

For immediate release

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Slow off the blocks: Half of home loan market yet to announce rate cuts

- ➔ 49% of home loan lenders yet to announce rate changes one week on from RBA meeting
- ➔ 26 lenders have passed on rate cut in full, while 12 have not
- ➔ Borrowers urged to be proactive if they're yet to hear from their lender!

10 May, 2016, Sydney, Australia – One week on since the Reserve Bank's cash rate fell to a new historic low of 1.75%, some lenders are dragging their feet where rate cut announcements are concerned, with more than 30 lenders yet to make any noise, according to finder.com.au, one of Australia's biggest comparison websites¹.

Of the 74 lenders on finder.com.au's home loans database, 38 lenders, including the Big Four, have made announcements regarding variable rate cuts to owner-occupier home loans. Almost half (49%) are yet to announce.

To date, 26 lenders have passed on the full 0.25% rate cut, while 12 have not. This includes ANZ which reduced its standard variable rate by 0.19%, and ME Bank who yesterday afternoon announced a rate cut of just 0.05%.

Bessie Hassan, Money Expert at finder.com.au says that borrowers should be proactive if their lender is yet to announce.

"It's disappointing that half of the market is yet to make an announcement, but rather than playing the waiting game borrowers need to be proactive.

"If you're yet to hear from your bank, be diligent and contact them to find out what's going on. Keep an eye out on your lender's website or social media channels as your lender will likely issue a statement in the coming days.

¹ Experian Hitwise since 2013

“If you’re not satisfied with the response, or if your bank isn’t providing the full rate cut, it might be time to look elsewhere. Jump online and compare several home loan products with a competitive rate. Not only should you check the interest rate but also review your comparison rate as this reflects the true cost of the loan,” Ms Hassan says.

“The cash rate cut means borrowers are in the best position they’ve ever been, and more borrowers are securing rates under 4% for both fixed and variable rates. A new benchmark has been set – the lowest rates ever are out there if you’re willing to shop around.”

For the majority of lenders, the new variable rate will become effective towards the end of May, while 10 lenders will introduce the rate cut prior to 20 May 2016.

Two lenders are waiting until next month to pass on their rate cuts – Your Credit Union becomes effective on 1 June, while Australian Military Bank will honour the rate cut on 27 June 2016.

On average, a borrower can save \$67 on a \$500,000 home loan with a lender that issues a rate cut.

You can [stay updated on home loan rate cut announcements here](#).

Lenders who have announced cuts

Monthly (and yearly) savings for various loan sizes

Bank	Change	New Rate	Effective Date	\$250k Loan	\$500k Loan	\$750k Loan	\$1M Loan
Australian Military Bank	-0.25%	4.87%	27/6/2016	\$38.19 (\$458)	\$76.37 (\$916)	\$114.56 (\$1375)	\$152.75 (\$1833)
AMP	-0.20%	5.53%	23/5/2016	\$31.58 (\$379)	\$63.15 (\$758)	\$94.73 (\$1137)	\$126.30 (\$1516)
ANZ	-0.19%	5.37%	13/5/2016	\$29.75 (\$357)	\$59.50 (\$714)	\$89.25 (\$1071)	\$119.00 (\$1428)
Auswide Bank	-0.20%	5.43%	25/5/2016	\$31.42 (\$377.03)	\$62.84 (\$754.03)	\$94.26 (\$1131.07)	\$125.67 (\$1508.07)
Bank of Melbourne	-0.25%	5.35%	23/5/2016	\$39.16 (\$470)	\$78.33 (\$940)	\$117.49 (\$1410)	\$156.65 (\$1880)
BankSA	-0.25%	5.42%	23/5/2016	\$39.30 (\$472)	\$78.60 (\$943)	\$117.91 (\$1415)	\$157.21 (\$1886)
BankVic	-0.25%	4.74%	16/5/2016	\$37.91 (\$455)	\$75.83 (\$910)	\$113.74 (\$1365)	\$151.66 (\$1820)
Bankwest	-0.20%	5.45%	20/5/2016	\$31.45 (\$377)	\$62.90 (\$755)	\$94.35 (\$1132)	\$125.80 (\$1510)
Bendigo Bank	-0.20%	5.48%	30/5/2016	\$31.50 (\$378)	\$62.99 (\$756)	\$94.49 (\$1134)	\$125.99 (\$1512)

BOQ	-0.25%	5.61%	18/5/2016	\$39.67 (\$476)	\$79.35 (\$952)	\$119.02 (\$1428)	\$158.70 (\$1904)
CBA	-0.25%	5.35%	20/5/2016	\$39.16 (\$470)	\$78.33 (\$940)	\$117.49 (\$1410)	\$156.65 (\$1880)
Coastline Credit Union	-0.25%	4.34%	16/5/2016	\$37.06 (\$444.73)	\$74.12 (\$889.43)	\$111.18 (\$1334.17)	\$148.24 (\$1778.87)
Citibank	-0.21%	4.41%	23/5/2016	\$30.84 (\$370)	\$61.67 (\$740)	\$110.10 (\$92.51)	\$123.35 (\$1,480.17)
CUA	-0.25%	4.81%	19/5/2016	\$38.06 (\$457)	\$76.12 (\$913)	\$114.18 (\$1370)	\$152.25 (\$1827)
Firstmac	-0.25%	4.41%	23/5/2016	\$37.21 (\$447)	\$74.42 (\$893)	\$111.63 (\$1340)	\$148.85 (\$1786)
Greater Bank	-0.25%	4.75%	16/5/2016	\$37.94 (\$455)	\$75.87 (\$910)	\$113.81 (\$1366)	\$151.74 (\$1821)
Heritage Bank	-0.20%	5.14%	23/5/2016	\$30.95 (\$371)	\$61.90 (\$743)	\$92.86 (\$1114)	\$123.81 (\$1486)
Homestar Finance	-0.25%	3.61%	5/5/2016	\$35.43 (\$425.17)	\$70.86 (\$850.33)	\$106.29 (\$1275.5)	\$141.72 (\$1700.63)
HSBC	-0.25%	5.35%	23/5/2016	\$39.16 (\$470)	\$78.33 (\$940)	\$117.49 (\$1410)	\$156.65 (\$1880)
IMB	-0.20%	5.09%	25/5/2016	\$30.87 (\$370)	\$61.74 (\$741)	\$92.61 (\$1111)	\$123.48 (\$1482)
ING Direct	-0.25%	4.22%	20/5/2016	\$36.80 (\$442)	\$73.60 (\$883)	\$110.39 (\$1325)	\$147.19 (\$1766)
Loans.com.au	-0.25%	3.64%	23/5/2016	\$35.50 (\$426)	\$71.00 (\$852)	\$106.50 (\$1278)	\$142.00 (\$1704)
ME Bank	-0.05%	5.03%	16/5/2016	\$21.34 (\$256)	\$42.69 (\$512.27)	\$64.03 (\$768.37)	\$85.38 (\$1024.50)
Mortgage House	-0.25%	3.27%	6/5/2016	\$34.64 (\$415)	\$69.29 (\$831.43)	\$103.93 (\$1247.13)	\$138.57 (\$1662.87)
NAB	-0.25%	5.35%	16/5/2016	\$39.16 (\$470)	\$78.33 (\$940)	\$117.49 (\$1410)	\$156.65 (\$1880)
Newcastle Perm	-0.25%	5.05%	19/5/2016	\$38.56 (\$463)	\$77.12 (\$925)	\$115.67 (\$1388)	\$154.23 (\$1851)
Pacific Mortgage Group	0.25%	3.70%	16/5/2016	\$35.64 (\$427.63)	\$71.27 (\$855.27)	\$106.91 (\$1282.87)	\$142.54 (\$1710.50)
P & N Bank	-0.14%	4.01%	5/5/2016	\$20.28 (\$243.33)	\$40.56 (\$486.67)	\$60.84 (\$730.03)	\$81.11 (\$973.37)
Qudos Bank	-0.25%	4.94%	19/5/2016	\$38.33 (\$460)	\$76.66 (\$920)	\$114.99 (\$1380)	\$153.33 (\$1840)

Queensland Police Union (QPCU)	-0.25%	5.04%	23/5/2016	\$38.54 (\$462)	\$77.07 (\$925)	\$115.61 (\$1387)	\$154.15 (\$1850)
RAMS	-0.25%	5.30%	23/5/2016	\$39.06 (\$469)	\$78.13 (\$938)	\$117.19 (\$1406)	\$156.25 (\$1875)
Reduce Home Loans	-0.20%	3.45%	5/5/2016	\$28.00 (\$336.03)	\$56.01 (\$672.06)	\$84.01 (\$1008.1)	\$112.01 (\$1344.17)
St.George	-0.25%	5.44%	23/5/2016	\$39.34 (\$472)	\$78.68 (\$944)	\$118.02 (\$1416)	\$157.37 (\$1888)
Suncorp	-0.20%	5.50%	25/5/2016	\$31.53 (\$378)	\$63.06 (\$757)	\$94.59 (\$1135)	\$126.11 (\$1513)
Ubank	-0.25%	4.17%	16/5/2016	\$36.69 (\$440)	\$73.38 (\$881)	\$110.06 (\$1321)	\$146.75 (\$1761)
Westpac	-0.25%	5.43%	23/5/2016	\$39.32 (\$472)	\$78.64 (\$944)	\$117.97 (\$1416)	\$157.29 (\$1887)
Yellow Brick Road	-0.25%	5.39%	25/5/2016	\$39.24 (\$471)	\$78.49 (\$942)	\$117.73 (\$1413)	\$156.97 (\$1884)
Your Credit Union	-0.25%	5.40%	1/6/2016	\$39.26 (\$471.13)	\$78.53 (\$942.30)	\$117.79 (\$1413.43)	\$157.05 (\$1884.6)
Average	-0.22%	4.86%		\$33.56 (\$402.70)	\$67.12 (\$805.40)	\$100.68 (\$1208.10)	\$134.23 (\$1610.80)

Source: finder.com.au



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