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**ECB-PUBLIC**  
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**Adverse scenario for the EBA 2020 EU-wide stress test**

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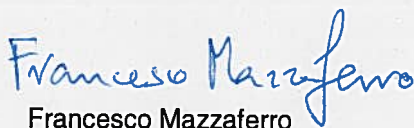
Dear José Manuel,

On behalf of the ESRB Chair, Madame Christine Lagarde, I am hereby officially transmitting to you the ESRB adverse scenario for the EBA 2020 EU-wide stress test. The scenario was formally approved during a dedicated meeting of the General Board on 21 January with an overwhelming majority.

The documentation has been prepared in line with Articles 23 (Identification and measurement of systemic risk) and 32 (Assessment of market developments) of the EBA regulation. The calibration of the scenario has taken into account several of the recommendations proposed by the European Court of Auditors, such as the increase in the overall level of severity and the reduction of the cross-country variation of shocks.

The ESRB Chair asked me to convey her appreciation for the good cooperation of your staff in the ESRB Task Force on Stress Testing, which has been instrumental in the development of the adverse scenario.

With best regards,

  
Francesco Mazzaferro