

## News Release

9 October 2024

### **ANZ cuts interest rates for business and agri customers, floating home loan and savings accounts**

ANZ Bank New Zealand (ANZ NZ) has today announced cuts to its floating business and floating home loan interest rates following the decision by the Reserve Bank of New Zealand to cut the Official Cash Rate by 50-basis points.

The full 50-basis point cut has been passed on to ANZ NZ's Business Floating loan and Business Overdraft base rates.

ANZ NZ Managing Director for Business and Agri, Lorraine Mapu, said: "While consumer and business confidence is improving, it remains a very challenging economic environment and the effects of high inflation and interest rates are still being felt."

"Today's move by the Reserve Bank to drop the OCR to 4.75% will be welcome news to many of our customers."

Ms Mapu said most of ANZ NZ's business and agri customers were on floating rates so the changes should flow through to them relatively quickly, giving some debt relief and helping with cashflow.

"Since interest rates started to drop – both wholesale and more recently the OCR by a total of 75-basis points – we have announced 80-basis points in cuts to our business and agri customers.

"We hope this provides some relief to Kiwi farms and businesses that have been doing it tough in the current environment," Ms Mapu said.

ANZ NZ has also passed through the full OCR cut to its Floating and Flexible home loan rates, taking them to 7.89% and 8% respectively.

ANZ NZ Managing Director for Personal, Grant Knuckey, said while they made up a small portion of ANZ NZ's home lending, homeowners who have floating rate loans would be the first to feel the benefits of the falling OCR.

"Passing on the full 50-basis points cut will immediately benefit homeowners who have all or part of their loans on floating rates."

Interest rates will continue to be reviewed in response to international and local market conditions.

"As the overall interest rate environment heads down, customers who are due to refinance their fixed-term loans over the coming months will see their interest costs come down too," Mr Knuckey said.

“We’ll always endeavour to provide the best rates for our customers. As people navigate the changing interest rate environment we encourage our home loan customers to connect with the bank to ensure they are aware of all the options available to them.”

Mr Knuckey said when reviewing interest rates, the bank considered a range of factors, including the OCR 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 NZ will decrease the Serious Saver rate by 50-basis points, taking it to 3.75%. Online Call and Business Premium Call will also drop by 50-basis points to 2%.

The new rates will be effective from the following dates:

- Business Floating base interest rate: New loans 15 October 2024, existing loans 22 October 2024
- Business Overdraft base interest rate: 22 October 2024
- ANZ Floating Home Loan interest rate: New loans 15 October 2024, existing loans 22 October 2024
- ANZ Flexible Home Loan interest rate: 15 October 2024
- Serious Saver interest rate: 1 November 2024
- Online Call and Business Premium Call: 22 October 2024

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*Important information:*

*This news release is for information only.*