76%	1 597	40%	2 309	81%	1 593	62%	984	64%	1 049					13%	15%		73%
12.06	67%	1 127	76%	1 594	44%	2 175	81%	1 584	65%	1 035	61%	965					13%	15%		72%
9.06	65%	1 096	76%	1 612	47%	2 193	81%	1 589	67%	1 063	63%	996					14%	16%		68%
6.06	67%	1 110	76%	1 614	47%	2 195	81%	1 601	70%	1 204	69%	1 137					14%	18%		68%
3.06	66%	1 037	76%	1 622	45%	2 050	81%	1 605	62%	954	67%	1 125					14%	18%		66%
12.05	68%	1 071	75%	1 593	52%	2 377	81%	1 606	66%	1 060	67%	1 194					15%	19%		66%
9.05	67%	1 094	75%	1 625	52%	2 368	81%	1 622	63%	1 022	67%	1 113					16%	21%		63%
6.05	67%	1 121	75%	1 644	51%	2 052	81%	1 621	61%	1 008	68%	1 176					17%	22%		58%
3.05	67%	1 104	75%	1 658	50%	1 936	81%	1 625	63%	1 048	66%	1 107					18%	21%		56%
12.04	66%	1 147	75%	1 671	61%	2 065	81%	1 640	64%	1 009	63%	1 025						0%		57%
9.04	66%	1 136	75%	1 684	62%	2 043	81%	1 664	64%	1 196	62%	986						0%		54%
6.04	66%	1 178	76%	1 710	61%	2 038	81%	1 676	67%	1 125	67%	1 046						0%		55%
3.04	65%	1 164	77%	1 803	66%	2 088	81%	1 720	67%	1 128	62%	999						0%		56%
12.03																				55%

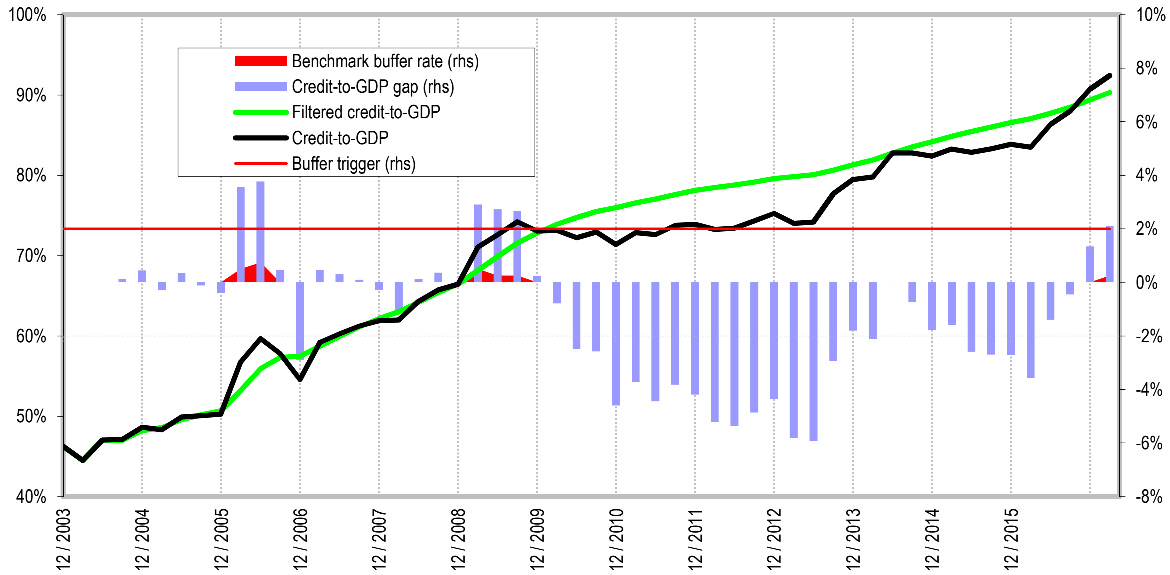
Note: The darker the colour, the greater the probability of imbalances with relevance for macroprudential policy. Gap: deviation of the respective indicator from its long-term trend. Credit-to-GDP gap: deviation of credit-to-GDP ratio from its long-term trend. C5: the overall share of the five institutions that have the highest share in the banking sector's total volume of that item for the respective quarter. HHI: Herfindahl-Hirschman index.

1) The data on LTV ratios for new loans for the period 2004–2008 are based on an expert estimation. 2) Cyclogram time series are recalculated with every extension of time series for the new period, due to this fact the values of the entire time series change between respective vintages. 3) Capital: Own funds of foreign banks´ subsidiaries. 4) Annual increase of spread by more than 2 p.p. or spread exceeding 3 p.p. (last observtaion or average). Spread is calculated as an average differance between yields of goverment bonds of respective country and yields of German goverment bonds for the respective quarter. 5) Annual increase of NPL ratio by more than 1.5 p.p. or the level of NPL ratio exceeding 10% in last 12 months. 6) Funds accumulated in the Deposit Protection Fund as a ratio to the total amount of covered deposits in the given quarter. The increase of the coverage ratio in december 2015 is caused by methodology change given by implementation of Act No 239/2015 Coll. Following the implementation, the contributions of institutions are calculated on the basis of covered deposits, not eligible deposits. 7) Funds accumulated from the special levy on financial institutions, pursuant to Act No 384/2011 Coll. as a ratio to the banking sector's total net assets in the given quarter. 8) The methodology for calculating the ratio was changed from December 2014. 9) Credit provided by domestic banks to households´sector (S.14 and S.15) and nonfinancial corporation sector (S.11) operating at the domestic market, source: V(NBS) 33-12.

B) Countercyclical capital buffer

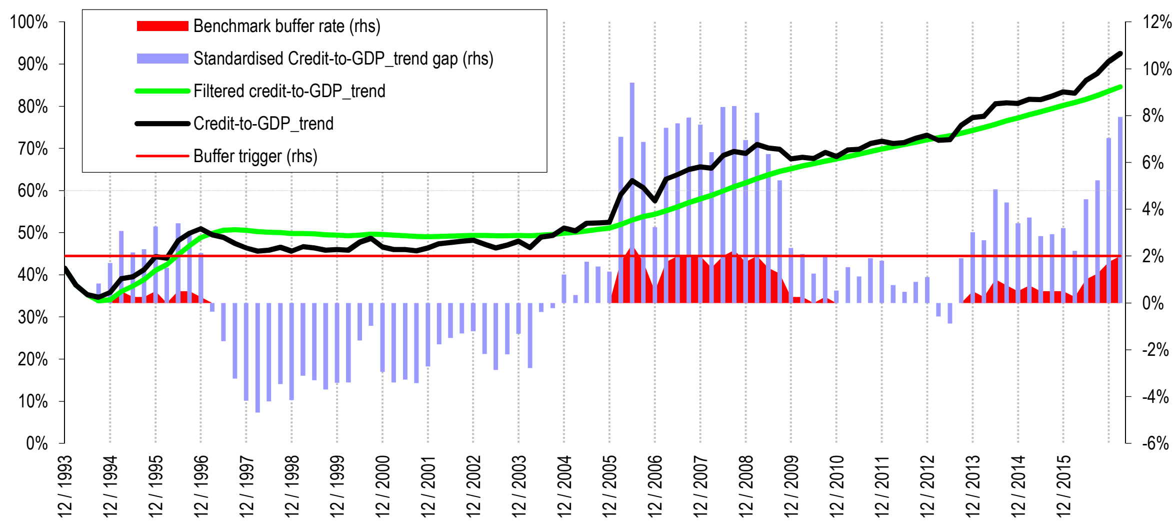
Deviation of the credit-to-GDP ratio from its long-term trend[15]

Chart 1 Credit-to-GDP gap



Source: NBS, SO SR.
Credit-to-GDP gap is estimated on outstanding amount of debt of NFCs and households.
Countercyclical capital buffer trigger values and gap values are shown on the right-hand scale.

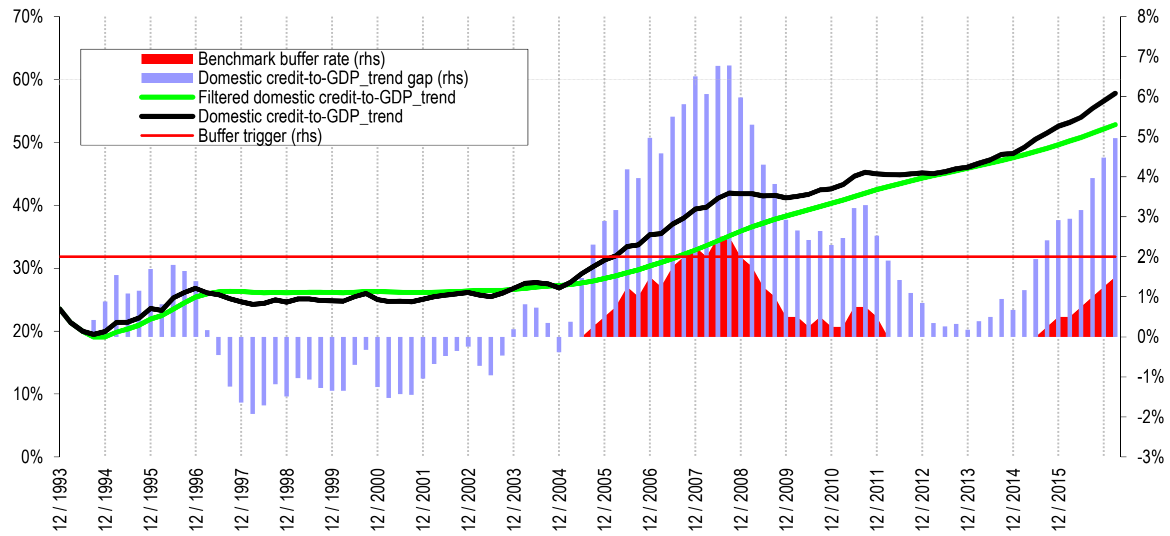
Chart 2 Credit-to-GDP$_{trend}$ gap



Source: NBS, SO SR.
Credit-to-GDP$_{trend}$ gap is estimated on outstanding amount of debt of NFCs and households. Data within time frame 1993 – 2002 for foreign debt of NFCs are estimated according to development of domestic debt of NFCs.
Countercyclical capital buffer trigger values and gap values are shown on the right-hand scale.

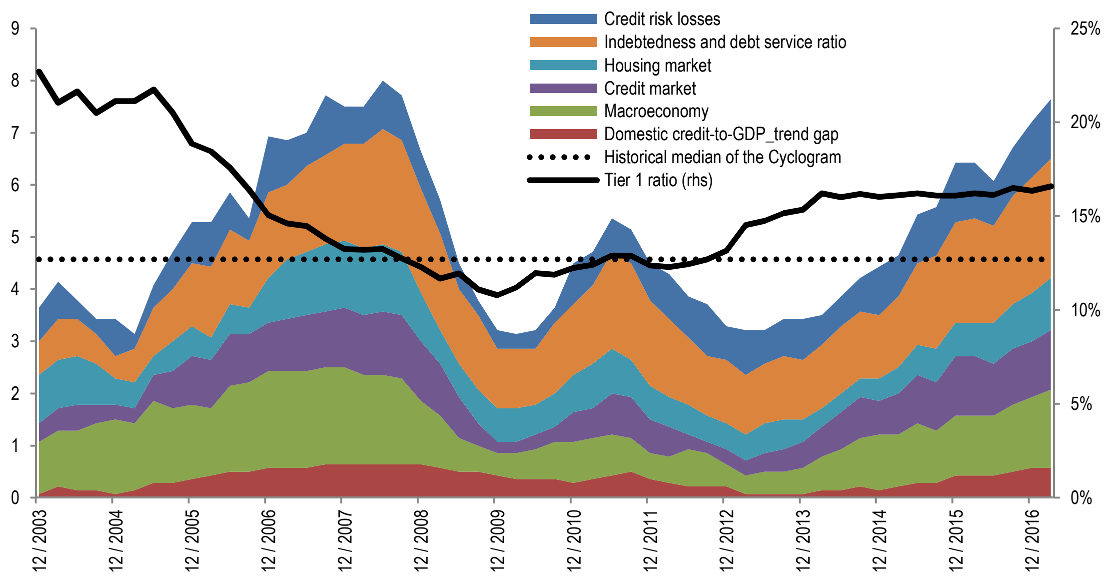
[15] The buffer guide calibration made in accordance with with ESRB Recommendation No ESRB/2014/1 of 18 June 2014, Annex, Part II.

Chart 3 Domestic credit-to-GDP$_{trend}$ gap[16]



Source: NBS, SO SR.
Domestic credit-to-GDP gap is estimated on credit provided by domestic banking sector to NFCs and households.
Countercyclical capital buffer trigger values and gap values are shown on the right-hand scale.

Chart 4 Cyclogram[17]



Source: NBS, SO SR and CMN.

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[16] Ratio pursuant to Article 33g(2)(a) of the Banking Act; calculation made in accordance with ESRB Recommendation No ESRB/2014/1 of 18 June 2014 on guidance for setting countercyclical buffer rates, part B2.

[17] Pursuant to Article 33g(1c) of the Banking Act; calculation made in accordance with ESRB Recommendation No ESRB/2014/1 of 18 June 2014 on guidance for setting countercyclical buffer rates, parts C and D.

Table 3 Buffer guide for the countercyclical capital buffer as at 30 June 2017

Indicator	Buffer guide	Debt/GDP ratio	Deviation of the credit-to-GDP ratio from its long-term trend
Credit-to-GDP gap (Chart 1)	0.25%	94.0%	2.66%
Credit-to-GDP$_{trend}$ gap (Chart 2)	2.25%	94.0%	8.69%
Domestic credit-to-GDP$_{trend}$ gap (Chart 3)	1.75%	58.7%	5.39%
Cyclogram (Chart 4)	2.50%		

Source: NBS.

Note: Due to the shortage of time series, the Credit-to-GDP gap indicator does not actually perform as a reliable buffer guide indicator.