

News Release

30 May 2022

ANZ lifts rates on some lending and savings accounts

ANZ Bank New Zealand will increase the interest rates on some lending and savings accounts following last week's 0.50% Official Cash Rate (OCR) rise by the Reserve Bank of New Zealand.

The ANZ Home Loan Floating interest rate and ANZ Flexible Home Loan interest rate will go up 0.40% to 5.94% pa and 6.05% pa respectively. Business floating and business overdraft base rates will also go up 0.50% pa, and we will continue to provide targeted support for businesses that need it.

For Serious Saver, ANZ's largest savings product, the total interest rate will increase 0.40% to 1.50%.

ANZ Managing Director for Personal Banking Ben Kelleher said the global economic response to Covid-19 and geo-political issues, like the war in Ukraine, are driving inflation to levels not experienced in decades.

"With this in mind, it's understandable that the Reserve Bank is strongly hiking the OCR in an attempt to dampen inflation," Mr Kelleher said.

While the Reserve Bank acknowledged that raising the OCR steeply does put pressure on some households' spending decisions, on average, household balance sheets were healthy and it was confident the economy could withstand such increases. It indicated stabilising inflation continues to be its priority.

Off the back of last week's announcement, ANZ's economists are now forecasting another 50bps lift in July, before the Reserve Bank returned to a more normal pace of hiking.

Mr Kelleher said the OCR was one of a number of factors influencing bank lending rates. Rising wholesale interest rates across the year had also impacted home loan rates.

"For those who haven't experienced rising interest rates we understand this can add some extra stress, particularly with rising inflation impacting other household costs.

"Our team are having good conversations with our customers to ensure they're aware of the various options available to them. This may include options to alter the term of their loan and lower repayments if needed.

He said mainstream banks assessed affordability at a higher interest rate to help take into account possible rate rises over the term of the loan.

“We do encourage anyone who has concerns or wanted to take the opportunity to talk about their finances to get in touch with us early. We’re here to support our customers and can take people through the various personal finance options available to them.”

ANZ data shows that since the first lockdown in 2020 many New Zealanders have been cautious with their finances.

“People have taken advantage of the low interest rate environment to pay off debt and they’ve kept up their savings habits. We’re now starting to see customers turning back to term deposits for the higher returns.

“As other interest rates have changed, we have continued to increase our term deposit pricing, and we have some of the most competitive rates in the market.”

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

The new rates will be effective from the following dates:

ANZ Home Loan floating interest rate	New Loans 2 nd June 2022 Existing Loans 16 th June 2022
ANZ Flexible Home Loan interest rate	New Loans 16 th June 2022 Existing Loans 16 th June 2022
Business floating	New Loans 2 nd June 2022 Existing Loans 16 th June 2022
Business Overdraft Base Rates	16 th June 2022
Serious Saver	1 st June 2022

For media enquires contact Kristy Martin on 021 531 402

Our lending criteria terms and fees apply see anz.co.nz for details.
Interest rates can change.