The Financial Crisis – Looking Back and the Way Forward

Gertrude Tumpel-Gugerell

Member of the
Executive Board of the ECB

Brussels, 22 January 2009

The Financial Crisis – Looking Back and the Way Forward

- Developments in financial markets
- Responses of the public authorities
- The way forward
- Conclusion

The Financial Crisis – Looking Back and the Way Forward

- **Developments in financial markets**
- Responses of the public authorities
- The way forward
- Conclusion

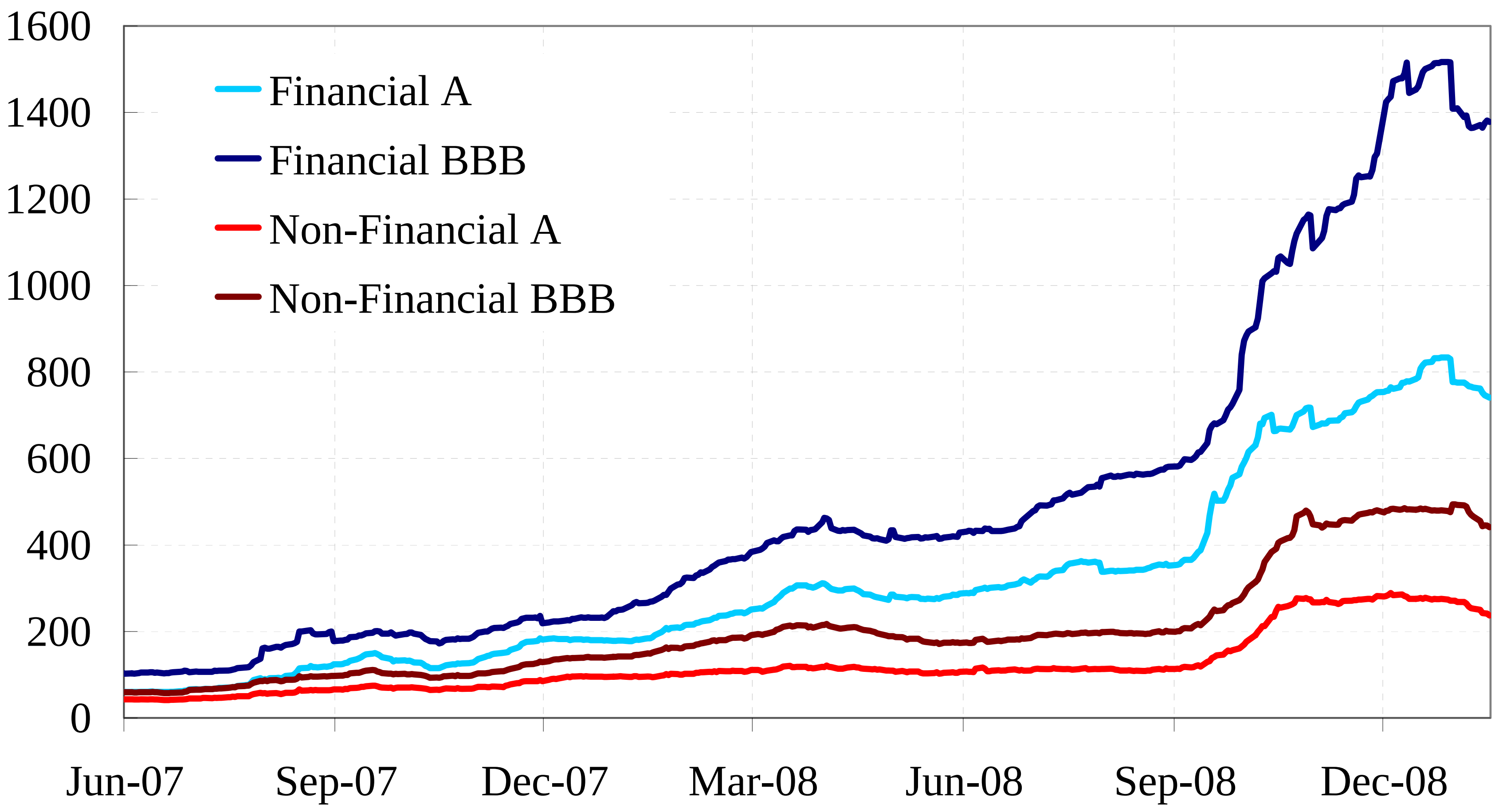
Chart 1: Euro area stock prices

Source: Thomson Financial Datastream, ECB calculations.
Daily data; last observation: 16 January 2009.

Chart 2: Implied stock market volatility

Source: Bloomberg.
Daily data; last observation: 16 January 2009; implied volatilities from stock options on DJ EURO STOXX 50.

Chart 3: Corporate bond yield spreads



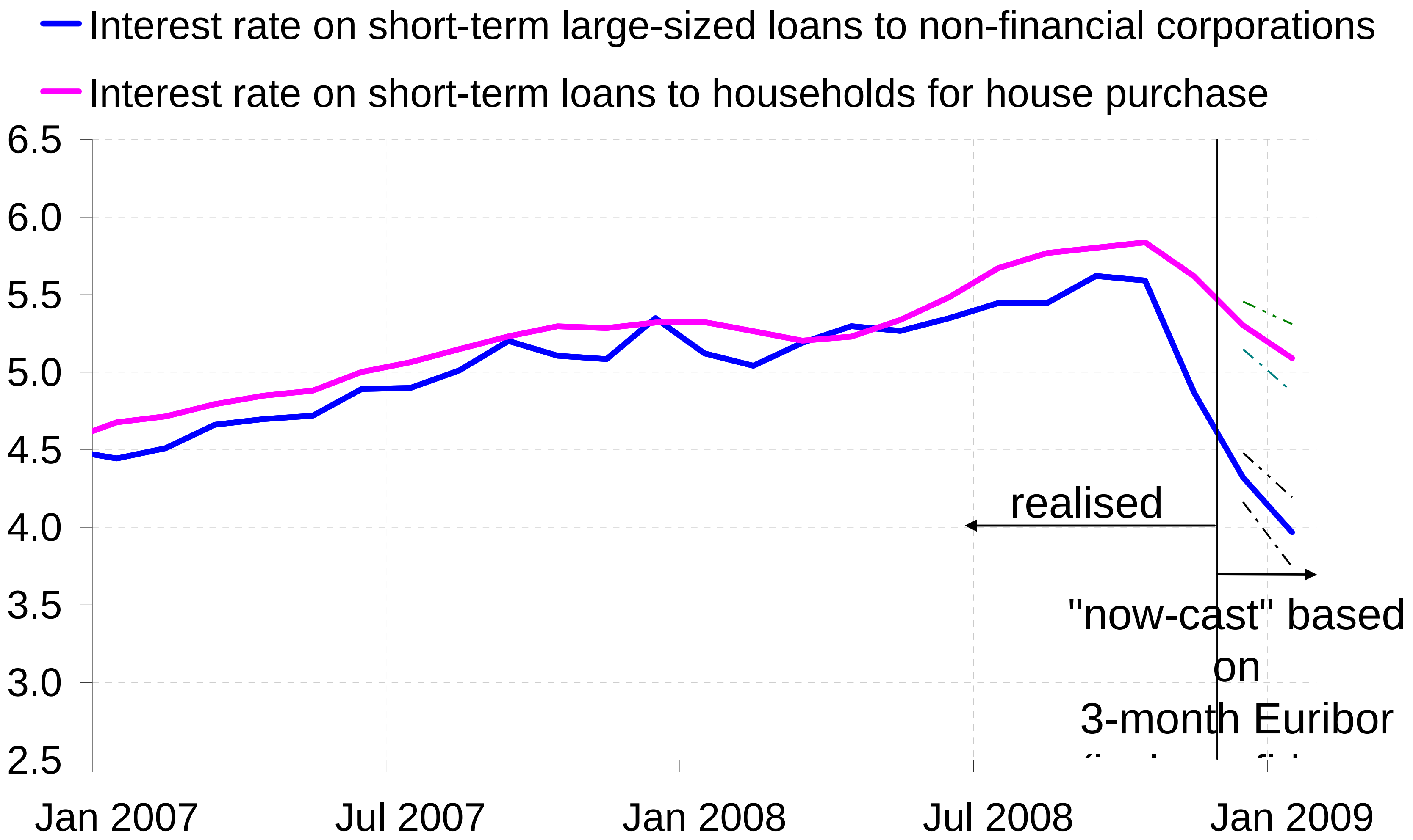
Source: Thomson Financial Datastream, ECB calculations.
Daily data; last observation: 16 January 2009.

Chart 4: 3-month Euribor/OIS spread

Source: Reuters, ECB calculations.
Daily data; last observation: 16 January 2009.

- Developments in financial markets
- **Responses of the public authorities**
- The way forward
- Conclusion

Chart 5: Bank lending rates



Source: ECB, De Bondt (2005) for error-correction model description, Reuters, and ECB estimations.
Monthly data, now-cast for December and January based on 3-month Euribor up until 16 January 2009.

- Developments in financial markets
- Responses of the public authorities
- **The way forward**
- Conclusion

The Financial Crisis – Looking Back and the Way Forward

- Developments in financial markets
- Responses of the public authorities
- The way forward
- **Conclusion**