

News Release

For release: 3 May 2016

Home loan and small business interest rates to decrease

ANZ today announced it will decrease interest rates across a range of variable lending products for home owners and small businesses, while increasing the rate on its 4-month Term Deposit by 1.00%pa.

Key Points – All changes effective 13 May

- All Standard Variable Rate indices for Residential Home Loan products to decrease by 0.19%pa. For Owner Occupiers this reduces the Index Rate to 5.37%pa.
- All Business lending variable rate indices will decrease by 0.25%pa.
- Deposit rates for 4-month Advanced Notice Term Deposit to increase by 1.00%pa to 3.00%pa.
- Introduction of a special highly competitive 2-year Fixed Rate Home Loan for Owner Occupiers of 3.75%pa.

ANZ Group Executive Australia Fred Ohlsson said: "Today's decision strikes a balance between ensuring our home loan customers continue to get a competitive deal and continuing to support our small business and deposit customers.

"The background is that wholesale funding costs have again been rising in recent months. While we've absorbed this for some time and taken steps to reduce costs in our own business, higher funding costs mean we are only in a position to pass on a portion of the reduction in the cash rate to our customers.

"Our rates remain low by historical standards and our standard variable residential rates remain competitive having maintained the lowest standard variable rate for almost three years. For customers wanting to lock-in low rates, we've introduced a highly competitive 2-year Fixed Rate home loan of 3.75%pa.

"However, we also know that falling interest rates impact many customers that rely on their savings. This is why we've also taken the decision to lift our popular four-month Term Deposit rate by a full 1%pa," Mr Ohlsson said.

Owner Occupier Standard Variable Home Loan Rates as at 3 May			
ANZ	WBC	NAB	CBA
5.37%pa	5.43%pa	5.35%pa	5.35%pa

ANZ has a number of options available to help customers concerned about interest rates and their repayments. Customers who would like assistance should visit any ANZ branch, log on to anz.com or contact ANZ on 13 13 14.

For media enquiries contact:

Stephen Ries, +61-409-655551
Nick Higginbottom, +61-403-936262