

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS**

**REVIEW OF THE FOUR MAJOR BANKS**

**Australia and New Zealand Banking Group**

**ANZ02QW: REGARDING INTEREST-ONLY MORTGAGES**

**(a) How many do you currently provide, and what is their nominal value?**

Answer: As at 30 September 2019, ANZ has 199k interest-only accounts and their collective value is \$47.8b. Please note these numbers include fixed rate interest only products (19k accounts are fixed and their collective value is \$7.8b).

**(b) What is their percentage of your total mortgage products provided?**

Answer: Approximately 20% of accounts and 18% of the total dollar value of ANZ's mortgages are interest-only.

**(c) For the last two rate cuts, what was the aggregate dollar value reduction in interest repayments compared to each previous month?**

Answer: ANZ reduced interest rates on variable product interest only products by 0.18% in June 2019 and 0.25% in July 2019.

We have estimated the reduction in interest due as a result of the two reductions in June 2019 and July 2019 to be approximately \$13m per month.