

7 December 2016

Suncorp announces changes to investor home loan variable interest rates

Suncorp has today announced it will increase its variable interest rates on new and existing investor home loans by 0.15% p.a. from Tuesday, 13 December 2016.

The changes apply to Back to Basics, Standard Variable and Access Equity products, bringing the Standard Variable rate for investor loans to 5.87% p.a.

Suncorp Banking & Wealth Acting CEO Steven Kluss said the decision to increase investor rates was based on numerous factors including continuing to deliver value to customers through offering competitive rates.

“It’s important to understand that most of our existing investor home loan customers are paying rates well below the headline 5.87% p.a. Standard Variable rate for investor loans as a result of our products’ various features and benefits,” Mr Kluss said.

“Financial markets have witnessed some significant moves since the US election, particularly within global bond, currency and commodity markets.

“Bond rates have drifted higher since their record lows from the middle of the year and funding markets in Australia have also become more expensive due to a number of factors, including regulatory reforms.

“Bank funding is driven more by changes in bond rates than cash rates, which has put pressure on costs for variable home loans.

“The decision to increase rates for investor loans was taken to balance the needs of all our stakeholders including borrowers, savers, shareholders and regulators.”

Suncorp’s rates for owner-occupied loans and small business lending remain unchanged.

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