

Press release

31 January 2020

ECB to stress test 35 euro area banks as part of the 2020 EU-wide stress test led by EBA

- ECB to stress test significant banks from ten euro area countries as part of EBA exercise
- Participant banks cover about 70% of banking sector assets in euro area
- ECB to conduct in parallel own stress test for those significant banks not included in EBA exercise

The European Central Bank (ECB) will examine 35 significant euro area banks as part of the 2020 EU-wide stress test coordinated by the European Banking Authority (EBA). In line with the EBA's selection criteria, these banks, which are directly supervised by the ECB, represent about 70% of total euro area banking assets.

The EBA will coordinate the EU-wide exercise in cooperation with the ECB and national authorities. The results of the stress test will provide stakeholders and the public with information about the resilience of banks, notably their ability to absorb shocks and meet capital requirements under adverse macroeconomic conditions.

The EU-wide stress test, which is being launched today, will be conducted according to the EBA's methodology, templates and scenarios. Results of individual banks are expected to be published by 31 July 2020.

The ECB will conduct its own stress test in parallel for those significant banks not covered by the EU-wide EBA stress test. This, while consistent with the EBA methodology, will also consider the smaller size and lower complexity of these institutions. The stress test results will be used to assess each significant bank's Pillar 2 capital needs in the context of the Supervisory Review and Evaluation Process (SREP).

The ECB stress test of all significant banks will also support macroprudential supervision. The ECB will cross-check the banks' bottom-up stress test submissions with its own top-down stress-testing framework to assess the macroprudential implications of the exercise.

European Central Bank

Directorate General Communications, Global Media Relations Division
Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, e-mail: media@ecb.europa.eu, website: www.bankingsupervision.europa.eu

Press release / 31 January 2020

ECB to stress test 35 euro area banks as part of the 2020 EU-wide stress test led by EBA

For media queries, please contact [Esther Tejedor](#), tel.: +49 69 1344 95596.

Notes

- For the sample of euro area banks subject to the exercise, please see [EBA website](#).
- For the macro-financial scenario, please see [European Systemic Risk Board website](#).

European Central Bank

Directorate General Communications, Global Media Relations Division
Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, e-mail: media@ecb.europa.eu, website: www.bankingsupervision.europa.eu

Reproduction is permitted provided that the source is acknowledged.