



4 March 2026

Dr Sean Turner  
Committee Secretary  
Senate Standing Committee on Economics  
Parliament House  
CANBERRA ACT 2600

Dear Dr Turner

**Estimates Hearing 11 February 2026, Economics Legislation Committee,  
Australian Office of Financial Management - Proof Committee Hansard, Page 37**

At the above noted Senate Estimates Hearings on 11 February 2026 I provided the following evidence;

In relation to the cost of holding cash as a liquidity buffer Senator Sharma asked:

*Holding a cash buffer of that size comes with a cost, right?  
Effectively—basically the 4.9 per cent? What do you calculate that cost of holding the cash at?*

In response I said:

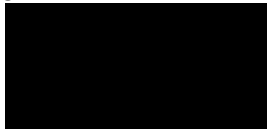
*It does. The average cost of debt for the end of last financial year was 4.2 per cent versus a 4.21 per cent average on the return on cash, so it was on par for the last financial year.*

I am writing to provide an amended response to the Committee in relation to this matter. I wish to amend this response to:

*It does. The average cost of debt issued last financial year was 4.2 per cent versus a 4.29 per cent average on the return on cash, so it was on par for the last financial year.*

I am pleased to provide this updated data to the Committee, and confirm all other answers provided at the hearing remain correct.

Regards



An  
Chief Executive Officer  
Australian Office of Financial Management