



Analyses

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The CNB analyses systematically the main risks that may threaten financial system stability. *Financial Stability* and *Macroprudential Diagnostics* are the main CNB publications which present the results of analysis performed, warn about the main identified systemic risks to the stability of the financial system as a whole and discuss the measures taken by the CNB to preserve financial stability. In addition, the CNB may issue specific recommendations regarding the maintenance of financial stability.

The CNB analyses systematically the main risks to banking system stability stemming from the macroeconomic environment of credit institutions and the situation in the main borrowing sectors, as well as credit institutions' ability to absorb potential losses should these risks materialise.

[Financial Stability](#) is the main CNB publication which presents the results of analysis performed, warns about the main identified systemic risks to the stability of the financial system as a whole and discusses the measures taken by the CNB to preserve financial stability. In view of the predominant role of the banking sector in financing the economy, the analysis focuses on this segment of the financial system. The publication [Macroprudential Diagnostics](#) is a quarterly analysis of systemic vulnerabilities and risks on the basis of data at the end of the previous quarter. The analysis is focused on summarizing the basic indicators of structural and short-term vulnerabilities and on identifying the most important short-term developments affecting Croatia's financial stability in the observed period. In addition to analysing potential triggers that may lead to the materialisation of risks in the system in the short run, measures and recommendations made by the CNB in order to maintain the country's financial stability are also discussed. Furthermore, in the analytical annex to this publication important current topics are further examined.

The purpose of *Financial Stability* and *Macroprudential Diagnostics* is to systematically inform financial market participants, other institutions and the general public about the vulnerabilities and risks threatening the financial system in order to facilitate their identification and understanding as well as to prompt all participants to undertake activities providing appropriate protection from the consequences should these risks actually occur. It also aims at enhancing the transparency of CNB actions to address the main vulnerabilities and risks and strengthen the financial system's resilience to potential shocks that could have significant negative impacts on the economy. The purpose of these publications is also to encourage and facilitate a broader professional discussion on financial stability issues. All this together should help maintain confidence in the financial system and thus its stability.

In addition to analyses, opinions and recommendations regarding financial stability and systemic risks, published within *Financial Stability*, *Macroprudential Diagnostics* and other [regular publications](#), the CNB may issue specific recommendations or warnings to draw attention to identified systemic risks or propose measures to prevent such risks, reduce their consequences and strengthen system resilience.