

# Index

## A

ABN AMRO (2001) 144  
absolute priority rule (APR) 10–11  
Acharya *et al*  
    (2003) 19–20, 49–50, 53–4, 102,  
    125, 236, 241, 246, 250  
    (2004) 193  
Advanced Internal Ratings Based  
    (AIRB) approach 201  
AFSF (2001) 144  
Allen and Saunders (2002) 193  
Allen *et al* (2004) 102  
Altman  
    (1989) 102, 106  
    (1991) 219  
Altman and Brady (2002) 236,  
    242, 250  
Altman and Eberhart (1994) 47  
Altman and Fanjul (2004) 48–9  
Altman and Jha (2003) 290, 294–5  
Altman and Kishore (1996) 9, 14,  
    19, 49, 267, 333, 347  
Altman and Pompeii (2005) 220  
Altman and Suggitt (2000) 16, 106  
Altman *et al*  
    (1977) 46  
    (2001) 41, 48, 50, 124, 287, 290  
    (2002) 153, 347  
    (2003) 17, 95, 102, 193, 202, 236,  
    267  
    (2004) 69  
    (2005) 48, 50, 52–4  
Amihud *et al* (2000) 13  
analysis of variance (ANOVA) test  
    153  
Araten (2004) 286, 290, 302

Armour and Frisby (2001) 167–9  
Artzner *et al* (1997) 278  
Arvanitis *et al* (1998) 341  
Asarnow and Edwards (1995) 14,  
    20, 47, 102, 106, 108, 110, 333,  
    347  
Asarnow and Marker (1995) 9  
Atkinson and Riani (2000) 149  
Atkinson *et al* (2004) 149

## B

Bahar and Brand (2000) 332  
Bakshi *et al* (2001) 8, 50, 53, 287  
Bank for International Settlements  
    (BIS) 5  
Bank of Italy (2000) 153–4  
Basel (2004) 285, 292, 296, 298–9,  
    302  
Basel Committee on Banking  
    Supervision (2004) 64  
Beta distribution 10, 46, 49, 69,  
    79–80, 253, 258, 284, 323–4,  
    330–1, 333, 339–44  
Binks and Ennew (1996) 168  
Black and Scholes (1973) 42  
Bonelli *et al* (2001) 123  
Bos *et al* (2002) 348–9, 352  
Bosworth and Eales (1998) 123  
Brennan *et al*  
    (1997) 123  
    (1998) 20  
Bruner and Eades (1992) 175

## C

Calem and Follain (2003) 298  
Cambridge Associates (2001) 219

- Canabarro *et al* (2003) 267  
 Cantor and Varma (2004) 333  
 Carey (1998) 14, 17, 108  
 Carey and Gordy (2003) 50–1  
 Carty and Gupton (2000) 123  
 Carty and Hamilton (1999) 123  
 Carty and Lieberman (1996) 20,  
 102, 106, 108, 287, 347  
 Carty *et al* (1998) 123, 286–7  
 Chabaane *et al* (2004) 54, 268, 271  
 Chen (1999) 324  
 Citron (1992) 170  
 Citron and Taffler (1999) 176  
 CMBOR (2004) 167  
 collateralised debt obligation  
 (CDO) 87  
 commercial and industrial (C&I)  
 lending 3  
 credit default swap (CDS) markets  
 87  
 credit migrations 45  
 Credit Suisse Financial Products  
 (1997) 45, 254, 267  
 Crosbie and Bohn (2002) 267, 272  
 Crouhy *et al*  
 (2000) 298  
 (2001) 339
- D**  
 Dahiya *et al* (2003) 12  
 Davydenko and Strebulaev (2004)  
 295  
 Day and Taylor (1996) 170  
 De Finetti's theorem 269, 271  
 De Laurentis and Geranio (2001)  
 144  
 De Laurentis and Riani (2004) 149  
 de Servigny and Renault (2004)  
 332, 339  
 debtor-in-possession (DIP)  
 lending 11  
 default mode (DM) models 45  
 Denis (1994) 176  
 Dermine and Neto de Carvalho  
 (2003) 47  
 Dewenter and Hess (2004) 102  
 Diamond (1984) 168  
 Duffie (1998) 43, 45  
 Duffie and Singleton (1999) 43–4  
 Düllmann and Trapp (2004) 54,  
 235, 237, 241, 249
- E**  
 Eales and Bosworth (1998) 20, 47,  
 288, 292, 302  
 Eberhart and Sweeney (1992) 12  
 Eberhart and Weiss (1998) 12  
 Eberhart *et al*  
 (1990) 11  
 (1998) 11  
 Edwards and Asarnow (1995) 288  
 Emery (2003) 48  
 expected default frequency (EDF)  
 62  
 exposure at default (EAD) 9, 29,  
 41, 147
- F**  
 Felsovalji and Hurt (1998) 123  
 Finch (2002) 166  
 Finger (1999) 50, 273  
 Foundation Internal Ratings Based  
 (FIRB) approach 201  
 Franks and Sussman (2003) 167,  
 169, 175, 177–8  
 Franks and Torous (1994) 167, 175  
 Franks *et al* (1996) 166  
 French Banking Federation (2001)  
 144  
 Frey and McNeil (2003) 269  
 Fridson *et al*  
 (2000) 125  
 (2001) 47  
 Friedman and Sandow  
 (2003) 49–50  
 (2003a) 348–9  
 (2003b) 358  
 (2003c) 348, 351  
 Friedman *et al* (2004) 348  
 Frisby (2001) 167–9  
 Frye  
 (2000) 17, 235, 237, 239, 241, 245,  
 249, 270, 290, 293–5  
 (2000a) 50, 51, 53–4, 102, 213,  
 267–8, 270, 272, 280  
 (2000b) 50–1, 102, 193, 213

(2000c) 51  
 (2003) 236, 347  
 FSA (2003) 286, 290, 302

**G**

Garbade (2001) 11  
 Gilson *et al* (1990) 168  
 Gordy  
   (2000) 50, 54, 292–3, 302  
   (2003) 249, 270, 273  
 Gordy and Jones (2002) 79  
 Grammatikos and Saunders (1990)  
   111  
 Greene (1993) 113  
 Grossman *et al* (2001) 19  
 Guha (2003) 288  
 Gupton and Stein  
   (2001) 62  
   (2002) 287, 290, 347  
   (2005) 50, 54  
 Gupton *et al*  
   (1997) 45, 267, 272, 288  
   (2000) 11, 14, 20, 236

**H**

Hagmann and Scaillet (2003)  
   330–1  
 Hamilton (1999) 68, 123  
 Hamilton and Berthault (2000)  
   286, 290  
 Hamilton *et al* (2001) 41  
 Hasan and Wall (2004) 111  
 Helwege (1999) 11  
 Helwege and Kleiman (1997) 230  
 Holland (1994) 168  
 Hu and Perraudin (2002) 17, 50,  
   52, 193, 267, 333  
 Hull and White (1995) 43  
 Hurt and Felsovalyi (1998) 103,  
   106, 108, 110

**I**

individual weighted recovery  
   rates (IWR) 147  
 internal ratings based (IRB)  
   approach 21, 29, 235  
   method 9  
 IRB collaterals 30

Ivanova (2004) 79

**J**

Jarrow (2001) 50–1  
 Jarrow and Turnbull (1995) 43–4,  
   267  
 Jarrow *et al* (1997) 43, 45  
 Jensen  
   (1986) 175  
   (1989) 175  
 Jokivuolle and Peura  
   (2000) 267, 270  
   (2003) 50, 53, 202

**K**

Keenan *et al*  
   (1999) 229  
   (2000) 339  
 Keisman (2003) 48–9  
 Keisman *et al* (2004) 348–9  
 Keisman and Van de Castle (1999)  
   123, 339  
 Kim *et al* (1993) 43  
 Klein and Inglis (2001) 275

**L**

La Porta *et al*  
   (1998) 166  
   (2003) 106, 108  
 Lando (1998) 43, 45  
 Lebanon and Lafferty (2001) 349  
 Litterman and Iben (1991) 43  
 loan equivalency factor (LEQ) 9  
 Longstaff and Schwartz (1995) 43,  
   202  
 “loss given default” (LGD) 3, 21,  
   25, 41, 61, 187, 201, 235, 253,  
   285, 307

**M**

Madan and Unal (1995) 43  
 mark-to-market (MTM) models 45  
 Martin and Wilde (2002) 273  
 mean squared error (MSE) 71  
 medium term note programs  
   (MTNs) 65  
 Merton (1974) 42, 55, 202, 287–8,  
   291–2, 294

- Mokal (2003) 169  
Morgan (1997) 339
- N**  
Nielsen *et al* (1993) 43  
non-investment grade (NIG)  
bonds 341
- O**  
OCC (2003) 286, 291, 302  
Onorota and Altman (2003) 79  
ordinary least square (OLS)  
regression 113
- P**  
Papke and Wooldridge (1996) 114,  
136  
Pearson correlation coefficient  
241, 244  
Pesaran *et al* (2004) 79  
probability density function (PDF)  
45, 348  
probability of default (PD) 29, 41,  
199, 269, 276, 307  
Pykhtin (2003) 54, 268, 270, 272–4,  
347  
Pykhtin and Dev (2002) 213
- Q**  
quasi-loan-to-value ratio 206
- R**  
recovery rate (RR) 41, 307  
Renault and Scaillet (2004) 13, 49,  
277, 323  
Rosen and Sidelnikova (2002) 272
- S**  
Schleifer and Vishny (1992) 41  
Schmit  
(2002) 144  
(2004) 308  
Schmit *et al* (2003) 144  
Schmit and Stuyck (2002) 144,  
308–9  
Schuermann  
(2003) 277, 289, 333  
(2004) 49, 110  
Shleifer and Vishny (1992) 54,  
177  
Singh (2003) 79  
Sironi (2001) 135  
small- and medium-sized  
enterprises (SMEs) 101  
Smith and Warner (1979) 168  
Spearman rank coefficient 244  
Swedish Banker Association  
(2001) 144
- T**  
Tasche (2004) 79  
Thompson *et al* (1991) 165  
Thornburn (2000) 14, 20
- U**  
“ultimate cashflow” method 190  
Unal *et al* (2003) 8
- V**  
value-at-risk (VAR) 185, 268  
Van de Castle and Keisman  
(1999) 245, 348, 352  
(2000) 49  
Van de Castle *et al* (2000) 16  
Varma *et al* (2003) 48  
Vasicek (2002) 273, 292–3  
Verde (2003) 49
- W**  
Wagner (1996) 11  
Wahlen (1994) 111  
Wilde (2001) 273  
Wright *et al*  
(1991) 167  
(1994) 176  
(1996) 165, 175