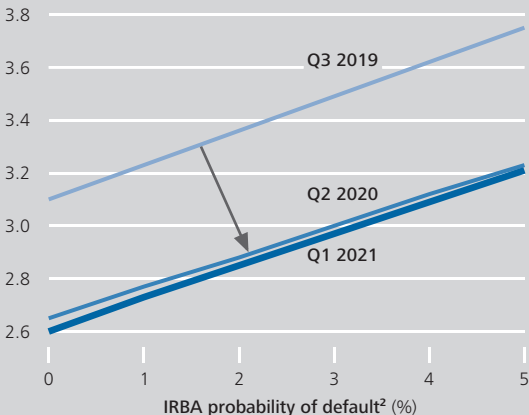


Credit default risk term structure for German banks*

Chart 2.2.4

Interest rate spread¹ in percentage points



Sources: AnaCredit and Bundesbank calculations. * Estimate of a regression model saturated with fixed effects with the interest rate spread as the dependent variable. The regression model includes sectors, banks, instrument type and enterprise size as fixed effects. Where possible, only standard credit instruments (lines) with a fixed interest rate were used. **1** Difference between the credit interest rate reported in AnaCredit and the risk-free interest rate, estimated based on listed Federal securities. **2** Probabilities of default based on internal models (IRBA = internal ratings-based approach).