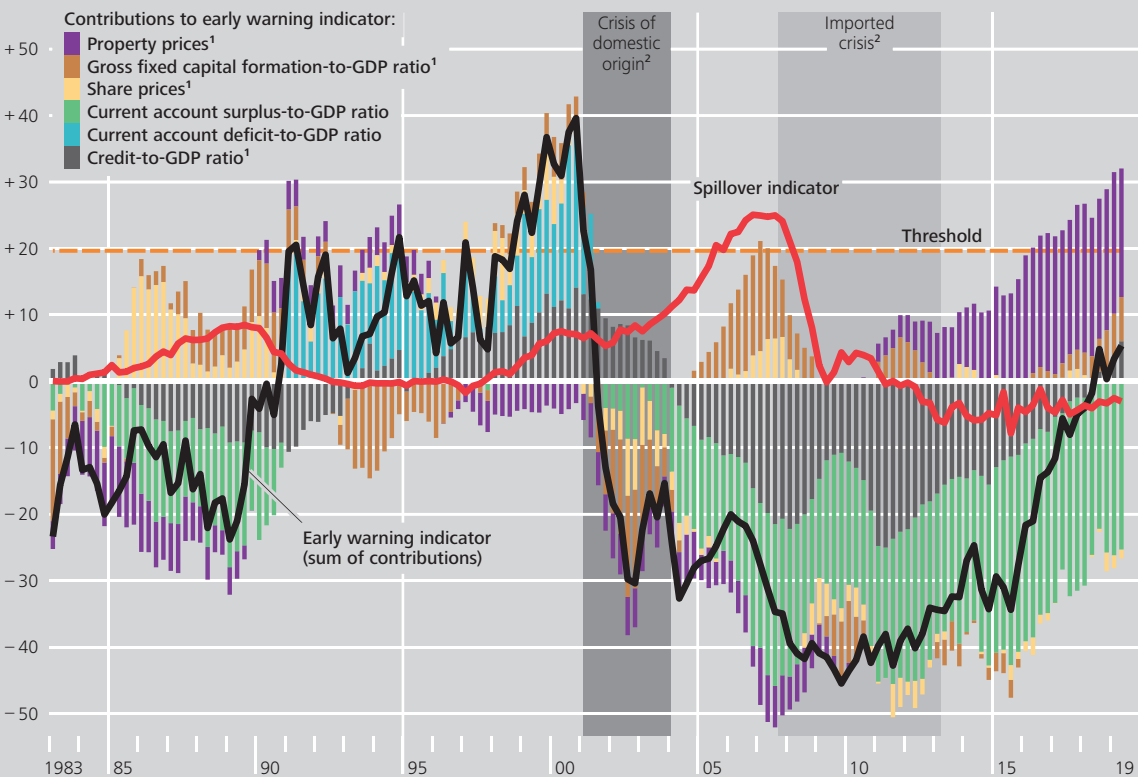


Early warning indicator and spillover indicator for Germany*

Normalisation: early warning indicator in the United States in Q1 2006 = 100



Sources: BIS, Bloomberg, ECB, Eurostat, IMF, OECD, Refinitiv, Bundesbank statistics and Bundesbank calculations. * The early warning indicator shows the extent to which current developments in the German financial system exhibit similarities with developments that characterised the lead-ups to past crises. A value of 100 would correspond to the level of the early warning indicator for the United States in Q1 2006. The spillover indicator weights the early warning indicators of several major economies that are linked to the German financial system. These consist of the United States, Japan, Norway, and the 13 major economies of the EU. The weighting is based, first, on the relative significance of the German banking sector's external assets vis-à-vis each particular country and, second, on the relative significance of the German banking sector's total external assets. ¹ Cyclical deviation from the long-term trend, based on the Hodrick-Prescott (HP) filter. ² According to the European crises database; see M. Lo Duca et al., A New Database for Financial Crises in European Countries – ECB/ESRB EU Crises Database, ECB Occasional Paper Series 194, July 2017.