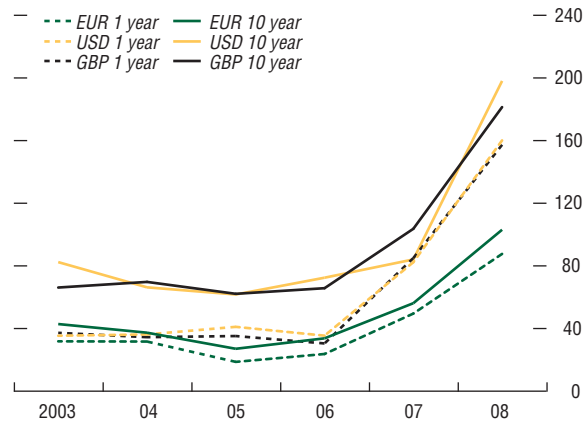


**Figure 1.22. AA Rated Bank Bond Index Spreads
Relative to Government Bonds**

(In basis points)



Source: Bloomberg L.P.

Note: Banks' bond spreads are estimated as the difference in the Bloomberg corporate bond bank AA indices in the United States, United Kingdom, and European Union. Indices covered domestic currency bond issued by the banking industry in corresponding region. The government bond benchmarks are chosen to match the relevant maturities of the bank bond issues.