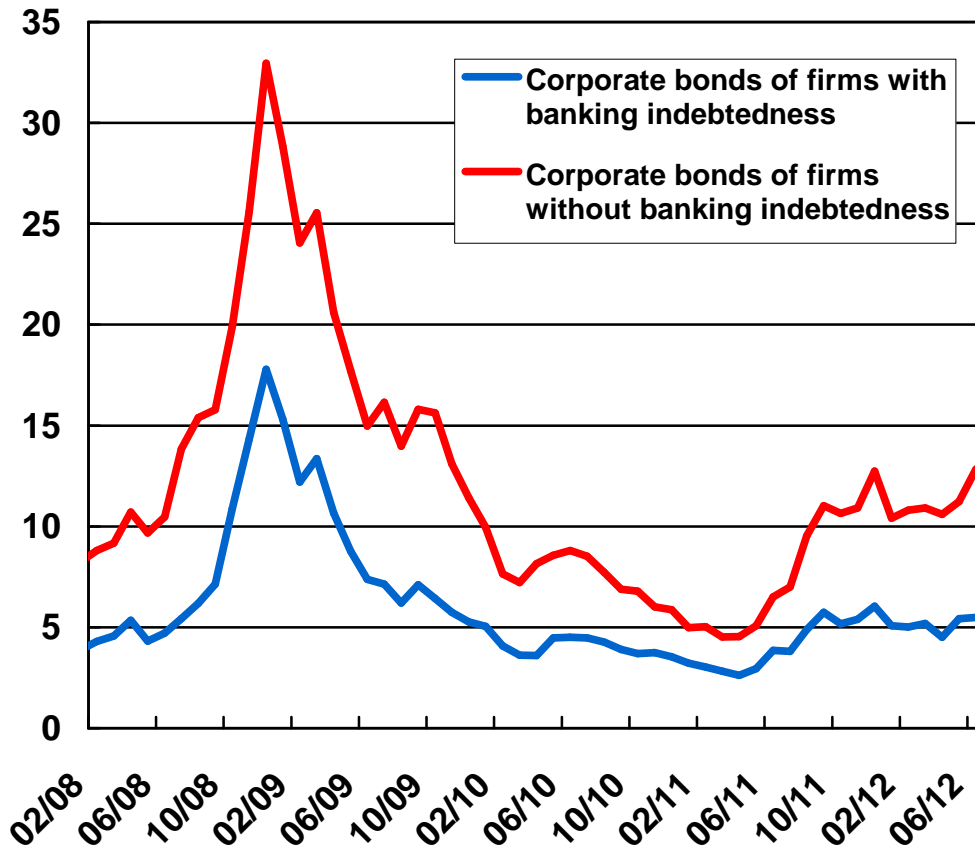


Figure 7
Yield spread between corporate bonds
and government bonds^a,
February 2008–June 2012

Percentage
points



^a The median rather than the average spread was calculated because the spread does not have a normal distribution. The calculation is based on data for 59 CPI-indexed bonds of companies without banking indebtedness, and 92 companies with banking indebtedness at the five major banking groups. Government bonds are represented by Galil bonds with the same duration as the corporate bonds.

SOURCE: Bank of Israel, reports to the Banking Supervision Department, and Banking Supervision Department calculations.