

What's that all about?

The cash rate remains steady but our bank interest rates rise???

Once upon a time when the cash rate moved (up or down), most lenders would typically move their interest rate in alignment with the cash rate change.

Have you noticed that when the cash rate moves up the lenders are quick to pounce on an increase and pass these increases on to us - the consumer - immediately?

AND have you noticed that when the cash rate goes down it can take at least a month for them to respond and for them to pass on the savings?

If you have been paying attention over the last few weeks, the major banks have increased their rates independently of the Reserve Bank's monthly decision to keep the cash rate unchanged.

Not only are they penalising investors (those who provide public housing), but now owner occupiers are taking a hit as well. Even small business variable loans are being increased.

We hear all the time that the banks are hiking up their rates in response to increased funding costs (which is true – but that's another story), however it is still a hard pill to swallow when they announce their multi-million dollar profits each year.

So what can YOU do as a consumer of lending products?

Pay attention!

According to a major study reported only 12 months ago, **90% of home owners DO NOT KNOW THEIR CURRENT INTEREST RATE¹**. And even more concerning is that the average Aussie pays up to 1.75% more interest on their home loan than the lowest rate available. That's just over \$5,000 PER YEAR for an average home loan of about \$435,000 (in NSW).

You would also be aware if you have dealt with us before, the lowest interest rate is not always the



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best interest rate. However when we see research results indicating 90% of Australians do not know their current interest rate, then it begs to ask the question...

When was your last finance review?

If it hasn't been in the last 18 months, then it is pretty easy to suggest that there may be additional savings we could be finding for you. The CASH RATE has dropped 100 basis points (1%) in the last 2 years. How confident are you that your lender passed all of these savings on to you?

Sometimes we don't even have to change your lender to get you a better rate. Just ask us and we will negotiate this for you.

We know (from all the years we have been in the finance industry) that your current lender IS NOT going to call you and tell you they are offering better deals to new clients (rather than looking after their existing, longer term and loyal clients)

AND they will certainly not tell you that there is a better deal with another lender.

The BIG four are not the only lenders in the market place. There are many other lenders in the market place who can provide similar offerings and sometimes even better facilities for your personal situation.

That's why we are here for you.

To do all the ground work and find a financial offering that not only suits your needs and circumstances, but to guide you through your financial journey as life and the world around us changes.

Jump on the phone or email us today to secure a conversation on how we may be able to improve your financial position.

1.www.thehippocket.com.au/australians-dont-know-mortgage-rate

**We look forward to your call.
With YOUR BEST INTEREST ALWAYS IN MIND...**

The 5 minute finance health check

If you email the listed information to us we will be able to provide a quick overview of your current loan and we will get back to you if we think we can find a better solution that is suitable for your individual circumstances.

Everything is strictly confidential and we only recommend changes if we believe there is a clear benefit for you to do so.

If you have more than one loan, just send in the same detail for each of your properties. We look forward to assessing your situation and getting back to you soon.

Simply copy & paste the following information into an email to us, fill in the details and hit send!

Name:
Mobile:
Owner occupier/investor:
Current lender:
Interest rate:
Loan balance:
Loan term:
Fixed/variable/split:
Value of property: