

News Release

24 February 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 Wednesday's 0.25% Official Cash Rate (OCR) rise by the Reserve Bank of New Zealand.

Interest rates on floating and flexible home loans will go up 0.25% to 5.04% and 5.15% respectively. Business floating and overdraft rates will also go up 0.25%.

For Serious Saver, ANZ's largest savings product, the total interest rate will increase 0.25% to 0.70%. Interest rates will also increase on a number of other savings products.

Last week ANZ increased a number of term investment rates giving customers some of the most competitive rates in the market – the nine month rate lifted by 0.30% to 2.00%.

ANZ Managing Director for Personal Banking Ben Kelleher said that while interest rates remained low compared with recent history, inflation meant they were likely to continue rising for some time.

"The historically low rates we've had are, in part, because of local and international responses to Covid-19 in the past two years," Mr Kelleher said.

"As the Reserve Bank moves to rein in inflation and bring some balance back to the economy they have signalled the OCR would continue to rise, potentially to around 3.4% by late 2024.

"If that happens, interest rates for lending and savings are likely to continue to rise too.

"While rising interest rates will seem daunting for borrowers who haven't experienced it before, it's important to remember that they are still at relatively low levels and bank affordability assessments take into account that they may change over the term of a loan.

"The area for people to keep an eye on in the coming months is the impact of rising inflation on their other costs."

He urged any customers who had concerns, or who wanted to take the opportunity to talk about their finances, to contact the bank.

"We're here to support our customers and can take people through the various personal finance options available to them."

ANZ Managing Director for Business Lorraine Mapu said this also extended to business customers.

“Inflationary pressure continues to impact the wider business community, including input costs, supply chain issues and a very tight labour market,” Ms Mapu said.

“While it has been impressive how our business community has quickly adapted to working with Covid-19, there are some who continue to be impacted by the ongoing disruption caused by the pandemic. We encourage them to talk to us about some of the more targeted measures we can support them with.”

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:

Home lending Floating	New Loans 1 March Existing Loans 15 March
Home lending Flexible	New Loans 15 March Existing Loans 15 March
Business floating	New Loans 1 March Existing Loans 15 March
Business overdraft	15 March
Serious Saver	1 March

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