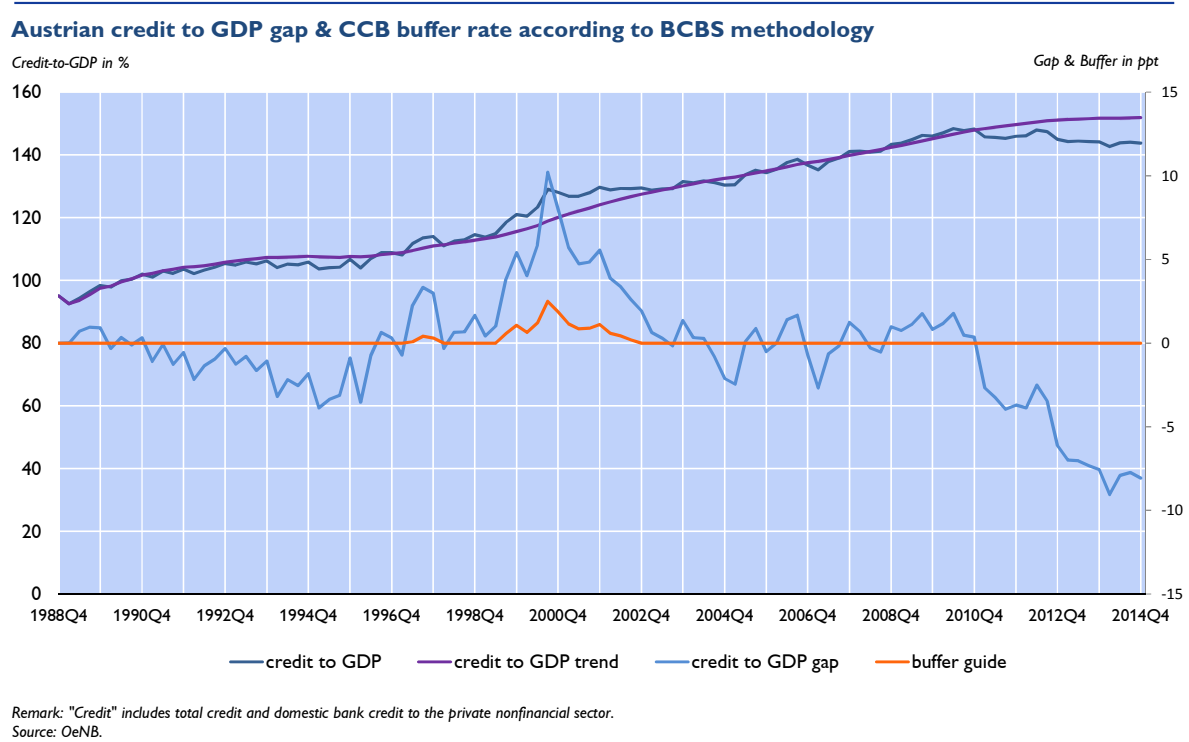


Indicators for the Countercyclical Capital Buffer

Figure 1: Credit-to-GDP gap



Explanation: The credit-to-GDP gap (light blue line, right axis) is defined as the difference between the credit-to-GDP time series (dark blue line, left axis) and credit-to-GDP trend (purple line, left axis). A positive gap indicates that the current credit-to-GDP value is higher than its trend. According to the BCBS methodology this is a sign of excessive credit growth..

Table 1: Assessment of cyclical risk

Category	Selected Variables	Cyclical risk assessment	
		previous quarter	this quarter
Mispricing of risk	high yield bond spread, banks' interest margin	●	●
Strength of bank's balance sheets	leverage ratio (unconsolidated)	●	●
Credit developments	credit private sector (corporates, households)	●	●
Overvaluation of property prices	fundamentals indicator for residential property prices, price-to-income/rent ratio	●	●
Private sector debt burden	debt private households, debt corporates (incl. equity ratio)	●	●
External imbalances	current account in % of GDP	●	●