

**README file for Data and Programs for
“Let’s Twist Again: A High-Frequency Event-Study
Analysis of Operation Twist and Its Implications for QE2,”
Eric Swanson
June 1, 2011**

List of files included with this README:

Agency_yields_weekly.xlsx
FAME_CP_yields.txt
FAME_CP_yields.xlsx
FAME_Treasury_yields.txt
FAME_Treasury_yields.xlsx
LTA_Tables.xlsx
Moody's_Corporate_yields.txt
Moody's_Corporate_yields.xlsx
waldstatistics.m
waldstatisticsmoody's.m
waldstatisticscp.m

1. The file `LTA_Tables.xlsx` contains more details of the data underlying the Treasury, Agency, and corporate yield levels and yield changes reported in Tables 3 and 4 of the paper. These data were obtained from digitally archived copies of *The Wall Street Journal* and *The New York Times*, as described in the paper, and then entered by hand into the spreadsheet.
2. The file `FAME_Treasury_yields.xlsx` contains daily Treasury yields from the Federal Reserve Board's H15 release, beginning in 1962. The file `FAME_Treasury_yields.txt` contains exactly the same data in a more Matlab-friendly flat text file format.
3. Similarly, the file `FAME_CP_yields.xlsx` contains daily commercial paper yields from the Federal Reserve Board's H15 release, beginning in 1960. The file `FAME_CP_yields.txt` contains exactly the same data in a more Matlab-friendly flat text file format.
4. The file `Moody's_Corporate_yields.xlsx` contains daily yield data for Moody's Aaa and Baa corporate bond indexes. These daily data were reported weekly in old copies of *Moody's Bond Survey* in 1961 and 1962, and were entered by hand. The file `Moody's_Corporate_Yields.txt` contains exactly the same data in a more Matlab-friendly flat text file format.
5. The program `waldstatistics.m` is written in Matlab. It takes the `FAME_Treasury_yields.txt` file as input and computes the Treasury yield standard errors at the bottom of Table 3 and the associated Wald statistics and p-values for each response in relation to those standard errors. Additional comments are provided in the file.
6. Similarly, the Matlab program file `waldstatisticsmoody's.m` takes the `Moody's_Corporate_yields.txt` file as input and computes the standard errors for the Moody's corporate bond indexes reported at the bottom of Table 4. The Matlab program file

waldstatisticscp.m takes the FAME_CP_yields.txt file as input and computes the standard errors for the commercial paper yields reported at the bottom of Table 4.

7. The file Agency_yields_weekly.xlsx contains weekly data on FNMA and Federal Land Bank bond yields in 1961 and 1962, as reported in *The Wall Street Journal* and typed in by hand. These data are used to compute 5-day standard deviations of Agency bond yields in the bottom-right corner of the spreadsheet. These 5-day standard deviations are, in turn, used to infer 1-day, 2-day, 3-day, 9-day, and 13-day standard deviations, also reported in the bottom-right corner of the spreadsheet. These standard deviations for Agency yields are reported at the bottom of Table 4 in the paper.

8. The 3-day, 9-day, and 13-day standard deviations for Treasury yields at the bottom of Table 4 are computed in the waldstatistics.m file.