

News Release

For Release: 4 November 2020

ANZ reduces business and home lending rates to boost growth and economic recovery

ANZ today announced it would reduce interest rates on a range of business and home lending products to help boost business growth and jobs while supporting households and the Australian economy as it recovers from the COVID-19 pandemic.

Interest rate reductions for businesses eligible for the Government Guarantee include a 0.75%pa decrease to 4.24%pa on ANZ's unsecured Next Step Business Loan¹ and new fixed rates from 2.85%pa for those borrowing up to \$1million for new vehicle and equipment purchases². Both will be effective from 11 November.

To support home owners, ANZ will decrease its fixed home loan rates across one to five-year terms by between 0.20%pa - 0.40%pa for owner occupier customers paying principal and interest on ANZ's Breakfree package, providing its lowest fixed rates on record.

Key Points

Small & Medium Businesses:

- Decrease interest rate for unsecured Next Step Business Loan by 0.75%pa to 4.24%pa – backed by Government Guarantee
- New fixed rates from 2.85%pa for new vehicle and equipment purchases – backed by the Government Guarantee
- All above rates effective 11 November 2020.

Home Loan Customers:

- Introduction of historically low fixed rates for owner occupier customers on Breakfree package paying principal and interest and effective 5 November:
 - One-year fixed rate of 2.09%pa (-0.30%pa)
 - Two-year fixed rate of 2.09%pa (-0.20%pa)
 - Three-year fixed rate of 2.09%pa (-0.20%pa)
 - Four-year fixed rate of 2.29%pa (-0.40%pa)
 - Five-year fixed rate of 2.29%pa (-0.40%pa)
- ANZ has offered the lowest standard variable interest home loan indices of all the major banks since 27 March

ANZ Group Executive, Australia Retail & Commercial, Mark Hand said: "This year has provided some of the most challenging circumstances many Australians have ever faced. We are focussed on continuing to support our customers now and as the economy starts to recover.

"The RBA and the Government are rightly focussed on supporting the economy by making long-term financing cheaper for small businesses and households during this difficult period. ANZ continues to play its part.

"By providing a lower rate for our Next Step Business Loan – part of the Government SME Guarantee Scheme – we will help our customers restock and rebuild, which will also help boost jobs and the broader economy," Mr Hand said.

¹ Applicable for unsecured loans. Rates may vary based on ANZ's credit criteria or your financial circumstance

² Rates may vary based on ANZ's credit criteria or your financial circumstance, excludes third party transactions
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“Since March we have maintained the lowest standard variable home loan index among the major banks for owner occupier customers paying principal and interest and we are pleased to still have the lowest today.

“For home loan customers looking for certainty with their repayments, they can consider the range of historically low fixed rate terms we have on offer.

“We have once again weighed up a number of factors in making this decision with our focus today on supporting business recovery while continuing to offer very competitive home loan rates to help our customers and the housing sector,” Mr Hand said.

ANZ has provided a range of relief measures for customers during the COVID-19 pandemic. Customers seeking more information can visit our [dedicated site](#) on anz.com

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