

All big banks cut savings rates by at least 0.25%

The banks have passed on the RBA October rate cut in full to savers

MEDIA RELEASE

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All four big banks and many smaller banks and other institutions have passed on the full RBA October rate cut of 0.25 percentage points to their savings account customers.

Today, Westpac and its subsidiaries (BankSA, Bank of Melbourne and St George Bank) have joined the other three big banks, and many other institutions, in cutting rates on savings accounts and term deposits.

Westpac's Life savings account maximum rate has been cut 0.25 per cent pa to 1.65 per cent pa.

Westpac's eSaver account has also been cut by 0.25 per cent to 1.66 per cent pa.

Commonwealth Bank's GoalSaver account headline maximum rate has been slashed to just 1.25 per cent pa for balances under the government guaranteed threshold of \$250,000. The GoalSaver headline rate of 1.60 per cent pa only applies to the portion of the balance over \$250,000.

CBA Netbank Saver's five-month maximum headline rate has been cut 0.35 percentage points to 1.65 per cent, reverting to a base rate of 0.1 per cent.

ANZ has cut the bonus rate on its Progress Saver account by 0.25 percentage points from 1.85 to 1.60 per cent pa with the base rate remaining at 0.01 per cent.

ANZ Online Saver's three-month introductory rate has been cut 0.25 percentage points to 1.6 per cent pa with an ongoing base rate of 0.1 per cent pa.

NAB cut the bonus rate on its Reward Saver account by 0.25 percentage points from 1.86 to 1.61 per cent pa with the base rate set at 0.11 per cent.

NAB iSaver's four-month introductory rate has been cut 0.25 percentage points to 1.86 per cent pa with a base rate of 0.11 per cent.

St. George, Bank of Melbourne and BankSA have cut their maximum incentive and introductory savings account rates by 0.25 percentage points to 1.80 per cent pa from today.

Other popular savings account rates have also been cut by 0.25 per cent, including the Up Saver, ING accounts, 86 400 and others.

Vadim Taube, CEO of leading Australian financial comparison site InfoChoice.com.au, said Commonwealth Bank's headline savings account rate of 1.6 per cent pa only applies for balances over the government guaranteed threshold level of \$250,000.

"All of the big banks and many of the smaller banks and credit unions have now passed on the RBA's October rate cut of 0.25 percentage points to their savings account rates," said Vadim Taube, CEO of InfoChoice.com.au.

"For balances under the \$250,000 the highest maximum ongoing at-call savings account rate now offered by the Commonwealth Bank is 1.25 per cent pa.

"The Commonwealth Bank's Netbank Saver maximum introductory rate has come down 0.35 per cent this month."

"The Australian inflation rate is now 1.6 per cent so that is the absolute minimum savers should be looking for in a savings account or term deposit rate."

Bank

Account name

Account type

Rate cut

current max rate

Intro period

CBA

Netbank Saver

Intro

0.35

1.65

5 months

GoalSaver

Incentive

0.25

1.6

ANZ

Online Saver

Intro

0.25

1.6

3 months

Progress Saver

Incentive

0.25

1.6

NAB

iSaver

Intro

0.25

1.86

4 months

Reward Saver

Incentive

0.25

1.61

Westpac

eSaver

Intro

0.25

1.66

5 months

Life Saver

Incentive

0.25

1.65

Go straight to the latest rates information from individual banks and other institutions here.

For more information on Savings account rates, data and commentary, please contact:

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