This is a question for the group to help me understand how firms that borrow shares are charged interest on those shares.

Recently, many posts have shown that the average Cost-to-Borrow (CTB) for a recent slew of 100,000 shares was 243%. These posts are flooding the SS sub.

Assuming that 100,000 shares were borrowed with that average interest rate, I am going to provide a calculation below to estimate the daily interest charges of these shares. Assuming this interest rate gets reset daily, this interest payment amount would only apply for today. Also important to note is, to my understanding, a yearly interest rate that gets paid daily.

1. Shares Borrowed = 100,000
2. Price (current) \~ $147
3. Total Value of Borrowed Shares (#1 x #2) = $14,700,000
4. Average Cost-to-Borrow = 243%
5. Yearly Interest Payment (immaterial as re-calculated daily)(#3*#4) = $35,280,000
6. Daily Interest Payment (#5/365) = $96,658
7. Daily Interest Payment - Only Including 253 Trading Days (#5/253) = $139,446

Is this a correct understanding of how these interest payments are calculated?