

Home loan rates: Where are they headed?

We asked our panel of Australia's leading economists and mortgage industry experts to give their recommendations on where they think the average standard variable rate, currently at 8.07%, is headed in the August-November period of 2007. These predictions by no means reflect where the rates will be for the banks or other lending institutions surveyed, and are instead intended as an indication. Forecasts may have changed since the date of the survey, 20 April 2007. Panellists also advise on whether to fix a portion of the interest rate on a home loan, or to stay variable.



“If people have tight budgets they need to fix a portion of their loans if not all of it; if they have access to a more disposable income then I would stay variable rate”

Wayne Ormond, managing director,
Refund Home Loans

Institution	Spokesperson	June 07		Sept 07	
St. George Bank	Steven Milch	8.07%	■	8.07%	■
Mortgage House	Ken Sayer	8.32%	↑	8.32%	■
Master Builders Australia Inc	Peter Jones	8.07%	■	8.07%	■
ANZ, OneDirect	Antony Cahill	8.32%	↑	8.32%	■
Westpac	Bill Evans	8.32%	↑	8.32%	■
Peach Home Loans	Nicholas Gruen	8.07%	■	8.07%	■
Refund Home Loans	Wayne Ormond	8.07%	■		
AIMS Home Loans	Greg Stevens	8.32%	↑	8.32%	■
Citigroup	Shane Lee	8.32%	↑	8.32%	■
CBA	Michael Blythe	8.07%	■	8.07%	■
Royal Guardian Mortgage Corporation	Mark Stariha	8.07%	■	8.07%	■
BIS Shrapnel	Frank Gelber	8.32%	↑	8.32%	■
AMP Capital Investors	Shane Oliver	8.32%	↑	8.32%	■
Housing Industry Association	Simon Tennent	8.32%	↑	8.32%	■

- ↑ variable rates to rise from current levels
- ↓ variable rates to fall from current levels
- variable rates to remain steady

Source: Your Mortgage