Annual Report 2025

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Executive Board and commemorations

from left: Burkhard Balz, Fritzi Köhler-Geib, Joachim Nagel, Sabine Mauderer, Michael Theurer, Lutz Lienenkämper © Goetz Schleser

Prof. Joachim Nagel
President of the Deutsche Bundesbank

Dr Sabine Mauderer
First Deputy Governor of the Deutsche Bundesbank

Prof. Fritzi Köhler-Geib

Burkhard Balz

Lutz Lienenkämper

Michael Theurer

We mourn the loss of the following members of our staff

Thomas Baumann – 2 January 2025

Alfred Vakaresko – 10 January 2025

Stefan Lange – 22 February 2025

Frank Michael Richter – 1 March 2025

Bernd Jacob – 22 March 2025

Reiner Karl Höflich – 1 April 2025

Reiner Kröll – 5 April 2025

Wilfried Proksch – 17 April 2025

Marcel Cieslik – 24 April 2025

Susanne Rarek – 6 July 2025

Steffen Kempf-Ruf – 30 August 2025

Arndt Holtsträter – 5 November 2025

Jochen Lainer – 30 November 2025

Christine Weil – 21 December 2025

We also remember the former staff members of the Bank
who passed away in 2025.

We will honour their memory.

Deutsche Bundesbank

Foreword

Dear Reader

We have all taken an important achievement from 2025 into the new year: price stability has been reestablished in the euro area. Following on from the years in which inflation rates were far too high at times, this is very good news. Price stability provides a degree of reliability in these turbulent times, making planning easier for consumers, businesses and the government.

This success is also built on trust in the promise that the euro area's independent central banks will safeguard stability. At the same time, widespread public confidence acts as a backstop for central bank independence. The central bank was made independent so that it could fulfil its price stability mandate free from political influence. At the Bundesbank, we know from our many years of experience that central bank independence is in the very DNA of successful, effective monetary policy. Protecting this precious commodity has therefore never been more important.

Euro area inflation stabilised at around 2 % over the course of 2025. At the same time, incomes continued to rise. This means that people can afford more in real terms again – more, on average, than before the pandemic and the energy crisis. Yet surveys show that this is not necessarily how it feels to them. Many now feel poorer in everyday situations like grocery shopping. There is also concern that prices will continue to rise. We are well aware that the wave of inflation has left its mark. This makes it all the more important to stabilise inflation at our target level on a sustainable basis. We are committed to achieving this in 2026, too.

Monetary policy measures in the euro area are reflected on central banks' balance sheets, which are still impacted by the extensive asset purchases of the past and the subsequent rise in interest rates. In 2025, these factors continued to place a significant financial burden on the Bundesbank. However, the Bundesbank's loss for 2025 was down by more than one-half on the year. Losses are still likely to be recorded for the coming few years, too. What matters most is that our balance sheet is sound. We remain unrestricted in our ability to act. We can and will continue to do all that is needed to ensure price stability.

For the Bundesbank, 2025 was a year of intensive work. We made advances in preparations to make our money fit for the future. This encompassed work on the digital euro for the general public, central bank digital currency for banks and the next generation of euro banknotes. We worked to ensure a strong and stable financial system in Germany and Europe, for example through proposals to simplify the regulatory framework for banks. In addition, we are pressing ahead with a major programme to modernise the Bundesbank. In a fast-changing environment, we want to be more responsive, more adaptable and remain at the cutting edge of technology. Together, we are modernising the Bundesbank so that we can remain a reliable anchor, even in turbulent times.

All of this work – both external and internal – is a major team achievement, accomplished thanks to the dedication of our employees. In 2025, the Bundesbank's staff worked with great expertise and loyalty for our common good. On behalf of the entire Executive Board, I would like to thank them very much.

I invite you to learn more about our work in 2025 in this Annual Report. However uncertain forecasts may be, one promise I can make for 2026 is that the Bundesbank will continue to stand for stable money and a stable financial system.

Sincerely yours
Joachim Nagel

Professor Joachim Nagel
President of the Deutsche Bundesbank

At a glance

Period of weakness continues

The period of weakness in the German economy is not yet overcome in 2025. Having fallen in the previous two years, Germany's gross domestic product (GDP) grows only slightly by 0.3 % after price and calendar adjustment.

Inflation now only a little above 2 %

After four years in which inflation rates were much too high at times, Germany's inflation is almost back to normal levels in 2025. As measured by the Harmonised Index of Consumer Prices (HICP), the average inflation rate for 2025 is 2.3 %.

Key interest rates stable since the summer

Having made four interest rate cuts in the first half of 2025, the Governing Council of the ECB leaves the key interest rates unchanged in the second half of the year. The Eurosystem's deposit facility rate currently stands at 2 %.

Lower loss for the year

For 2025, the Bundesbank records a loss of €8.6 billion for the year. Financial burdens are significantly reduced in 2025, but remain substantial. Together with the accumulated losses of €19.2 billion brought forward from 2024, the accumulated loss for 2025 rises to €27.8 billion.

Bundesbank round-up

1 Economic and price developments

The global economy was shaped by trade disputes in 2025. The announcement by the new US Administration of its intention to sharply tighten its tariff policy as well as the clear steps taken in this direction caused significant unrest in international politics and on the financial markets last spring. Nevertheless, the global economy proved robust. Global trade grew further, although there were regional shifts in some trade flows.

A widespread escalation of trade disputes was able to be avoided successfully. A trade agreement between the United States and the United Kingdom was followed by agreements with Japan, China, and, at the end of July 2025, the EU. As a result, while tariffs on US imports rose significantly, the increases were considerably smaller than those announced in the spring. US imports nevertheless fell markedly. In terms of global trade, however, this negative effect was offset to some extent. This was due, amongst other things, to the buoyant trade in high-tech goods within the context of the AI boom.

According to assessments by the International Monetary Fund (IMF), the global economy grew at an unchanged rate of 3.3 % last year. Similar growth is expected for the current year. Although protectionist measures are set to continue to weigh on the global economy, the lively investment activity in the technology sector and the expansionary fiscal and monetary policy in many regions are likely to counteract these contractionary influences. At the same time, the risk of escalation in trade policy conflicts has not been eliminated entirely. Further measures that restrict imports or exports could disrupt supply chains, curb the propensity to invest, and slow down growth in productivity.

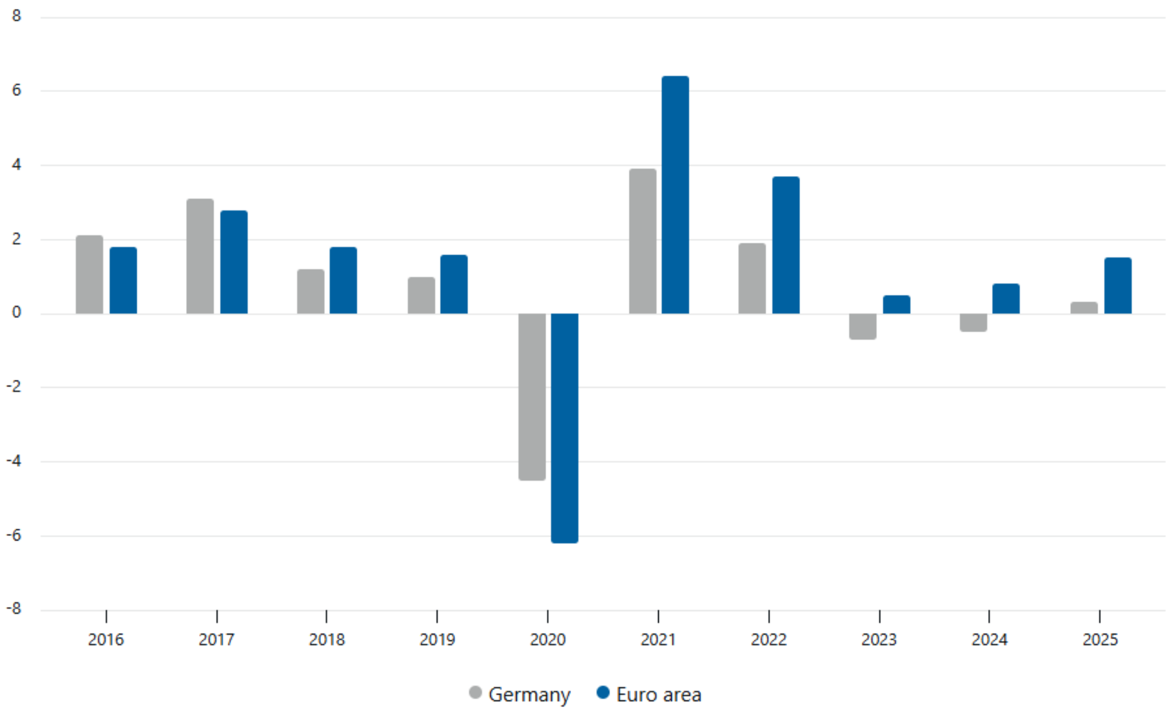
Global consumer price inflation continued to abate last year. Consumer prices in the advanced economies rose by 2.5 % in December 2025. One year earlier, the inflation rate in these countries was still 2.8 %. By contrast, underlying inflation excluding energy and food prices – known as core inflation – fell markedly. The core rate was 2.5 % in December 2025, down from 3 % twelve months prior. On an annual average, the headline inflation rate in the advanced economies declined only marginally in 2025. According to IMF assessments, the inflation rate will decrease to a slightly greater extent this year. The US economy, however, in which the tariff increases are expected to be gradually passed on to consumers, is likely to be one of the exceptions. This is likely to push up prices further there.

Following two successive years of recession, the German economy remained sluggish in the period under review. According to figures from the Federal Statistical Office, economic activity in Germany picked up slightly by 0.3 % in calendar-adjusted terms. Owing to the strong export orientation of the German economy, the cyclical weakness was driven not least by the increased US tariffs, the appreciation of the euro, and high competitive pressure from China in particular. Growth was also dampened by political uncertainty. Private consumption, which was boosted by a further sharp rise in wages, contributed positively to the increase in GDP. The German economy is likely to recover slightly this year. According to the Bundesbank's latest Forecast for Germany, economic output will increase by 0.6 % in calendar-adjusted terms. [1] The expansionary fiscal policy is likely to increasingly support economic activity. In addition, private demand is set to pick up.

Chart 1

Aggregate output

Year-on-year percentage change in GDP, price, seasonally and calendar adjusted



Sources: Federal Statistical Office and Eurostat.

1 Due to additional working days in 2026, unadjusted growth is higher at 0.9 %.

Germany's weak economic growth is also structural in nature. The factors here include high regulatory and bureaucratic burdens, demographic challenges, and high labour costs on top of increased competition on the global markets. The requisite transition to a climate-neutral energy supply also entails costs. These negative factors have contributed to a reduction in investment activity in Germany over recent years. Furthermore, the competitiveness of the domestic export industry has decreased significantly. Various policy measures have been adopted to strengthen economic growth. Through decisive structural reforms in multiple areas, it is possible to put the German economy back on a higher path of growth. [2] Above all, it is crucial to reduce obstacles to the supply of labour, lower the costs of bureaucracy, speed up administrative processes, limit the rise in social contribution rates, and shape the energy transition in a cost-efficient manner.

Inflation in Germany declined further last year. According to the Harmonised Index of Consumer Prices (HICP), the average inflation rate last year amounted to 2.3 %, down from 2.5 % in 2024. There was a slowdown in the rise in food prices, in particular. Energy prices fell further. However, the core inflation rate, which was driven by sharp price increases in the services sector, remained above the headline inflation rate. Nevertheless, the core rate also fell in Germany, from 3.2 % on average in 2024 to 2.8 % in 2025. According to the Bundesbank's Forecast for Germany from December 2025, inflation is likely to decrease further this year to an average of 2.2 %. The fact that price pressures are easing only slowly is due to the continued strong wage growth. Furthermore, energy prices are no longer likely to decline as sharply.

Economic output in the euro area increased considerably last year. According to preliminary data from Eurostat, GDP in the Member States rose by 1.5 %, which is significantly more than in 2024, when aggregate output grew by 0.9 %.

Although the tariff and trade agreement between the EU and the United States has reduced uncertainty, the additional tariffs are likely to continue to dampen economic output in the euro area. Overall, the average US tariff on imports from the EU is likely to have risen from 1.5 % prior to the trade dispute to around 14 %. [3] Furthermore, the euro appreciated markedly against the US dollar. This will additionally weigh on exports to the United States. Economic output in the euro area was supported by moderately rising consumer demand as well as the continued dynamic development of information and communication services and various business-related services.

2 See Nagel, J., Economic policy measures to boost growth in Germany, speech of 10 March 2025.

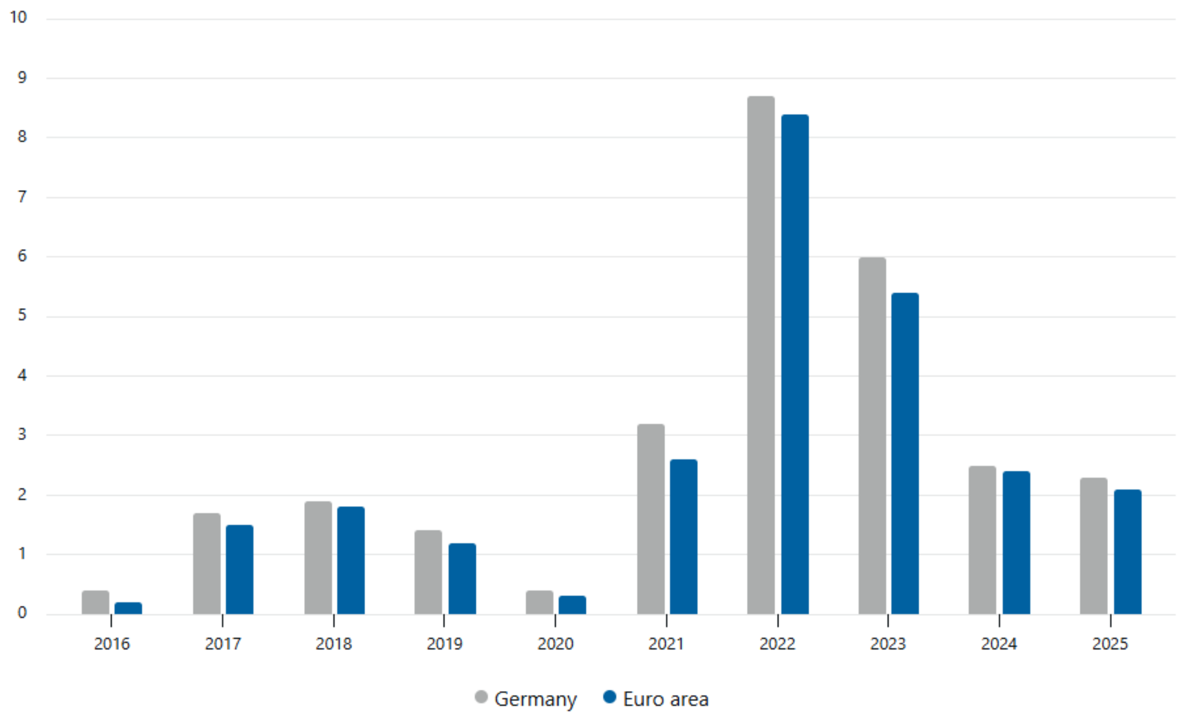
3 See Deutsche Bundesbank, Global and European setting, Monthly Report, August 2025.

Inflation in the euro area decreased further last year. According to the HICP, the inflation rate fell from 2.4 % on average in 2024 to 2.1 % in 2025. It was thus largely consistent with the Eurosystem's medium-term target of 2 %. The inflation rate declined across the board. This was helped by the slightly smaller increase in the prices of food and, above all, the lower core inflation rate. Core inflation decreased from 2.8 % to 2.4 % on an annual average. The services sector, in which price pressures abated gradually over the course of the year, also contributed to this. According to the latest assessments by the Eurosystem, the decline in the core inflation rate will likely continue somewhat further. Coupled with an initial further fall in energy prices, this could temporarily push the HICP rate slightly below 2 % this year and next.

Chart 2

Consumer prices*)

Year-on-year percentage change



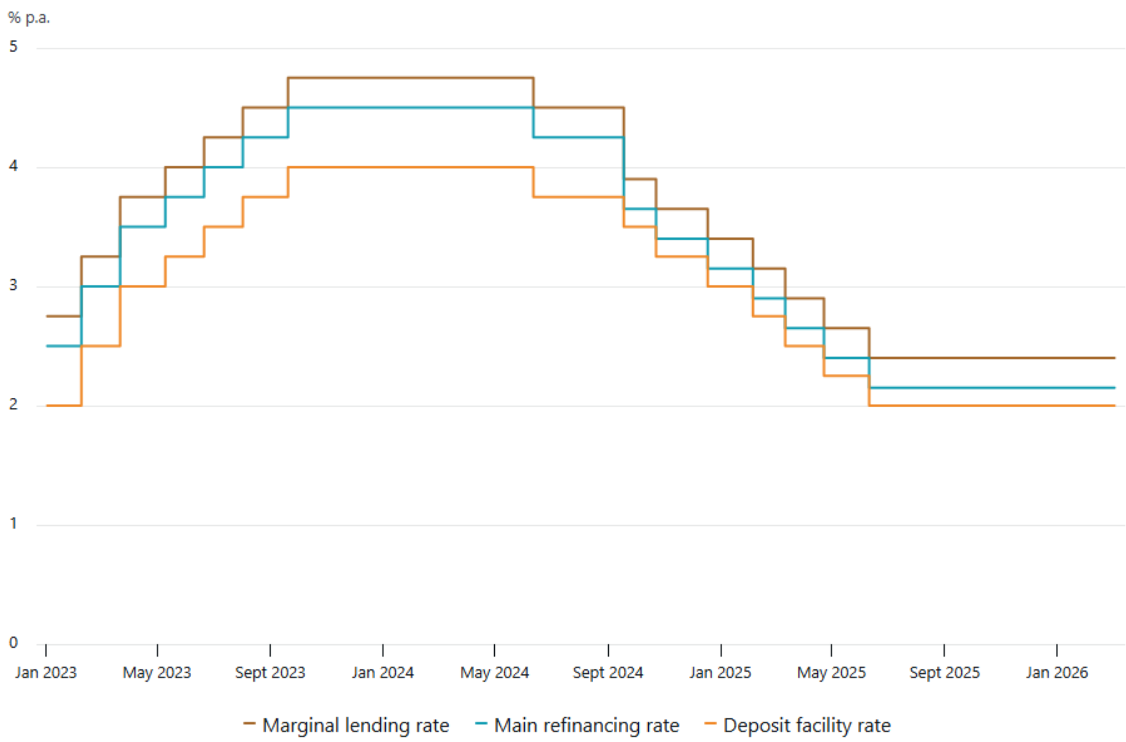
Sources: Federal Statistical Office and Eurostat. * HICP

2 Monetary policy

In view of the favourable development of inflation in the euro area and an equally favourable forecast, the ECB Governing Council has ended its easing of monetary policy for the time being. In 2024, the ECB Governing Council carried out four interest rate cuts of 0.25 percentage point each. The deposit facility rate, which is of relevance for monetary policy, thus fell by one percentage point to 3 % by the end of 2024. Four additional interest rate cuts followed last year in February, April, May and June, respectively. The deposit facility rate thus reached 2 % last summer. From mid-2025 onwards, the inflation rate remained close to the Eurosystem's target of 2 %. This was in line with previous assessments by the ECB Governing Council. Other inflation and economic data also indicated that the inflation rate would likely settle around the Eurosystem's inflation target in the medium term. In light of this favourable development, the ECB Governing Council repeatedly decided to keep the key interest rates constant in the second half of 2025. At this level, they will likely neither boost nor curb inflation. The ECB Governing Council also refrained from taking any further interest rate steps at its first monetary policy meeting in 2026.

Chart 3

Key interest rates in the euro area



Source: ECB.

The Eurosystem continued to reduce its balance sheet at a gradual, moderate pace last year. The Eurosystem has not reinvested any asset holdings under the pandemic emergency purchase programme (PEPP) since the end of 2024. Reinvestments under the asset purchase programme (APP) were discontinued in the summer of 2023. In the year under review, APP asset holdings declined by an average of almost €28 billion per month. The PEPP portfolio decreased by almost €15 billion per month on average. Overall, the Eurosystem's monetary policy asset holdings shrank by €538 billion in 2025 and thus slightly faster than in the previous year. The downsizing of the Eurosystem balance sheet is likely to continue this year. The Bundesbank considers a leaner central bank balance sheet to be desirable, as it allows for more market activity and opens up a larger operating framework for implementing monetary policy in the future.

The cycle of interest rate hikes that began in 2022 has also affected the profitability of the central banks within the Eurosystem, not least including the Bundesbank. The reason for this is that the monetary policy asset holdings, which largely comprise government bonds, have significantly longer maturities than banks' short-term deposits held with the Eurosystem. While long-dated government bonds generate low interest income, the interest expenditure for commercial banks' deposits has risen with the key interest rates. This continues to weigh on profitability. The Bundesbank had already reported a loss for the year in 2024. This was again the case in the period under review, though the loss was smaller. Questions and answers concerning this can be found in the following supplementary information entitled "Frequently asked questions about the Bundesbank's balance sheet risk".

Supplementary information

Frequently asked questions about the Bundesbank's balance sheet risk

In previous Annual Reports, the Bundesbank has provided detailed information on the importance of interest rate risks on the central bank's balance sheet, explaining the financial risks arising from its sizeable holdings of securities. [1] This supplementary information presents selected questions and answers about the Bundesbank's balance sheet risk.

What is the relationship between monetary policy and the profits or losses of central banks?

The primary objective of the Eurosystem – which comprises the European Central Bank (ECB) and the national central banks in the euro area – is maintaining price stability. The Eurosystem sets its monetary policy with this objective in mind. The effects of monetary policy measures can be seen on the balance sheets of central banks. These measures can cause a central bank's profitability to fluctuate significantly over time, with both profits and losses possible.

Where do the financial burdens on the Bundesbank come from?

In the years before the pandemic, the inflation rate in the euro area was too low. This prompted the Governing Council of the ECB to take a number of monetary policy measures, including sizeable asset purchases. Other major central banks around the world also launched similar purchase programmes.

1 See Deutsche Bundesbank, Management of financial risks, Annual Report 2012, pp. 127 ff.; Deutsche Bundesbank, The development of government interest expenditure in Germany and other euro-area countries, Monthly Report, July 2017, pp. 33 ff.; Deutsche Bundesbank, Government finances: Central bank bond purchases increase sensitivity to interest rate changes, Monthly Report, June 2021, pp. 39 ff.; Deutsche Bundesbank, Interest rate risk on the central bank balance sheet, Annual Report 2022, pp. 16 f.; Deutsche Bundesbank, Interest rate risk on the central bank balance sheet, Annual Report 2023, pp. 21 ff.; and Deutsche Bundesbank, Interest rate risk on the central bank balance sheet, Annual Report 2024, pp. 23 ff.

At the start of the pandemic, the ECB Governing Council launched an additional monetary policy asset purchase programme aimed at counteracting the risks to price stability and monetary policy transmission posed by the pandemic. The large-scale asset purchases have played a pivotal role in the sharp expansion of Eurosystem central banks' balance sheets in recent years. The monetary policy securities holdings on the assets side of the balance sheet are offset primarily by deposits from commercial banks on the liabilities side.

These additional assets and deposits have resulted in increased risks on central bank balance sheets, particularly interest rate risk. This risk arises because the majority of securities on the Bundesbank's balance sheet have long-term low interest rates, while the interest on commercial banks' deposits is paid on a short-term basis at the current deposit facility rate.

The sharp rise in inflation that began in the second half of 2021 called for decisive monetary policy action, leading the ECB Governing Council to increase key interest rates significantly in 2022 and 2023. This has caused interest rate risk to materialise, as interest expenditure significantly exceeds interest income.

Why is the Bundesbank not reporting a profit for 2025?

In 2025, as in previous years, the Bundesbank faced considerable financial burdens. These burdens are reflected in profit and loss item 1 "Net interest income".

As the Bundesbank's holdings of bonds grew, commercial banks' deposits with Eurosystem central banks also increased until 2022. These deposits accrue interest at the current deposit facility rate, one of the ECB's key interest rates. Owing to the key interest rate rises in 2022 and 2023, the Bundesbank – like other Eurosystem central banks – has to pay higher interest rates on these deposits. At the same time, interest income from the Bundesbank's extensive bond holdings, featuring fixed interest rates and longer maturities, remains low.

As in 2024, the Eurosystem's deposit facility rate exceeded the average yield on monetary policy securities holdings. As a result, net interest income was negative again. However, due to the decline in the Bundesbank's bond holdings and the corresponding drop in the volume of deposits, as well as lower key interest rates, the financial burdens on net interest income decreased significantly in 2025 compared to the previous financial year.

These interest burdens are also reflected proportionally in profit and loss item 3 “Net result of pooling monetary income”. This is because, for some securities held by national central banks for monetary policy purposes, the income and risks are pooled across the Eurosystem within monetary income. The Bundesbank sustained a loss for the year 2025 of €8.6 billion. In 2024, the Bundesbank reported an accumulated loss of €19.2 billion. Together with the loss for the year 2025, this results in an accumulated loss of €27.8 billion for 2025.

How sound is the Bundesbank’s balance sheet?

The Bundesbank’s balance sheet is sound. The Bundesbank has considerable assets, which significantly exceed its current and expected future liabilities. Its substantial revaluation reserves, which amounted to €388 billion as at the end of 2025, are evidence of this. In addition, the Bundesbank anticipates that the financial burdens it is facing will pass and that it will generate profits again. It will use these profits to reduce its losses through its own efforts and rebuild a necessary level of risk provision for the future. The accumulated loss will therefore not prevent the Bundesbank from carrying out its tasks.

How is the Bundesbank's profitability affected by rises in the price of gold, particularly in view of its significant gold reserves?

The Bundesbank values its gold holdings at market prices at the end of each year. If the market price exceeds the acquisition cost, this difference results in revaluation gains. In line with the prudence principle under Eurosystem accounting rules, these unrealised gains are not recognised as income, but instead are reported on the liabilities side of the balance sheet, under revaluation accounts. As revaluation reserves, they are part of the Bundesbank's net equity and provide transparency regarding the actual values of the underlying assets.

What is the outlook?

Past monetary policy decisions taken by the Eurosystem are likely to result in further financial burdens for the Bundesbank going forward. These are highly uncertain. The Bundesbank assumes that it will report a growing accumulated loss for several years before it can be reduced. On the basis of current knowledge, the loss for the year is expected to decrease again in 2026. This is because:

- the Bundesbank's total holdings of monetary policy securities will diminish as the securities mature, meaning that commercial banks’ interest-bearing deposits will also diminish;
- the negative interest margin resulting from interest on monetary policy securities and commercial bank deposits is likely to decrease further.

Future profits will be used to reduce the accumulated loss in the future and risk provisioning will be set aside. For this reason, the Bundesbank expects not to distribute any profits for an extended period of time.

These and other questions and answers can be found on the Bundesbank's website.

The Eurosystem reviewed its monetary policy strategy last year. This took account of the lessons learned from the period of high inflation over the past few years. Specifically, the Eurosystem supplemented its monetary policy strategy with three points. First, particularly forceful or persistent action is to be taken in response to large, sustained deviations of inflation from the target in either direction. Second, the review emphasised the necessity of developing and deploying monetary policy instruments with sufficient flexibility to be able to respond to abrupt changes in the inflation environment in a timely and appropriate manner. Third, the ECB Governing Council made it clear that risks and uncertainties, and not just the most likely future course of inflation, should also be taken into account in monetary policy decision-making. The amended strategy will also help the ECB Governing Council to maintain price stability in the euro area in times of major global turbulence.

3 Fiscal policy

Last year, the government deficit ratio in Germany stood at 2.7 % and thus remained unchanged compared with 2024. Both government expenditure and government revenue increased significantly. On the revenue side, the contribution rates for statutory health insurance and long-term care insurance rose considerably. In addition, tax-free and social contribution-exempt inflation compensation bonuses were discontinued at the end of 2024. These special payments exempted from tax and social security contributions were thus no longer possible in the period under review. Furthermore, tax revenue also increased significantly due to one-off developments. Receipts from withholding tax on interest income and capital gains and from inheritance tax are particularly noteworthy in this regard. There was strong growth in expenditure across the board. This ranged from spending on pensions, healthcare and long-term care through to personnel, investment, and interest expenditure.

The government debt ratio in Germany is likely to have increased slightly last year. It reached 63 % in the third quarter and may have been at a similar level at the end of 2025. This was up from 62.2 % at the end of 2024.

Germany’s debt brake was eased significantly in March 2025. Central government has since had unlimited borrowing scope for defence and security-related expenditure exceeding 1 % of GDP. The new special fund for infrastructure and climate neutrality has a borrowing limit of €500 billion outside of the debt brake. Lastly, state governments are now permitted to plan for loans amounting to 0.35 % of GDP annually (currently €15 billion) to finance structural deficits. Against this backdrop, Germany’s government deficit ratio is therefore likely to rise considerably over the next few years. According to the Bundesbank’s most recent Forecast for Germany, it will increase to 4 % this year. It will then increase further provided there is no change of course. As a result, the debt ratio will rise continuously, too.

Owing to the major challenges in defence and infrastructure, temporarily higher deficits are justifiable. However, they must not become a permanent state of affairs. Higher deficits are manageable on a temporary basis due to Germany's comparatively low debt ratio. They are also compatible with EU fiscal rules. Looking ahead, however, the deficits and debt ratio will have to fall again. This is stipulated by the EU rules. Furthermore, it is crucial that Germany complies with these in order to ensure a stability-oriented monetary union. However, this is also important so that Germany can maintain sound public finances and contain its interest burdens.

The Bundesbank therefore recommends reforming the debt brake in three stages. [4] The aim is to ensure sound public finances and government investment as well as take account of EU rules. In the current, initial stage of the reform, the borrowing ceilings remain unchanged for the time being. However, borrowing is focused to a greater extent on defence and infrastructure. This stage could run until 2029. In the second stage, central government would increasingly fund defence spending from ongoing revenue. The general government structural deficit ratio would steadily decrease towards 1 %. The third stage would begin from 2036 and then go on indefinitely. Alongside a borrowing scope of 0.8 % for additional investment, central and state governments would be granted non-earmarked structural scope for borrowing. This would amount to 0.1 % of GDP if the debt ratio is above the EU benchmark of 60 %. It would increase to 0.35 % of GDP if the debt ratio is below 60 %. Additional reform elements would, amongst other things, support steady fiscal policy.

The situation surrounding public finances in the euro area remained tense last year. According to the latest projection of the Eurosystem, the high deficit ratio decreased only marginally to 3 % from 3.1 % in the preceding year. Accordingly, the debt ratio increased further, climbing from 86.6 % in 2024 to 87.3 % in 2025. The debt ratios in certain euro area countries are significantly higher and, in some cases, rose to a greater extent as well.

4 See Deutsche Bundesbank, How the debt brake could be developed further – a Bundesbank contribution to the reform debate, November 2025 and Deutsche Bundesbank, How the debt brake could be reformed: FAQs on the Bundesbank contribution to the reform debate, November 2025. These proposals build upon the Bundesbank's recommendations concerning the reform of the debt brake published in early 2025, see Deutsche Bundesbank, Sound public finances, stronger investment: a proposal to reform the debt brake, Monthly Report, March 2025. They take account of the new situation brought about by the reform of the debt brake in March 2025.

Additional fiscal leeway is necessary due to the military threat from Russia and the changed geopolitical situation. In order to be able to rapidly strengthen Europe's defence capabilities, the European fiscal rules are, by way of exception, allowing expenditure limits to be exceeded. For this reason, too, the government deficit ratio in the euro area is likely to rise perceptibly again in the coming years, while the debt ratio increases further. On top of this, there is also additional borrowing at the EU level. This is for funding loans to EU Member States under the Security Action for Europe (SAFE) programme as well as to Ukraine.

At the same time, it is important to prevent the security structure from being weakened by doubts about the long-term sustainability of public finances. It is therefore crucial that Member States adhere to their spending plans. Furthermore, the additional borrowing for increased defence expenditure must be limited in terms of its duration, amount and purpose. This was taken into account in the national escape clause of the Stability and Growth Pact. This applies equally to the EU lending programmes. These are only suitable for clearly limited projects due to legal requirements, too. Ultimately, sound public finances relieve monetary policy and simultaneously create the foundation for sustainable growth.

4 Money

Increasing geopolitical tensions are impacting not only the economy, monetary policy, and fiscal policy. They also pose a challenge to the Bundesbank's other external core services. The ability to ensure a stable supply of cash even under adverse conditions is thus gaining importance. Regardless of whether normal business life is impaired by a geopolitical conflict, cyberattack or extreme weather event, cash almost always works, even in the event of power or network outages. Central banks are in constant dialogue with one another about insights from previous crises.[5)] The Bundesbank uses the insights gained to make the cash cycle in Germany even more resilient and robust.

The provision of banknotes and coins to the general public must also be fully safeguarded in times of emergency and crisis. For this reason, the Bundesbank held a joint workshop with the Federal Office of Civil Protection and Disaster Assistance as part of the National Cash Forum[6)] with the key parties involved in the supply of cash in Germany. By means of regular crisis exercises, the aim is to test and improve provisions and the exchange of information between the stakeholders in the cash cycle as well as the communication channels envisaged for this.

At the start of 2025, a majority of the National Cash Forum declared itself in favour of rounding cash payments in Germany to the nearest five cents in future. The Federal Ministry of Finance was asked to advocate and push ahead with a statutory rounding rule. The rounding rules are intended to be as consistent as possible throughout Europe. In addition, the National Cash Forum supports using various communication measures to make cash more visible as a means of payment. Furthermore, for the first time, the Bundesbank hosted a series of events in several German cities last year entitled "Bits & Bargeld – Wie bezahlen wir morgen?". This series will be continued with further dates in 2026.

5 These include, for example, the widespread power outage on the Iberian Peninsula at the end of April 2025 and the ongoing war in Ukraine.

6 The National Cash Forum was founded in February 2024. It serves to facilitate dialogue about cash issues between the relevant stakeholders in the cash cycle in Germany.

Resilience is also of great significance for digital payments in Germany. Cashless payments are increasingly gaining weight, due in particular to the growing use of cards and mobile payments.[7] It is thus accordingly more important to ensure that digital transactions continue to function reliably in crisis situations, too. As part of the Payments forum, the Bundesbank is collaborating with market participants in order to be prepared for incidents and disruptions to communication channels and to make provisions for such situations. A key goal is to maintain payment systems without any major impairment even during short-term infrastructure outages. An important contribution to this could be made by the option of offline processing for card payments at physical retailers.

In order to strengthen resilience and independence in European payment systems, European procedures that meet current needs and expectations must be developed and utilised. A key element is the mandatory requirement since 2025 for credit institutions in the EU to offer instant credit transfers. In this context, instant credit transfers may not cost any more than conventional credit transfers. Instant payments could provide the basis for future pan-European payment processes. These could reduce dependence on providers from outside of Europe in the area of cashless payments. In order to increase security in payment transactions at the same time, payee verification was introduced in October. This compares the name of the payee account against the respective IBAN for all credit transfers in order to prevent erroneous transfers.

Fraud prevention and detection are essential for security in payment transactions. Combatting fraud is a task for society as a whole and it requires the commitment and cooperation of everyone involved. The Bundesbank participates in this work at various levels. In addition, since the end of 2025, key representatives from different market sectors, government ministries, supervisory authorities, and law enforcement agencies have been convening under the chair of the Bundesbank to investigate options for jointly combatting fraud in payment transactions. Groups including experts from various fields are also drawing up specific cross-sector measures to effectively combat fraud in the areas of action identified here.

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7 See Deutsche Bundesbank, Payment behaviour in Germany in 2023, study conducted in December 2024.

Last year, the Bundesbank and the Eurosystem continued to collaborate in improving cross-border payments. The aim is to make international credit transfers efficient, secure, and transparent. As part of these efforts, the TARGET Instant Payment Settlement (TIPS) platform is to be opened up to other currencies. Alongside the euro, TIPS currently includes two other currencies – the Danish krone and the Swedish krona. Additional countries intend to use TIPS.

The ECB Governing Council has also decided to continue to push ahead with the ongoing initiatives to link TIPS to other instant payment systems. For instance, the implementation phase for connecting to India's Unified Payments Interface (UPI) has already begun. In addition, the feasibility of potential connection to Nexus Global Payments is being reviewed. Nexus is a central interoperability hub intended to link the instant payment systems of five Asian countries. Furthermore, in September 2025, the Eurosystem started work on assessing the feasibility of a connection between TIPS and the Swiss Interbank Clearing Instant Payments System. Additional connections are planned to be established over the long term, such as with Pix, the instant payment system of the Banco Central do Brasil.

The Eurosystem Collateral Management System (**ECMS**) s**uccessfully commenced operations on 16 June 2025.** Since then, collateral submitted in connection with Eurosystem lending operations has been managed via this new centralised technical platform. The ECMS is largely replacing the 20 previous collateral management systems of the national central banks. It offers monetary policy counterparties uniform access to the management of eligible collateral across all central banks of the Eurosystem. The switch to a single system means that the mobilisation and management of collateral is considerably more efficient. With the ECMS, the Eurosystem has now concluded all of its projects launched under the "Vision 2020" initiative. This initiative modernised and substantially developed the Eurosystem's market infrastructure in the areas of payment transactions and securities settlement.

The increasing prevalence of instant payments processed around the clock is posing new challenges to financial institutions in managing their central bank liquidity. A trend towards longer operating hours is also emerging from the settlement of trading activities in DLT ecosystems and in connection with the possible launch of a digital euro. The G20 roadmap for improving cross-border payments also takes account of this development. Against this backdrop, the Bundesbank has carried out some groundwork for reviewing how the operating hours of the T2 service in the TARGET system could be extended. This also included analysing the impact on monetary policy, financial stability, and financial supervision. In addition, the Eurosystem publicly consulted market participants. From June to September, they had the opportunity to voice their requirements and limitations concerning longer operating hours in T2. Based on the feedback, the Eurosystem is drawing up a roadmap with short-term, medium-term, and long-term measures for extending operating hours. The results of the consultation will be published in 2026 and discussed in further consultation with the market.

The settlement cycle for securities transactions within the EU will be reduced from two business days to one business day (T+1) in October 2027. The settlement cycle comprises the period between the conclusion of a financial transaction and the final settlement of that transaction. "T+1" means that settlement will take place one business day after the transaction, rather than two as has been the case thus far. This will make many areas of the financial market more efficient. Europe is thus catching up with the settlement cycle in North America, which has been T+1 since 2024. The shortening of the settlement cycle will also involve some adjustments to the European securities settlement hub TARGET2-Securities (T2S). As part of the 4CB provider consortium, the Bundesbank is working hard to provide optimal support for the preparations of the European financial market at this end as well. [8)]

8 The Eurosystem has entrusted four national central banks – the Banque de France, the Banca d'Italia, the Banco de España, and the Deutsche Bundesbank – with developing and operating TARGET, which comprises the T2, T2S,TIPS, and ECMS services.

Central bank digital currency (CBDC) remains an important future topic for the Bundesbank. Together with the European Central Bank, the euro area national central banks are reviewing the introduction of a digital euro for the general public (retail CBDC). As a digital complement to cash, it would enable people to continue to be able to pay with central bank money in an increasingly digital world. Here, it is important to bear in mind that the digital euro is intended to complement and not replace cash. People would still have the option of choosing between physical and digital forms of payment.

The digital euro would represent a strategic investment in the independence of European payment systems. The trend towards digital payments that has been ongoing for some years now and the lack of pan-European payment solutions have entrenched Europe’s dependence on non-European payment service providers. The digital euro would be the first European payment solution that could be deployed reliably from physical retail to e-commerce and throughout the entire euro area. Private payment service providers could also use the digital euro's public infrastructure to make their services more easily available across the entire euro area. This would strengthen competition in European payment systems and promote innovation.

At the end of October 2025, the ECB Governing Council decided to proceed to the next phase of the digital euro project. This step is in line with the call from European heads of state or government to speed up the development of the digital euro. The preceding preparatory phase, in which the technical foundations for the potential issue of a digital euro were laid, has therefore been completed successfully. The Eurosystem has been working on the specific design of the future infrastructure since November 2025. The Bundesbank is participating as one of six national central banks in its development and operation.

There can be no digital euro without a corresponding legal basis. The European Commission’s draft for an EU regulation governing the introduction of the digital euro is currently being discussed by EU co-legislators. The Council of the European Union agreed on a negotiating mandate at the end of 2025. The consultations in the European Parliament have also entered a new phase with the submission of a draft report. Once the legislative process has been completed, the ECB Governing Council could make a final decision on issuing the digital euro. The Eurosystem aims to be ready to introduce the digital euro by 2029.

While the digital euro, as a retail CBDC, is primarily intended to offer private individuals an additional option for paying with central bank money in an increasingly digital world, wholesale CBDC (wCBDC) is aimed towards the financial sector. In future, it could be used as digital central bank money for transactions between financial institutions and, in doing so, strengthen the resilience, efficiency, and autonomy of the European financial system.

The tokenisation of assets and the use of distributed ledger technology (DLT) are opening up new opportunities for shaping processes in the financial sector in a faster, more cost-effective, and more efficient way. In order to fully exploit this potential, secure and reliable payment settlement is essential. The Eurosystem therefore presented a two-track approach for the development of wholesale CBDC in July 2025. The short-term approach, known as "Pontes", is aiming to provide a pilot solution by the autumn of 2026. This is intended to enable transactions with tokenised assets to be settled in central bank money. This solution is based on investigations conducted in 2024, in which the "trigger solution" developed by the Bundesbank was also tested. The Bundesbank has successfully argued for key functions of this solution to be integrated into the pilot phase of Pontes. The long-term approach, known as "Appia", is developing a comprehensive vision for an innovative and integrated financial ecosystem that goes beyond the scope of the existing Eurosystem infrastructures.

Introducing wholesale CBDC could not only enhance the efficiency of the financial system, but also improve its stability. It would, above all, ensure that large-volume DLT-based financial market transactions could be settled in secure central bank money. This means that market participants would have a secure alternative to private-sector solutions such as stablecoins or tokenised commercial bank money. Overall, it would strengthen Europe as a financial centre and could help solidify the international role of the euro. Stablecoins are a form of tokenised money that is already available at present and that poses new challenges for the Eurosystem. For more detailed information, see the next section entitled "Financial supervision and stability".

5 Financial supervision and stability

In 2025, risks to financial stability increased owing to trade policy conflicts and ongoing geopolitical tensions. [9] The structural challenges already mentioned are also placing a strain on the German economy and may undermine financial stability. However, stock and bond market valuation levels remain high, meaning that the risk of sudden market price corrections is elevated.

Cyberattacks, which have intensified in the wake of increased digitalisation and dependencies on digital infrastructure, are also threatening the German financial system. The following supplementary information “Strengthening financial institutions’ digital resilience” outlines current regulations intended to strengthen financial enterprises’ resilience against cyberattacks.

9 See Deutsche Bundesbank, Financial Stability Review 2025.

Supplementary information

Strengthening financial institutions’ digital resilience

The Digital Operational Resilience Act (DORA) entered into effect on 17 January 2025. [1)] This regulation harmonises rules for strengthening digital operational resilience throughout the EU. As part of its financial oversight, the Bundesbank plays an important role in supervising compliance with these new requirements. Constantly evolving threats of cyberattacks and disruptions to digital supply chains mean that financial institutions must continue to work hard to maintain critical business processes under difficult circumstances.

DORA also contains an oversight framework for critical information and communication technology (ICT) third-party service providers. The framework is intended specifically to address potential systemic and concentration risks arising from the financial sector’s reliance on a limited number of critical ICT third-party service providers. The three European supervisory authorities currently (as of 1 January 2026) oversee 19 ICT third-party service providers through joint examination teams, which include the Bundesbank.

On 8 July 2025, the Regulatory Technical Standards on Threat-Led Penetration Testing (TLPT) entered into force as part of European harmonisation efforts. Under the DORA Regulation, affected institutions must regularly conduct ethical hacking exercises. This is done by using the Threat Intelligence-based Ethical Red Teaming (TIBER) framework, which includes all TLPT regulatory requirements.[2)] The Bundesbank has been supporting voluntary TIBER testing for several years.

1 Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011.

2 Financial institutions that are not required to conduct TLPT can apply the TIBER framework voluntarily to test and strengthen their own cyber defences.

High government debt ratios in some euro area countries pose additional risks to financial stability in Germany. Rising government expenditure will probably lead to higher debt ratios and interest burdens. Financial interdependencies between governments and banks, which are considerable in some countries, as well as the strong links between the German and European financial systems, exacerbate the risks to financial stability.

Risks arising from lending activities at German banks are growing. The non-performing loans ratio rose continuously from the end of 2022 until the end of 2024 and has not declined perceptibly since. Loans to the real estate sector were the largest contributing factor here. Although prices in the commercial property market have stabilised recently, the overall situation remains fragile. Risks of another decline in prices persist. The residential property market is showing signs of recovery as prices and transactions continue to increase.

While banks' capital base remains sound, resilience should not be overestimated in the current macro-financial environment. Regulatory capital ratios are high. However, systemically important banks' average risk weights remain low, despite the worsened risk situation and rising credit defaults.

The macroprudential measures that have been implemented remain appropriate. These include the countercyclical capital buffer (CCyB) of 0.75 %[10] and the sectoral systemic risk buffer (sSyRB). In May 2025, once vulnerabilities in the residential real estate market had been partially resolved, the Federal Financial Supervisory Authority (BaFin) reduced the sSyRB for loans secured by residential properties from 2 % to 1 %. Given that vulnerabilities persist and the environment is uncertain, the remaining macroprudential scope for action should be maintained.

10 0.75 % of the relevant risk-weighted assets; see Section 36 of the Solvency Regulation (*Solvabilitätsverordnung* – SolvV).

The Bundesbank is advocating for simplified banking regulation and the promotion of capital market financing through further development of the savings and investments union (**SIU**). While the reforms introduced in the wake of the global financial crisis have durably strengthened the resilience of the banking system, they have made supervisory requirements more complex. In line with the efforts of the European Commission to cut unnecessary bureaucracy and boost the competitiveness of the European economy, the ECB Governing Council created a High-Level Task Force on Simplification. The Bundesbank actively participated in this task force, contributing its expertise and staff. The task force’s final report, which makes a total of 17 recommendations to the European Commission, was published on 11 December 2025. The Bundesbank’s key concerns are to ensure a fundamental simplification of the capital requirements and greater proportionality. In particular, small, non-complex institutions would benefit from a regulatory framework that is better aligned to banks' size and risk structure. However, this must not compromise the resilience of the financial system, since robust, high-performing capital markets are vital for financing the real economy.

The growing importance of non-bank financial intermediaries (**NBFIs**) **presents a challenge in the area of macroprudential supervision.** A lack of data on the degree of interconnectivity amongst NBFIs themselves and with the banking system, especially across national borders, means that the risk assessment is limited in scope. To better assess the risks arising from the NBFI sector, a closer exchange of existing data at the international level is necessary.

Stablecoins are another area that will require monitoring in terms of potential risks to financial stability. The following supplementary information "Stablecoins" tackles this subject.

Supplementary information

Stablecoins

Stablecoins are digital assets designed to maintain a stable value relative to a specific benchmark. Issuers of stablecoins often peg them to benchmark fiat currencies such as the US dollar. They normally invest the money they receive for issuing such crypto-assets in traditional assets such as money market instruments, bank deposits and government bonds that will allow them to redeem the stablecoins at any time, as intended.

Although the market capitalisation of stablecoins is still relatively low compared with other assets in the traditional financial system, stablecoins have recorded steady growth in recent years. In January 2026, the market capitalisation of stablecoins pegged to the US dollar reached some US$300 billion. Stablecoins pegged to the euro, on the other hand, make up less than 1 % of market capitalisation. Currently, issuers are investing the bulk of stablecoin assets worldwide in short-term US Treasury bills. [1)] As a result, individual issuers are becoming increasingly important players in this market.

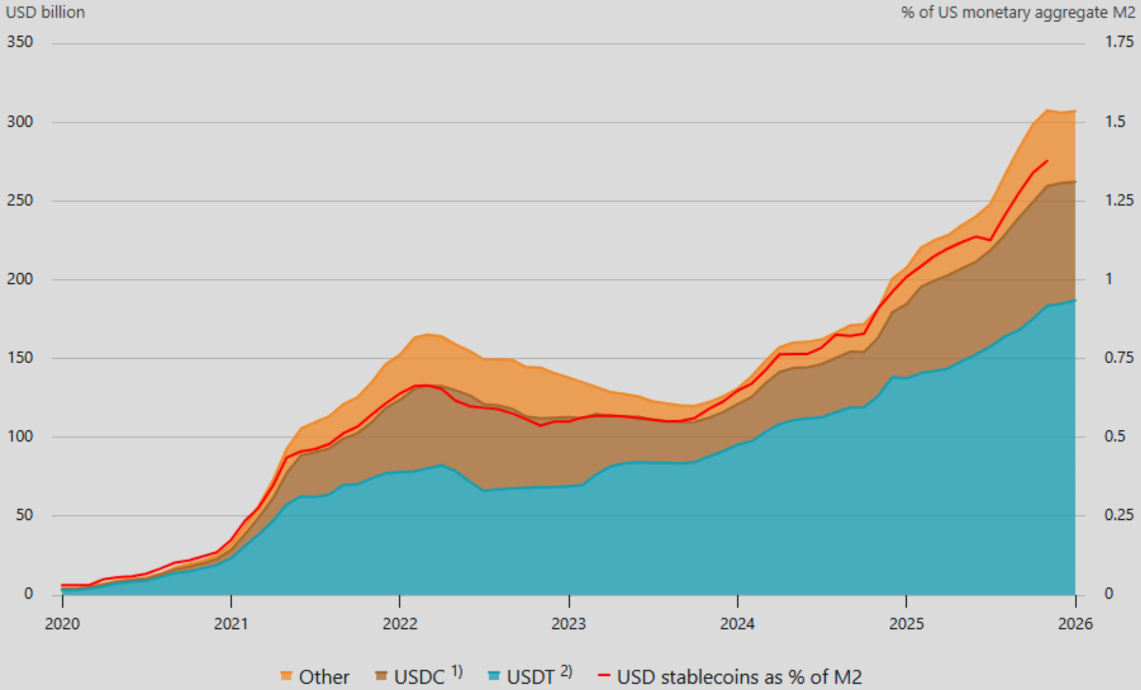
Stablecoins have the potential to make some payment processes faster and simpler. At present, stablecoins are being used mainly within the crypto-system to trade crypto-assets and for decentralised financial applications. Other potential applications have emerged in cross-border payment transactions, as stablecoins can be transferred quickly and cheaply.

1 See, for example, Aldasoro et al. (2025), Stablecoin growth – policy challenges and approaches, BIS Bulletin, No 108.

Chart 4

Market capitalisation of USD stablecoins

As at January 2026

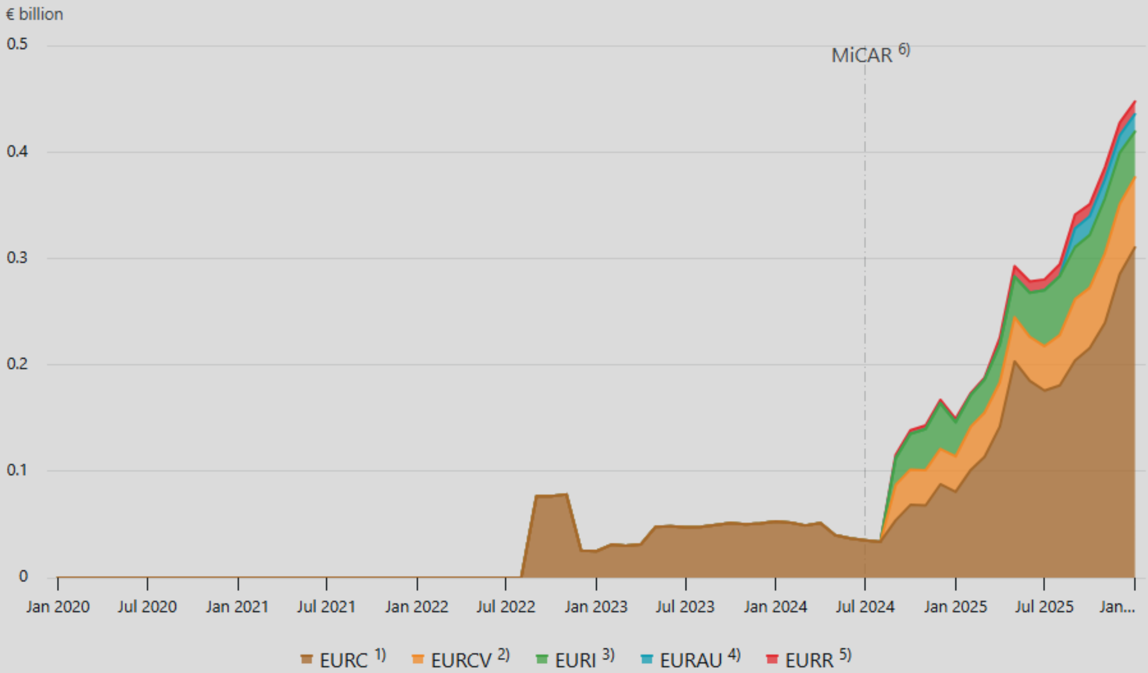


Sources: CoinGecko, CoinMarketCap, DefiLlama, Federal Reserve Bank of St. Louis and Bundesbank calculations. **1** USD Coin (issued by Circle) **2** USD Tether (issued by Tether)

Chart 5

Market capitalisation of selected MiCAR-compliant EUR stablecoins

As at January 2026



Sources: CoinGecko, CoinMarketCap and DefiLlama. **1** EUR Coin (issued by Circle) **2** EUR CoinVertible (issued by Société Générale-FORGE) **3** Eurite (issued by Banking Circle S.A.) **4** AllUnity EUR (issued by AllUnity) **5** StablR Euro (issued by StablR) **6** Applicability to stablecoins (EMTs and ARTs) since 30 June 2024.

However, more widespread use of stablecoins could jeopardise the stability of individual banks and the entire financial system. Closer interconnectedness with traditional finance could cause crises within the crypto-system to spill over faster and more severely to the financial sector. Such interconnectedness could result, for instance, from deposits that stablecoin issuers hold with banks as part of their reserves, or from direct investments in stablecoins by banks. In addition, new concentration, fragmentation, default and liquidity risks may arise in the payment system.

The EU was early to adopt a comprehensive basis for regulating this growing market with the Markets in Crypto-Assets Regulation (**MiCAR**). For example, stablecoins that are pegged to a fiat currency such as the US dollar or the euro may only be issued by regulated banks or e-money institutions and must satisfy various requirements.[2)]

Because of the dynamic development and cross-border nature of stablecoins, it is essential that this regulation is continually reviewed and adjusted where necessary. This is the only way to ensure that the measures remain effective and that potential loopholes are eliminated in a timely manner. The debate on regulation is currently focusing, among other things, on "multi-issuer schemes", which are associated with greater liquidity risks and operational risks. These could increase the risk of a bank run in the EU's financial system.[3)] Such schemes should be classified as not legally permissible until such risks have been adequately addressed.[4)] Furthermore, the Bundesbank is also working towards the global implementation of internationally agreed standards on crypto regulation.

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2 See Deutsche Bundesbank, Tackling the challenges of crypto-assets – the state of play with regulation, Monthly Report, December 2023, pp. 73-92.

3 Simply put, multi-issuer schemes are arrangements under which stablecoin issuers use several business entities to issue the same stablecoin in various places, for example both inside and outside the EU.

4 See Recommendation of the European Systemic Risk Board of 25 September 2025 on third-country multi-issuer stablecoin schemes (ESRB/2025/9).

6 Financial market services and statistics

The Bundesbank offers central government, the state governments and public sector institutions a range of financial market and investment services. It manages the assets of these institutions, tailoring its services to their respective requirements. It also performs tasks related to the issuance and settlement of securities for central government, the European Stability Mechanism (ESM) and the European Financial Stability Facility (EFSF). In addition, the Bundesbank conducts price smoothing operations for federal securities and provides other services within the Eurosystem reserve management services (ERMS) framework. In the area of asset management, it acts as portfolio manager for numerous central and state government special funds. This involves investing in both euro-denominated fixed-income securities with high credit quality as well as equities from the euro area and other currency areas. Alongside portfolio management, it offers other key asset management services. These range from individual customer care and analytical support, through to securities trading, independent risk control and reporting, all the way to custody and settlement services. The Bundesbank operates on a not-for-profit basis and provides its services as a fiscal agent; in other words, as a state bank, based on legal requirements, and without charging its own fees.

The Bundesbank continued to expand its financial market services during 2025. In the area of asset management, for the first time, it managed funds for several public sector special infrastructure funds. Furthermore, additional countries and securities that are represented in major share indexes can now be incorporated. Since late 2024, the Bundesbank has also been providing its clients, upon request, with annual reports on the sustainability of portfolios under its management. It also assists its clients with various projects by providing comprehensive analyses.

From late November 2025, users have been able to access the Bundesbank’s online statistical time series via a new “Statistics” subpage. The layout of the familiar range of time series and indicators has been modernised. The Statistics section provides data on topics such as the external sector, financial markets, economic activity and prices, public finances, enterprises and households, as well as national accounts. This change was a vital step in making the technical infrastructure, which now provides public access to 80,000 time series and indicators, fit for the future. The new, clear, modern layout helps users to quickly find, display, generate in graph form and download macroeconomic time series and real-time data, for example.

Over the past year, the Bundesbank has helped reduce bureaucracy in the area of data and statistics. The Foreign Trade and Payments Ordinance (*Außenwirtschaftsverordnung* – AWV) was amended with effect from 1 January 2025. The amendments apply to the reporting obligations for the Bundesbank's external sector statistics. The reporting threshold for capital and payment transactions has been raised from €12,500 to €50,000. Furthermore, the thresholds for the reporting of assets of German residents abroad and of non-residents' assets in Germany as well as for the reporting of claims and liabilities of residents in respect of non-residents have been adjusted. Pursuant to Sections 64 et seq. and Section 66 of the AWV, such stock reports are now consistently required only for holdings of €6 million or above. These measures significantly ease the burden on enterprises and households subject to reporting requirements.

7 Bundesbank round-up continued

Geopolitical challenges and the need for resilience have already been mentioned several times – the Bundesbank itself must also remain fully capable of performing its duties under exceptional circumstances. In 2025, the Bundesbank was exposed to a persistently high number of cyberattacks. On average, more than 5,000 security-related incidents were recorded per minute. However, no concrete statements can be made about the threat situation based solely on the number of such incidents. Instead, the critical factors are early detection, sound evaluation and effective defences. To this end, the Bundesbank operates a multilayer security architecture. Like many other institutions and financial enterprises, the Bundesbank also carries out simulated test cyberattacks, as described in the supplementary information on strengthening the resilience of financial enterprises. Furthermore, the Bundesbank is systematically strengthening its security and crisis prevention structures. The aim is to establish a resilient overall architecture, covering both technical and organisational aspects, which factors in the rising geopolitical and digital risks. [11)]

In parallel, the Bundesbank is intensifying its strategic focus on digital sovereignty. This means reducing technological dependencies and ensuring long-term control over centralised digital services. This approach not only strengthens the stability of the Bundesbank's internal core systems but also supports the functionality of the financial system and national security precautions. By linking together crisis resilience and digital sovereignty, the Bundesbank is laying the foundations that will enable it to meet future challenges robustly and independently.

11 Resilience against cyberattacks, which has already been explored in the supplementary information "Strengthening financial institutions' digital resilience", is just one aspect of this.

A further challenge for society as a whole is the transition to climate-neutral, sustainable economies. The Bundesbank is tackling the issue of sustainability from a range of angles. Destruction of nature, climate change and the transformation of the economy towards climate neutrality pose risks to the economic and financial system, thus directly affecting the Bundesbank's core business areas. Extreme weather events, but also climate policy measures, can affect price levels and the transmission of monetary policy. [12] Over the past year, the Bundesbank has therefore examined topics such as the impact of weather-related factors on output and prices, as well as the effect of energy price shocks on inflation. [13] Losses in productivity and destruction of assets, alongside new regulatory requirements, may impair the solvency of borrowers or lower the value of their collateral security, which may in turn affect the stability of banks and the financial system. To address this issue, the Bundesbank carried out a climate stress test in 2025, amongst other measures. [14]

As its balance sheet may also be exposed to climate and nature-related risks, the Bundesbank is taking appropriate risk management measures to address them. This includes plans to introduce a climate factor to protect the Eurosystem against potential losses in the value of certain eligible assets, or factoring climate-related risks into the credit assessment procedure. [15] The Bundesbank also continuously analyses the impacts of climate policy, climate change and other sustainability-related developments on its balance sheet assets, and publishes selected key metrics from these analyses in its annual climate-related reports. [16]

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12 See Network for Greening the Financial System, Climate change, the macroeconomy and monetary policy, October 2024.

13 See Network for Greening the Financial System, Macroeconomic effects of carbon-intensive energy price changes: A model comparison, 23 September 2025.

14 See Gross et al., Climate stress test for the German banking sector: Impact of the green transition on corporate loan portfolios, Deutsche Bundesbank Discussion Paper No 11/2025, 14 May 2025.

15 See European Central Bank, Common minimum standards for incorporating climate change risks into in-house credit assessment systems in the Eurosystem, June 2022.

16 See Deutsche Bundesbank, Climate-related disclosures by the Deutsche Bundesbank 2025.

The Bundesbank cooperates with various organisations worldwide in order to help improve understanding of the risks stemming from climate change and climate policy. At the international level, it is particularly active in the Network for Greening the Financial System (NGFS). In 2025, alongside innovative short-term climate scenarios in which the direct effects of climate change and climate policy on the economy and the financial system are examined, the NGFS published several reports on transition plans for a gradual transformation to climate neutrality, as well as on improving the usability of long-term climate scenarios.

When it comes to its own business activities, the Bundesbank is seeking to minimise negative environmental impacts. [17] Through its environmental guideline, the Bundesbank promotes the sustainable use of finite resources in its own business activities. Successful application of these recommendations is reflected, amongst other things, by the continuous reductions in energy consumption. [18] In terms of the cash cycle, a current study conducted on behalf of the Bundesbank confirms that the circulation of banknotes in Germany has a very small environmental footprint. [19]

In 2025, as in preceding years, the Bundesbank sought regular exchange with distinguished international academics. As part of the "Bundesbank Invited Speaker Series", President Joachim Nagel discussed topics such as the common economic challenges facing Germany and Japan with Hiroshi Nakaso (Chairman of the Daiwa Institute of Research and former Deputy Governor of the Bank of Japan) and households' inflation expectations with Michael Weber (Mitch Daniels School of Business – Purdue University).

The Bundesbank also organised an international conference as part of the new "Future of Finance" research area. The conference explored current issues such as crypto-assets, digital bank runs, fintech regulation and non-bank credit channels. The Research Centre also organised an international workshop on stablecoins and crypto-assets. During the workshop, current research findings were presented on topics such as the dependencies between stablecoins and the traditional finance world, the stability of stablecoins in periods of crisis and the possible interactions with central bank digital currencies.

17 See Deutsche Bundesbank, Climate-related disclosures by the Deutsche Bundesbank 2022 and 2023, 8 May 2025.

18 See Deutsche Bundesbank, Umweltbericht 2024.

19 See Deutsche Bundesbank, Euro banknotes in circulation in Germany create small environmental footprint, press release of 17 November 2025.

Through its strategy for artificial intelligence (AI), the Bundesbank is setting the course to ensure optimal use of the opportunities arising from this promising assistive technology. With this AI strategy, the Bundesbank has set itself the goal of making AI an integral component of its toolkit so that it can continue performing its statutory duties in an optimal manner.

AI will enable the Bundesbank to further develop its strong analytical capabilities and maintain its capacity to act even in a world of increasingly complex, extensive and dynamic data volumes. In that respect, it will be crucial to ensure responsible and transparent use of reliable AI. Across all areas of activity, fulfilment of the Bundesbank's statutory duties is the benchmark against which the rationale and scope of AI use is to be continuously evaluated.

In 2025, many people once again benefited from the Bundesbank's economic education programmes. Approximately 48,900 people, including just under 28,500 school pupils, attended 1,711 events. On 7 March, a Eurosystem initiative aimed at improving general financial literacy was launched. As part of that initiative, the European financial literacy network was founded, in which the Bundesbank actively participates. The special exhibition "My Money & Me – Are you ready to take on the challenge?", which opened at the Bundesbank's Money Museum in Frankfurt am Main in 2025, will also help to achieve the aim of raising financial literacy. In the style of an escape room, the exhibition provides a unique and collaborative gaming and spatial experience centred around the topic of money. Participants need to discuss the financial literacy questions put to them and respond quickly and correctly as a team. Thanks to this exhibition, amongst other things, the Money Museum welcomed 49,700 visitors in 2025.

As part of its comprehensive modernisation programme "Wandel", the Bundesbank is optimising its strategy development, steering capacity, process management and organisational structure. The intended changes are to be implemented across all sections of the Bundesbank by the end of 2027. The first business units have already adapted their organisational structure and working methods. For external partners, this will sometimes involve new contact persons and responsibilities. The objective of the programme is to facilitate even faster future responses to complex, changing requirements, thus ensuring that the Bundesbank remains an important and influential part of the Eurosystem and European banking supervision in the coming years.

Chronology of monetary policy decisions

Monetary policy decisions made between 2015 and 2024 can be found at bundesbank.de.

30 January 2025

The Governing Council of the European Central Bank (ECB) decides to lower the three key ECB interest rates by 25 basis points. Accordingly, the interest rate on the deposit facility stands at 2.75 %. The interest rates on the main refinancing operations and the marginal lending facility stand at 2.90 % and 3.15 %, respectively. The Governing Council judges that the disinflation process is well on track. Inflation is set to return to the 2 % medium-term target in the course of the year.

The Governing Council is determined to ensure that inflation stabilises sustainably at its 2 % medium-term target. It continues to follow a data-dependent and meeting-by-meeting approach to determining the appropriate monetary policy stance. The Governing Council is not pre-committing to a particular rate path.

Asset purchase programme (APP) and pandemic emergency purchase programme (PEPP) portfolios continue to decrease as principal payments are no longer reinvested. With the remaining amounts borrowed under the targeted longer-term refinancing operations repaid in full on 18 December 2024, this part of the balance sheet normalisation process is now concluded.

6 March 2025

The Governing Council lowers the three key ECB interest rates by a further 25 basis points. The interest rate on the deposit facility now stands at 2.50 %, while the interest rate on the main refinancing operations is 2.65 % and the interest rate on the marginal lending facility is 2.90 %. The disinflation process remains well on track. The latest ECB staff macroeconomic projections closely align with the previous inflation outlook. In view of trade and geopolitical uncertainty, growth projections have again been marked down. The Governing Council judges its monetary policy to be significantly less restrictive as a result of the interest rate cuts.

Against the backdrop of growing uncertainty, the Governing Council reaffirms its data-dependent approach.

17 April 2025

The Governing Council decides to lower the three key ECB interest rates by a further 25 basis points. The interest rate on the deposit facility now stands at 2.25 %, while the interest rate on the main refinancing operations is 2.40 % and the interest rate on the marginal lending facility is 2.65 %. The disinflation process remains well on track and is progressing in line with the Governing Council's expectations. However, the economic outlook is likely to deteriorate in view of rising trade tensions and exceptionally high uncertainty. At the same time, the heightened uncertainty will probably have a tightening impact on financing conditions.

The Governing Council considers the current uncertainty to be exceptionally high and thus reaffirms its data-dependent approach.

5 June 2025

The Governing Council decides to lower the three key ECB interest rates by another 25 basis points. The interest rate on the deposit facility now stands at 2.00 %, while the interest rate on the main refinancing operations is 2.15 % and the interest rate on the marginal lending facility is 2.40 %. According to the latest Eurosystem staff macroeconomic projections, inflation is expected to decline further. Earlier concerns that the heightened uncertainty would have a tightening impact on financing conditions have eased.

Against the backdrop of high uncertainty, the staff use illustrative scenarios to assess the impact of different trade policy measures on inflation. These show that an escalation of trade tensions would dampen inflation. A benign resolution to trade tensions would lead to slightly higher inflation.

30 June 2025

The Governing Council announces changes to its monetary policy strategy. It judges that the symmetric inflation target of 2 % has proved its worth, and the medium-term horizon of the inflation target is reaffirmed. The firm anchoring of inflation expectations remains a key aspect in operationalising the target’s medium-term orientation.

In order to ensure price stability, the revised strategy emphasises the importance of forceful or persistent monetary policy measures in response to large, sustained deviations of inflation from the target in either direction. Given the high level of uncertainty, the monetary policy measures to be taken have to be agile and flexible in order to enable a timely and appropriate response to changes in the inflation environment.

In future, risks and uncertainty should be taken into account in monetary policy decisions in a systematic and context-specific manner. The Eurosystem underlines, amongst other things, the importance of scenario and sensitivity analyses to this end.

24 July 2025

Following a series of interest rate cuts, the Governing Council keeps the three key ECB interest rates unchanged in July. Inflation is at the 2 % medium-term target. The incoming information is broadly in line with the Governing Council’s previous assessment of the inflation outlook. Domestic price pressures have continued to ease, and the economy has so far proved resilient overall.

The Governing Council is determined to ensure that inflation stabilises at its 2 % target in the medium term. In its monetary policy communication, it continues to follow a data-dependent approach without emphasising the state of heightened uncertainty.

11 September 2025

The Governing Council decides to keep the three key ECB interest rates unchanged. Inflation is close to the 2 % medium-term target and the Governing Council’s assessment of the inflation outlook is broadly unchanged. According to the ECB staff projections prepared in September, the inflation picture is largely in line with previous assessments. The economy is projected to grow somewhat more strongly than previously anticipated.

30 October 2025

The Governing Council again decides to keep the three key ECB interest rates unchanged. Inflation remains close to the 2 % medium-term target. The Governing Council's assessment of the inflation outlook remains broadly unchanged.

18 December 2025

The Governing Council keeps the three key ECB interest rates unchanged. It judges that inflation should stabilise at the 2 % target in the medium term. According to the latest Eurosystem staff projections, the inflation picture is broadly in line with previous assessments. The economic outlook has improved slightly.

Annual accounts of the Deutsche Bundesbank for 2025

Tables

Abbreviations and symbols

. Figure not meaningful
0 Less than 0.5 but more than nil
- Nil

Discrepancies in the totals are due to rounding.

Balance sheet of the Deutsche Bundesbank as at 31 December 2025

Assets

		€ million	31.12.2024 € million
1 Gold and gold receivables		395,215	270,580
of which: gold receivables €459,951.79			*(0)*
2 Claims on non-euro area residents denominated in foreign currency			
2.1 Receivables from the IMF	54,729		(59,155)
2.2 Balances with banks and security investments, external loans and other external assets	31,851		(33,970)
		86,580	93,125
3 Claims on euro area residents denominated in foreign currency		851	0
4 Claims on non-euro area residents denominated in euro		3,975	588
5 Lending to euro area credit institutions related to monetary policy operations denominated in euro			
5.1 Main refinancing operations	5,256		(2,009)
5.2 Longer-term refinancing operations	3,187		(3,500)
5.3 Fine-tuning reverse operations	–		(–)
5.4 Structural reverse operations	–		(–)
5.5 Marginal lending facility	–		(–)
		8,443	5,509
6 Other claims on euro area credit institutions denominated in euro		7,368	8,926
7 Securities of euro area residents denominated in euro			
7.1 Securities held for monetary policy purposes	789,371		(910,918)
7.2 Other securities	–		(–)
		789,371	910,918
8 Claims on the Federal Government		3,550	3,995
9 Intra-Eurosystem claims			
9.1 Participating interest in the ECB	2,786		(2,786)
9.2 Claims equivalent to the transfer of foreign reserves to the ECB	10,802		(10,802)
9.3 Claims related to TARGET	1,023,482		(1,046,318)
9.3 Net claims related to the allocation of euro banknotes within the Eurosystem	–		(–)
9.4 Other claims within the Eurosystem (net)	–		(–)
		1,037,070	1,059,906
10 Items in course of settlement		1	1
11 Other assets			
11.1 Coins	689		(726)
11.2 Tangible and intangible fixed assets	709		(759)
11.3 Other financial assets	6,066		(6,084)
11.4 Off-balance-sheet instruments revaluation differences	0		(0)
11.5 Accruals and prepaid expenditure	7,933		(9,787)
11.6 Sundry	1,157		(1,744)
		16,554	19,099
		2,348,978	2,372,647

Liabilities

		€ million	31.12.2024 € million
1 Banknotes in circulation		396,778	389,136
2 Liabilities to euro area credit institutions related to monetary policy operations denominated in euro			
2.1 Current accounts	69,713		(76,527)
2.2 Deposit facility	753,917		(883,694)
2.3 Fixed-term deposits	–		(–)
2.4 Fine-tuning reverse operations	–		(–)
2.5 Deposits related to margin calls	–		(–)
		823,630	960,220
3 Other liabilities to euro area credit institutions denominated in euro		3,325	8,835
4 Liabilities to other euro area residents denominated in euro			
4.1 General government deposits	10,233		(20,348)
4.2 Other liabilities	40,923		(13,897)
		51,156	34,245
5 Liabilities to non-euro area residents denominated in euro		55,978	90,748
6 Liabilities to euro area residents denominated in foreign currency		0	1
7 Liabilities to non-euro area residents denominated in foreign currency		–	–
8 Counterpart of special drawing rights allocated by the IMF		43,811	47,149
9 Intra-Eurosystem liabilities			
9.1 Liabilities related to TARGET	–		(–)
9.2 Net liabilities related to the allocation of euro banknotes within the Eurosystem	593,107		(567,191)
9.3 Other liabilities within the Eurosystem (net)	1,701		(5,445)
		594,807	572,637
10 Items in course of settlement		0	0
11 Other liabilities			
11.1 Off-balance-sheet instruments revaluation differences	–		(–)
11.2 Accruals and income collected in advance	3,331		(5,320)
11.3 Sundry	1,416		(2,030)
		4,748	7,350
12 Provisions			
12.1 Risk provision	–		(–)
12.2 Other provisions	12,200		(11,695)
		12,200	11,695
13 Revaluation accounts		387,831	267,285
14 Capital and reserves			
14.1 Capital	2,500		(2,500)
14.2 Reserves	–		(–)
		2,500	2,500
15 Accumulated loss		– 27,787	– 19,153
		2,348,978	2,372,647

Profit and loss account of the Deutsche Bundesbank for the year 2025

			€ million	2024 € million
1.1	Interest income	33,070		(55,959)
1.2	Interest expense	– 37,238		(– 69,018)
1	Net interest income		– 4,167	– 13,059
2.1	Realised gains/losses arising from financial operations	530		(1,184)
2.2	Write-downs on financial assets and positions	– 756		(– 324)
2	Net result of financial operations and write-downs		– 226	860
3	Net result of pooling of monetary income		– 1,669	– 5,434
4	Net income from fees and commissions		57	60
5	Income from participating interests		22	23
6	Other income		164	187
7	Staff costs		– 1,798	– 1,477
8	Administrative expenses		– 802	– 747
9	Depreciation of tangible and intangible fixed assets		– 103	– 117
10	Banknote production services		– 76	– 77
11	Other expenses		– 36	– 33
12	Transfers to/from risk provision		–	–
	Loss for the year		– 8,633	– 19,814
13	Allocation to/withdrawal from reserves		–	661
14	Accumulated losses carried forward		– 19,153	–
	Accumulated loss		– 27,787	– 19,153

Frankfurt am Main, 17 February 2026

DEUTSCHE BUNDESBANK

Executive Board

Professor Joachim Nagel   Dr Sabine Mauderer

Burkhard Balz   Professor Fritzi Köhler-Geib   Lutz Lienenkämper   Michael Theurer

Overview of the Deutsche Bundesbank's accounting policies

General accounting principles

Reflection of economic reality, thus giving a true and fair view of the Bundesbank's net assets, financial position and results of operations; prudence; recognition of post-balance-sheet events; materiality; going-concern basis; accruals principle; consistency and comparability.

Recognition of spot transactions

Spot transactions denominated in gold and foreign currency shall be accounted for from the trade date to determine the average cost and the realised gains and realised losses. Recognition of these spot transactions and of spot transactions in securities shall be based on the cash/settlement approach.

Valuation rules

Gold, foreign currency instruments, securities and financial instruments shall be valued at mid-market rates and prices as at the balance sheet date. Securities held to maturity shall be valued at amortised cost; write-downs are charged if impairment is expected to be permanent. The same applies to non-marketable securities and securities held for monetary policy purposes by virtue of a decision adopted by the Governing Council of the ECB.

No distinction shall be made between price and currency revaluation differences for gold, but a single gold revaluation difference shall be accounted for, based on the euro price per defined unit of weight of gold derived from the euro/US dollar exchange rate as at the balance sheet date.

Revaluation shall take place on a currency-by-currency basis for foreign currency instruments (including off-balance-sheet transactions).

In the case of securities, each revaluation shall take place on a code-by-code basis (same ISIN number/type).

Repurchase agreements

A repurchase agreement (repo) shall be recorded as a collateralised inward deposit on the liabilities side of the balance sheet, while the assets serving as collateral remain on the assets side of the balance sheet. A reverse repurchase agreement (reverse repo) shall be recorded as a collateralised outward loan on the assets side of the balance sheet for the amount of the loan.

In the case of lending transactions, the assets shall remain on the transferor’s balance sheet. Lending transactions where collateral is provided in the form of cash shall be accounted for in the same manner as that prescribed for repurchase operations.

Income recognition

Realised gains and realised losses can arise only in the case of transactions which reduce a securities or foreign currency position. They shall be derived from a comparison of the transaction value with the acquisition value as calculated using the average cost method; they shall be taken to the profit and loss account.

Revaluation gains and losses shall accrue from the revaluation of assets at market values compared to their acquisition value as calculated using the average cost method. Unrealised gains shall not be recognised as income but recorded in a revaluation account.

Unrealised losses shall be taken to the profit and loss account if they exceed previous revaluation gains registered in the revaluation account. Unrealised losses taken to the profit and loss account in prior periods shall not be reversed in subsequent years against new unrealised gains. Unrealised losses in any one security, in any currency or in gold holdings shall not be netted against unrealised gains in other securities, currency or gold.

The average cost method shall be used on a daily basis to compute the acquisition cost of assets subject to exchange rate and/or price movements. The average acquisition cost of the assets shall be reduced by unrealised losses taken to the profit and loss account at year-end.

In the case of securities, the difference between the acquisition and redemption value (premium or discount) shall be amortised over the remaining contractual life of the securities in accordance with the internal rate of return method, presented as part of interest income (amortisation) and included in the acquisition value (amortised cost).

Accruals denominated in foreign currency shall be translated at the mid-market rate on each business day and change the respective foreign currency position.

Accounting rules for off-balance-sheet instruments

Foreign exchange forward transactions, forward legs of foreign exchange swaps and other currency instruments involving an exchange of one currency for another at a future date shall be included in the net foreign currency position as from the trade date.

Interest rate swaps, futures, forward rate agreements and other interest rate instruments shall be accounted for and valued on an item-by-item basis.

Profits and losses arising from off-balance-sheet instruments shall be recognised and treated in a similar manner to those from on-balance-sheet instruments.

Tangible and intangible fixed assets

Tangible and intangible fixed assets shall be valued at cost less depreciation and amortisation. Depreciation and amortisation shall be calculated on a straight-line basis and applied over the expected economic life of the asset. A distinction shall be made as follows:

- computers, related hardware and software, and motor vehicles: 4 years;
- equipment, furniture and plant in building: 10 years;
- building and refurbishment expenditure: 25 years;
- depreciation shall not apply to land.

Tangible and intangible fixed assets costing less than €10,000 after deduction of value added tax shall be written off in full in the year of acquisition.

Provisions

With the exception of the provisions for Eurosystem monetary policy operations, provisions shall be accounted for in accordance with the regulations set forth in the Commercial Code (*Handelsgesetzbuch*). Pursuant to Section 26(2) of the Bundesbank Act (*Bundesbankgesetz*), it shall be possible to create a provision for risk associated with domestic and foreign business.

Transitional arrangements

The assets and liabilities shown on the closing Deutsche Mark balance sheet as at 31 December 1998 shall be revalued as at 1 January 1999. Unrealised gains arising on or before 1 January 1999 shall be recorded separately from the unrealised gains which arise after 1 January 1999. The market rates/prices applied by the Bundesbank on the euro-denominated opening balance sheet as at 1 January 1999 shall be deemed to be the average acquisition rates/prices as at 1 January 1999. The revaluation accounts for unrealised gains accruing on or before 1 January 1999 shall be released only in connection with revaluation losses and in the event of disposals after 1 January 1999.

Notes on the annual accounts: general information

Legal basis

Sections 26 and 27 of the Bundesbank Act (*Gesetz über die Deutsche Bundesbank*) form the legal basis for the annual accounts and distribution of profit. According to the provisions on accounting laid down in Section 26(2) sentence 2 of the Bundesbank Act, the annual accounts shall be drawn up with due regard to the tasks of the Deutsche Bundesbank, in particular those deriving from its being an integral part of the European System of Central Banks (ESCB), and shall be published with appropriate notes thereon. Consistent with this, the Bundesbank is allowed to apply the ECB's accounting policies.

Accounting policies of the Bundesbank

The Governing Council of the ECB adopted policies for the ECB's annual accounts in accordance with Article 26.2 of the Statute of the ESCB. The Bundesbank decided to adopt these policies as its own accounting policies. [1] An overview of the Deutsche Bundesbank's accounting policies can be found in the above supplementary information. The annual accounts of the Bundesbank thus follow the harmonised accounting and financial reporting rules of Eurosystem operations, both in terms of the structure of the balance sheet and the profit and loss account, and with regard to the valuation and accounting policies applied.

Cost accounting at the Bundesbank

The Bundesbank is furthermore required, pursuant to Section 26(4) sentence 1 of the Bundesbank Act, to prepare a cost account to assist it in its management and administrative tasks. In compliance with this legislation, the Bank draws up a standard cost account and an investment plan before the start of each financial year. The

1 As last published in Deutsche Bundesbank Notice No 10003/2024.

harmonised Eurosystem accounting policies for internal accounting adopted by the Governing Council of the ECB and compiled in the Committee on Controlling (COMCO) manual are also taken into account in this regard. At the end of the financial year, the Bank makes a comparative analysis of the budgeted figures and the actual costs and investment. This analysis is reviewed separately by the external auditors.

Creation of reserves owing to the restriction on distribution pursuant to Section 253 (6) of the Commercial Code

Pursuant to Section 253 of the German Commercial Code (*Handelsgesetzbuch*), provisions for post-employment benefit obligations must be discounted at the average market rate corresponding to their residual maturity calculated over the past ten financial years (see liability sub-item 12.2 “Other provisions”). The relief resulting from application of the ten-year rather than the seven-year observation period must be calculated annually and may not be distributed. In accordance with Section 253(6) sentence 2 of the Commercial Code, the distribution of profits shall be restricted to the part that exceeds the amount for which distribution is restricted less any disposable reserves. However, the Bundesbank does not have any such reserves. The amount for which distribution is restricted itself has to be treated as reserves, and transfers to them and withdrawals from them are taken to profit and loss once the profit or loss for the year has been determined as part of the appropriation of profit (see liability item 14 “Capital and reserves” and profit and loss item 13 “Allocation to/withdrawal from reserves”). The reserves owing to the restriction on distribution were released in full in the annual accounts 2024 in order to reduce the loss for the year.

Recognition of euro banknotes and ...

The ECB and the national central banks of the euro area countries, which together comprise the Eurosystem, issue banknotes denominated in euro. The following allocation procedure[2)] was approved for recognition of the euro banknotes in circulation in the financial statements of the individual central banks of the Eurosystem. The respective share of the total value of euro banknotes in circulation due to each central bank in the Eurosystem is calculated on the last business day of each month in accordance with the key for allocating euro banknotes. The ECB is allocated an 8 %

2 Decision of the European Central Bank of 13 December 2010 on the issue of euro banknotes (ECB/2010/29), as last amended by the Decision of the European Central Bank of 4 December 2025 (ECB/2025/39).

share of the total value of the euro banknotes in circulation, whereas the remaining 92 % is allocated to the national central banks in proportion to their respective paid-up shares in the capital of the ECB. As at 31 December 2025, the Bundesbank had a 26.6 % share in the fully paid-up capital of the ECB and, therefore, a 24.5 % share of the euro banknotes in circulation in accordance with the banknote allocation key. The value of the Bundesbank's share in the total amount of euro banknotes issued by the Eurosystem is shown in item 1 "Banknotes in circulation" on the liabilities side of the balance sheet.

… of intra-Eurosystem balances arising from the allocation of euro banknotes

The difference between the value of the euro banknotes allocated to each central bank of the Eurosystem in accordance with the banknote allocation key and the value of the euro banknotes that the central bank actually puts into circulation gives rise to remunerated intra-Eurosystem balances.[3] If the value of the euro banknotes actually issued is greater than the value according to the banknote allocation key, the difference is recorded on the balance sheet as an intra-Eurosystem liability in liability sub-item 9.2 "Net liabilities related to the allocation of euro banknotes within the Eurosystem". If the value of the euro banknotes actually issued is less than the value according to the banknote allocation key, the difference is recorded in asset sub-item 9.4 "Net claims related to the allocation of euro banknotes within the Eurosystem". These balances are remunerated at the respective deposit facility rate.

In the year of the cash changeover and in the following five years, the intra-Eurosystem balances arising from the allocation of euro banknotes within the Eurosystem are adjusted in order to avoid significant changes in national central banks' relative income positions as compared to previous years. The adjustments are based on the difference between the average value of the banknotes that each national central bank had in circulation in the reference period and the average value of the banknotes that would have been allocated to each of them during that period in accordance with the ECB's capital key. The adjustments are reduced in annual increments until the first day of the sixth year after the cash changeover year. Thereafter, income from euro banknotes in circulation is allocated fully in proportion to the national central banks' paid-up shares in the ECB's capital.

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3 Decision of the European Central Bank of 3 November 2016 on the allocation of monetary income of the national central banks of Member States whose currency is the euro (ECB/2016/36), as last amended by the Decision of the European Central Bank of 14 November 2024 (ECB/2024/33).

The adjustment in the reporting year resulted from the accession of the Croatian National Bank with effect from 1 January 2023. This will expire accordingly with effect from 31 December 2028. The interest income and expense arising from the remuneration of the intra-Eurosystem balances is cleared through the accounts of the ECB and disclosed under item 1 “Net interest income” of the Bundesbank’s profit and loss account. The Bulgarian central bank acceded to the Eurosystem with effect from 1 January 2026. The resulting adjustment will run until 31 December 2031.

ECB’s interim profit distribution

The ECB’s income from the 8 % share of the euro banknotes in circulation as well as from securities purchased by the ECB as part of the securities markets programme (SMP), the third covered bond purchase programme (CBPP3), the asset-backed securities purchase programme (ABSPP) and the public sector purchase programme (PSPP) as well as the pandemic emergency purchase programme (PEPP) is distributed to the national central banks of the Eurosystem as interim profit in the same financial year in which the income arises, unless the ECB’s net profit is less than this income or the Governing Council of the ECB decides to retain the amount for allocation to the ECB risk provision. [4] No interim profit was distributed for financial year 2025 as the ECB is reporting a loss, as in the previous year. The ECB losses are not reflected in the Bundesbank’s annual accounts for 2025, but are carried forward on the ECB’s balance sheet. That loss carried forward will, however, place a (pro rata) burden on future annual results of the Bundesbank because ECB profit distributions will not be made.

Change to the ECB’s capital key with effect from 1 January 2026

Effective 1 January 2026, the Eurosystem grew in size as a result of the accession of the Bulgarian National Bank, which thereupon paid up its capital share in the ECB in full. This reduced the Bundesbank’s share in the fully paid-up capital of the ECB to 26.3152 %.

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4 Decision of the European Central Bank of 15 December 2014 on the interim distribution of the income of the European Central Bank (recast) (ECB/2014/57), as last amended by the Decision of the European Central Bank of 12 November 2020 (ECB/2020/56).

Change in the interest rate used for the remuneration of intra-Eurosystem balances as of 1 January 2025

On 13 March 2024, the Governing Council of the ECB decided on changes to the operational framework for implementing monetary policy to ensure that the framework remains appropriate as the Eurosystem balance sheet normalises. In addition to other key parameters and features of the operational framework, it was agreed that the monetary policy stance would continue to be steered through the deposit facility rate. As a result, the Governing Council of the ECB decided that, as of 1 January 2025, the applicable deposit facility rate, rather than the main refinancing rate, should be used for the remuneration of claims or liabilities related to TARGET, net claims or liabilities related to the allocation of euro banknotes within the Eurosystem, and claims equivalent to the transfer of foreign reserves to the ECB. The same rule applies to the calculation of monetary income: the difference between the value of a national central bank's earmarked assets and the value of its liability base will be remunerated, as of 1 January 2025, at the deposit facility rate, as will the income for government bonds purchased under the PSPP and PEPP without pooling risk and returns.

Preparation and auditing of financial statements

The Executive Board prepared the Deutsche Bundesbank's financial statements – consisting of the balance sheet and the profit and loss account – for financial year 2025 on 17 February 2026. The financial statements were audited by Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft (Düsseldorf), whom the Executive Board engaged as external auditors on 1 September 2020 in accordance with Section 26(3) of the Bundesbank Act. The audit furthermore covered the notes on the annual financial statements, consisting of general information, notes on the individual balance sheet items as well as notes on the profit and loss account. The auditors issued an unqualified audit opinion on 24 February 2026 confirming that the Bundesbank's financial statements for 2025 comply, in all material respects, with the legal requirements and the accounting policies of the Deutsche Bundesbank approved by the Executive Board and give a true and fair view of the net assets, financial position and results of operations of the Deutsche Bundesbank in accordance with German principles of proper accounting and with regard to the notes on the annual financial statements. After studying the external auditors' unqualified audit opinion, the Executive Board decided that publication of the financial statements would take place on 5 March 2026.

Notes on the individual balance sheet items

Assets

1 Gold and gold receivables

Table 1: Gold reserves by storage location

Storage location	31.12.2025 Tonnes	31.12.2025 € million	31.12.2024 Tonnes	31.12.2024 € million	Year-on-year change Tonnes	Year-on-year change %	Year-on-year change € million	Year-on-year change %
Deutsche Bundesbank, Frankfurt	1,710	201,727	1,710	138,058	− 0	− 0.0	63,669	46.1
Federal Reserve Bank, New York	1,236	145,831	1,236	99,804	–	–	46,027	46.1
Bank of England, London	404	47,657	405	32,717	− 1	− 0.3	14,940	45.7
Total	**3,350**	**395,215**	**3,352**	**270,579**	**- 1**	**- 0.0**	**124,635**	**46.1**

As at 31 December 2025, the Bundesbank's physical holdings (bars) of fine gold amounted to 3,350,285 kg, or 108 million fine ounces (ozf). These are supplemented by an additional 4 kg of gold receivables that were generated by the settlement of margins in the context of gold transactions. The gold was valued at the market price at the end of the year (1 kg = €117,964.50, or 1 ozf = €3,669.106). Compared with the previous year's price (1 kg = €80,732.74, or 1 ozf = €2,511.069), this represents an increase of 46.1 %. The gold holdings declined by 0.04 % (1,260 kg, or 0.04 million ozf) in the year under review. This was due to the sale of gold to the Federal Government at market prices for the purpose of minting gold coins. The resulting income of €112 million is shown in sub-item 2.1 "Realised gains/losses arising from financial operations" in the profit and loss account.

2 Claims on non-euro area residents denominated in foreign currency

This item comprises the receivables from the International Monetary Fund (IMF) as well as balances with banks and security investments, loans and other foreign currency claims on non-euro area residents.

2.1 Receivables from the IMF

Sub-item 2.1 contains the Bundesbank's receivables from the IMF, which arise from the Federal Republic of Germany's membership of the IMF. The receivables, which total 46,953 million special drawing rights (SDRs) (€54,729 million), are made up of the drawing rights within the reserve tranche and the holdings of special drawing rights.

Table 2: Receivables from the IMF

	31.12.2025		31.12.2024		Year-on-year change			
Item	SDR million	€ million	SDR million	€ million	SDR million	%	€ million	%
German quota	26,634	31,045	26,634	33,410	–	–	− 2,365	− 7.1
Less euro balances	19,599	22,844	20,044	25,143	− 446	− 2.2	− 2,299	− 9.1
Drawing rights within the reserve tranche	7,036	8,201	6,590	8,267	446	6.8	− 66	− 0.8
Special drawing rights	39,918	46,528	40,568	50,888	− 650	− 1.6	− 4,360	− 8.6
Total	**46,953**	**54,729**	**47,158**	**59,155**	**- 205**	**- 0.4**	**- 4,426**	**-7.5**

The German quota was paid partially in gold, foreign currency and special drawing rights and partially in national currency. The undrawn portion of the quota share paid up in national currency is held in the form of euro balances at the IMF's disposal.

The SDR 7,036 million (€8,201 million) in drawing rights in the reserve tranche represent the difference between the German quota (SDR 26,634 million, or €31,045 million) and the euro balances (€22,844 million, or SDR 19,599 million). The drawing rights in the reserve tranche allow Germany to obtain freely usable currencies from the IMF at any time.

Special drawing rights – by means of which freely usable currencies as per the IMF definition can be obtained at any time – fell by SDR 650 million (€4,360 million) to SDR 39,918 million (€46,528 million) in 2025. The holdings of special drawing rights also include special drawing rights which were allocated free of charge. A corresponding counterpart is shown as liability item 8 "Counterpart of special drawing rights allocated by the IMF".

If all items on the assets side and the liabilities side of the balance sheet are taken into account, the net holdings of special drawing rights amounted to SDR 9,406 million, compared with SDR 9,621 million in the previous year. Valuation is based on the reference rate of SDR 1 = €1.1656 (previous year: SDR 1 = €1.2544) calculated by the ECB at the end of the year for all central banks participating in the Eurosystem.

2.2 Balances with banks and security investments, external loans and other external assets

Balances with banks and security investments, loans and other foreign currency claims reported under sub-item 2.2 amounted to €31,851 million as at the end of the year, compared with €33,970 million in the previous year. These include, in particular, US dollar holdings in the amount of US$30,802 million (€26,215 million), representing an increase of US$1,630 million on the year. The sub-item also contains holdings in yen (¥202,492 million, equivalent to €1,100 million), Australian dollar (A$1,938 million, equivalent to €1,102 million), Canadian dollar (C$2,570 million, equivalent to €1,598 million), Chinese yuan (renminbi) (2,287 million yuan, equivalent to €278 million) and British pound sterling (£1,357 million, equivalent to €1,555 million), and a small amount of other currencies. The holdings are interest-bearing. The foreign currency holdings were valued at the respective end-of-year market rate.

Table 3: Balances with banks and security investments, external loans and other external assets

Item	31.12.2025 € million	31.12.2024 € million	Year-on-year change € million	 %
Current account balances and overnight deposits	1,117	960	157	16.3
Fixed-term deposits and deposits redeemable at notice	1,224	4,813	− 3,589	− 74.6
Reverse repos	340	–	340	.
Marketable securities				
Government bonds				
US dollar	19,261	19,430	− 169	− 0.9
Yen	769	672	97	14.4
Australian dollar	905	893	12	1.4
Canadian dollar	1,392	1,487	− 94	− 6.3
Chinese yuan (renminbi)	269	291	− 22	− 7.6
Pound sterling	1,143	1,136	7	0.6
Supranational, sovereign and agency (SSA) bonds	5,135	3,961	1,174	29.6
Subtotal	28,874	27,870	1,005	3.6
Other	295	328	− 33	− 9.9
Total	**31,851**	**33,970**	**-2,119**	**-6.2**

Table 4: Net foreign exchange position (balance of all reported asset and liability items) in selected currencies

Currency	31.12.2025 Million (currency)	 Market rate	31.12.2024 Million (currency)	 Market rate	Year-on-year change Million (currency)
US dollar	32,011	1.1750	29,352	1.0389	2,658
Yen	202,688	184.09	202,651	163.06	37
Australian dollar	1,948	1.7581	1,889	1.6772	59
Canadian dollar	2,588	1.6088	2,515	1.4948	73
Chinese yuan (renminbi)	2,308	8.2262	2,283	7.5833	26
Pound sterling	1,364	0.87260	1,297	0.82918	67

3 Claims on euro area residents denominated in foreign currency

This item primarily shows the claims on euro area credit institutions arising from reverse repos transacted in foreign currency, which total €851 million (previous year: no holdings).

4 Claims on non-euro area residents denominated in euro

This item contains the loans of €3,866 million granted to foreign central banks as part of the ECB's liquidity lines (previous year: no holdings). These bilateral swap and repo lines cover the euro liquidity needs of financial institutions in non-euro area countries via their central banks. Claims on non-euro area counterparties arising from bilateral repo transactions amounting to €109 million (previous year: €588 million) are also shown in this item. These claims result from reverse repos transacted simultaneously with repos, in which securities in the PSPP portfolio as well as PEPP public sector holdings are lent against federal securities on a cash-neutral basis; the transactions have a maximum term of seven days. The corresponding liabilities from the repos are shown under liability item 5 "Liabilities to non-euro area residents denominated in euro".

5 Lending to euro area credit institutions related to monetary policy operations denominated in euro

The volume and structure of the liquidity-providing monetary policy operations carried out by the Bundesbank as part of the Eurosystem (main and longer-term refinancing operations and the marginal lending facility) are shown in this item.

Table 5: Lending to euro area credit institutions related to monetary policy operations denominated in euro

	31.12.2025	31.12.2024	Year-on-year change	
Item	**€ million**	**€ million**	**€ million**	**%**
Main refinancing operations	5,256	2,009	3,247	161.6
Longer-term refinancing operations	3,187	3,500	– 313	– 8.9
Marginal lending facility	–	–	–	.
Total	**8,443**	**5,509**	**2,934**	**53.3**

As at the end of the reporting year, the outstanding volume of the Eurosystem's monetary policy operations amounted to €36,707 million (previous year: €34,221 million), of which the Bundesbank accounted for €8,443 million (previous year: €5,509 million). Pursuant to Article 32.4 of the Statute of the ESCB, risks from these operations, provided they materialise, are shared among the Eurosystem national central banks in proportion to the prevailing shares in the capital of the ECB. Losses arise only if the counterparty to a monetary policy operation defaults and the collateral it has provided proves insufficient upon realisation.

Main refinancing operations are regular weekly transactions with a standard one-week maturity, the purpose of which is to provide liquidity. In the reporting year, main refinancing operations were conducted as fixed rate tenders with full allotment. The year closed with main refinancing operations amounting to €5,256 million (previous year: €2,009 million). On a daily average, the outstanding volume of main refinancing operations came to €1,317 million (previous year: €878 million).

In the year under review, the longer-term refinancing operations with maturities of three months were carried out as fixed rate tenders with full allotment at the average main refinancing rate. As at 31 December 2025, take-up of these totalled €3,187 million (previous year: €3,500 million). On a daily average, the outstanding amount decreased from €26,887 million to €2,874 million due to the final four targeted longer-term refinancing operations from the third series reaching maturity in 2024.

The marginal lending facility is a standing facility which counterparties may use to obtain overnight liquidity at a pre-specified interest rate. As in the previous year, no recourse was made to this facility at the end of 2025. Average daily use came to €59 million (previous year: €17 million).

6 Other claims on euro area credit institutions denominated in euro

This item, amounting to €7,368 million (previous year: €8,926 million), consists, in particular, of fixed-term deposits held at credit institutions totalling €6,599 million (previous year: €5,204 million), which arise from funds received in connection with central bank services (see liability item 5 "Liabilities to non-euro area residents denominated in euro"). Claims on euro area credit institutions arising from bilateral repo transactions amounting to €769 million (previous year: €3,722 million) are also included in this item. These claims result from reverse repos transacted simultaneously with repos, in which securities in the PSPP portfolio as well as PEPP public sector holdings are lent against federal securities on a cash-neutral basis; the transactions have a maximum term of seven days. The corresponding liabilities from the repos are shown under liability item 3 "Other liabilities to euro area credit institutions denominated in euro".

7 Securities of euro area residents denominated in euro

This item contains the holdings of securities denominated in euro resulting from purchases made within the framework of the Eurosystem purchase programmes announced by the Governing Council of the ECB, which are shown under sub-item 7.1 "Securities held for monetary policy purposes". These holdings are carried at amortised cost, irrespective of whether the securities are held to maturity.

Table 6: Securities held for monetary policy purposes

	31.12.2025		31.12.2024		Year-on-year change			
	Balance sheet value	Market value	Balance sheet value	Market value	Balance sheet value		Market value	
Portfolio	€ million	€ million	€ million	€ million	€ million	%	€ million	%
APP								
CBPP3	55,238	51,799	64,884	60,603	− 9,646	− 14.9	− 8,804	− 14.5
PSPP	392,567	348,471	447,264	402,961	− 54,697	− 12.2	− 54,491	− 13.5
CSPP	53,758	50,299	63,718	59,320	− 9,960	− 15.6	− 9,021	− 15.2
Subtotal	501,564	450,568	575,867	522,884	− 74,303	− 12.9	− 72,316	− 13.8
PEPP								
PEPP covered bonds	1,088	989	1,251	1,131	− 163	− 13.0	− 142	− 12.5
PEPP public sector securities	278,748	245,279	325,141	292,071	− 46,393	− 14.3	− 46,792	− 16.0
PEPP corporate sector securities	7,970	7,531	8,659	8,126	− 689	− 8.0	− 595	− 7.3
Subtotal	287,807	253,800	335,052	301,328	− 47,245	− 14.1	− 47,529	− 15.8
Total	**789,371**	**704,368**	**910,918**	**824,213**	**- 121,548**	**- 13.3**	**- 119,845**	**- 14.5**

With reinvestments under the asset purchase programme (APP) having been discontinued as of July 2023 and reinvestments under the pandemic emergency purchase programme (PEPP) discontinued as of January 2025 as per the Governing Council's decisions of 15 June 2023 and 12 December 2024 respectively, the year under review saw holdings under the APP (with the individual sub-programmes CBPP3, PSPP and CSPP) and the PEPP decrease as assets reached maturity.

As at year-end, the Eurosystem national central banks' holdings under the securities markets programme (SMP) – of which the Bundesbank's portfolio is now empty, all securities having reached maturity – amounted to €521 million (previous year: €1,050 million), their CBPP3 holdings to €193,147 million (previous year: €232,571 million), their CSPP holdings to €248,543 million (previous year: €288,374 million) and their PSPP holdings of securities issued by supranational institutions (of which the Bundesbank itself did not acquire any holdings) to €197,845 million (previous year: €227,808 million). As at 31 December 2025, the Eurosystem national central banks' PEPP holdings amounted to €4,339 million in the covered bonds portfolio (previous year: €5,097 million), to €40,965 million in the corporate sector portfolio (previous year: €45,105 million) and to €148,959 million (previous year: €158,931 million) in the portfolio of securities issued by supranational institutions (of which the Bundesbank itself did not acquire any holdings). Consistent with Article 32.4 of the Statute of the ESCB, all risks from the SMP, CBPP3, CSPP and the above-mentioned PSPP and PEPP holdings, provided they materialise, are shared among the Eurosystem national central banks in proportion to the prevailing shares in the capital of the ECB, as is the case with the income received. Risks and income resulting from the government bonds purchased under the PSPP and PEPP (including regional government bonds and bonds issued by eligible agencies located in the euro area), on the other hand, are borne or are collected, respectively, by the individual national central banks holding these bonds. For its PSPP and PEPP public sector portfolio, the Bundesbank holds only bonds issued by German issuers.

The Governing Council of the ECB decided that there was no need to recognise any impairment losses on securities contained in the SMP, CBPP3, PSPP, CSPP and PEPP portfolios as at 31 December 2025, as it is expected that all payment obligations relating to the bonds and debt securities contained in Eurosystem central banks' holdings will continue to be met as agreed.

8 Claims on the Federal Government

This item shows the equalisation claims on the Federal Government and the non-interest-bearing debt register claim in respect of Berlin; both date back to the currency reform of 1948. They form the balance sheet counterpart of the amounts paid out at that time in cash per capita and per enterprise and of the initial provision of credit institutions and public corporations with central bank money. Equalisation claims yield interest at a rate of 1 % per annum. In conjunction with Article 123 of the Treaty on the Functioning of the European Union (the Lisbon Treaty), it has been stipulated that the equalisation claims and the debt register claim are to be redeemed in ten annual instalments, starting in 2024. The second redemption payment was made as at 31 December 2025; totalling €445 million, it brought the equalisation claims down to €3,550 million (previous year: €3,995 million).

9 Intra-Eurosystem claims

The Bundesbank's claims on the ECB and on the national central banks participating in the Eurosystem are consolidated in this item.

Sub-item 9.1 shows the Bundesbank's participating interest in the ECB. Pursuant to Article 28 of the Statute of the ESCB, the ESCB national central banks are the sole subscribers to the capital of the ECB. The Bundesbank's participating interest in the ECB amounted to a nominal €2,357 million as at 31 December 2025; including the Bundesbank's share of the ECB's net equity, effective from 1 January 2024, it came to €2,786 million.

Sub-item 9.2 contains the Bundesbank's euro-denominated claims equivalent to the transfer of foreign reserves to the ECB. At the beginning of 1999, the central banks participating in the Eurosystem transferred foreign reserve assets (15 % in gold and 85 % in foreign currency) to the ECB in accordance with Article 30 of the Statute of the ESCB. Adjustments to the key for subscription of the ECB's capital also result in adjustments to the Bundesbank's claims equivalent to the transfer of foreign reserves to the ECB. As at 31 December 2025, these claims amounted to €10,802 million, unchanged from the previous year. As the transferred gold does not earn any interest, the claims are remunerated at 85 % of the prevailing deposit facility rate.

The cross-border payments processed in TARGET result in the automatic and direct creation of a single liability to, or claim on, the ECB at the end of each business day. As at the end of the year, the Bundesbank's claim on the ECB was €22,836 million lower at €1,023,482 million, which is contained in sub-item 9.3 "Claims related to TARGET". This is remunerated at the respective deposit facility rate, with the exception of the unremunerated intra-Eurosystem liabilities resulting from the swap transactions between the ECB and the Bundesbank. On a daily average, the remunerated claim amounted to €1,068,571 million (previous year: €1,072,377 million).

Sub-item 9.4 "Net claims related to the allocation of euro banknotes within the Eurosystem" shows the claims which arise from applying the euro banknote allocation key. As in the previous year, the Bundesbank did not have a claim as at the end of the year but a liability, which is shown in liability sub-item 9.2 "Net liabilities related to the allocation of euro banknotes within the Eurosystem".

Sub-item 9.5 "Other claims within the Eurosystem (net)" would show a net claim arising from other assets and liabilities within the Eurosystem. As at the end of the year, the Bundesbank had a net liability, which is reported with notes on the liabilities side under sub-item 9.3 "Other liabilities within the Eurosystem (net)".

10 Items in course of settlement

This item contains the asset items arising from payments still being processed within the Bundesbank.

11 Other assets

The Bundesbank's holdings of euro coins are shown in sub-item 11.1 "Coins". New coins are received from the federal mints at their nominal value for the account of the Federal Government, which holds the coin prerogative.

Sub-item 11.2 "Tangible and intangible fixed assets" amounted to €709 million, compared with €759 million in the previous year. It comprises land and buildings, furniture and equipment including computer equipment, and software.

Table 7: Tangible and intangible assets

Item	Acquisition and production costs 31.12.2024	Additions	Dispos-als	Accumu-lated depreciation	Book value 31.12.2025	Book value 31.12.2024	Depreciation in 2025
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Land and buildings	2,193	12	− 13	− 1,729	464	488	− 24
Furniture and equip-ment includ-ing computer equipment	1,158	51	− 39	− 931	239	264	− 76
Software	183	3	− 4	− 176	6	7	− 4
Total	**3,534**	**66**	**- 56**	**- 2,835**	**709**	**759**	**- 103**

Sub-item 11.3 “Other financial assets” amounted to €6,066 million, compared with €6,084 million in the previous year. It contains the Bundesbank’s own funds portfolio as a counterpart to its capital, reserves and long-term provisions for civil servant pensions and healthcare assistance. The own funds portfolio is invested not in government securities but primarily in euro-denominated fixed rate covered bonds from Eurosystem countries, non-Eurosystem countries and supranational issuers, which are generally held to maturity and are, therefore, valued at amortised cost.

Table 8: Own funds portfolio

Euro-denominated covered bonds issued in/by	31.12.2025 Balance sheet value	31.12.2025 Market value	31.12.2024 Balance sheet value	31.12.2024 Market value	Year-on-year change Balance sheet value		Year-on-year change Market value	
	€ million	€ million	€ million	€ million	€ million	%	€ million	%
Germany	2,538	2,478	3,038	2,922	– 499	– 16.4	– 444	– 15.2
France	1,331	1,281	1,143	1,074	188	16.5	207	19.3
Finland	388	362	468	436	– 81	– 17.2	– 74	– 17.0
Belgium	332	324	331	317	1	0.2	7	2.2
Netherlands	314	298	280	258	33	11.9	40	15.4
Non-Eurosystem countries	550	546	–	–	550	.	546	.
Supranational issuers	250	248	–	–	250	.	248	.
Total	**5,702**	**5,536**	**5,260**	**5,007**	**442**	**8.4**	**529**	**10.6**

This sub-item also includes €51 million in participating interests held by the Bundesbank. The Bundesbank's participating interest in the Bank for International Settlements, Basel, was unchanged at €50 million as at the end of the year; it holds 50,100 shares, with 25 % of their par value being paid-in capital. As in the previous year, the participating interest in the cooperative society S.W.I.F.T., La Hulpe (Belgium), amounted to €1 million.

Claims on euro area counterparties other than credit institutions arising from bilateral repo transactions amounting to €313 million (previous year: €773 million) are also shown in this sub-item. These claims resulted from reverse repos transacted simultaneously with repos, in which securities in the PSPP portfolio as well as PEPP public sector holdings are lent against federal securities on a cash-neutral basis; the transactions have a maximum term of seven days. The corresponding liabilities from the repos are shown under liability sub-item 4.2 "Other liabilities".

Sub-item 11.5 "Accruals and prepaid expenses" contains accruals and prepaid expenses as at 31 December 2025. This chiefly consists of (accrued) interest income due in the new financial year from securities and from the TARGET claim on the ECB which were acquired or transacted in 2025.

Liabilities

1 Banknotes in circulation

The total value of euro banknotes issued by the central banks of the Eurosystem is distributed among these banks on the last business day of each month in accordance with the key for allocating euro banknotes (see "Notes on the annual accounts: general information"). According to the banknote allocation key applied as at 31 December 2025, the Bundesbank has a 24.5 % share of the value of all the euro banknotes in circulation. During the year under review, the total value of banknotes in circulation within the Eurosystem rose from €1,588.3 billion to €1,619.5 billion, or by 2.0 %. Taking into account the allocation key, the Bundesbank had euro banknotes in circulation worth €396,778 million as at the end of the year, compared with €389,136 million a year previously. The value of the euro banknotes actually issued by the Bundesbank increased in 2025 by 3.5 % from €956,327 million to €989,885 million. As this was more than the allocated amount, the difference of €593,107 million (previous year: €567,191 million) is shown in liability sub-item 9.2 "Net liabilities related to the allocation of euro banknotes within the Eurosystem".

2 Liabilities to euro area credit institutions related to monetary policy operations denominated in euro

Sub-item 2.1 "Current accounts" contains the deposits of credit institutions, amounting to €69,713 million (previous year: €76,527 million), which are also used to meet the minimum reserve requirement and to settle payments. The main criterion for including these deposits in this sub-item is that the relevant counterparties appear in the list of institutions which are subject to the Eurosystem's minimum reserve regulations. The balances held to fulfil the minimum reserve requirement, which have not been remunerated since September 2023, amounted to €45,843 million on an annual average. On a daily average, the current account deposits increased from €46,433 million in 2024 to €47,638 million in 2025.

Sub-item 2.2 "Deposit facility", amounting to €753,917 million (previous year: €883,694 million), contains overnight deposits remunerated at the deposit facility rate. On a daily average, the deposit facility amounted to €921,557 million, compared with €1,079,217 million in 2024.

3 Other liabilities to euro area credit institutions denominated in euro

This item mainly contains liabilities to euro area credit institutions arising from bilateral repo transactions. In these transactions, securities in the PSPP portfolio as well as PEPP public sector holdings are lent against cash as collateral, or in the case of simultaneous reverse repos, against federal securities on a cash-neutral basis; the transactions have a maximum term of seven days. As at the end of the year, securities lending against cash as collateral gave rise to liabilities in the amount of €372 million (previous year: €4,544 million), and securities lending against federal securities resulted in liabilities of €769 million (previous year: €3,722 million); the corresponding claims are reported in asset item 6 “Other claims on euro area credit institutions denominated in euro”. In addition, this item contains liabilities in the amount of €482 million (previous year: €452 million) arising from account balances pledged for deposit protection pursuant to the Deposit Guarantee Act (*Einlagensicherungsgesetz*) in conjunction with the Regulation on the Financing of the Compensation Scheme (*Entschädigungseinrichtungs-Finanzierungsverordnung*) as well as account balances of credit institutions in the amount of €1,703 million (previous year: €118 million) which are exempt from minimum reserve requirements due to the imposition of freezing orders.

4 Liabilities to other euro area residents denominated in euro

Sub-item 4.1 “General government deposits” encompasses the balances of the Federal Government, its special funds, the state governments, the European Stability Mechanism (ESM), the European Financial Stability Facility (EFSF) and other public depositors (social security funds and local governments). On 31 December 2025, general government deposits amounted to €10,233 million in total (previous year: €20,348 million). On a daily average, the volume amounted to €11,320 million (previous year: €13,847 million).

Sub-item 4.2 “Other liabilities” amounted to €40,923 million, compared with €13,897 million a year earlier. It mainly comprises deposits of other financial service providers. In addition, as at 31 December 2025, this sub-item includes liabilities to euro area counterparties other than credit institutions arising from bilateral repo transactions centrally cleared via Eurex. In these repo transactions, securities in the PSPP portfolio as well as PEPP public sector holdings are lent against cash as collateral, or in the case of simultaneous reverse repos, against federal securities on a cash-neutral basis; the transactions have a maximum term of seven days. As at the end of the year, securities lending against cash as collateral gave rise to liabilities in the amount of €166 million (previous year: no liabilities), and securities lending against Federal securities resulted in liabilities of €313 million (previous year: €773 million); the corresponding claims are reported in asset sub-item 11.3 “Other financial assets”. On a daily average, the sub-item amounted to €13,852 million (previous year: €12,520 million).

5 Liabilities to non-euro area residents denominated in euro

This balance sheet item, amounting to €55,978 million (previous year: €90,748 million), contains the balances of non-euro area central banks, monetary authorities, international organisations and commercial banks held, inter alia, to settle payments. On a daily average, the volume amounted to €45,139 million (previous year: €54,196 million). As at 31 December 2025, deposits of €32,998 million were attributable to non-euro area central banks and monetary authorities, of which €5,192 million was attributable to central banks within the European Union. This item also includes fixed-term deposits of central banks accepted as part of the Bundesbank’s central bank services amounting to €6,599 million (previous year: €5,204 million), which are then invested in the money market (see asset item 6 “Other claims on euro area credit institutions denominated in euro”). Liabilities to non-euro area commercial banks arising from bilateral repo transactions are also recorded in this item. In these repo transactions, securities in the PSPP portfolio as well as PEPP public sector holdings are lent against cash as collateral, or in the case of simultaneous reverse repos, against federal securities on a cash-neutral basis; the transactions have a maximum term of seven days. As at the end of the year, securities lending against cash as collateral gave rise to liabilities in the amount of €4 million (previous year: €2,312 million), and securities lending against federal securities resulted in liabilities of €109 million (previous year: €588 million); the corresponding claims are reported in asset item 4 “Claims on non-euro area residents denominated in euro”.

6 Liabilities to euro area residents denominated in foreign currency

This item contains, in particular, deposits on foreign currency accounts of the Federal Government.

8 Counterpart of special drawing rights allocated by the IMF

The counterpart of the special drawing rights (SDRs) allocated by the IMF free of charge corresponds to the allocations of SDRs to the Federal Republic of Germany from 1970 to 1972, from 1979 to 1981, in 2009 and in 2021, which together totalled SDR 37,587 million (see asset sub-item 2.1 "Receivables from the IMF").

9 Intra-Eurosystem liabilities

The Bundesbank's liabilities to the ECB and to the other central banks participating in the Eurosystem are consolidated in this item.

Sub-item 9.1 contains "Liabilities related to TARGET". As at the end of the year, the Bundesbank had a claim on the ECB arising from cross-border payments made via TARGET, which is shown on the assets side in sub-item 9.3 "Claims related to TARGET" and outlined there.

Sub-item 9.2 "Net liabilities related to the allocation of euro banknotes within the Eurosystem" contains the liabilities arising from the application of the euro banknote allocation key (see liability item 1 "Banknotes in circulation"). As at the end of the year, these liabilities amounted to €593,107 million in total (previous year: €567,191 million). The 8 % share of the total value of euro banknotes in circulation attributable to the ECB (€129,563 million) resulted in a liability of €34,503 million for the Bundesbank (according to its capital share of 26.6301 %). In addition, the allocation of the remaining 92 % of euro banknotes in circulation to the balance sheets of the national central banks resulted in a liability of €558,604 million for the Bundesbank. The reason for the size of this liability was the Bundesbank's still disproportionately high share of banknote issuance (61.1 %), which is, in particular, attributable to the relatively high level of domestic demand for banknotes from non-banks.

The net liabilities arising from other assets and liabilities within the Eurosystem is shown in sub-item 9.3 “Other liabilities within the Eurosystem (net)”. As at the end of the year, the Bundesbank had a net liability of €1,701 million (previous year: €5,445 million) arising, in particular, from the pooling of monetary income among the national central banks (see profit and loss item 3 “Net result of pooling monetary income”).

10 Items in course of settlement

This item contains the liability items arising from payments still being processed within the Bundesbank.

11 Other liabilities

Sub-item 11.2 “Accruals and income collected in advance” contains the accrued and collected income as at 31 December 2025. This consists mainly of (accrued) interest expenses which are due in the new financial year but were incurred in the previous financial year and which arose in connection with the allocation of banknotes within the Eurosystem.

Sub-item 11.3 “Sundry” comprises the liabilities arising from Deutsche Mark banknotes still in circulation. Deutsche Mark banknotes are no longer legal tender. However, the Bundesbank has publicly undertaken to redeem Deutsche Mark banknotes that are still in circulation for an indefinite period. The Deutsche Mark banknotes still in circulation belong to the series BBk I/Ia and BBk III/IIIa and as at the end of 2025 totalled €2,867 million. The banknote series BBk I/Ia accounted for €1,166 million of this total and the banknote series BBk III/IIIa for €1,700 million. Taking into account the partial derecognitions in 2004 and 2021 and the deposits that have been made in the meantime, the liabilities arising from Deutsche Mark banknotes still in circulation (now only from the banknote series BBk III/IIIa) amounted to €404 million (previous year: €417 million) as at the reporting date. Deposits of Deutsche Mark banknotes in 2025 totalled €18 million, of which €13 million consisted of the BBk III/IIIa series banknotes and €4 million of the BBk I/Ia series banknotes (see profit and loss item 11 “Other expenses”).

12 Provisions

Sub-item 12.1 “Risk provision” would show the risk provision pursuant to Section 26(2) of the Bundesbank Act.

Sub-item 12.2 “Other provisions” contains the provisions for monetary policy operations pursuant to the Eurosystem’s accounting principles and provisions pursuant to regulations set forth in the Commercial Code.

Table 9: Provisions

Provisions	31.12.2025 € million	31.12.2024 € million	Year-on-year change € million	 %
Risk provision	–	–	–	.
Other provisions				
Monetary policy operations	–	–	–	.
Direct pension commitments	8,988	8,461	527	6.2
Indirect pension commitments (supplementary pension funds for public sector employees)	718	733	− 14	− 1.9
Healthcare subsidy commitments to civil servants	2,385	2,379	6	0.3
Partial retirement scheme	4	9	− 5	− 58.3
Staff restructuring schemes	6	10	− 4	− 35.3
Other	99	103	− 5	− 4.5
Subtotal	12,200	11,695	505	4.3
Total	**12,200**	**11,695**	**505**	**4.3**

Provisions for post-employment benefit obligations (direct pension commitments and indirect pension commitments as a result of the Bundesbank's obligation to act as guarantor for pension payments out of the supplementary pension funds for public sector employees) as well as for healthcare subsidy commitments to civil servants are valued on the basis of actuarial expert opinions prepared using current mortality tables (Heubeck 2018 G mortality tables) according to the entry age normal method (*Teilwertverfahren*) (for current staff) and the present value method (*Barwertverfahren*) (for pensioners and ex-civil servants with portable pension entitlements), taking into account discount rates and trends. The discount rate used for post-employment benefit obligations is, in each case, a matched-maturity average market interest rate for the past ten years or, for healthcare subsidy commitments to civil servants, for the past seven years pursuant to the Regulation on the Discounting of Provisions (*Rückstellungsabzinsungsverordnung*).

Table 10: Discount rates and trends

Parameter	31.12.2025 %	31.12.2024 %
Discount rate for		
post-employment benefit obligations	1.91	1.78
comparable long-term staff obligations (healthcare subsidy commitments to civil servants)	1.93	1.74
short-term staff obligations (partial retirement scheme and staff restructuring schemes)	1.88	1.51
Wage trend	2.75	2.50
Career trend	0.50	0.50
Cost trend for healthcare subsidy commitments to civil servants	3.75	3.75
Pension trend for direct pension commitments	2.75	2.50
Pension trend for supplementary pension funds for public sector employees	1.00	1.00

Pursuant to Section 253(6) of the Commercial Code, the amount saved by applying the ten-year rather than the seven-year period for calculating the average market interest rate for post-employment benefit obligations is subject to a restriction on distribution. In 2024, the ten-year rate (1.78 %) was higher than the seven-year interest rate (1.74 %), resulting in an interest margin of 4 basis points and a saving of €63 million. Owing to the loss for 2024, the reserve including the calculated saving was released in full in 2024. Following a reversal in interest rate developments, rules on the restriction on distribution will become meaningless. However, the difference must still be reported (Section 253(6) of the Commercial Code). In 2025, the ten-year rate is below the seven-year rate, which corresponds to a negative interest margin of 2 basis points (1.91 % compared with 1.93 %) and a negative difference of €33 million (see “Notes on the annual accounts: general information”, liability item 14 “Capital and reserves” and profit and loss item 13 “Allocation to/withdrawal from reserves”).

Provisions for the partial retirement scheme and for payment commitments arising from staff restructuring schemes that had already been carried out as at the reporting date are valued based on actuarial expert opinions prepared using current mortality tables according to the present value method, or according to the entry age normal method in the case of the outstanding settlement amount for the partial retirement scheme, taking into account discount rates and trends. The discount rate is based on a matched-maturity average market interest rate for the past seven years pursuant to the Regulation on the Discounting of Provisions.

The other provisions are created for remaining holiday entitlement, overtime worked and positive balances of flexible working hours and long-term working hours accounts as well as for other uncertain liabilities.

Net income in the amount of €89 million from marking up the provisions (including the effects of the change in the discount rates) is contained in profit and loss sub-item 1.1 “Interest income”. Profit and loss item 7 “Staff costs” shows a net allocation of €643 million, with a total allocated amount of €975 million standing against a total utilisation of €332 million. Other changes in provisioning gave rise, on balance, to relief of €5 million in profit and loss item 11 “Other expenses” and to relief of €6 million in profit and loss item 8 “Administrative expenses”. The reversal of provisions resulted in income of €38 million in profit and loss item 6 “Other income”.

13 Revaluation accounts

This item contains the disclosed hidden reserves from the initial valuation at the time of the changeover to market valuation as at 1 January 1999 (revaluation items “old”) and the unrealised gains arising from market valuation as at 31 December 2025 (revaluation items “new”).

Table 11: Revaluation accounts

Item	31.12.2025 € million	31.12.2024 € million	Year-on-year change € million	 %
Gold	387,295	262,657	124,638	47.5
of which: Revaluation items “old”	*18,617*	*18,624*	*− 7*	*− 0.0*
Foreign currency				
US dollar	397	4,064	− 3,667	− 90.2
SDR	–	433	− 433	− 100.0
Yen	–	–	–	.
Australian dollar	–	–	–	.
Canadian dollar	–	52	− 52	− 100.0
Chinese yuan (renminbi)	–	14	− 14	− 100.0
Pound sterling	–	10	− 10	− 100.0
Subtotal	397	4,573	− 4,176	− 91.3
Securities in foreign currency	139	55	84	151.6
Total	**387,831**	**267,285**	**120,546**	**45.1**

Revaluation items “old”

A revaluation item “old” now remains only for gold. This item represents the difference between the market value of gold as at 1 January 1999 and the lower book value of gold prior to that date. On the balance sheet as at 31 December 1998, the book value for gold was 1 ozf = DEM 143.8065 (€73.5271), while the market value as at 1 January 1999 was 1 ozf = €246.368. Although the valuation gains arising from the initial valuation of the gold holdings are not eligible for distribution, they will be released under certain circumstances. Besides being released in the case of devaluations, a proportionate release will also take place in the event of net reductions if the end-of-year gold holdings are below their lowest end-of-year level since 1999.

The reduction of 1,260 kg, or 0.04 million ozf, in the gold holdings resulted in the release of €7 million in the year under review. This amount is included in profit and loss sub-item 2.1 “Realised gains/losses arising from financial operations”.

Revaluation items “new”

The revaluation items “new” show, for the gold holdings, the net positions in each foreign currency and the securities portfolios in each category of security (securities identification number), the positive difference in each case between the market value on 31 December 2025 and their value at average amortised cost since 1 January 1999.

As regards gold, this acquisition cost is 1 ozf = €246.369. As at the end of the year, the market value of the gold position exceeded its acquisition value, leading to a revaluation item of €368,678 million (previous year: €244,032 million). In the case of the net foreign exchange position in US dollars, the market value as at 31 December 2025 was also above its acquisition value (€1 = US$1.1925), resulting in a revaluation item. The market values of net foreign exchange positions in SDRs, Japanese yen, Canadian dollars, Chinese yuan (renminbi), British pound sterling and Australian dollars were below their acquisition values at the end of the year (€1 = SDR 1.2056, €1= ¥162.30, €1 = C$1.5444, €1 = 7.9676 yuan, €1 = £0.83597 and €1 = A$1.6804), resulting in valuation losses (see profit and loss sub-item 2.2 “Write-downs on financial assets and positions”).

The valuation gains on foreign currency-denominated securities shown on the balance sheet result predominantly from US Treasury notes (€101 million). However, for some securities, the relevant acquisition values were higher than their corresponding market values on the reporting date, resulting in overall valuation losses of €37 million (see profit and loss sub-item 2.2 “Write-downs on financial assets and positions”). In principle, securities denominated in euro are carried at amortised cost. Market to market would result in valuation losses of €88,824 million (previous year: €87,999 million), mostly from government bonds held for monetary policy purposes (PEPP public sector securities and PSPP) and valuation gains of €3,655 million (previous year: €1,041 million).

14 Capital and reserves

In accordance with Section 2 of the Bundesbank Act, the Bank’s capital, amounting to €2.5 billion, is owned by the Federal Republic of Germany. The statutory reserves pursuant to Section 27(1) of the Bundesbank Act and the reserves owing to the restriction on distribution pursuant to Section 253(6) of the Commercial Code (see "Notes on the annual accounts: general information" and profit and loss item 13 "Allocation to/withdrawal from reserves") were used in the previous year to offset pro rata the loss for the year and released in full.

Table 12: Net equity

Item		31.12.2025 € million	31.12.2024 € million	Year-on-year change € million
Liabilities 14.1	**Capital**	2,500	2,500	–
Liabilities 14.2	**Reserves**			
	Statutory reserves pursuant to Section 27 (1) of the Bundesbank Act	–	–	–
	Reserves pursuant to Section 253(6) of the Commercial Code	–	–	–
Liabilities 12.1	**Risk provision**	–	–	–
Liabilities 13	**Revaluation accounts**	387,831	267,285	120,546
Liabilities 15	**Accumulated loss**	– 27,787	– 19,153	– 8,633
Total		**362,544**	**250,632**	**111,913**

The Bundesbank's net equity according to the ECB's definition amounted to €362.5 billion and comprised capital (liability sub-item 14.1), the revaluation accounts (liability item 13) and the accumulated loss (liability item 15) in the annual accounts for 2025. Compared with the previous year, this represents a net increase of €111.9 billion as at the end of 2025, despite the accumulated loss.

15 Accumulated loss

The profit and loss account for 2025 closed with a loss for the year of €8,633 million (previous year: loss of €19,814 million). After the release of reserves in the amount of €661 million in the previous year, a remaining accumulated loss of €19,153 million was carried forward to 2025 (see profit and loss item 14 "Accumulated losses carried forward"). Combined with the accumulated losses carried forward from 2024, an accumulated loss of €27,787 million will be brought forward to 2026.

Notes on the profit and loss account

1 Net interest income

This item shows interest income, net of interest expense. Net interest income was again negative, at − €4,167 million, but has improved on the prior-year figure of − €13,059 million, going up by €8,892 million. Net interest income in foreign currency was down slightly by €264 million to €1,671 million, and net interest income in euro recovered, going up by €9,156 million to − €5,838 million. In past years, the monetary policy asset purchases have given rise to longer-term fixed interest positions generating a low level of remuneration. The counterparts to these on the liabilities side of the balance sheet (after deducting non-interest-bearing banknotes in circulation and non-interest-bearing minimum reserves) are short-term interest-bearing deposits of banks. Due to the mismatch in maturities, these interest-bearing balance sheet items have resulted in an open euro interest rate position. In the reporting year, securities held for monetary policy purposes stood at an annual average of €839 billion, banknotes in circulation came to €389 billion, minimum reserves came to €48 billion, and the open euro interest rate position resulting from the holdings of monetary policy securities (the net residual from these figures) amounted to €403 billion. Monetary policy securities were remunerated at an average rate of 0.58 % in the reporting year (previous year: 0.54 %), while credit institutions' monetary policy deposits gave rise to an average interest expense of 2.31 % (previous year: 3.81 %). The negative interest margin of 1.73 % (previous year: 3.28 %) caused the interest rate risk from the open interest rate position to materialise. The net interest expense resulting from the open interest rate position decreased by around 60 %, or €10.3 billion, to €7.0 billion (previous year: €17.3 billion). This was because maturing securities held for monetary policy purposes resulted in a declining open interest rate position, but in particular because of the lower interest expense for credit institutions' deposits. All the euro holdings not included in this open interest rate position generated overall net interest income of €1.1 billion, compared with €2.3 billion in the previous year.

Table 13: Net interest income

Item	2025 € million	2024 € million	Year-on-year change € million	 %
Interest income in foreign currency				
IMF	1,647	2,220	− 573	− 25.8
Reverse repo transactions	211	216	− 5	− 2.1
Securities	1,104	1,198	− 94	− 7.8
Other	45	97	− 52	− 53.6
Subtotal	3,007	3,731	− 724	− 19.4
Interest income in euro				
Refinancing operations	103	1,130	− 1,026	− 90.8
Reverse repo transactions	21	125	− 104	− 83.4
Monetary policy portfolios	4,891	5,126	− 235	− 4.6
of which: inflation-linked federal bonds	277	209	68	32.7
Claims arising from central bank services	166	322	− 156	− 48.5
Claims equivalent to the transfer of foreign reserves to the ECB	210	386	− 175	− 45.5
TARGET claim on the ECB	24,496	45,056	− 20,561	− 45.6
Own funds portfolio (financial assets)	38	34	4	12.4
Marking up of staff provisions	89	–	89	.
Other	49	50	− 1	− 1.7
Subtotal	30,063	52,228	− 22,165	− 42.4
Total interest income	**33,070**	**55,959**	**- 22,888**	**- 40.9**
Interest expense in foreign currency				
IMF	1,330	1,779	− 448	− 25.2
Repo transactions	6	18	− 12	− 65.1
Other	0	0	0	54.4
Subtotal	1,337	1,797	− 460	− 25.6
Interest expense in euro				
Deposits of credit institutions	21,306	41,147	− 19,842	− 48.2
Euro balances of domestic and foreign depositors	1,374	2,745	− 1,371	− 50.0
Liabilities arising from the allocation of euro banknotes	13,158	22,934	− 9,777	− 42.6
Marking up of staff provisions	–	147	− 147	.
Repo transactions	50	228	− 178	− 78.0
Other	14	21	− 6	− 30.7
Subtotal	35,901	67,221	− 31,320	− 46,6
Total interest expense	**37,238**	**69,018**	**- 31,780**	**- 46.0**
Net interest income	**- 4,167**	**- 13,059**	**8,892**	**68.1**

1.1 Interest income

Interest income in foreign currency fell from €3,731 million in the previous year to €3,007 million in 2025. Interest income in euro also declined on the year by €22,165 million to €30,063 million. Interest income from the remuneration of the TARGET claim on the ECB decreased by €20,561 million to €24,496 million, in particular due to the key interest rate cuts and the application of the deposit facility rate since January 2025 (previously: main refinancing rate; see "Notes on the annual accounts: general information"). In addition, interest income from refinancing operations fell from €1,130 million in the previous year to €103 million due to the third series of targeted longer-term refinancing operations (TLTRO III) maturing in 2024.

Table 14: Interest income from monetary policy portfolios

Portfolio	2025 € million	2024 € million	Year-on-year change € million	 %
APP				
CBPP3	486	520	− 34	− 6.5
PSPP	2,058	2,082	− 24	− 1.2
CSPP	652	749	− 97	− 12.9
Subtotal	3,196	3,351	− 155	− 4.6
PEPP				
PEPP covered bonds	4	3	1	20.1
PEPP public sector securities	1,571	1,655	− 84	− 5.1
PEPP corporate sector securities	119	116	3	2.7
Subtotal	1,694	1,775	− 80	− 4.5
Total	**4,891**	**5,126**	**-235**	**-4.6**

The monetary policy portfolios generated interest income of €4,891 million, compared with €5,126 million in the previous year. Income from the APP portfolios (CBPP3, PSPP and CSPP portfolios) declined by €155 million to €3,196 million due to maturing securities. Interest income from the PEPP portfolios likewise decreased due to maturing securities, dropping from €1,775 million in the previous year to €1,694 million.

Income from the Bundesbank’s own funds portfolio rose by €4 million, particularly on account of increased holdings. The reverse repos transacted simultaneously with the bilateral repo transactions (see asset item 4 “Claims on non-euro area residents denominated in euro”, asset item 6 “Other claims on euro area credit institutions denominated in euro” and asset sub-item 11.3 “Other financial assets”) resulted in interest income of €21 million (previous year: €125 million).

The marking up of staff provisions (see liability sub-item 12.2 “Other provisions”) gave rise to interest income of €89 million (previous year: interest expense of €147 million) owing, in particular, to the increase in the discount rate for post-employment benefit obligations.

1.2 Interest expense

There was a year-on-year decrease of €31,780 million to €37,238 million in interest expense. Owing to the key interest rate cuts starting in June 2024 and because holdings declined by an annual average of 14.6 %, the remunerated deposits of credit institutions generated a lower interest expense of €21,306 million in the reporting year, compared with €41,147 million in the previous year. Since January 2025, intra-Eurosystem balances arising from the allocation of euro banknotes have been remunerated at the deposit facility rate (previously: main refinancing rate; see “Notes on the annual accounts: general information”). As a result, and because of the key interest rate cuts, this remuneration decreased from €22,934 million in the previous year to €13,158 million. Expenses arising from the euro balances of domestic and foreign depositors declined from €2,745 million in the previous year to €1,374 million owing to a decrease in holdings on average over the year (11.2 %) and lower average remuneration. Repo transactions (see liability item 3 “Other liabilities to euro area credit institutions denominated in euro”, liability sub-item 4.2 “Other liabilities” and liability item 5 “Liabilities to non-euro area residents denominated in euro”) resulted in an interest expense of €50 million (previous year: €228 million).

2 Net result of financial operations and write-downs

This item contains realised gains and losses from financial operations (profit and loss sub-item 2.1) and write-downs of valuation losses (profit and loss sub-item 2.2). The net result of financial operations and write-downs decreased by €1,086 million on the year and is now negative at −€226 million.

2.1 Realised gains/losses arising from financial operations

Realised gains and losses arise when the selling price is above or below the average acquisition cost. Exchange rate gains fell by €867 million to €180 million, mainly from US dollar transactions. Combined with the increasing gold price gains owing to the reduction in gold holdings (see asset item 1 "Gold and gold receivables" and liability item 13 "Revaluation accounts") and the increasing securities price gains from sales of securities (chiefly US Treasury notes), total realised gains amounted to €530 million.

Table 15: Realised gains/losses arising from financial operations

	2025	2024	Year-on-year change	
Item	**€ million**	**€ million**	**€ million**	**%**
Gold price gains	**112**	**66**	**46**	**70.0**
Exchange rate gains (net)	180	1,047	– 867	– 82.8
Securities price gains (net)	239	72	167	233.8
Total	**530**	**1,184**	**- 654**	**- 55.2**

2.2 Write-downs on financial assets and positions

Write-downs are recognised after end-of-year revaluation if the market value is below the average acquisition cost. Based on market values, total write-downs of €756 million were reported. In the case of foreign currency, unrealised exchange rate losses were €633 million higher than in the previous year, primarily in SDRs and yen.

Table 16: Write-downs on financial assets and positions

	2025	2024	Year-on-year change	
Item	**€ million**	**€ million**	**€ million**	**%**
Unrealised exchange rate losses	719	87	633	730,9
Unrealised securities price losses	37	237	– 200	– 84,4
Total	**756**	**324**	**433**	**133,6**

3 Net result of pooling monetary income

An expense of €1,669 million was reported for this item in 2025 (previous year: €5,434 million). In the previous year, this item comprised income of €11 million arising from risk provisioning for Eurosystem monetary policy operations and an expense of €5,445 million from the pooling of monetary income. The year-on-year decrease in the redistribution expense is attributable mainly to the key interest rate cuts made since June 2024 and the change in the reference interest rate for monetary income since January 2025 from the main refinancing rate to the deposit facility rate (see “Notes on the annual accounts: general information”).

Monetary income of the Eurosystem national central banks is pooled in accordance with a decision taken by the Governing Council of the ECB.[5] Since 2003, the amount of monetary income allocated to each national central bank has been measured on the basis of the actual income that derives from the earmarked assets that each holds as a counterpart to its liability base. All interest paid on the liability base decreases the amount of monetary income to be transferred by the national central bank concerned.

The liability base contains, in particular, the following items: liability item 1 “Banknotes in circulation”, liability item 2 “Liabilities to euro area credit institutions related to monetary policy operations denominated in euro”, liability sub-item 9.1 “Liabilities related to TARGET”, and liability sub-item 9.2 “Net liabilities related to the allocation of euro banknotes within the Eurosystem”. In 2025 the amount of the interest expense arising from these items resulted in a deduction amount of €34.5 billion for the Bundesbank.

5 Decision of the European Central Bank of 3 November 2016 on the allocation of monetary income of the national central banks of Member States whose currency is the euro (ECB/2016/36), as last amended by the Decision of the European Central Bank of 14 November 2024 (ECB/2024/33).

A national central bank’s earmarked assets consist mainly of the following items: asset item 5 “Lending to euro area credit institutions related to monetary policy operations denominated in euro”, asset sub-item 7.1 “Securities held for monetary policy purposes”, asset sub-item 9.2 “Claims equivalent to the transfer of foreign reserves to the ECB”, asset sub-item 9.3 “Claims related to TARGET”, asset sub-item 9.4 “Net claims related to the allocation of euro banknotes within the Eurosystem”, and a limited amount of the national central banks’ gold holdings corresponding to their share in the fully paid-up capital of the ECB. As a rule, monetary income is determined by measuring actual income. As an exception to the above, it is assumed that no income is generated from the gold and that the government bonds purchased under the PSPP and PEPP (including regional government bonds and bonds issued by eligible agencies located in the euro area) generate income at the applicable reference rate for monetary income, as the ECB Governing Council has ruled out the possibility of pooling the risk and returns arising from these instruments among the national central banks. The Bundesbank’s arithmetical interest income was €42.5 billion in total for 2025.

In addition, the difference between the value of a national central bank’s earmarked assets and that of its liability base is remunerated on a daily basis at the applicable reference rate for monetary income. As the value of the Bundesbank’s earmarked assets in the reporting year was, on average, lower than that of its liability base, this resulted in income of €237 million. In the previous year, the value of the Bundesbank’s earmarked assets exceeded that of its liability base, giving rise to an additional deduction item.

At the end of each financial year, the total monetary income transferred by all national central banks is allocated to the national central banks in proportion to their respective shares in the fully paid-up capital of the ECB.

The monetary income of the national central banks is initially reflected in profit and loss item 1 “Net interest income”, while any unequal allocation among national central banks is balanced out via profit and loss item 3 “Net result of pooling monetary income”. Redistribution effects among national central banks can arise under two conditions in practice. First, earmarked assets or liabilities as part of the liability base must have an interest rate that is different from the reference rate for monetary income (such as, for instance, the remuneration of monetary policy portfolios, provided the Governing Council of the ECB has not ruled out the possibility of pooling the risk and returns arising from these securities among the national central banks). Second, the pro rata share of these earmarked assets or liabilities on the balance sheet of the respective national central bank must be higher or lower than its share in the ECB’s capital.

The PSPP/PEPP holdings of bonds from supranational issuers purchased by other national central banks (annual average of €368.4 billion), of which the Bundesbank has not purchased any holdings itself, generated only low interest income (average for the year of around 0.62 %). The lower income for the purchasing national central banks as a result of the difference from the reference rate for monetary income (the negative interest margin comes to around − 160 basis points on average for the year) is balanced out among the national central banks via the common pool of monetary income. Based on its capital share of 26.6 %, the expense for the Bundesbank came to around €1.6 billion. Compared with the previous year, the redistribution expense from these securities fell significantly as a result of the smaller negative interest margin.

The pooling of monetary income resulted in a net expense of €1,669 million for the Bundesbank (previous year: €5,445 million). This balance represents the difference between the €8,242 million (previous year: €17,421 million) in monetary income paid by the Bundesbank into the common pool and the Bundesbank’s claim of €6,573 million (previous year: €11,976 million) – corresponding to the Bundesbank’s share of the ECB’s paid-up capital – on the common pool.

4 Net income from fees and commissions

Net income from fees and commissions came to €57 million, compared with €60 million in the previous year.

Table 17: Net income from fees and commissions

Item	2025 € million	2024 € million	Year-on-year change € million	 %
Cashless payments	31	20	11	56.1
Cash payments	5	5	− 0	− 2.0
Securities business and security deposit business	3	15	− 13	− 83.3
Other	18	20	− 1	− 6.4
Total	**57**	**60**	**-3**	**-5.0**

5 Income from participating interests

This item contains the Bundesbank's income from its participating interests in the ECB, the BIS and S.W.I.F.T. The income of €22 million (previous year: €23 million) came from BIS dividends, as in the previous year.

6 Other income

Other income amounted to €164 million, compared with €187 million in the previous year. An amount of €69 million (previous year: €90 million) was attributable to the contributions of the Eurosystem national central banks to the costs of developing and running Eurosystem services, €38 million (previous year: €38 million) to the reversal of provisions (see liability sub-item 12.2 "Other provisions"), and €24 million (previous year: €23 million) to rental income.

7 Staff costs

This item contains the salaries and wages paid out under the pay regulations for salaried staff and civil servants, social security contributions, and expenditure on post-employment benefits including transfers to staff provisions (with the exception of the interest share; see profit and loss sub-item 1.1 "Interest income"). Staff costs rose from €1,477 million to €1,798 million year on year. This was due, in particular, to higher transfers to staff provisions owing to the general pay rise for salaried staff and civil servants applicable from April 2025. Excluding transfers to staff provisions, staff costs rose by 4.9 %. This was likewise attributable to the general pay rise for salaried staff and civil servants.

Table 18: Staff costs

Item	2025 € million	2024 € million	Year-on-year change € million	 %
Salaries and wages	769	762	7	1.0
Social security contributions	106	99	7	7.2
Expenditure on post-employment benefits	923	616	307	49.9
Total	**1,798**	**1,477**	**322**	**21.8**

The remuneration received by each member of the Executive Board is published in the Annual Report in accordance with item 9 of the "Code of Conduct for the members of the Executive Board of the Deutsche Bundesbank". For 2025, the President of the Bundesbank received a pensionable salary of €440,434.68, special non-pensionable remuneration of €76,693.78 and a standard expenses allowance of €5,112.96, amounting to a total of €522,241.42. The First Deputy Governor received a pensionable salary of €346,587.72, special non-pensionable remuneration of €61,355.03 and a standard expenses allowance of €3,067.80, amounting to a total of €411,010.55 for 2025. The four other members of the Executive Board each received a pensionable salary of €264,260.88, special non-pensionable remuneration of €46,016.27 and, in the case of one member of the Executive Board, a standard expenses allowance of €2,556.48, amounting to a total of €310,277.15 or €312,833.63, respectively, for the year 2025.

Total remuneration payments to serving and former members of the Executive Board, former members of the Bundesbank's Directorate and of the Executive Boards of the Land Central Banks, including their surviving dependants, amounted to €11,135,847.87 in 2025.

8 Administrative expenses

Administrative expenses increased from €747 million in the previous year to €802 million. This item shows not only general operating expenditure but also, in particular, expenditure of €351 million on computer hardware and software (previous year: €329 million) and of €160 million on office buildings (previous year: €159 million) as well as expenditure of €83 million on Eurosystem services (previous year: €62 million).

9 Depreciation of tangible and intangible fixed assets

Depreciation of land and buildings, of furniture and equipment including computer equipment and of software amounted to €103 million, compared with €117 million in the previous year (see asset sub-item 11.2 “Tangible and intangible fixed assets”).

10 Banknote production services

The expense for banknote production services amounted to €76 million in the reporting year (previous year: €77 million).

11 Other expenses

Other expenses amounted to €36 million (previous year: €33 million) and contained, in particular, expenditure on residential buildings amounting to €28 million and expenditure on the encashment of the BBk I/Ia series Deutsche Mark banknotes, which are no longer shown on the balance sheet, in the amount of €4 million (see liability sub-item 11.3 “Sundry”).

In 2025, the Bundesbank’s donations totalled €248,540.17, including €85,790.17 for research projects, €17,500.00 for other specific projects, and €145,250.00 for prize money.

13 Allocation to/withdrawal from reserves

In the annual accounts for 2024, the statutory reserves pursuant to Section 27(1) of the Bundesbank Act and the reserves owing to the restriction on distribution pursuant to Section 253(6) of the Commercial Code were released in full to reduce the loss for the year.

14 Accumulated losses carried forward

The Bundesbank shows an accumulated loss carried forward of €19,153 million from the annual accounts 2024. Combined with the loss for the year of €8,633 million in 2025, an accumulated loss of €27,787 million will be carried forward to 2026 (see liability item 15 “Accumulated loss”).

Unqualified independent auditor's report for statutory audits of annual financial statements

To the Deutsche Bundesbank, Frankfurt am Main

Auditor's opinion on the annual financial statements

We have audited the annual financial statements of the Deutsche Bundesbank, Frankfurt am Main, consisting of the balance sheet as at 31 December 2025 and the profit and loss account for the business year from 1 January 2025 to 31 December 2025 as well as the notes on the annual financial statements (general information, notes on the individual balance sheet items as well as notes on the profit and loss account).

In our opinion, based on the findings of our audit, the said annual financial statements comply, in all material respects, with the legal requirements and the principles for the accounting of the Deutsche Bundesbank approved by the Executive Board pursuant to Section 26(2) of the Bundesbank Act (*Bundesbankgesetz*) and give a true and fair view of the net assets and financial position of the Deutsche Bundesbank as at 31 December 2025 and the results of operations for the business year from 1 January 2025 to 31 December 2025 in accordance with German principles of proper accounting and with regard to the notes on the annual financial statements (general information, notes on the individual balance sheet items as well as notes on the profit and loss account).

Pursuant to Section 322(3) sentence 1 of the German Commercial Code (*Handelsgesetzbuch* – HGB) in conjunction with Section 26(2) sentence 3 of the Bundesbank Act, we declare that our audit has not led to any reservations with regard to the regularity of the annual financial statements.

Basis for the auditor’s opinion on the annual financial statements

We conducted our audit of the annual financial statements in accordance with Section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer* (IDW)). Our responsibilities pursuant to these provisions and principles are further described in the “Auditor’s responsibilities for the audit of the annual financial statements” section of our report. We are independent of the Deutsche Bundesbank in accordance with German commercial and professional laws and regulations and have fulfilled our other German ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the annual financial statements.

Other information

The Executive Board is responsible for other information. Other information comprises all information in the Annual Report with the exception of the audited annual financial statements, the notes on the annual financial statements (general information, notes on the individual balance sheet items as well as notes on the profit and loss account) as well as the respective auditor’s report.

Our opinion on the annual financial statements with regard to the notes on the annual financial statements (general information, notes on the individual balance sheet items as well as notes on the profit and loss account) does not cover this other information, and we therefore do not express an auditor’s opinion or draw any other form of audit conclusion regarding this other information.

In connection with our audit, we have the responsibility to read the other information and to evaluate whether

- there are material inconsistencies between the other information and the annual financial statements or the findings of our audit, or
- the other information otherwise appears to contain a material misstatement.

If we conclude, on the basis of our audit, that the other information contains a material misstatement, we are obliged to draw attention to this matter. We have nothing to report in this regard.

Responsibilities of the Executive Board for the annual financial statements

The Executive Board is responsible for the preparation of the annual financial statements as well as for the notes on the annual financial statements (general information, notes on the individual balance sheet items as well as notes on the profit and loss account); which are in accordance with the legal requirements and the principles for the accounting of the Deutsche Bundesbank approved by the Executive Board pursuant to Section 26(2) of the Bundesbank Act and for ensuring that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Deutsche Bundesbank in accordance with German principles of proper accounting and with regard to the notes on the annual financial statements (general information, notes on the individual balance sheet items as well as notes on the profit and loss account). Moreover, the Executive Board is responsible for such internal control as it determines necessary in accordance with German principles of proper accounting to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. the manipulation of accounting records and misappropriation of assets) or error.

In preparing the annual financial statements, the Executive Board is responsible for assessing the Deutsche Bundesbank's ability to continue as a going concern. It is also responsible for disclosing, as applicable, matters related to going concern. It is further responsible for disclosing, as applicable, matters related to going concern and using the going-concern basis of accounting, provided there are no factual or legal impediments thereto.

The Executive Board is responsible for overseeing the Deutsche Bundesbank's financial reporting process for the preparation of the annual financial statements.

Auditor's responsibilities for the audit of the annual financial statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements with regard to the notes on the annual financial statements (general information, notes on the individual balance sheet items as well as notes on the profit and loss account) as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and generally accepted German standards for the audit of financial statements promulgated by the *Institut der Wirtschaftsprüfer* will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement in the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the overriding of internal control.
- obtain an understanding of internal control relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Deutsche Bundesbank's internal control.
- evaluate the appropriateness of the accounting policies used by the Executive Board as well as the reasonableness of accounting estimates and related disclosures made by the Executive Board.
- conclude on the appropriateness of the going-concern basis of accounting used by the Executive Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Deutsche Bundesbank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion in each case. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Deutsche Bundesbank to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual financial statements including the notes and whether the annual financial statements represent the underlying transactions and events in a manner that gives a true and fair view of the net assets, financial position and results of operations of the Deutsche Bundesbank in accordance with German principles of proper accounting and with regard to the notes on the annual financial statements (general information, notes on the individual balance sheet items as well as notes on the profit and loss account) from the Deutsche Bundesbank’s Annual Report 2025.

We communicate with the Executive Board regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Frankfurt am Main, 24 February 2026

Baker Tilly GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
(Düsseldorf)

Professor Thomas Edenhofer Wirtschaftsprüfer	Ralph Hüsemann Wirtschaftsprüfer

The Deutsche Bundesbank in figures

The Deutsche Bundesbank: key figures

	2024	2025
Staff[1]		
Core staff (full-time equivalents)	10,207	10,333
Contraction since 31 December 2001[2]	4,593 (= 31.0 %)	4,467 (= 30.2 %)
Locations / core staff (full-time equivalents)[1]		
Central Office	1 / 5,791	1 / 6,199
Regional offices	9 / 2,415	9 / 2,128
Branches	31 / 2,001	31 / 2,006
Annual accounts[1]		
Distributable profit	– €19,153 million	– €27,787 million
Loss for the year	– €19,814 million	– €8,633 million
Net interest income	– €13,059 million	– €4,167 million
Total assets	€2,372,647 million	€2,348,978 million
Foreign reserve assets (total)	€363.7 billion	€481.8 billion
Foreign currency	€34.0 billion	€31.9 billion
Receivables from the IMF	€59.2 billion	€54.7 billion
Gold	(3,352 t) €270.6 billion	(3,350 t) €395.2 billion
Allocation across the various storage locations:		
Frankfurt	(1,710 t) €138.1 billion	(1,710 t) €201.7 billion
New York	(1,236 t) €99.8 billion	(1,236 t) €145.8 billion
London	(405 t) €32.7 billion	(404 t) €47.7 billion
ECB capital key[1]		
Share of subscribed capital	21.7749 %	21.7749 %
Share of paid-up capital	26.6301 %	26.6301 %
Amount of the participating interest in the ECB	€2.36 billion	€2.36 billion
Foreign reserve assets transferred to the ECB	€10.80 billion	€10.80 billion
Monetary policy operations		
Open market operations in the euro area		
Main refinancing operations	€17.0 billion	€25.0 billion
Longer-term refinancing operations[3]	€17.2 billion	€11.7 billion
of which counterparties of the Bundes-	€3.5 billion	€3.2 billion

	2024	2025
bank		
Banks participating in refinancing operations (total)	88	111
of which via the Bundesbank	27	48
Standing facilities		
Marginal lending facility in the euro area	€0.048 billion	€0.0 billion
Deposit facility in the euro area	€2,799.01 billion	€2,399.85 billion
Asset purchase programmes (Bundesbank's share)[1]		
CBPP3 portfolio	€64.9 billion	€55.2 billion
PSPP portfolio	€447.3 billion	€392.6 billion
CSPP portfolio	€63.7 billion	€53.8 billion
PEPP public sector portfolio	€325.1 billion	€278.7 billion
PEPP corporate sector portfolio	€8.7 billion	€8.0 billion
PEPP covered bonds portfolio	€1.3 billion	€1.1 billion
Cash payments		
Volume of euro banknotes in circulation (Eurosystem)[1]	€1,588.3 billion	€1,619.5 billion
Volume of coins in circulation (Eurosystem)[1]	€34.5 billion	€35.4 billion
Returned DEM banknotes and coins	DEM 53.1 million	DEM 53.1 million
Unreturned DEM banknotes and coins	DEM 12.18 billion	DEM 12.13 billion
Incidence of counterfeit money in Germany		
Euro banknotes (number)	72,413	69,909
Euro coins (number)	141,332	128,132
Cashless payments		
Payments via the Bundesbank (number of transactions)	8,487.7 million	8,531.5 million
of which via RPS	8,294.8 million	8,213.5 million
of which via TARGET-Bundesbank	190.3 million	315.4 million
payment transactions in T2[4]	53.4 million	53.1 million
payment transactions in TIPS	62.5 million	175.2 million
settlement of securities transactions in T2S	74.4 million	87.0 million
Payments via the Bundesbank (value)	€308.9 trillion	€293.3 trillion
of which via RPS	€4.8 trillion	€5.0 trillion
of which via TARGET-Bundesbank	€263.5 trillion	€286.2 trillion
payment transactions in T2[4]	€184.7 trillion	€196.0 trillion
payment transactions in TIPS	€56.3 billion	€183.7 billion
settlement of securities transactions in T2S	€78.7 trillion	€90.0 trillion

	2024	2025
Banking supervision		
Number of institutions supervised	2,723	2,602
Number of institutions supervised (post-2025 count)[5]	-	2,731
On-site inspections	150	159
Cooperation with foreign central banks		
Training and advisory events	270	271
Number of participants (total)	2,573	2,610
Number of participating countries (total)	104	110
Selected publications		
Annual Report	1	1
Financial Stability Review	1	1
Monthly Report	12	12
Statistical Series	104	104
Research Centre discussion papers	46	36
Technical papers	12	5
Publications in academic journals	51	50
External communication / public relations		
Visitors to the Money Museum	47,125	49,694
Economic education events / number of participants	1,771 / 49,243	1,711 / 48,909
Written answers to queries	19,691	14,607
Press releases	495	574
Training sessions on counterfeit prevention / number of participants	2,000 / 39,900	1,862 / 37,472

1 As at 31 December. **2** Core staff (full-time equivalents) as at 31 December 2001 (year before the structural reform began): 14,800. **3** Including targeted longer-term refinancing operations (TLTROs), excluding US dollar tenders. **4** The statistical methodology used for T2 statistics was changed in 2025 with retroactive effect from March 2023 (operational launch). Settled values are primarily affected. As a result, the figures shown here for the reference year of 2024 deviate from those listed in the 2024 Annual Report. **5** Since 2025, the number of supervised institutions has also included credit service institutions, under Section 1 of the Act on the Secondary Market for Non-Performing Loans and Credit Services Institutions (*Kreditzweitmarktgesetz*), crypto-asset service providers, under Article 60 of the Markets in Crypto Assets Regulation (MiCAR), investment holding companies, under Section 61 of the Investment Institutions Act (*Wertpapierinstitutsgesetz*), and financial holding companies, under Section 2f of the Banking Act (*Kreditwesengesetz*).

Branches of the Deutsche Bundesbank

on 31 December 2025

Locality number	Bank location
720	Augsburg
100	Berlin
480	Bielefeld
870	Chemnitz
370	Cologne
470	Dortmund
820	Erfurt
500	Frankfurt am Main
680	Freiburg
260	Göttingen
200	Hamburg
250	Hanover
660	Karlsruhe
570	Koblenz
860	Leipzig
545	Ludwigshafen
810	Magdeburg
550	Mainz
700	Munich
150	Neubrandenburg
760	Nuremberg
280	Oldenburg
265	Osnabrück
750	Regensburg
640	Reutlingen
130	Rostock
590	Saarbrücken
600	Stuttgart
630	Ulm
694	Villingen-Schwenningen
790	Würzburg

Staff of the Deutsche Bundesbank

on 31 December 2025

Item	Staff numbers				Change compared with AR 2024			
	Total	Regional offices	Branches	Central Office	Total	Regional offices	Branches	Central Office
Civil servants	6,376	1,404	742	4,230	121	− 145	− 27	293
Salaried staff	5,375	972	1,444	2,959	− 22	− 173	18	133
Total (salaried staff and civil servants)	11,751	2,376	2,186	7,189	99	− 318	− 9	426
of which: In training	605	62	11	532	− 21	− 7	− 11	− 3
Remainder: Core staff	11,146	2,314	2,175	6,657	120	− 311	2	429
Memo item: Core staff pro rata (full-time equiva-lents)	10,333.4	2,128.5	2,006.0	6,198.9	126.0	− 287.0	5.0	408.0

Not included:
– Members of staff on secondment: 94 (end-2024: 97)
– Members of staff on unpaid leave: 230 (end-2024: 256)
– Members of staff in the second phase of the partial retirement scheme: 88 (end-2024: 146)
Memo item:
– Part-time staff members in core headcount: 3,158 (end-2024: 3,094)
– Staff members with temporary contracts in core headcount: 232 (end-2024: 155)

Offices held by members of the Executive Board of the Deutsche Bundesbank

Pursuant to the Code of Conduct for members of the Executive Board of the Deutsche Bundesbank, the Annual Report shall disclose details of offices held by Board members on supervisory boards or similar inspection bodies of commercial enterprises. [1)]

Michael Theurer was a co-partner in TWF Metallbearbeitungs Holding UG until 26 February 2025. [2)]

1 Memberships of other official bodies are not listed.
2 The partnership existed prior to his taking up office.