

News Release

14 August 2024

ANZ makes further cuts to floating and flexible home loan rates

ANZ Bank New Zealand (ANZ NZ) today announced further cuts to its floating and flexible home loan rates following the decision by the Reserve Bank of New Zealand to cut the Official Cash Rate by 25-basis points.

The floating and flexible home loan rates drop 10-basis points to 8.39% and 8.50% respectively, this follows a 15-basis point cut to the floating and flexible home loan rates announced 15 days ago.

ANZ NZ Managing Director for Personal, Grant Knuckey, cautioned that while the decision to cut the OCR was positive news it was a double-edged sword.

“While this is a welcome signal that inflation is under control, it also means the economy has softened.

“We’re conscious that interest rates for borrowers remain high and this is placing continued strain on household budgets.

“For businesses that means the environment remains really challenging.”

Mr Knuckey said the market had priced in a lot of easing over the next year.

“The New Zealand economy is still doing it tough and global markets remain volatile. But for the average borrower we do expect conditions to improve from here.”

Mr Knuckey said when reviewing interest rates, the bank considered a range of factors, including the Official Cash Rate and changes in wholesale interest rates and the need to balance the needs of borrowers and savers.

In response to the drop in the OCR ANZ will also decrease the Serious Saver rate by 10-basis points and its call savings accounts by 25-basis points.

The new rates will be effective from the following dates:

- ANZ Floating Home Loan interest rate: new loans 20 August 2024, existing loans 3 September 2024
- ANZ Flexible Home Loan interest rate: 3 September 2024
- Serious Saver interest rate: 31 August 2024
- Online Call and Business Premium Call: 3 September 2024

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