

12 April 2023

## Changes to ANZ savings and lending rates

ANZ Bank New Zealand (ANZ NZ) will increase interest rates on some deposit and lending products following the Reserve Bank of New Zealand's decision to increase the Official Cash Rate by 0.50% to 5.25%.

The ANZ Serious Saver rate will increase by 0.50% while ANZ's floating home loan rate will increase by 0.40%.

Rates across various term deposits will increase by between 0.10% and 0.25% and some fixed home loan rates will increase by between 0.14% and 0.20%.

ANZ NZ Managing Director for Personal Banking Ben Kelleher said rising rates would be a help to savers.

"Since October 2021 the OCR has increased by 5% and in response we've taken a balanced approach to both lending and saving interest rate movements, with changes in each area very similar."

Over that time ANZ Serious Saver has increased by 4.05%, and the key 12-month Term Deposits by 4.30% and our floating and 1-year fixed home loan rates have both increased by 3.95%.

"High inflation hurts people's spending power, devalues their savings, and increases business costs, pushing up the cost of living," Mr Kelleher said.

"With this in mind, it is understandable the Reserve Bank is strongly hiking the OCR in an attempt to dampen inflation."

Mr Kelleher said according to Statistics NZ 38% of New Zealanders have a home loan and RBNZ data shows that around 90% of mortgage debt is on fixed rates.

"Most of our customers opt for fixed term rates, with only around 10% of debt on a floating rate, many of whom are on the discounted Blueprint to Build floating rate (a discounted rate for those building their own home).

"All of this means the financial pressure coming on New Zealanders because of increasing interest rates is occurring gradually over time."

He said when reviewing interest rates the bank considered a range of factors, including the impact on customers, the official cash rate and changes in wholesale interest rates and competitor activity.

"In coming months more people will be feeling financial pressure as their fixed home loans roll off, anyone facing any difficulty or needing support should get in touch with their bank sooner rather than later," Mr Kelleher said.

There are also targeted support options available for businesses feeling financial pressure.

Business base interest rates will increase by 0.30%.

The new rates will be effective from the following dates: (full table of rate changes attached)

<b>Product</b>	<b>Effective dates</b>
ANZ Fixed Rate Home Loans	13 <sup>th</sup> April 2023
ANZ Floating home loan interest rate	New loans 13 <sup>th</sup> April 2023 Existing loans 27 <sup>th</sup> April 2023
ANZ Flexible home loan interest rate	New loans 27 <sup>th</sup> April 2023 Existing loans 27 <sup>th</sup> April 2023
Blueprint to build	New loans 13 <sup>th</sup> April 2023 Existing loans 27 <sup>th</sup> April 2023
Business floating base rates	New loans 13 <sup>th</sup> April 2023 Existing loans 27 <sup>th</sup> April 2023
Business overdraft base rates	27 <sup>th</sup> April 2023
Term Investments	13 <sup>th</sup> April 2023
Serious Saver	1 <sup>st</sup> May 2023

For media enquiries contact Briar McCormack 021 2801173