

News Release

16 March 2020

ANZ NZ reduces variable home loan rates 0.75%

ANZ Bank New Zealand (ANZ NZ) today announced it will pass on the full 0.75% Official Cash Rate cut by the Reserve Bank of New Zealand (RBNZ) to its Floating and Flexi home loans rates.

The Floating home loan rate will drop from 5.19% to 4.44% while the Flexi rate will drop from 5.30% to 4.55%. The new rates will take effect from 19 March for new floating rate home loans and 2 April for existing floating rate and flexi home loans.

The decision by the RBNZ to reduce the cash rate to historically low levels highlights the significant impact the outbreak of COVID-19 is already having on the global economy.

“While there were a range of factors considered in making this decision, ANZ NZ is playing its role in supporting both our customers and the broader economy through this period of uncertainty,” said Ben Kelleher, Managing Director Retail and Business Banking for ANZ NZ.

“While the OCR is only one factor in determining interest rates, we recognise the latest cut is in response to extraordinary economic conditions due in part to the impacts of coronavirus.

“The current extreme low interest rate environment provides an opportunity for home loan customers to save and repay home loan debt.

“We remain concerned about the impact lower interest rates will have on savers, whose deposits provide much of the funding for our lending, so we are cautiously reviewing deposit rates to balance the needs of savers and borrowers.”

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