S&P Global Ratings

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Research Update:

Germany 'AAA/A-1+' Ratings Affirmed; Outlook Stable

June 13, 2025

Overview

- Germany's new fiscal package could push budget deficits to over 3.5% of GDP by 2027, significantly above our previous forecast (1.3% of GDP), but the additional investment spending could raise Germany out of its current economic malaise, with our expectation of real economic growth of 1.5% in 2026-2028.
- Given that the U.S. remains Germany's largest export market for goods, disruptions to international trade flows, especially from tariffs, could particularly weigh on Germany's export-oriented economy.
- Despite the tenuous economic growth outlook and rising budget deficits, key strengths of Germany's credit profile remain, namely a moderate level of general government debt, a wealthy economy, and the strongest external balance sheet of any major economy globally.
- We therefore affirmed our unsolicited 'AAA/A-1+' sovereign credit ratings on Germany and kept the outlook stable.

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Rating Action

On June 13, 2025, S&P Global Ratings affirmed its unsolicited 'AAA/A-1+' long- and short-term foreign and local currency sovereign credit ratings on Germany. The outlook is stable.

Outlook

The stable outlook reflects our opinion that Germany's external strengths, diversified and wealthy economy, and institutional effectiveness will continue to underpin its creditworthiness.

Downside scenario

We could lower our rating if Germany's sluggish economic performance were to persist beyond our expectations or deteriorated further in the context of prolonged disruptions to international trade flows or mounting structural challenges--despite the expected counter-cyclical fiscal policy stance over the medium term.

Rationale

The announcement of additional public investments of €500 billion, i.e., over 11% of estimated 2025 GDP; an effective carve-out of defense expenditure from fiscal rules; and higher budget deficit thresholds at the subsovereign level mark a shift away from Germany's previous stringent fiscal policy. Although there is limited visibility on concrete spending plans and timing of execution, we believe the overall amount of the spending measures could imply that the deficits will rise to 3.5%-4.0% of GDP by 2027, compared with our previous expectation of 1.3% of GDP. Accordingly, we expect government debt, net of liquid government assets, will rise to about 64% of GDP by 2028, versus our previous forecast of below 58% of GDP.

However, additional investments in infrastructure and its defense production could help lift Germany out of its current economic slump--which is why we have raised our real economic growth projections to over 1.5% from 2027. Germany has reported the worst recovery of any major economy globally since 2020 and the real GDP in 2024 only marginally exceeds the 2019 levels. The prolonged stagnation has been aggravated by a series of economic shocks in the wake of the pandemic, including technological shifts, increased international competition for the country's large manufacturing sector, higher energy prices following Russia's invasion of Ukraine, and the adverse impact of the ongoing demographic shift. Potential disruptions of international trade flows and uncertainty about U.S. tariff policy further cloud Germany's economic outlook. The tariffs could disproportionally affect Germany's export-oriented economy, for which the U.S. is the main goods export market. In 2024, goods exported to the U.S. amounted to about 3.2% of GDP and the goods trade surplus is estimated at about 1.8% of GDP.

Despite the challenging economic outlook, we generally view Germany's economy as diversified and resilient, and its institutions and policymaking as effective and stable. Further rating strengths include the country's external balance sheet--the strongest among major economies globally--its eurozone membership, and the European Central Bank's (ECB's) credible and flexible monetary policy.

Institutional and economic profile: We expect domestic demand will pick up from next year, supported by expansionary fiscal policy

- Higher government spending is expected to significantly raise investments, a key economic growth driver underpinning our forecast of real growth averaging 1.5% during 2026-2028.
- The key economic risk relates to Germany's large bilateral goods trade volume with the U.S., at about 3.2% of GDP last year.
- In our view, the loosening of fiscal policy rules will greatly facilitate policymaking for the new government.

The German economy contracted in 2024 for the second consecutive year, and growth has lagged that of major economies globally for several years now. Germany's real GDP remains only marginally above the 2019 levels, compared with a rise of 5% in the overall euro area (including Germany), 12% in the U.S., and over 25% in China. Since the pandemic, structural challenges from higher energy costs, technology transitioning in the key auto sector, a correction in the commercial real estate and housing markets, and softer demand in several key export markets (including

China) have weighed on activity. For 2025, we expect only marginal real economic growth (0.1%), based on a slight pickup in consumer spending backed by a resilient labor market. Business investment will remain weak, weighed down by the uncertain global economic outlook and despite improving financing conditions. In our view, the recent rise of exports will only be temporary, mainly reflecting front-loading ahead of potential trade disruptions.

Against this weak economic backdrop, we believe the government's proposed fiscal package will raise the outlook on investment spending--a critical issue for the German economy considering that investments have declined for the past three years. Accordingly, we have raised our medium-term economic growth forecast to about 1.5% for 2026-2028, despite uncertainties regarding concrete investment projects and timing of their execution. Of the €500 million investment envelope, which will be spread over the next 12 years:

- About €100 billion is earmarked for climate- and energy-related investments through Germany's energy and climate fund.
- Another €100 billion will be transferred to German states to support subsovereign investment spending.
- There are no details yet on the remaining €300 billion.

Details on the additional defense expenditure are even scarcer; there are no proposed amounts or timelines. Considering the lack of concrete spending proposals in June 2025, we only expect a substantial pickup of investment starting in 2026.

Additional investment spending could also help address other structural challenges for the economy, namely the country's adverse demographic profile. While many European countries face the same issue, the situation in Germany is aggravated by the country's disproportionally high number of new retirees over the next 10-15 years. Counteracting this, the recent increase of immigration, mainly from Ukraine, lifted population growth to 1.4% over 2022-2023, with net migration hitting its all-time high of 1.45 million in 2022. However, it is uncertain whether these levels can be sustained.

Another, more pressing economic risk for Germany's open and export-oriented economy stems from potential disruptions to international trade flows and changes in the U.S. tariff policy. Exports constituted about 42% of GDP last year and the U.S. remains the largest single export market for German goods--which amounted to almost €140 billion in 2024, or about 3.2% of GDP, in gross terms. Of these, over 75% came from only four sectors, namely automotive, machinery, pharmaceuticals, and chemical products. Although a substantial share of these goods constitute re-exports or include intermediary goods produced elsewhere, the overall large trade exposure to the U.S. remains a key risk for the German economy in the current global economic context. As for all countries globally, we note that there is still a high degree of unpredictability around policy implementation by the U.S. administration and possible responses--specifically with regard to tariffs--and the potential effect on economies, supply chains, and credit conditions around the world (see our research here: spglobal.com/ratings).

In this context, we see mounting challenges to Germany's automotive sector, which is particularly exposed to U.S. tariff policy. Auto production constitutes almost 4% of Germany's gross value added, and cars and vehicle parts usually account for about 20% of exports. German vehicles and components face major structural and regulatory hurdles, particularly due to tightening emissions standards, technological changes, uncertainty around trade policy and competition from China. While German companies' global market share has not fallen dramatically so far, we note that the relative importance of the U.S. as a destination for exports has grown in recent years.

The new government--a coalition between the conservative CDU and the Social Democrats under chancellor Friedrich Merz--was quickly formed following the elections in February. Drawing on the support of the Green Party, the incoming administration was able to swiftly announce the aforementioned fiscal package, which carves out substantial investment spending from the country's otherwise stringent fiscal rules. In our view, this will facilitate policymaking over the near term. Balancing diverging policy priorities with very restrictive fiscal rules was the reason the previous three-party coalition broke apart in late 2024, triggering early elections. Still, political fragmentation has increased over several years--primarily benefiting populist parties as seen in 2024's state-level elections--and we expect this will complicate political decision-making.

Flexibility and performance profile: The additional defense and investment spending marks a substantial deviation from Germany's previously tight fiscal policy

- Despite limited information on the proposed fiscal package, its overall size could imply that budget deficits will rise threefold by 2027 compared with our previous forecast.
- As a result, we now expect net general government debt will rise, rather than decrease, over the next years, to about 64% of GDP by 2028.
- The shift in fiscal policy will only marginally affect Germany's external accounts, which have recovered after a significant terms-of-trade shock in 2022, and we expect the current account will remain in surplus, at over 4% of GDP on average through 2028.

The proposed fiscal package marks a substantial deviation from previously tight fiscal rules, namely the debt-brake rule, which was reinstated in 2024. The debt-brake rule technically still exists and limits deficits to 0.35% of GDP (plus an economic adjustment component) at the federal level and forbids net new borrowing at the state level. However, the new fiscal package exempts the following items from these thresholds:

- €500 billion of additional investments over 12 years.
- Any defense expenditure exceeding 1% of GDP--which essentially implies there is no cap on defense expenditure.
- It also raises states' allowed budget deficits to 0.35% of GDP in line with the federal spending limit.

No investment plans have been decided so far and there are no details on concrete spending proposals or timeline. Still, we believe there will be a slight pickup in investment spending this year, which is why we have revised up our budget deficit projection to 2.7% of GDP, similar to 2024. We expect a more substantial pickup from next year and deficits exceeding 3% of GDP from 2026. From 2027, the deficits could reach 3.5%-4.0% of GDP--almost three times our previous forecast, under which still considered the full reinstatement of the debt-brake rule.

Under the EU's fiscal rules, codified in the Stability and Growth Pact, member states' general government deficits should remain below 3% of GDP and government debt below 60% of GDP. Although Germany will probably breach these thresholds, given the changed fiscal policy stance, we believe the country could still comply with EU fiscal rules because some defense expenditure is excluded from these calculations.

The higher deficits will imply that government debt, net of liquid government assets, will rise over the next years, rather than decline, to about 64% of GDP. In line with rising debt, Germany's interest burden will also increase over the next few years, but remain at a relatively moderate

2.5% of general government revenue throughout our forecast, versus 5.6% in 2011. In our calculations of government debt, we exclude liabilities from the multilateral financial support mechanisms, namely the European Financial Stability Facility and European Stability Mechanism in the eurozone (see "S&P Clarifies Its Approach To Accounting For EFSF Liabilities When Rating The Sovereign Guarantors," published Nov. 2, 2011). These liabilities amount to about 1.2% of estimated GDP in 2025.

We consider the country's external balance sheet a key rating strength. Despite external issues, Germany's current account surplus remained resilient in 2024, amounting to about 5.7% of GDP on weak imports--reflecting low domestic demand, in the form of flat investment and rising private savings--and high net primary income inflows. We expect the current account surpluses will remain at about 4% of GDP on average, representing high goods trade surpluses and strong annual investment incomes from assets held abroad, although outcomes will be sensitive to economic and political developments in key export destinations including the U.S., China, and the rest of Europe. Although these surpluses are high in a global comparison, they are lower than the 7%-9% of GDP before the pandemic, which we partially attribute to a loss of Germany's export share as a percent of global trade flows over the past few years.

In general, Germany's current account position reflects the country's still-high export competitiveness, its previously lower investment rate than the eurozone average, a higher household savings rate, and the tighter fiscal stance than its trading partners.

Germany's repeated current account surpluses will contribute to an average net asset position 140%-150% of current account receipts (CARs) until 2028. In that period, we project that narrow net external debt will decline to about 70% of CARs. Consequently, we forecast that gross external financing needs will fall to about 200% of CARs and usable reserves. The size of external assets also reflects movements in Germany's high Target 2 claims on the Eurosystem, which still remained at nearly €1.1 trillion on average in April 2025.

Inflation in Germany has subsided over the past few months, standing at 2.1% in May, mostly driven by a decrease in energy prices. Core inflation continues to outpace headline inflation, primarily owing to services prices, on a robust labor market and rising wages. Coupled with a slight pickup in domestic demand, over the next months, we expect the annual inflation rate will amount to 2.2% this year. Over the next year, rising domestic demand will keep annual inflation levels slightly above 2%.

The current and projected moderate inflation levels are already close to the ECB's target rate of "close to but below 2%," and the ECB lowered its policy rates already three times in 2025. Its deposit facility stands at 2%, compared with 4% at the beginning of 2024. The pace of monetary policy normalization will critically depend on the inflation outlook across the European Monetary Union and potential economic disruptions from tariffs. In our view, Germany's eurozone membership reduces its individual monetary flexibility. However, the country has also benefited from the euro with regards to its export-oriented economy and lower interest costs, previously supported by the ECB's large-scale asset-purchase programs.

We anticipate that German banks will sustain robust earnings through 2027. Favorable refinancing of long-term assets, along with effective interest rate-hedging strategies, should help maintain interest income despite declining short-term rates. We also expect the recovery in mortgage financing to persist, coupled with a notable resumption of corporate lending growth, driven by increased investments in defense and larger fiscal expenditure that enhance business sentiment and boost demand for credit. However, structural challenges such as inefficient cost structures, overcapacity, and intense competition may impede further improvement unless there is substantial market consolidation. In our base case, we project that domestic credit losses will remain moderate, ranging from 20 to 30 basis points annually through 2027. German banks continue to benefit from access to a robust funding market, particularly through retail deposits, with high savings rates driving deposit growth and keeping funding costs low.

Key Statistics

Table 1

Germany--Selected indicators

Mil. €	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Economic indicators (%)										
Nominal GDP (bil. LC)	3,534.9	3,449.6	3,676.5	3,953.9	4,185.6	4,305.3	4,400.1	4,544.9	4,712.4	4,886.1
Nominal GDP (bil. $)	3,957.3	3,940.2	4,348.1	4,163.4	4,525.8	4,660.0	4,835.2	5,106.6	5,479.5	5,844.6
GDP per capita (000s $)	47.7	47.4	52.3	50.0	54.5	55.8	57.8	60.9	65.3	69.5
Real GDP growth	1.0	(4.1)	3.7	1.4	(0.3)	(0.2)	0.1	1.2	1.6	1.6
Real GDP per capita growth	0.7	(4.3)	3.7	1.3	(0.1)	(0.6)	(0.1)	1.0	1.4	1.4
Real investment growth	2.0	(3.0)	0.6	(0.2)	(1.2)	(2.7)	0.3	1.8	2.2	2.7
Investment/GDP	21.3	21.7	22.5	23.0	21.7	21.0	21.6	21.8	22.2	22.4
Savings/GDP	29.2	28.0	29.4	26.9	27.2	26.8	26.0	26.0	26.1	26.4
Exports/GDP	42.4	39.2	42.7	45.8	43.4	41.8	41.0	41.2	41.5	42.0
Real exports growth	1.9	(9.5)	10.0	3.1	(0.3)	(1.8)	(1.9)	1.7	2.5	2.8
Unemployment rate	3.0	3.7	3.7	3.2	3.1	3.4	3.6	3.4	3.2	3.1
External indicators (%)										
Current account balance/GDP	7.9	6.3	6.9	3.8	5.6	5.7	4.4	4.2	4.0	4.0
Current account balance/CARs	15.2	13.4	13.3	6.8	10.0	10.5	8.3	8.0	7.6	7.5
CARs/GDP	51.8	47.1	52.2	56.4	55.7	54.7	52.5	52.6	52.5	52.7
Trade balance/GDP	6.0	5.2	5.1	3.4	5.4	5.5	4.4	4.2	4.1	4.2
Net FDI/GDP	(2.4)	0.8	(2.0)	(1.5)	(0.6)	(0.7)	(1.0)	(1.2)	(1.3)	(1.3)
Net portfolio equity inflow/GDP	(2.3)	(3.2)	(4.8)	(0.7)	(1.0)	(2.9)	(2.3)	(2.0)	(2.0)	(2.0)
Gross external financing needs/CARs plus usable reserves	205.7	216.9	219.3	227.4	217.8	211.8	216.6	212.0	206.5	201.1
Narrow net external debt/CARs	66.0	92.8	87.7	73.7	81.1	83.7	84.5	80.2	74.9	69.9

Table 1

Germany--Selected indicators (cont.)

Mil. €	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Narrow net external debt/CAPs	77.8	107.2	101.2	79.1	90.1	93.4	92.1	87.2	81.0	75.6
Net external liabilities/CARs	(114.2)	(147.8)	(129.6)	(126.0)	(128.9)	(139.3)	(148.3)	(146.4)	(142.9)	(139.8)
Net external liabilities/CAPs	(134.7)	(170.8)	(149.4)	(135.3)	(143.2)	(155.6)	(161.7)	(159.0)	(154.7)	(151.2)
Short-term external debt by remaining maturity/CARs	140.6	156.4	158.5	162.9	153.3	149.1	152.4	145.4	137.2	129.7
Usable reserves/CAPs (months)	1.4	1.7	1.6	1.6	1.6	1.7	1.7	1.6	1.5	1.4
Usable reserves (mil. $)	222,355.8	268,330.2	295,967.0	294,770.1	322,910.5	321,388.0	321,888.0	322,388.0	322,888.0	323,388.0
Fiscal indicators (general government; %)										
Balance/GDP	1.3	(4.4)	(3.2)	(2.1)	(2.5)	(2.8)	(2.7)	(3.3)	(3.6)	(3.7)
Change in net debt/GDP	0.0	4.9	3.8	3.8	2.8	1.0	2.2	3.3	3.6	3.7
Primary balance/GDP	2.1	(3.7)	(2.6)	(1.4)	(1.6)	(1.7)	(1.5)	(2.1)	(2.4)	(2.6)
Revenue/GDP	46.9	46.7	47.5	46.9	45.9	46.8	46.5	47.0	47.3	47.3
Expenditures/GDP	45.6	51.1	50.7	49.0	48.4	49.5	49.2	50.3	50.9	51.0
Interest/revenues	1.7	1.4	1.2	1.5	1.9	2.3	2.5	2.5	2.5	2.5
Debt/GDP	57.1	67.7	67.6	64.9	62.5	61.7	62.5	63.8	65.2	66.6
Debt/revenues	121.7	144.8	142.2	138.4	136.1	132.0	134.5	135.8	138.0	140.9
Net debt/GDP	53.9	60.1	60.2	59.8	59.3	58.6	59.6	61.0	62.5	64.0
Liquid assets/GDP	3.2	7.6	7.4	5.0	3.2	3.1	2.9	2.8	2.7	2.6
Monetary indicators (%)										
CPI growth	1.4	0.3	3.2	8.7	6.1	2.5	2.2	2.2	2.1	2.1
GDP deflator growth	2.0	1.8	2.8	6.1	6.1	3.1	2.1	2.1	2.1	2.1
Exchange rate, year-end (LC/$)	0.9	0.8	0.9	0.9	0.9	1.0	0.9	0.9	0.8	0.8
Banks' claims on resident non-gov't sector growth	4.9	4.1	5.3	6.8	0.7	1.3	2.0	4.0	4.0	4.0
Banks' claims on resident non-gov't sector/GDP	87.9	93.8	92.7	92.1	87.6	86.2	86.1	86.7	86.9	87.2
Foreign currency share of claims by banks on residents	2.7	2.5	2.6	2.2	1.8	2.3	2.3	2.3	2.3	2.3

Table 1

Germany--Selected indicators (cont.)

Mil. €	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Foreign currency share of residents' bank deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Real effective exchange rate growth	0.6	0.5	(4.2)	(2.7)	2.2	4.0	N/A	N/A	N/A	N/A

Sources: Eurostat (economic indicators), Deutsche Bundesbank (external indicators), Eurostat (fiscal indicators), and Deutsche Bundesbank and IMF (monetary indicators).

Adjustments: Government debt adjusted by excluding guarantees on debt issued by the European Financial Stability Facility.

Definitions: Savings is defined as investment plus the current account surplus (deficit). Investment is defined as expenditure on capital goods, including plant, equipment, and housing, plus the change in inventories. Banks are other depository corporations other than the central bank, whose liabilities are included in the national definition of broad money. Gross external financing needs are defined as current account payments plus short-term external debt at the end of the prior year plus nonresident deposits at the end of the prior year plus long-term external debt maturing within the year. Narrow net external debt is defined as the stock of foreign and local currency public- and private- sector borrowings from nonresidents minus official reserves minus public-sector liquid claims on nonresidents minus financial-sector loans to, deposits with, or investments in nonresident entities. A negative number indicates net external lending. N/A--Not applicable. LC--Local currency. CARs--Current account receipts. FDI--Foreign direct investment. CAPs--Current account payments. The data and ratios above result from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information.

Ratings Score Snapshot

Table 2

Germany--Ratings score snapshot

Key rating factors	Score	Explanation
Institutional assessment	2	Germany has strong institutions and a proven track record of crisis management and long-term economic growth, but coordination requirements at the EU or euro area level might hinder timely policy response. Germany benefits from generally effective checks and balances and free flow of information.
Economic assessment	1	Based on GDP per capita ($) as per the Selected indicators table above
External assessment	1	Based on narrow net external debt as per Selected Indicators in Table 1. In the context of our external assessment, we consider Germany, a member of the Economic and Monetary Union, as if the currency was actively traded. The sovereign has external short-term debt by remaining maturity that generally exceeds 100% of current account receipts (CARs), as per Selected Indicators in Table 1. The sovereign's net international investment position is more favorable than the narrow net external debt position by over 100% of CARs, as per Selected indicators in Table 1
Fiscal assessment: flexibility and performance	3	Based on the change in net general government debt (% of GDP) as per Selected Indicators in Table 1.
Fiscal assessment: debt burden	3	Based on net general government debt (% of GDP) and general government interest expenditure (% of general government revenue) as per Selected Indicators in Table 1.
Monetary assessment	2	In the context of our monetary assessment, we consider the euro a reserve currency. The European Central Bank has an established track record in monetary policy independence with clear objectives and a wide array of policy instruments, including targeted and broad asset purchase .programs. Germany is a member of the Economic and Monetary Union

Table 2

Germany--Ratings score snapshot (cont.)

Key rating factors	Score	Explanation
Indicative rating	aaa	As per Table 1 of "Sovereign Rating Methodology."
Notches of supplemental adjustments and flexibility	0	
Final rating		
Foreign currency	AAA	
Notches of uplift	0	Default risks do not apply differently to foreign- and local-currency debt.
Local currency	AAA	

S&P Global Ratings' analysis of sovereign creditworthiness rests on its assessment and scoring of five key rating factors: (i) institutional assessment; (ii) economic assessment; (iii) external assessment; (iv) the average of fiscal flexibility and performance, and debt burden; and (v) monetary assessment. Each of the factors is assessed on a continuum spanning from 1 (strongest) to 6 (weakest). S&P Global Ratings' "Sovereign Rating Methodology," published on Dec. 18, 2017, details how we derive and combine the scores and then derive the sovereign foreign currency rating. In accordance with S&P Global Ratings' sovereign ratings methodology, a change in score does not in all cases lead to a change in the rating, nor is a change in the rating necessarily predicated on changes in one or more of the scores. In determining the final rating the committee can make use of the flexibility afforded by §15 and §§126-128 of the rating methodology.

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- Criteria | Governments | Sovereigns: Sovereign Rating Methodology, Dec. 18, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011
- General Criteria: Methodology: Criteria For Determining Transfer And Convertibility Assessments, May 18, 2009

Related Research

- Sovereign Ratings Score Snapshot, June 6, 2025
- Sovereign Ratings List, May 22, 2025
- Sovereign Ratings History, May 22, 2025
- Global Credit Conditions Special Update: U.S.-China Tariff De-Escalation Brings Some Temporary Relief, May 15, 2025
- Global Sovereign Rating Trends First-Quarter 2025, April 16, 2025
- Sovereign Risk Indicators, April 10, 2025. Interactive version available at http://www.spratings.com/sri
- Global Credit Conditions Q2 2025: Puzzling Reshuffling, March 31, 2025
- Credit Conditions Europe Q2 2025: Europe Plots A New Course, March 26, 2025

- Default, Transition, and Recovery: 2024 Annual Global Sovereign Default And Rating Transition Study, March 24, 2025
- Sovereign Brief: What The End Of The Debt Brake Means For Germany's 'AAA' Rating, March 6, 2025
- Sovereign Debt 2025: Commercial Debt Will Reach A New Record High Of $77 Trillion, March 3, 2025

In accordance with our relevant policies and procedures, the Rating Committee was composed of analysts that are qualified to vote in the committee, with sufficient experience to convey the appropriate level of knowledge and understanding of the methodology applicable (see 'Related Criteria And Research'). At the onset of the committee, the chair confirmed that the information provided to the Rating Committee by the primary analyst had been distributed in a timely manner and was sufficient for Committee members to make an informed decision.

After the primary analyst gave opening remarks and explained the recommendation, the Committee discussed key rating factors and critical issues in accordance with the relevant criteria. Qualitative and quantitative risk factors were considered and discussed, looking at track-record and forecasts.

The committee's assessment of the key rating factors is reflected in the Ratings Score Snapshot above.

The chair ensured every voting member was given the opportunity to articulate his/her opinion. The chair or designee reviewed the draft report to ensure consistency with the Committee decision. The views and the decision of the rating committee are summarized in the above rationale and outlook. The weighting of all rating factors is described in the methodology used in this rating action (see 'Related Criteria And Research').

Ratings List

Ratings Affirmed

Germany	
Sovereign Credit Rating |U~	AAA/Stable/A-1+
Transfer & Convertibility Assessment |U~	AAA
|U~ Unsolicited ratings with no issuer participation, and/or no access to internal documents, and/or no access to management.	

This unsolicited rating(s) was initiated by a party other than the Issuer (as defined in S&P Global Ratings' policies). It may be based solely on publicly available information and may or may not involve the participation of the Issuer and/or access to the Issuer's internal documents and/or access to management. S&P Global Ratings has used information from sources believed to be reliable based on standards established in our policies and procedures, but does not guarantee the accuracy, adequacy, or completeness of any information used.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.