

## READ ME FILE

**Title:** Australian Money Market Divergence: Arbitrage Opportunity or Illusion?

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### Description

This 'read me' file contains details of the data used in RDP 2019-09. Publicly available plotting data for figures appearing in the RDP can be found in the spreadsheet: rdp-2019-09-graph-data.xls. Data are not available for Figure 10 due to the confidential nature of the data. Data for Figure 12 are hypothetical.

### Data

The following data sources were used:

- Mortgages:
  - Discounted variable lending rate on housing loans from RBA Statistical Table F5
- Repurchase agreement:
  - Repo rate (1-month bucket) derived by authors from open market operations data
- Japanese Yen swap:
  - Implied return rate from hedged 3-month swap of AUD into Yen sourced from Bloomberg
- US dollar swap:
  - Implied return rate from hedged 3-month swap of AUD into US dollars sourced from Bloomberg
- Bank bills:
  - Bank Bill Swap (3 months) rate sourced from ASX
- Estimated risk weights on bank bills, foreign exchange swaps, repos, mortgages
  - Confidential data sourced from APRA
- Reported CET1 capital ratio
  - Data sourced from APRA website
- Cost of debt for Australian major banks
  - Confidential data sourced from internal RBA modelling
- Cost of equity for Australian major banks
  - Data sourced from Bloomberg

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