

# A Leading Voice of Mutual Banking

Media Release

Thursday, 9 June 2022

## **NEWCASTLE PERMANENT CHANGES VARIABLE HOME LOAN RATES AND TERM DEPOSIT RATES**

Newcastle Permanent today announced it will increase interest rates for our variable loans and on a number of new term deposits, including a special 12-month term deposit rate.

This announcement follows the [RBA's decision on Tuesday](#) to increase interest rates by 0.50%, from 0.35% to 0.85%.

Our variable home loan rates and business loan rates will increase by 0.50% p.a. and take effect from 17 June 2022, applying to new and existing customers. Rates have also been increased on a number of term deposit offers, including a new special rate of 2.25% p.a. on new 12-month term deposits\*, effective 14 June 2022.

Newcastle Permanent CEO, Bernadette Inglis, said the decision was made after reviewing the customer-owned organisation's interest rates and the broader market.

“Increasing home loan rates for our customers is not an action we take lightly, especially in the context of the current economic environment.

“For many of our customers, the RBA's decision earlier this week to increase the official cash rate by 0.50% will be the first time many of our customers have experienced a consecutive-month official cash rate increase, but also an increase of this size in a single month—the last time it happened was more than 20 years ago.

“In the past couple of years, historically-low interest rates have helped more than 90% of our home loan customers get ahead on their repayments and we have confidence that this has put the majority of our customers in a good position to manage increases in interest rates.

“When reviewing and making changes to our rates, it is our responsibility to consider our entire 325,000 customers—both our lending and deposit customers.

“Today we have also announced an increase on a number of term deposit offers, including a special term deposit rate of 2.25% p.a. on new 12-month term deposits, effective 14 June 2022. I hope that this will provide some relief to our loyal savers who have experienced a lower level of return on their funds in recent years.”

Contact the Media Centre:  
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Newcastle Permanent will directly contact impacted variable home loan customers, through email or letter, whose accounts have been affected by today's announcement.

Newcastle Permanent has a range of home loan options available for customers including splitting loans between fixed and variable rates as well as range of competitive fixed-rate options. Customers are encouraged to discuss their banking needs, including customers who are experiencing financial difficulty, with their local branch manager or contact the Customer Contact Centre on 13 19 87 to ensure they have the right home loan, savings or deposit account for their individual needs.

\*Rates are subject to change without prior notice. Refer to [newcastlepermanent.com.au/interest-rates](https://newcastlepermanent.com.au/interest-rates) for all current interest rates.

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