



**Kroll Recommended  
Eurozone Equity Risk Premium (ERP) and  
Corresponding Risk-free Rates ( $R_f$ );  
December 2019–Present\*\*\***

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Date	Risk-free Rate ( $R_f$ )	$R_f$ (%)	Kroll Recommended Eurozone ERP Range (%)	What Changed
<b>Current Guidance:</b>				
<b>March 31, 2024 – UNTIL FURTHER NOTICE*</b>	<b>Normalized Risk-free Rate – Germany*</b>	<b>2.5*</b>	5.5–6.0	<i>Rf</i>
October 18, 2022 – March 30, 2024**	Normalized Risk-free Rate – Germany**	3.0**	5.5–6.0	<i>Rf</i>
May 17, 2022 – October 17, 2022	Normalized Risk-free Rate – Germany	2.0	5.5–6.0	<i>Rf</i>
September 21, 2021 – May 16, 2022	Normalized Risk-free Rate – Germany	1.5	5.5–6.0	<i>Rf</i>
March 31, 2020 – September 20, 2021	Normalized Risk-free Rate – Germany	2.0	5.5–6.0	<i>ERP</i>
January 31, 2020 – March 30, 2020	Normalized Risk-free Rate – Germany	2.0	5.0–5.5	<i>ERP</i>
December 31, 2019 – January 30, 2020	Normalized Risk-free Rate – Germany	2.0	4.5–5.0	<i>ERP Initialized</i>
June 30, 2019 – December 30, 2019	Normalized Risk-free Rate – Germany	2.0	n/a	<i>Rf</i>
March 31, 2017 – June 29, 2019	Normalized Risk-free Rate – Germany	2.5	n/a	<i>Rf</i>
March 31, 2014 – March 30, 2017	Normalized Risk-free Rate – Germany	3.0	n/a	<i>Rf Initialized</i>

\* We recommend using the spot 15-year German government bond yield as the proxy for the risk-free rate, if the prevailing yield as of the valuation date is higher than our German normalized risk-free rate of 2.5%. This guidance is effective when developing EUR-denominated discount rates as of March 31, 2024 and thereafter. Based on current economic and financial market conditions, the Kroll Recommended Eurozone ERP remains in the range of 5.5% to 6.0%, but we now believe that an ERP towards the higher end of the range (i.e., closer to 6.0%) is likely more appropriate when developing EUR-denominated discount rates as of April 15, 2025, and thereafter. Prior to this date, we believed that a 5.5% ERP (i.e., towards the lower end of the range) was more appropriate when developing EUR-denominated discount rates as of February 5, 2024, and thereafter.

\*\* When developing EUR-denominated discount rates as of October 18, 2022 through March 30, 2024, we recommend using the spot 15-year German government bond yield as the proxy for the risk-free rate, if the prevailing yield as of the valuation date was higher than our recommended German normalized risk-free rate of 3.0%.

\*\*\*German normalized risk-free rate and Eurozone equity risk premium (ERP) for use in EUR-denominated discount rates from a German investor perspective. Additional country risk adjustments may be warranted when estimating discount rates for other countries in the Eurozone.

"Normalized" in this context means that in months where the risk-free rate is deemed to be abnormally low, a proxy for a longer-term sustainable risk-free rate is used. If using a spot yield when normalization was warranted, the Kroll Recommended Eurozone ERP should be adjusted upwards accordingly (i.e., adding the spread between the normalized risk-free rate and the spot yield).

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