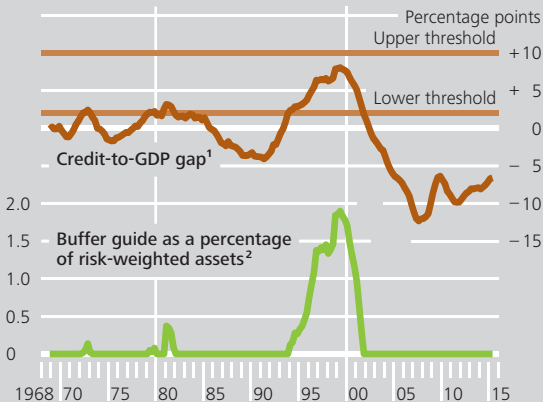


Countercyclical capital buffer for Germany

Chart 2.1.1

Quarterly data



Sources: Deutsche Bundesbank, Federal Statistical Office and Bundesbank calculations. **1** The credit-to-GDP gap shows the deviation of the credit-to-GDP ratio from its long-term trend. A large positive gap can point to excessive credit growth and indicates that the buffer should be activated. **2** The buffer guide increases linearly with the credit-to-GDP gap in the interval between zero and 2.5. The buffer rate will typically lie within this interval. The buffer guide will only ever be greater than zero if the credit-to-GDP gap exceeds 2 percentage points (lower threshold). The buffer guide reaches its maximum of 2.5 when the credit-to-GDP gap reaches or exceeds 10 percentage points (upper threshold).