

# Interest and Financing

## Interest Schedule

Interactive Brokers uses internationally recognized benchmarks on overnight deposits as a basis for determining interest rates. We then apply a spread around the benchmark interest rate ("BM") in tiers, where larger cash balances receive increasingly better rates, to determine an effective rate.

### Benchmark Rates

### Interest Paid to You

## Interest Paid to You

When calculating rates, IB uses a blended rate based on the tiers below. *With the exception of CHF, CZK, DKK, EUR, JPY and SEK, if the benchmark rate plus the interest rate paid is less than 0 then the interest paid will be 0%. For balances held in CHF, CZK, DKK, EUR, JPY or SEK IB will apply an effective negative rate to long balances held as outlined in the table below.*

Interest accrues and is payable on a daily basis, and IB posts actual interest monthly on the 3rd business day of the following month.

The tiers on which interest is based may change from time to time without prior notification to clients. Such adjustments are done periodically to adjust for changes in currency rates.

For the purposes of crediting interest on either long settled cash balances or short stock collateral values, only accounts with Net Asset Value (NAV) exceeding USD 100,000 will be eligible to receive credit interest on long settled cash balances.

## Higher Interest Rates for Large Cash Balances

We pay interest to clients for credit balances, based upon rates available in the interbank deposit market. For those clients that hold large cash balances in multiple currencies, we offer the ability to take advantage of the Forex Swaps market to potentially earn higher rates. This program is not designed for and would not benefit any client who holds a single-currency long balance. The mechanics behind this program involve the buying of a currency for settlement one day out and the selling of the same currency two days out, the difference in value between the two settlement dates being the interest earned. We automatically keep rolling the swaps until you no longer meet the minimum balance criteria, or you instruct us to halt the program. You must have at least US \$10 million in cash, and US residents must be Eligible Contract Participants (ECP) to enroll in the program.

For more information please contact our swaps desk at [FXSwaps@IBKR.com](mailto:FXSwaps@IBKR.com) or see the [FAQs in the Documentation section of Traders' University](#).

## Interest Paid to You on Positive (Credit) Cash Balances

Balance

USD ▼

BM = Benchmark Rate

Currency	Tier	Rate Paid
USD	0 - 10,000	0%
	10,000.01 +	0.66% (BM - 0.5% )
AUD	0 - 14,000	0%
	14,000.01 - 140,000	1% (BM - 0.5% )
	140,000.01 +	1.25% (BM - 0.25% )
CAD	0 - 14,000	0%
	14,000.01 +	0.25% (BM - 0.5% )
CHF	0 - 100,000	0%
	100,000.01 +	-1.032% (BM - 0.25% )
CNY/CNH	All	0%
CZK	0 - 2,500,000	0%
	2,500,000.01 +	-0.13% (BM - 0.25% )
DKK	0 - 700,000	0%

Currency	Tier	Rate Paid
	700,000.01 +	-0.748% (BM - 0.25% )
EUR	0 - 100,000	0%
	100,000.01 +	-0.611% (BM - 0.25% )
GBP	0 - 8,000	0%
	8,000.01 +	0% (BM - 0.5% )
HKD	0 - 78,000	0%
	78,000.01 +	0% (BM - 0.75% )
HUF	0 - 2,800,000	0%
	2,800,000.01 +	0% (BM - 3% )
ILS	All	0%
INR	All	0%
JPY	0 - 11,000,000	0%
	11,000,000.01 +	-0.287% (BM - 0.25% )
KRW	0 - 12,000,000	0%
	12,000,000.01 +	0% (BM - 1.5% )
MXN	0 - 190,000	0%
	190,000.01 +	3.367% (BM - 4% )
NOK	0 - 85,000	0%
	85,000.01 +	0% (BM - 2.5% )
NZD	0 - 15,000	0%
	15,000.01 +	0% (BM - 2.5% )
PLN	0 - 400,000	0%

Currency	Tier	Rate Paid
	400,000.01 +	0% (BM - 2% )
RUB	0 - 700,000	0%
	700,000.01 +	3.96% (BM - 5% )
SEK	0 - 850,000	0%
	850,000.01 +	-0.782% (BM - 0.25% )
SGD	0 - 15,000	0%
	15,000.01 +	0% (BM - 1% )
ZAR	0 - 150,000	0%
	150,000.01 +	5.745% (BM - 1% )

### Interest Paid to You on Short Sale Proceeds Cash Balances

For the purposes of crediting interest on either long settled cash balances or short stock collateral values, only accounts with Net Asset Value (NAV) exceeding USD 100,000 will be eligible to receive credit interest on long settled cash balances.

USD	▼
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BM = Benchmark Rate

Currency	Tier	Rate Paid
USD	0 - 100,000	0%
	100,000.01 - 1,000,000	0% (BM - 1.25% )
	1,000,000.01 - 3,000,000	0.66% (BM - 0.5% )

Currency	Tier	Rate Paid
	3,000,000.01 +	0.91% (BM - 0.25% )
AUD	0 - 140,000	0%
	140,000.01 +	0% (BM - 2.25% )
CAD	0 - 140,000	0%
	140,000.01 - 1,400,000	0% (BM - 1.75% )
	1,400,000.01 - 3,000,000	0% (BM - 1.1% )
	3,000,000.01 +	0% (BM - 0.9% )
CHF	0 - 100,000	-1.032% (BM - 0.25% )
	100,000.01 +	-3.032% (BM - 2.25% )
EUR	0 - 100,000	-0.611% (BM - 0.25% )
	100,000.01+	-2.611% (BM - 2.25% )
GBP	0 - 80,000	0%
	80,000.01+	0% (BM - 2.25% )
HKD	0 - 780,000	0%
	780,000.01	0% (BM - 2.25% )
MXN	0 - 1,900,000	0%
	1,900,000.01+	0% (BM - 4% )
SEK	0 - 850,000	-0.782% (BM - 0.25% )
	850,000.01+	-2.782% (BM - 2.25% )

Interest Rates Charged to You

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## Disclosures

- Costs for position borrowing of stocks with special considerations (for example hard to borrow instruments) are usually higher than for normal availability stocks. These additional costs will be passed on in the form of lower short stock credit interest. Please note that this may lead to a net debit short stock credit interest in the event that the costs to borrow exceed the interest earned. In order to view the indicative short stock interest rates for a specific stock, IB recommends that clients use the *Short Stock (SLB) Availability Tool* in the Support > Tools menu in Account Management.

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## Interest Schedule

Interactive Brokers calculates an internal funding rate based on a combination of internationally recognized benchmarks on overnight deposits (ex: Fed funds, LIBOR) and real time market rates as traded, measured, in the interbank short-term currency swap markets, the world's largest and most liquid market.

While central banks and major money-center banks set and publish reference rates for interest dependent investments, these rates often do not reflect the exact investment costs/opportunities seen in interbank and commercial transactions. IB's interest model starts with the fixing rates and incorporates the dynamic market pricing to produce a midpoint or "Benchmark".

Around this benchmark, IB adds a spread to determine deposit and borrowing rates applicable to client balances in each currency. Spreads are tiered such that larger balances receive more favorable interest treatment by virtue of smaller spreads to the benchmark

### ➤ Reference Benchmark Rates

### ▼ Interest Paid to You

## Interest Paid to You

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For more information please contact our swaps desk at [FXSwaps@IBKR.com](mailto:FXSwaps@IBKR.com) or see the [FAQs in the Documentation section of Traders' University](#).

## Interest Paid to You on Positive (Credit) Cash Balances

Balance

  


BM = Benchmark Rate

Currency	Tier	Rate Paid
USD	0 - 10,000	0%
	10,000.01 +	1.41% (BM - 0.5%)
AUD	0 - 14,000	0%
	14,000.01 - 140,000	1.846% (BM - 0.5%)
	140,000.01 +	2.096% (BM - 0.25%)
CAD	0 - 14,000	0%
	14,000.01 +	0.501% (BM - 0.5%)
CHF	0 - 100,000	0%
	100,000.01 +	-1.069% (BM - 0.25%)



Currency	Tier	Rate Paid
CNH	All	0%
CZK	0 - 2,500,000	0%
	2,500,000.01 +	-0.27% (BM - 0.25%)
DKK	0 - 700,000	0%
	700,000.01 +	-0.97% (BM - 0.25%)
EUR	0 - 100,000	0%
	100,000.01 +	-1.004% (BM - 0.25%)
GBP	0 - 8,000	0%
	8,000.01 +	0% (BM - 0.5%)
HKD	0 - 78,000	0%
	78,000.01 +	2.079% (BM - 0.75%)
HUF	0 - 2,800,000	0%
	2,800,000.01 +	0% (BM - 3%)
ILS	All	0%
INR	All	0%
JPY	0 - 11,000,000	0%
	11,000,000.01 +	-0.682% (BM - 0.25%)
KRW	0 - 12,000,000	0%
	12,000,000.01 +	0% (BM - 1.5%)
MXN	0 - 190,000	0%
	190,000.01 +	3.302% (BM - 4%)
NOK	0 - 85,000	0%

Currency	Tier	Rate Paid
	85,000.01 +	0% (BM - 2.5%)
NZD	0 - 15,000	0%
	15,000.01 +	0% (BM - 2.5%)
PLN	0 - 400,000	0%
	400,000.01 +	0% (BM - 2%)
RUB	0 - 700,000	0%
	700,000.01 +	0.735% (BM - 5%)
SEK	0 - 850,000	0%
	850,000.01 +	-0.878% (BM - 0.25%)
SGD	0 - 15,000	0%
	15,000.01 +	0.106% (BM - 1%)
ZAR	0 - 150,000	0%
	150,000.01 +	5.269% (BM - 1%)

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