

## News Release

For release: Wednesday, 18 March

### ANZ NZ cuts 1 and 2-year fixed rates

ANZ Bank New Zealand (ANZ NZ) today announced cuts to its 1 and 2-year fixed home loan rates and term deposits.

The bank cut its 1-year fixed rate special 40bps to 3.05% and its 2-year fixed rate special 30bps to 3.35%. Its standard rates for the same terms would also drop. The new rates will take effect from 19 March. Term deposits have been reduced 0.25% across the board (except for 30 days).

“These new rates will provide some relief and support for customers during a difficult and uncertain time,” said Ben Kelleher, Managing Director Retail and Business Banking for ANZ NZ.

The new fixed home loan rates are believed to be the lowest ever offered by a major bank in New Zealand.

“While there are a range of factors in setting these rates, including the Reserve Bank of New Zealand’s emergency Official Cash Rate drop of 0.75% this week, we’ve been mindful to balance the needs of borrowers and savers,” Mr Kelleher said.

“For borrowers, every dollar counts, and lower interest rates will leave more in their pockets to help them through the disruption caused by COVID-19.

“At the same time, it’s important that bank deposits remain a viable option for savers who are looking for a low-risk investment with a reasonable rate of return.”

Mr Kelleher said domestic deposits were also vital to ensure banks had enough funding to support lending.

In addition to these changes, ANZ NZ cut its variable home lending rates by 75bps and announced lower floating business loans, flexible business loans and business overdraft rates earlier this week.

#### ANZ NZ’s Fixed rate changes

Term	Current rate	New rate	Change
1 year – special*	3.45% p.a.	3.05% p.a.	-0.40%
2 year – special*	3.65% p.a.	3.35% p.a.	-0.30%
1 year - standard	3.95% p.a.	3.55% p.a.	-0.40%
2 year - standard	4.15% p.a.	3.85% p.a.	-0.30%

*\* To qualify for special rates customers need minimum 20% equity and an ANZ transaction account with salary direct credited.*

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