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Sommario/riassunto	This paper finds that systematic default risk, or the event of widespread defaults in the corporate sector, is an important determinant of equity returns. Moreover, the market price of systematic default risk is one order of magnitude higher than the market price of other risk factors. In contrast to studies by Fama and French (1993, 1996) and Vassalou and Xing (2004), this paper uses a market-based measure of systematic default risk. The measure is constructed using price information from credit derivatives prices, namely the spreads of standardized single-tranche collateralized debt obligations on credit derivatives indices.