

Lock in a sub 3% loan until 2023

3 and 4-year fixed home loan rates go under 3%

Fixed Rates: Home buyers can now lock in sub-three per cent mortgage repayments until 2023.

There are now 22 three-year fixed rate home loan products for owner-occupiers with advertised rates under three per cent listed by InfoChoice. The lowest comparison rate for a three-year fixed rate mortgage is 3.04 per cent pa.

There are now four 4-year fixed rate home loan products for owner-occupiers with advertised rates under three per cent listed by InfoChoice. The lowest comparison rate for a four-year fixed rate mortgage is 3.76 per cent pa.

"It really is amazing to think that a young couple buying their first home can lock in these extraordinary low rates for up to four years, until mid-2023," said Vadim Taube, CEO of leading Australian financial comparison site, InfoChoice.

"And for anyone with a home loan around 4 or 5 per cent, the incentives to compare and refinance to a cheaper rate are now all but irresistible.

The Reserve Bank is not expected to change the Overnight Cash Rate from 1.0 per cent when the RBA board meets on Tuesday 3rd September 2019. Rates market trading indicates a 13 per cent chance of a rate cut to 0.75 per cent.

"We think the RBA will resist further rate cuts as long as possible - to wait for more evidence of the effect of previous cuts in June and July before moving again," said Vadim Taube.

"However, the RBA has been very clear with his messaging that more rate cuts will come if necessary.

"Most borrowers are sticking with variable rates, despite the long and low fixed rates on offer, according to search trends on InfoChoice.

"So Aussies are listening to the governor of the Reserve Bank and they expect rates to stay low or go even lower."

"Home buyers can give themselves a massive rate cut themselves by comparing their loan with the most competitive rates in the market, and switching to a cheaper deal," said Vadim Taube.

Savings Rates:

"Term deposit rates continue to slide," said Vadim Taube, "Now the highest 12-month Term Deposit rate listed by InfoChoice is 0.20 per cent lower than one month ago."

"Savers using at-call savings accounts need to ensure they have a high ONGOING maximum bonus rate to keep ahead of inflation which is now running at 1.6 per cent."

Amazing 3 and 4-year fixed home loan rate (OO, P&I)

3-year fixed: Reduce Home Loans Home Owners Dream 3 Year Fixed: 2.79% pa (comparison rate: 3.04% pa).

4-year fixed: St George Bank and Bank of Melbourne's Owner Occupier P&I with Advantage Package (LVR<60%): 2.94% pa (Comparison rate 3.76 per cent pa).

The lowest advertised home loan rates currently listed by InfoChoice are:

Variable rate:* 2.89 per cent p.a. (comparison rate 2.89 per cent p.a.**) from Reduce Home Loan's Low Rider Variable loan.

12-month Fixed rate:* 2.79 per cent p.a. (comparison rate 4.17 per cent p.a.) from Greater Bank's 12 month Fixed Home Loan.

The highest savings rates currently listed by InfoChoice are:

At-call savings accounts:*** 2.55 per cent p.a. max bonus rate (base rate 1.15 per cent) from RAMS Saver (make \$200 deposit & no withdrawals in a month)

12 month Term Deposits: 2.30 per cent p.a. from Community First CU.

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

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* InfoChoice compares financial products from 145 banks, credit unions and other financial institutions in Australia. InfoChoice does not compare every product in the market. Some institutions may have a commercial partnership with InfoChoice. Rates are provided by partners and taken from financial institutions websites. We believe all information to be accurate on the date published. InfoChoice strives to update and keep information as accurate as possible.

** Comparison rate is based on a secured loan of \$150,000 over the term of 25 years. WARNING: These comparison rates apply only to the example or examples given. Different amounts and terms will result in different comparison rates. Costs such as redraw fees or early repayment fees, and costs savings such as fee waivers, are not included in the comparison rate but may influence the cost of the loan

***Excludes accounts with introductory honeymoon maximum bonus rates, notice saver accounts and accounts that are not generally available to all Australian residents

InfoChoice is a leading Australian comparison website for retail banking and personal finance products. We've been helping Aussies find great offers on credit cards, home loans, savings accounts, term deposits, personal loans and car loans for over 25 years. Our mission is to help consumers make an informed purchasing by bringing together the most comprehensive list of financial products on the market today.

At InfoChoice, we strive to be:

Comprehensive. We compare more than 3500 individual products from 145 providers within Australia to offer you the best value.

Informative. We know how important it is for you to crunch the numbers before buying. Our calculators help you understand the cost of different products over the long term and show you the potential savings.

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