



Six years after enlargement Austria and its eastern neighbours

Seminar by DG ECFIN, Brussels, 12 March 2010

Session III – Financial markets Comments

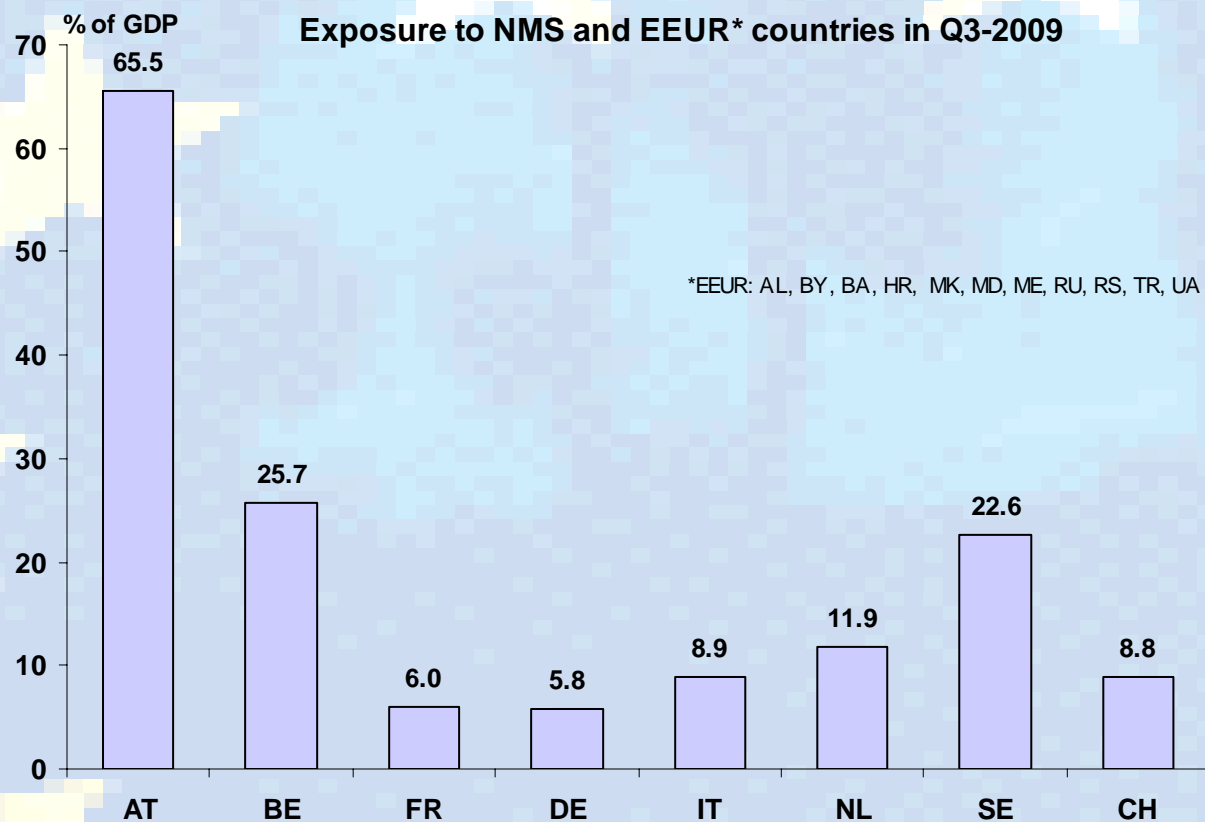
Filip Keereman*

Head of Unit

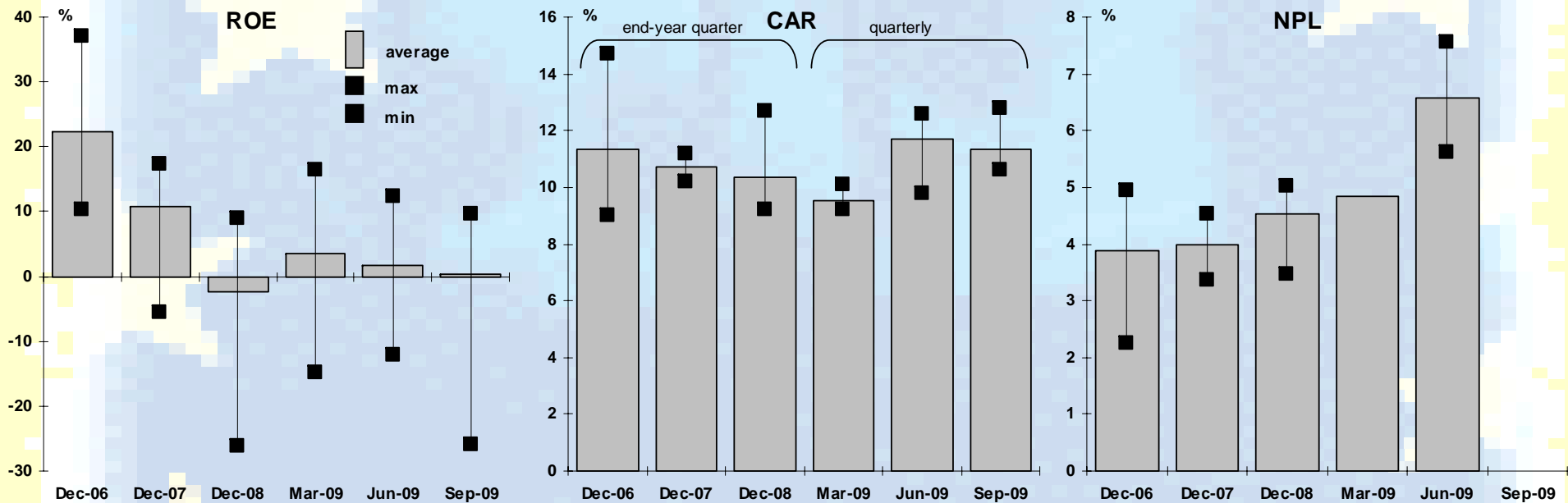
ECFIN.E.2, European Commission

***Prepared with the help of Rajko Vodovnik and Corina Weidinger**

Austria is heavily exposed to the East

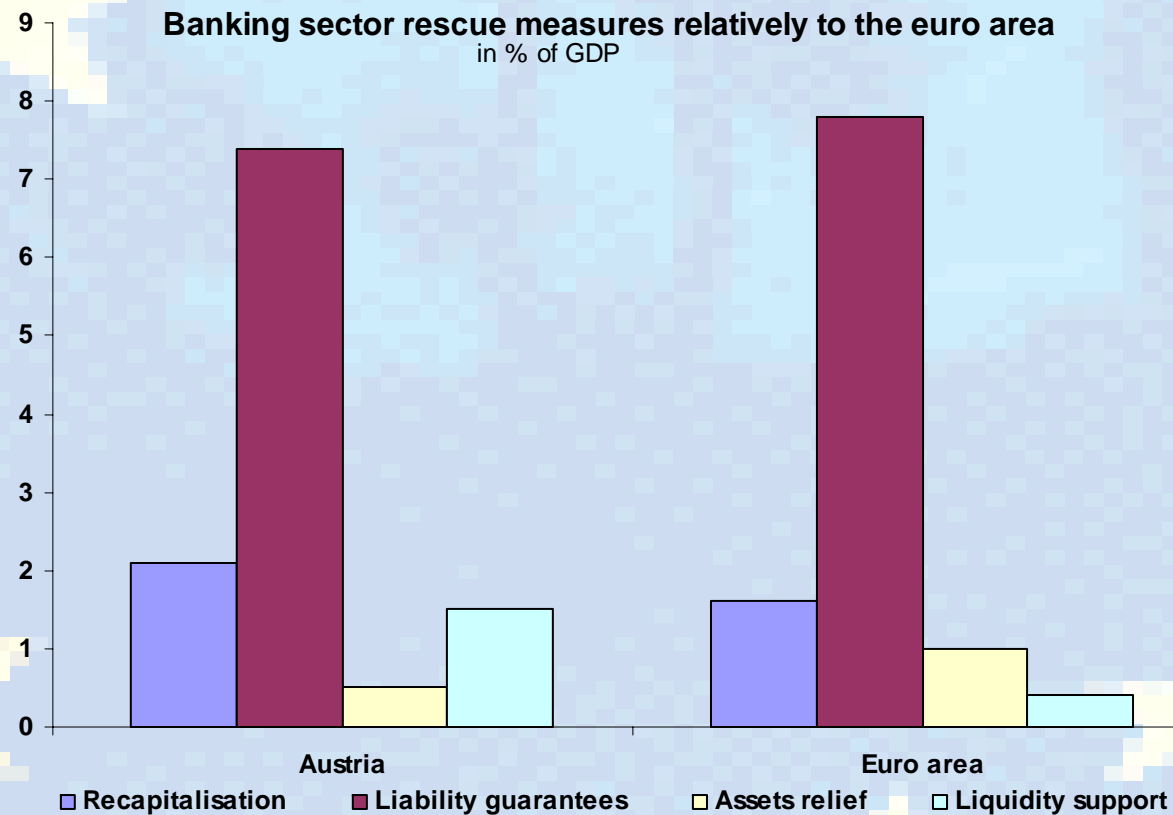


Return on capital suffered, NPLs rise and dispersion among banks

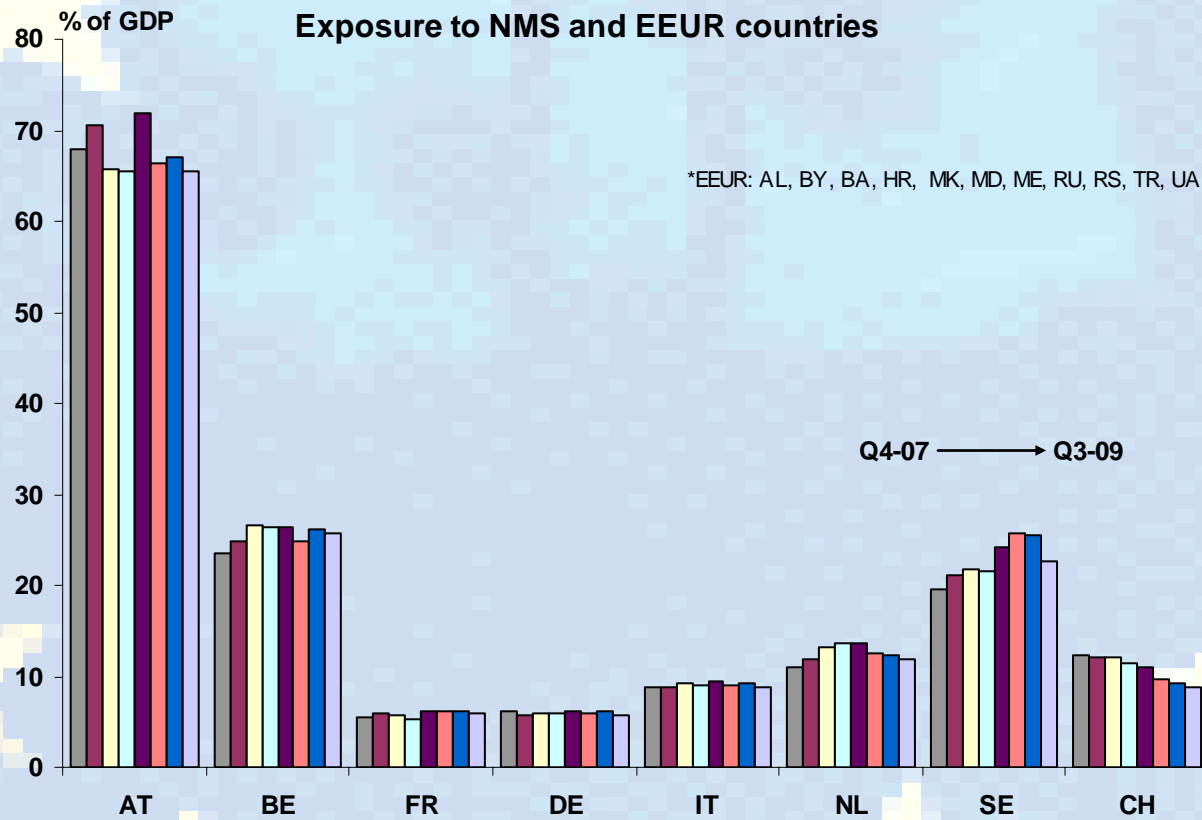


Source: Fitch

Banking system dependent on financial assistance (comparable to the euro area)



European Banking Coordination (Vienna Initiative) helped stabilising the financial system



...but not yet back to pre-crisis situation: CDS spreads on Austrian banks still higher

