

Financial Services

The financial sector plays a fundamental role in the proper functioning of the economy and is an important key infrastructure. The financial resources required in a modern national economy can only be provided by the presence of a stable financial system.

Germany is the largest national economy in Europe, has an AAA ranking – thanks to its outstanding financial economy which acts as the “backbone” of the real economy, accompanying and supporting further growth and development.

Germany is the largest market in Europe and the gateway to the European Union (EU). Thanks to EU passporting, financial service providers based in one EU member state can easily access all other EU markets - the European single financial market.

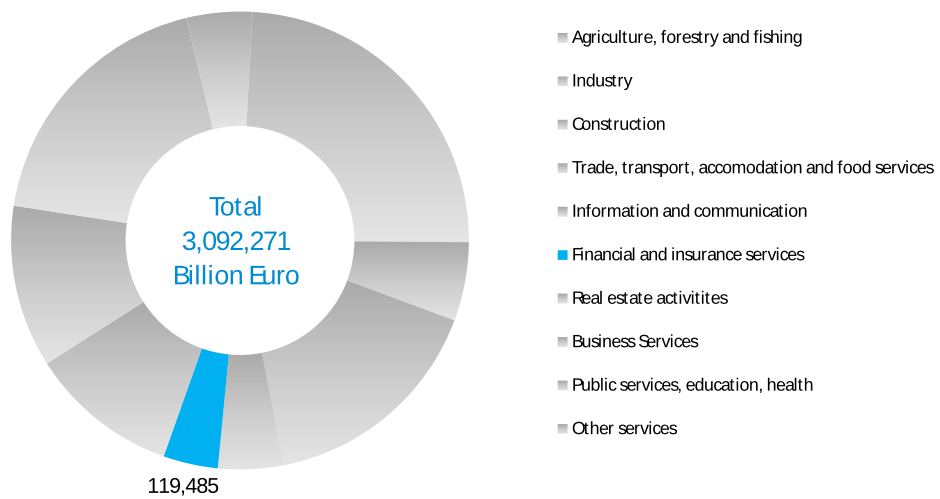
Thanks to the EU single market, financial institutions based in Germany can do business from anywhere in the EU and have direct access to one of the most important global economic areas (GDP EUR 13,928 billion and over 446 million consumers in the EU-27 region).

BaFin, the Federal Financial Supervisory Authority, is an important partner within the financial services industry. The German financial regulator provides internationally accepted and recognized technology-neutral regulation. Germany provides international financial service providers with attractive location conditions for the development of their European business.

Financial services and insurance providers contributed around EUR 119 billion to GDP in 2019 – equivalent to almost four percent of total domestic GDP. The financial services and insurance sector employs a workforce of around 1.2 million people in Germany.

German Economy – Gross Value Added by Industries in 2019

German Economy – Gross Value Added by Industry Sector 2019
(current prices, in EUR billion)

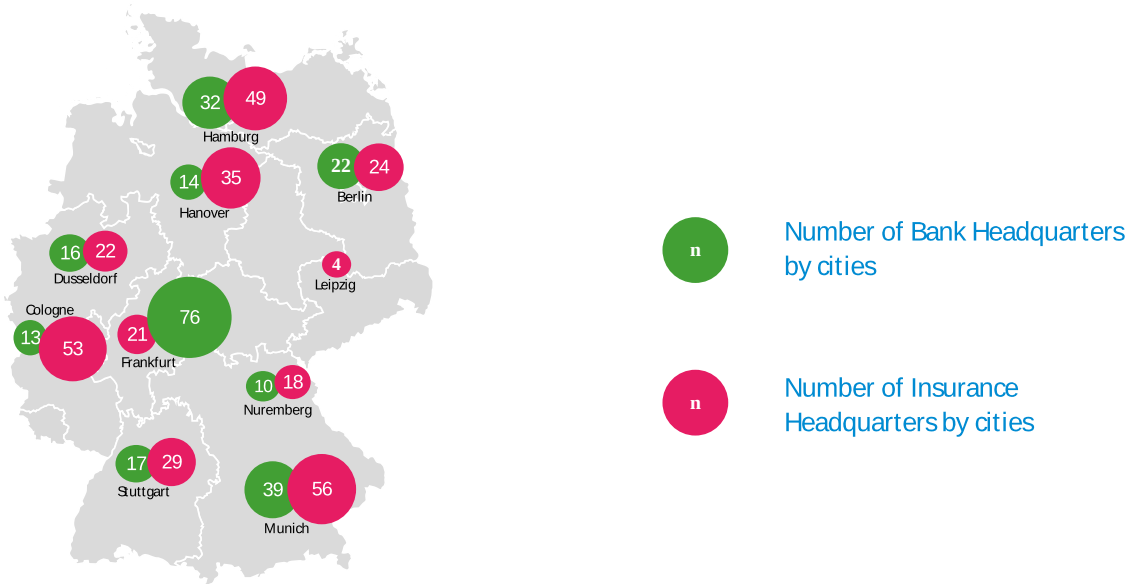


Source: destatis
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Germany differs from other highly centralized countries, where the capital or largest city is the most important economic and financial sector, by having a number of strong financial locations where financial centers are established.

Banking and Insurance Centers in Germany

Financial Industry in Germany



source: der Finanzplatz Stuttgart in Baden-Württemberg, Deutschland und Europa 2017

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Of global importance here are the cities of Frankfurt, as one of the most important financial centers in the world, and Munich as an important insurance and reinsurance location.

Both cities, together with Berlin and Cologne, are also designated digital hubs for FinTech and InsurTech companies respectively.

More Information:

- [FinTech](#)
- [Twelve hubs, one digital network.](#)

There are a number of different stock exchanges with different focal points in Germany. The Frankfurt Stock Exchange is the most important stock exchange location in Germany and also the home of the Deutsche Börse Group. The [Deutsche Börse Group](#) is active internationally, with operations in Luxembourg, Prague, London, Zug, New York, Chicago, Hong Kong, Singapore, Beijing, Tokyo and Sydney.

In Frankfurt, Deutsche Börse operates the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse FWB®), one of the world's largest trading centers for securities and an international trading center. Of the approximately 200 market participants, roughly half are from countries other than Germany. Besides the specialist trading at Frankfurt Stock Exchange, its fully electronic trading system Xetra® is one of the leading electronic trading platforms in the world. With a

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share in turnover of around 90 per cent, the Frankfurt Stock Exchange is the largest of Germany's seven stock exchanges.


Frankfurt is domicile for the euro clearing for banks from non-Euro countries. The Eurex is the leading derivatives market in Europe and Eurex Clearing serves more than 175 clearing members in 17 countries and administers a collateral pool accounting for around EUR 50 billion. The central securities depository Clearstream covers more than 50 markets worldwide with its international net of depositaries and processes more than 10 million transactions in more than 850,000 securities each month. Shares, bonds and fund units worth more than EUR 13 trillion are in custody.


Frankfurt is also domicile in the EU for renminbi clearing.

The other **stock exchanges in Germany** are situated in [Berlin](#) [Dusseldorf](#) [Hamburg](#) [Hanover](#) [Leipzig](#) [Munich](#) and [Stuttgart](#).

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