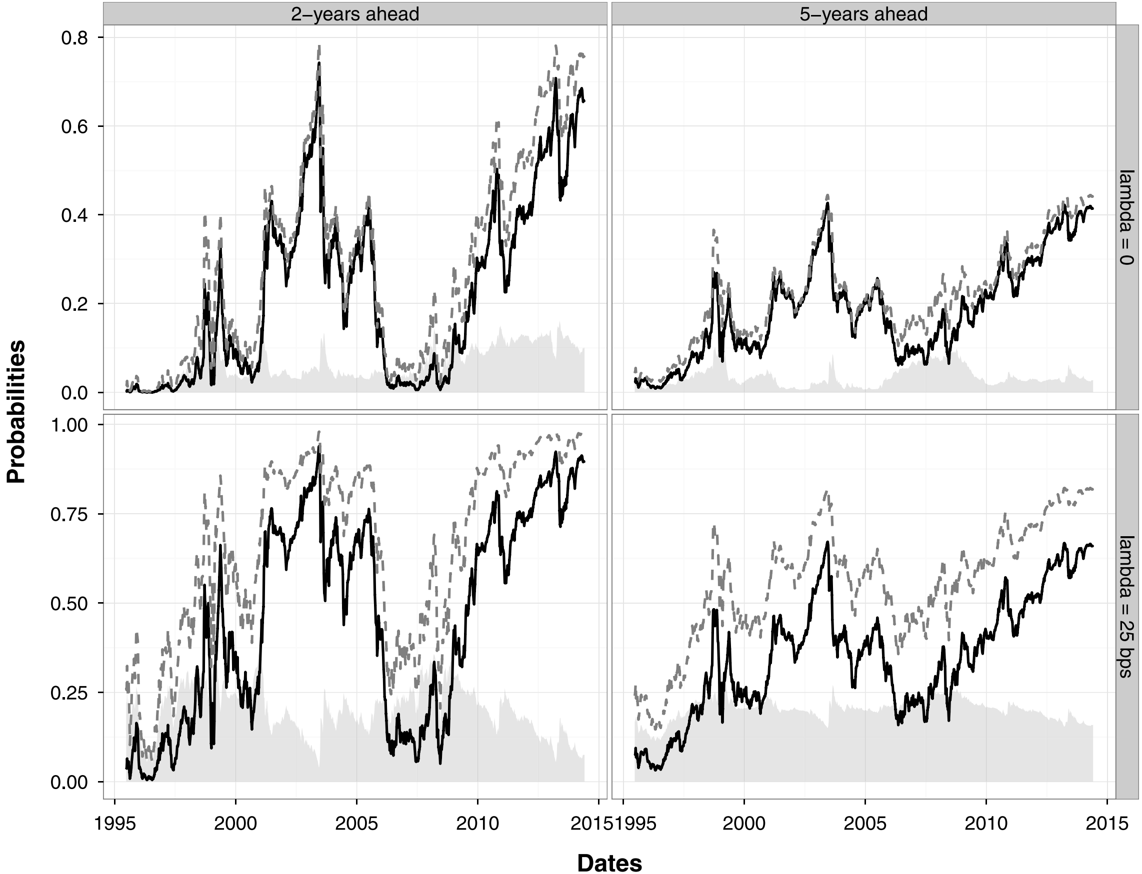

Fig. 9. Time-series of ZLB probabilities: $\mathbb{P}_t(r_{t+k} \leqslant \lambda)$ and $\mathbb{Q}_t(r_{t+k} \leqslant \lambda)$. *Notes:* Probabilities are computed with weekly data from June 16, 1995 to May 30, 2014. The top panels present the probabilities of the short-rate hitting zero in two years (top-left panel) and 5 years (top-right panel). On bottom panels, we represent the probabilities of the short-rate being below 25 bps in 2 years (bottom-left panel) and 5 years (bottom-right panel). Black solid lines are the risk-neutral probabilities whereas grey dashed lines are the historical ones; grey-shaded areas are the difference between the two probabilities.