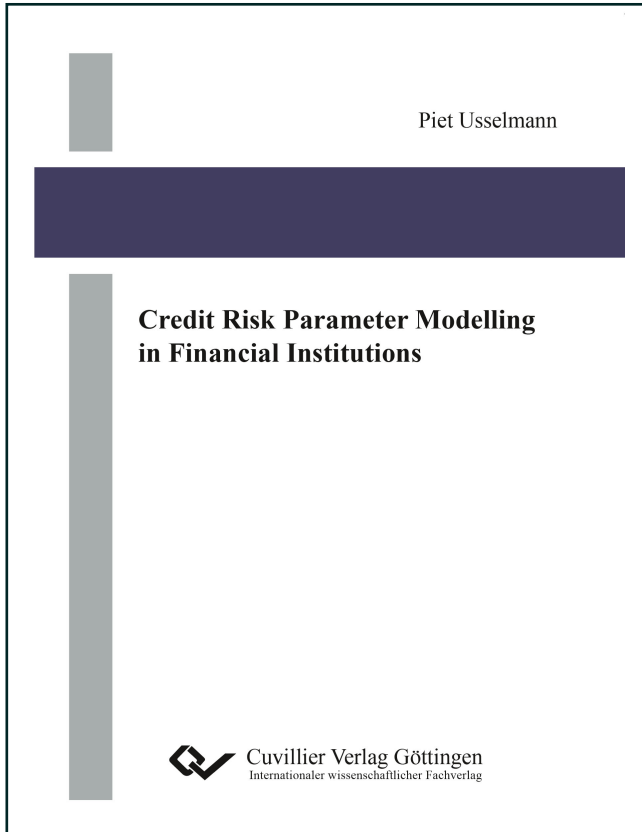




Piet Usselmann (Autor)  
**Credit Risk Parameter Modelling in Financial Institutions**



<https://cuvillier.de/de/shop/publications/7704>

Copyright:  
Cuvillier Verlag, Inhaberin Annette Jentsch-Cuvillier, Nonnenstieg 8, 37075 Göttingen,  
Germany  
Telefon: +49 (0)551 54724-0, E-Mail: [info@cuvillier.de](mailto:info@cuvillier.de), Website: <https://cuvillier.de>



# Contents

List of Figures .....	xiv
List of Tables.....	xv
Variables.....	xvii
Abbreviations .....	xx
1 Introduction.....	1
1.1 Problem Definition and Objectives of This Thesis .....	1
1.2 Course of Investigation.....	5
2 Institutional Background and Data .....	8
2.1 Institutional Background .....	8
2.2 Data.....	12
3 Economies of Scope in Consumer Credit .....	15
3.1 Fundamentals and Research Questions .....	15
3.2 Conceptual Framework and Methodology .....	20
3.3 Data.....	22
3.4 Empirical Analysis .....	27
3.4.1 Account activity and cross-product information.....	27
3.4.2 Cross-Product Information.....	36
3.4.3 Monitoring with Cross-Product Information Based on Probit Regression Models.....	39
3.4.4 Screening with Cross-Product Information Based on Probit Regression Models.....	40



3.4.5	Consistency of Information .....	43
3.4.6	Magnitude of Cross-Product Information .....	45
3.5	Additional Empirical Checks and Robustness Tests .....	50
3.5.1	Credit Line Usage and Credit Line Usage at Default.....	50
3.5.1.1	Methodology .....	50
3.5.1.2	Credit line usage .....	52
3.5.1.3	Credit line usage at default .....	54
3.5.2	Alternative Definition of Credit Line Usage at Default.....	59
3.5.3	Alternative Definition of Default .....	61
3.5.4	Interaction Effects of Cross-Product Account Activity Measures .....	63
3.5.5	Alternative Functional Forms for Account Activity Variables .....	63
3.5.6	Impact of the Recent Financial Crisis .....	63
3.6	Interim Results.....	64
4	Credit Card Systems - US versus EU style .....	66
4.1	Fundamentals and Research Questions .....	66
4.2	Literature Review .....	69
4.3	Institutional Background, Data and Methodology .....	78
4.3.1	Institutional Background .....	78
4.3.2	Data .....	78
4.3.3	Methodology .....	85
4.4	Empirical Analysis .....	87
4.4.1	Univariate Event Study .....	87
4.4.2	Multivariate Analysis .....	92
4.4.2.1	Analysis of Probability of Default .....	92
4.4.2.2	Analysis of Credit Line Usage .....	99
4.4.2.3	Analysis of Credit Line Usage at Default .....	101
4.4.3	Change of Redemption Type.....	104



4.5	Interim Result .....	111
5	Unbiased Exposure at Default Modeling .....	113
5.1	Fundamentals and Research Questions .....	113
5.2	Literature Review .....	115
5.3	Theoretical Analysis of CCF Forecasts .....	118
5.3.1	Variable Description .....	118
5.3.2	The Model .....	119
5.3.3	Overview of CCF Approaches .....	122
5.4	Empirical analysis.....	125
5.4.1	Variable Description .....	125
5.4.2	Data Description.....	126
5.4.3	Empirical Strategy.....	129
5.4.4	Comparison of Different Parameters.....	133
5.4.5	Comparison of Different Estimation Approaches Evaluated at the CCF Level.....	141
5.4.6	Comparison of Different Estimation Approaches Evaluated at the EL Level .	143
5.5	Interim Results.....	149
5.6	Appendix .....	150
5.6.1	Proof of the Proposition .....	150
6	Conclusion .....	152
	References .....	157