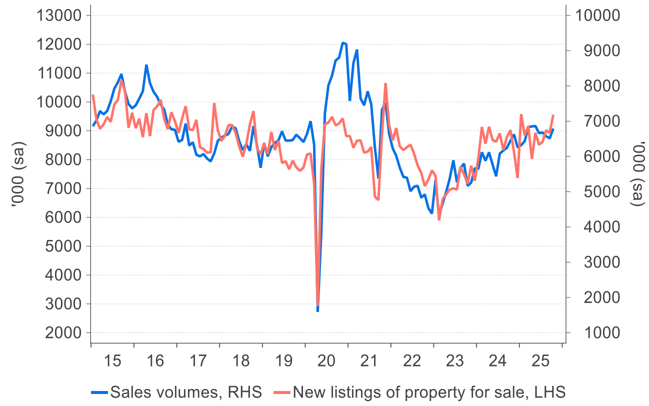
New Zealand Property Focus

Affordability pressures ease

November/December 2025

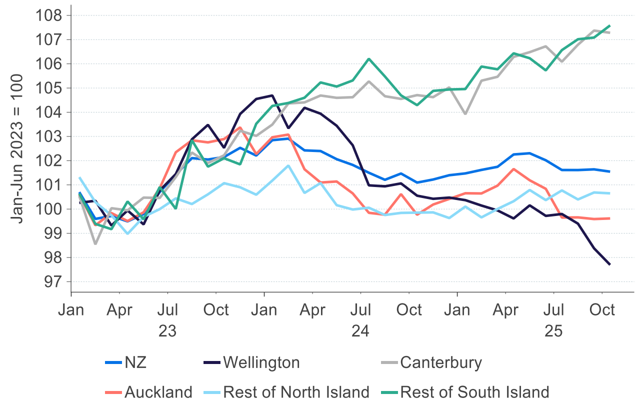
At a glance

Sales volumes and new listings of property for sale have increased in tandem…



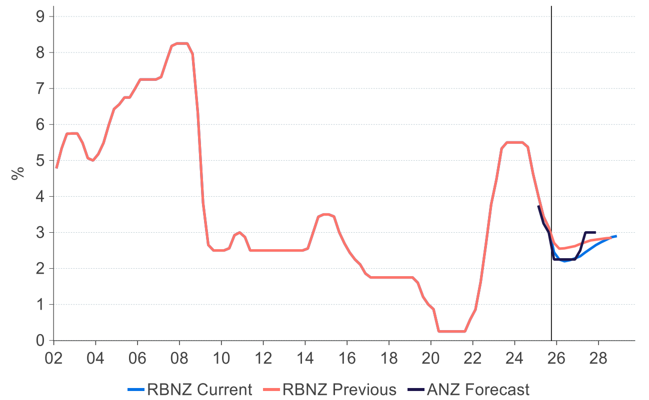
Source: REINZ, realestate.co.nz, Macrobond, ANZ Research

…keeping average nationwide prices flat, with ongoing regional disparities



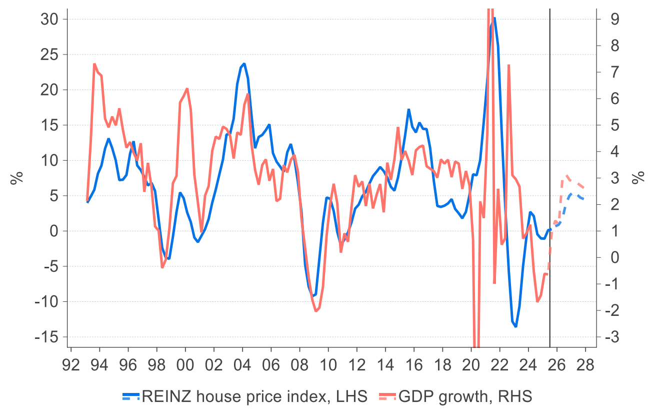
Source: REINZ, Macrobond, ANZ Research

The RBNZ cut by 25bp at its November meeting, and we see the OCR on hold through 2026



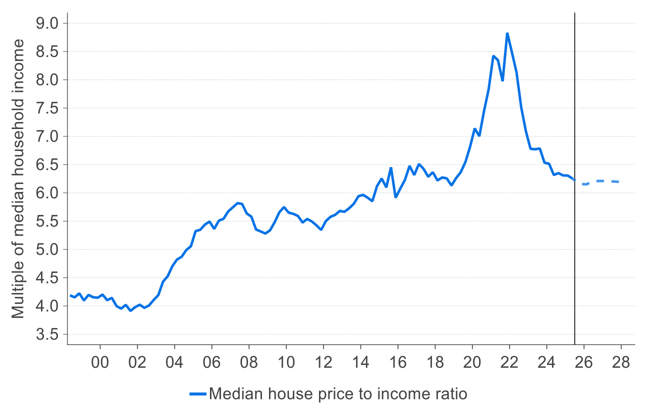
Source: RBNZ, Macrobond, ANZ Research

We are forecasting a 5% increase in house prices in 2026 as the economy recovers



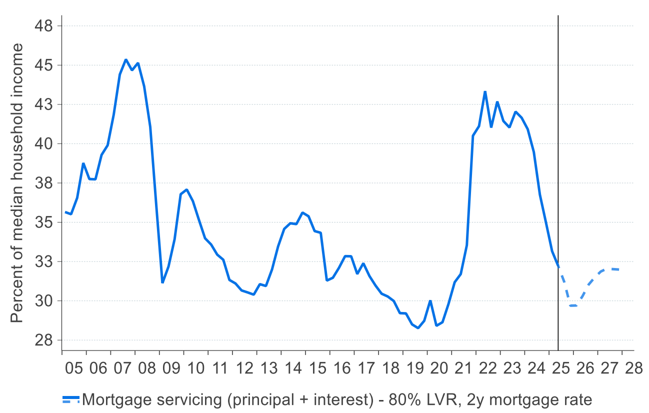
Source: REINZ, Stats NZ, Macrobond, ANZ Research

The house price to income ratio has stabilised at around pre-COVID levels…



Source: REINZ, Stats NZ, Macrobond, ANZ Research

…while mortgage-servicing costs on a newly bought house are reaching low levels



Source: REINZ, Stats NZ, RBNZ, Macrobond, ANZ Research

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Inside

Confused by acronyms or jargon? See a glossary here.

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This is our last Property Focus for 2025. Our first edition for 2026 will be released in late January. We would like to wish our readers a safe and enjoyable festive season. Meri Kirihimete.

Summary

Our monthly *Property Focus* publication provides an independent appraisal of recent developments in the residential property market.

Property Focus

House prices have continued along a flat path over recent months, with regional variation. Sales volumes have ticked up, indicating some renewed demand after a period of weakness over the middle of the year. However, this has been met by higher listings of property for sale, such as from increased supply of new builds. The Reserve Bank cut the OCR by 25bp at its November meeting to 2.25% and we see it staying on hold at this level through 2026. There are now broadening signs of improvement in the economy. We're forecasting a 5% increase in house prices over 2026, matching income growth as the recovery progresses. As the year – and the Reserve Bank's easing cycle – comes to an end, we look at how housing affordability is tracking. The good news is that the deterioration in affordability over COVID-19 has now been reversed. All three of our housing affordability indicators are back at pre-COVID levels (the house price to income ratio, mortgage servicing costs as a share of household income, and rents as a share of household income). While this is a welcome improvement, housing affordability was hardly stellar before COVID-19, and it remains a challenge in an absolute sense. See our Property Focus section.

Mortgage Borrowing Strategy

Floating mortgage rates are lower this month following the RBNZ's 25bp OCR reduction at the November MPS, but average fixed rates are unchanged. While that may sound odd, it is because 2-5-year wholesale rates rose following the OCR cut as markets took onboard the RBNZ's message that the further OCR cuts are unlikely. Having taken inspiration from the age-old adage that what goes up must come down (and in this case vice versa), that has left markets pondering when the RBNZ will start hiking. We think it is far too soon to say that with any confidence. For the record, we have hikes pencilled into our forecasts from early 2027. But the key point for now is that wholesale rates have stopped falling. Competition is clearly hotting up, with banks offering cash incentives to switch and that will be welcome news to borrowers. But when it comes to which term to select, our broad thinking remains as it was a month ago: we believe mortgage rates are likely at or near their lows, and that it is thus worth considering longer terms. With very little separating rates spanning from 1- 5 years, borrowers with differing levels of risk appetite should be able to find a term that satisfies their own cost/certainty trade-off sensitivities. Fixing for 5 years may suit some borrowers, but it may be too long for others, for whom 2-3 years might be the happy middle ground. But there are always risks – some of which could see rates renew their march lower against our expectation – so as always, we think it makes sense to consider spreading rollover risk over several terms.
See our Mortgage Borrowing Strategy.

Summary

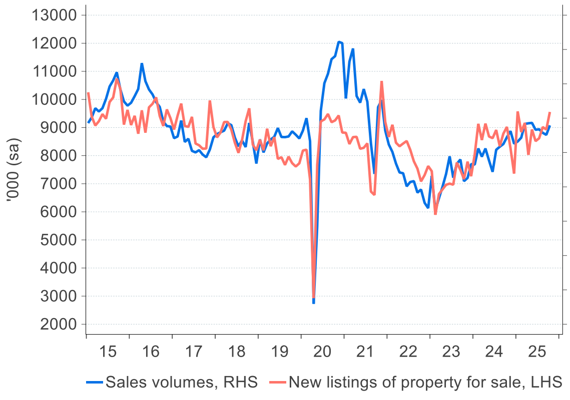
House prices have continued along a flat path over recent months, with regional variation. Sales volumes have ticked up, indicating some renewed demand after a period of weakness over the middle of the year. However, this has been met by higher listings of property for sale, such as from increased supply of new builds. The Reserve Bank cut the OCR by 25bp at its November meeting to 2.25% and we see it staying on hold at this level through 2026. There are now broadening signs of improvement in the economy. We're forecasting a 5% increase in house prices over 2026, matching income growth as the recovery progresses. As the year – and the Reserve Bank's easing cycle – comes to an end, we look at how housing affordability is tracking. The good news is that the deterioration in affordability over COVID-19 has now been reversed. All three of our housing affordability indicators are back at pre-COVID levels (the house price to income ratio, mortgage servicing costs as a share of household income, and rents as a share of household income). While this is a welcome improvement, housing affordability was hardly stellar before COVID-19, and it remains a challenge in an absolute sense.

Sales and new listings rise in tandem, keeping prices steady

Seasonally adjusted house sales volumes increased in October, indicating some renewed demand after a period of weakness over the middle of the year (figure 1). House sales volumes usually respond quickly to lower interest rates, so is not a surprise to see this after the RBNZ's easing this year.

However, the number of new listings of property for sale also ticked up in October, with plenty of sellers in the current market. New listings were the second highest for any month since 2021 (seasonally adjusted).

Figure 1. Monthly sales volumes and new listings



Source: REINZ, realestate.co.nz, Macrobond, ANZ Research

With listings marginally outpacing sales, inventories of property listed for sale have increased again to the highest level in a decade (figure 2).

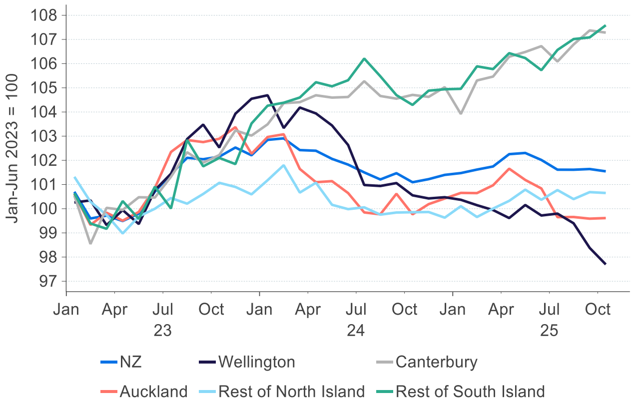
Figure 2. Inventories of property for sale (sa)

Source: realestate.co.nz, Macrobond, ANZ Research

The relative abundance of willing sellers is keeping price pressures in check. Seasonally adjusted house prices fell 0.1% in October after two months of exactly flat prices (figure 3). Compared to a year ago, prices are up just 0.3% y/y (3mma). The 0.1% m/m fall in nationwide house prices in October was a touch weaker than we had been expecting. As such, house prices currently look likely to come in at the bottom end of, or just below, our forecast that they will end 2025 up 0.5-1.0% y/y.

Recent divergent regional house price themes continued in October. Prices have taken another turn south in Wellington over the last three months, while remaining largely flat in Auckland and the rest of the North Island. By contrast, prices in the South Island have been trending up.

Figure 3. Change in house prices by region since the first half of 2023



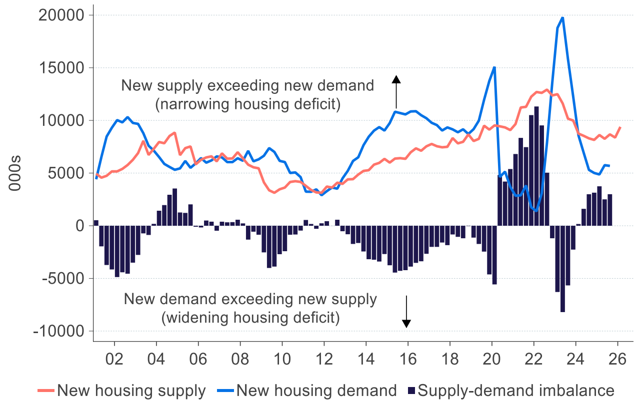
Source: REINZ, Macrobond, ANZ Research

Given the role of new listings in tempering house price growth, this begs the question: where are all these listings coming from?

Part of the story is simply listings bouncing back from very low levels over 2023 (as figure 1 illustrates). High interest rates at that time kept the market subdued. However, listings have risen a little above the norm: the number of homes and apartments listed for sale over the past year has been 3% above its average over the past 10 years, and listings in the month of October were still further above the historical average.

One source of the extra listings compared to their historical average is likely to be resilience in the number of houses that have been built through this downturn. The fall in house-building from the 2022 peak has certainly been sizeable and extremely painful for the construction sector, but the overall rate of house building has actually remained fairly solid compared to previous downturns. The number of houses built over the past two years has been around twice that seen after the 2008 Global Financial Crisis, for example. Indeed, new physical housing supply has outpaced population growth for extended periods since 2020 (figure 4). The resilient pace of house building may well reflect extensive government reform efforts over the past 10-20 years to improve housing supply.

Figure 4. New housing supply vs demand

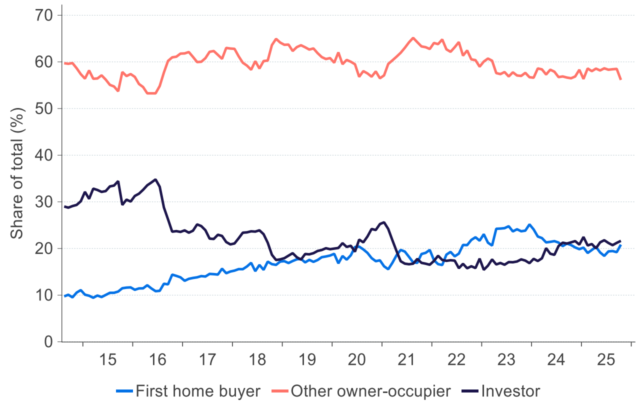


Source: Stats NZ, Macrobond, ANZ Research

However, the weak economy will have also contributed to high listings of property for sale. For example, some of the (many) New Zealanders emigrating overseas will have owned houses, and a lot of these homes will be hitting the market as they leave.

Finally, it is plausible that investors may have been less inclined to hold onto properties they're feeling ambivalent about compared to prior decades, leading to more sales. It's not been a walk in the park. Capital gains have been negligible for the last four years, the running costs of owning property have increased over that time (particularly insurance and rates), tenants have become hard to find, and new rents have been outright falling. Detail on seller types is scarce, but RBNZ data breaking down buyer types show that investors remain less active than they were pre-COVID. The share of new mortgage commitments going to investors was 21.2% over the past year – well up versus 2022 and 2023, but still down from the average of 23.6% seen over 2015-2021 (figure 5).

Figure 5. Share of loan commitments by borrower type



Source: RBNZ, Macrobond, ANZ Research

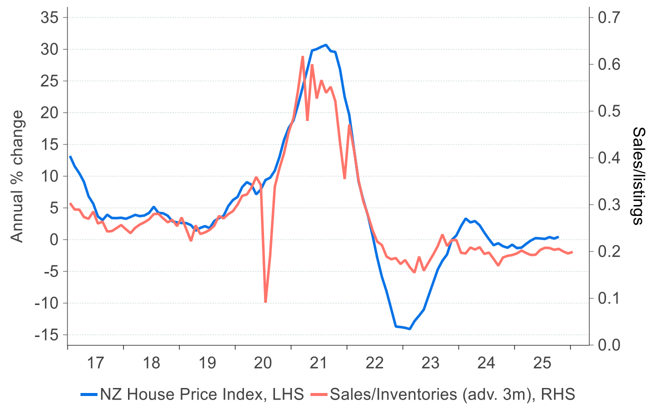
Overall, high listings from various sources – new builds, emigration, and perhaps investors selling – are helping to keep a lid on price pressures in the market for now, despite rising sales.

Indicators of tightness point to a steady market

With lifts in sales and listings broadly matching, it is no surprise that indicators of market balance point towards a steady market in the near term.

The ratio of sales to inventories is a useful indicator of heat in the housing market and tends to give a 3-6 month lead on house price momentum. This indicator has largely tracked sideways all year, suggesting an ongoing steady market (figure 6).

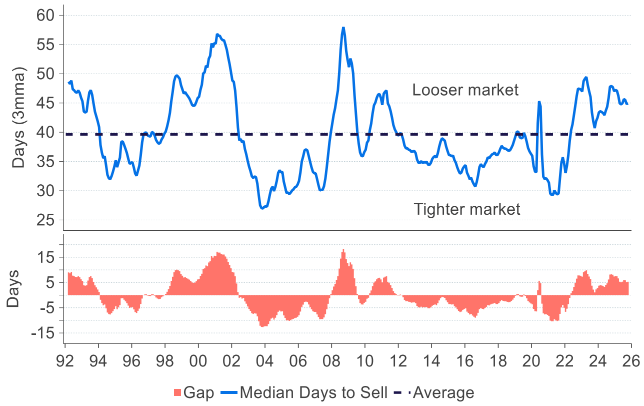
Figure 6. Sales-to-inventories ratio



Source: REINZ, realestate.co.nz, Macrobond, ANZ Research

Median days to sell were 45 in October (sa), above the long-run average of 40. It has fallen slightly over the past year, but hardly rapidly, signalling a market still tilted in favour of buyers (figure 7).

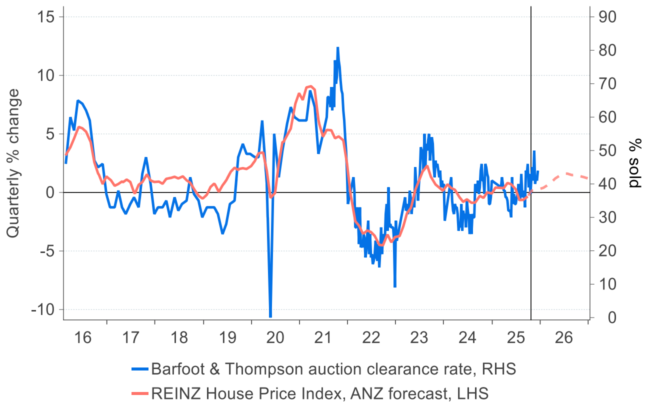
Figure 7. Days to sell



Source: REINZ, Macrobond, ANZ Research

The weekly auction clearance rate is showing some signs of life, having lifted from its mid-year lows, and is pointing to a low but positive rate of house price growth next year (figure 8).

Figure 8. Auction clearance rate vs ANZ house price forecast



Source: REINZ, Barfoot & Thompson, interest.co.nz, Macrobond, ANZ Research

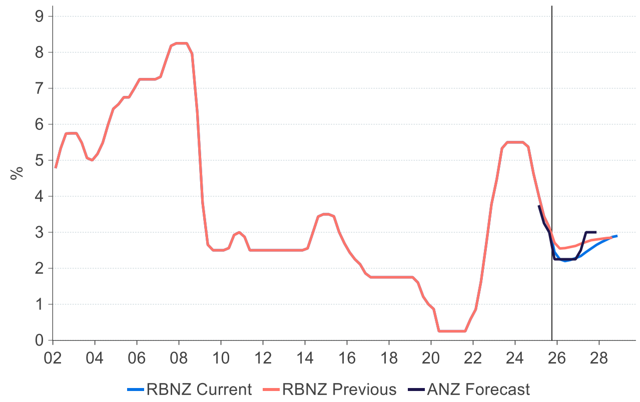
Modest house price inflation to return next year as the economy recovers

The Reserve Bank cut the Official Cash Rate by 25bp to 2.25% at the November Monetary Policy Statement and were non-committal about any further moves. Our expectation is that the OCR will be on hold at its current level throughout 2026. The recovery this year has certainly been disappointing, but we are now seeing broadening signs of improvement. Business confidence has lifted sharply, discretionary spending is showing signs of life, job ads and building consents are picking up off the floor, and high-frequency indicators like manufacturing and services indexes have improved. Underpinning this are some powerful cyclical tailwinds from lower interest rates, a low exchange rate, and high prices for dairy and meat exports.

Moreover, inflation is past its peak. We see it easing from its current level of 3.0% to 2.9% next quarter, before dropping to 2.2% at the start of 2026 – taking it back near to the mid-point of the RBNZ's target band.

With the RBNZ signalling they're pretty much done now, market chatter may increasingly focus on when the next hikes will be. We don't see these coming any time soon. We have a couple of placeholder hikes in our forecast in early 2027 to take the OCR back to the assumed neutral rate of 3.0%, but the timing and exact level of neutral are hard to pin down, so these hikes should be viewed as indicative only (figure 9).

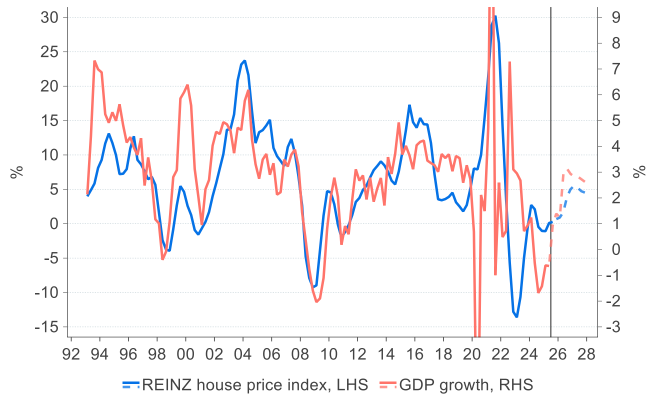
Figure 9. Official cash rate and forecasts



Source: RBNZ, Macrobond, ANZ Research

What does this mean for the housing market next year? We continue to forecast a 5% increase in house prices over 2026, matching income growth as the economy recovers. House price inflation typically picks up to at least this kind of level during economic recoveries (figure 10). Looking back over 2025, the most likely reason for the absence of any significant house price inflation this year is that the economic recovery we were expecting was delayed.

Figure 10. House price growth vs GDP growth



Source: REINZ, Stats NZ, Macrobond, ANZ Research

Although we expect house price inflation to pick up next year, we don't expect house prices to race away. The balance between the ongoing costs of home ownership versus rents – one of the key anchors for house prices – points to modest movements in house prices rather than a sharp change in direction. Moreover, we think various features of the economy will serve to keep house prices better contained this cycle than they have been in previous decades. These include:

- Resilient house-building levels, supporting a steady flow of new supply;
- The long march downwards in global interest rates from the 1990s onwards having come to an end since 2021, removing a long-running tailwind to house prices in New Zealand and elsewhere;

- Debt-to-income restrictions limiting leverage at low interest rates;
- Uncertainty from the upcoming general election – including the prospect of a capital gains tax - potentially keeping home buyers on the sidelines;
- Housing affordability, while much improved from its worst, still being tough in an absolute sense.

Deterioration in affordability over COVID-19 has now been reversed for buying and renting

With the RBNZ's easing cycle now at an end (in our view), how is overall housing affordability looking? Housing affordability is multifaceted, and there are three main measures we find it helpful to look at. Overall, housing affordability across these measures is back around pre-COVID levels, which is a significant improvement from its extremes of recent years.

That's not to say that housing is affordable in an absolute sense though – housing affordability was a challenge before COVID-19 and the costs of buying or renting remain a stretch for many. And the weaker labour market now compared to the years before the pandemic has reduced job security, which will weigh on the minds of both buyers and renters.

The first of our housing affordability measures is **the ratio of the median house price to median household income**. A higher ratio means that is it harder to save a deposit, and that a larger loan will be needed to buy a house, leaving buyers more exposed to the risk of rising interest rates as they pay it off.

Sitting at 6.2 times income currently, the house price to income ratio is back where it averaged in the five years prior to COVID-19 and is significantly down from the peak of 8.8 it struck in 2021. Still, it is well up from where it was prior to 2015. It has tracked more or less sideways over the past year as New Zealand experienced near-zero growth in both household incomes and house prices.

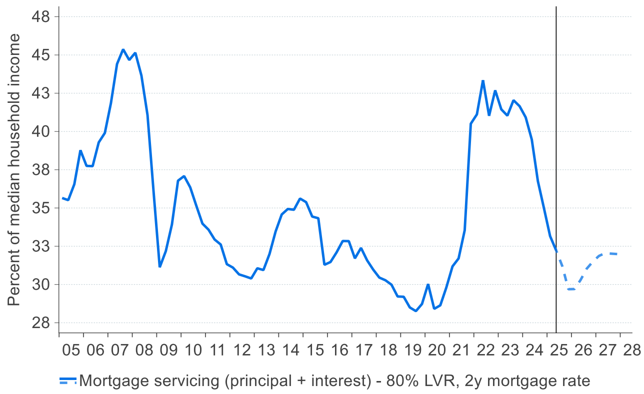
Figure 11. Median house price to income ratio

Source: REINZ, Stats NZ, Macrobond, ANZ Research

Looking forward, our expectation is that a return to positive household income growth will match positive house price growth, keeping the ratio stable. Changes over recent years, such as improved housing supply and an end to the downward trend in global interest rates from the 1990s to 2021, seem likely to prevent a repeat of the rising trend in the ratio seen in the decades prior to COVID-19. However, predicting these trends is hard, and there is a lot of scope for surprise in either direction!

The second measure is **the cost of servicing a home loan (principal and interest) as a share of median household income.** This measure of affordability can be thought of as a proxy for what weekly affordability might look like to a new entrant to the housing market. In figure 12 we show mortgage servicing costs on an 80% loan-to-value-ratio loan on the median house price, at the 2-year fixed rate, repaid over 30 years. This measure is on the verge of returning to its historical lows, supported by lower interest rates, lower house prices, and higher household incomes compared to 2022. Our forecasts have this measure increasing slightly from 2026 onwards as the Reserve Bank eventually raises the OCR back to neutral levels, but overall it stays at fairly low levels.

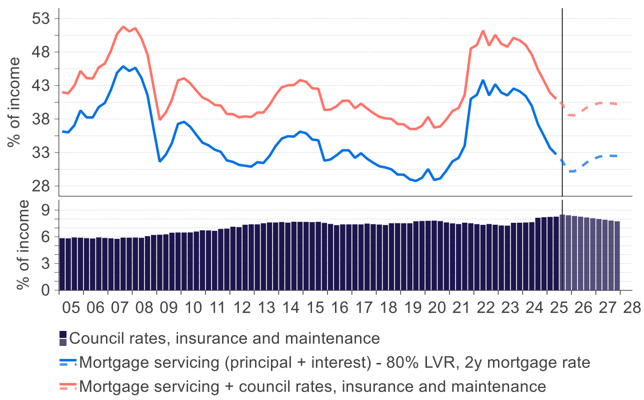
Figure 12. Mortgage servicing as a share of median household income



Source: REINZ, Stats NZ, RBNZ, Macrobond, ANZ Research

Mortgage costs aren't the only running costs a new home buyer faces: council rates, home insurance, and maintenance costs are also important, and have been rising rapidly. However, adding these in tempers the picture only slightly (figure 13). Overall, ongoing costs of home ownership are now towards the bottom of their historical range.

Figure 13. Mortgage servicing and other costs as a share of median household income

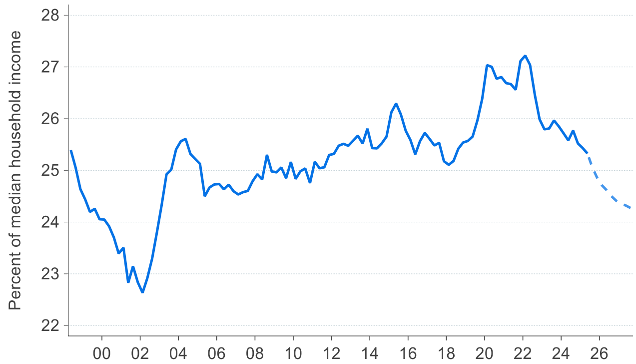


Source: REINZ, Stats NZ, RBNZ, Macrobond, ANZ Research

Turning to the rental market, the third measure of affordability we look at is **median rents on new tenancies as a share of median household income**. Rental affordability has improved significantly on this measure since 2022, reversing a prior upward trend (figure 14). Rental affordability is now a little better than it was on average in the five years before COVID-19. The improvement is due to a significant slowdown in rent inflation for new tenancies to -2% y/y, reflecting both resilient house-building and wider economic weakness. Wage growth, net migration and employment are all correlated with economic growth and are important in determining the trajectory of rents, so it is not surprising that rent growth has slowed alongside the wider economy.

We anticipate rental affordability improving a bit further yet. The very weak starting point for rent inflation, alongside the fact that it tends to lag the economic cycle, gives scope for incomes to increase more quickly than rents over the next year or two.

Figure 14. Median rents on new tenancies as a share of median household income



Source: NZ Tenancy Services, Stats NZ, Macrobond, ANZ Research

Improving rental affordability – itself symptomatic of supply and wider economic trends – helps explain why there has been so little upward pressure on house prices this year. As we discussed in our feature article last month, the balance between renting and home ownership running costs is an important anchor for house prices. While there has been significant improvement on the home ownership running costs side of the equation, contained rent inflation has meant that ongoing home ownership costs and rents have only just recently returned to their historical balance. This has tempered the motivation for investors and first home buyers alike to jump into the market over recent years.

More broadly, underlying many of the trends we have seen in the housing market over the past year has been a mix of a much greater cyclical weakness in the economy through 2025 than we and other forecasters expected, alongside resilient house-building through the downturn, supporting supply.

Conditions are now in place for an economic recovery next year, and housing affordability is much better now than it has been over recent years. As the economy gets back on its feet through 2026, we can expect some growth in house prices, but there are good reasons to expect it to be modest by historical standards.

Housing market indicators for October 2025 (based on REINZ data seasonally adjusted by ANZ Research)

	Median house price			House price index		Sales		Average days to sell
	Level	Annual % change	3-mth % change	Annual % change	3-mth % change	# of monthly sales	Monthly % change	
Northland	$704,944	10.6	3.9	1.3	-0.3	170	-7%	62
Auckland	$1,013,982	3.7	0.7	-0.2	-0.9	2,025	+6%	45
Waikato	$750,587	1.5	-0.4	0.4	-0.1	702	+4%	48
Bay of Plenty	$807,673	-0.2	0.1	2.7	0.2	438	+3%	50
Gisborne	$658,486	4.6	10.5	-1.5	-0.4	60	+60%	48
Hawke's Bay	$686,537	3.0	-1.0	-1.5	-0.4	193	+11%	43
Manawatu-Whanganui	$546,969	-1.1	2.1	0.0	0.2	328	+11%	42
Taranaki	$605,364	-2.1	-4.1	2.2	-0.8	172	+12%	42
Wellington	$760,089	-3.3	-1.8	-2.8	-1.4	600	-4%	50
Tasman, Nelson & Marlborough	$716,079	-2.4	-0.6			227	-3%	43
Canterbury	$701,235	1.3	2.2	2.5	0.7	1,242	+5%	38
Otago	$691,669	-1.3	-1.9	1.9	0.7	410	+2%	45
West Coast	$460,603	17.4	12.7	0.2	0.1	46	-4%	51
Southland	$492,243	1.9	-0.8	7.5	2.2	164	+10%	33
New Zealand	**$771,533**	**-1.2**	**-0.3**	**0.4**	**-0.4**	**6,790**	**+4%**	**45**

Mortgage Borrowing Strategy

This is not financial advice about any product or service. The opinions and research contained in this document are provided for information only, are intended to be general in nature and do not take into account your financial situation or goals. Please refer to the Important Notice.

Summary

Floating mortgage rates are lower this month following the RBNZ's 25bp OCR reduction at the November MPS, but average fixed rates are unchanged. While that may sound odd, it is because 2-5-year wholesale rates rose following the OCR cut as markets took onboard the RBNZ's message that the further OCR cuts are unlikely. Having taken inspiration from the age-old adage that what goes up must come down (and in this case vice versa), that has left markets pondering when the RBNZ will start hiking. We think it is far too soon to say that with any confidence. For the record, we have hikes pencilled into our forecasts from early 2027. But the key point for now is that wholesale rates have stopped falling. Competition is clearly hotting up, with banks offering cash incentives to switch and that will be welcome news to borrowers. But when it comes to which term to select, our broad thinking remains as it was a month ago: we believe mortgage rates are likely at or near their lows, and that it is thus worth considering longer terms. With very little separating rates spanning from 1- 5 years, borrowers with differing levels of risk appetite should be able to find a term that satisfies their own cost/certainty trade-off sensitivities. Fixing for 5 years may suit some borrowers, but it may be too long for others, for whom 2-3 years might be the happy middle ground. But there are always risks – some of which could see rates renew their march lower against our expectation – so as always, we think it makes sense to consider spreading rollover risk over several terms.

Thoughts and views

Floating rates have followed the OCR lower, but when we surveyed the five major banks, there were no changes to average fixed rates compared to last month. While that may surprise some readers given that the RBNZ has just cut the OCR by 25bp, wholesale interest rates actually rose in the days that followed and are now up a fair way since they bottomed out about 10 days after the RBNZ's outsized 50bp cut in October. We note, for example, that the 2-year wholesale ("swap") rate was at 2.63% before the RBNZ's 50bp cut in October, and within days it had fallen to a low of 2.44%. But it was back up at 2.59% just before the November OCR cut (two days before we wrote this) and is now back at 2.82%. It has been this sequencing that drove mortgage rates lower over October but has prevented them from falling in recent days.

Looking ahead, we think a period of 'muddling through' lies in wait for interest rates. Markets are prone to jumping on the next cycle, and having heard the RBNZ's message that further OCR cuts are unlikely, traders are already starting to think about when we may see hikes. That will drive volatility. We agree cuts are done, but we think it will be a while before we see any actual hikes, so we don't think mortgage rates will suddenly start rising. Rather, our projections (which are based on where we see wholesale rates going) have mortgage rates rising only gradually over 2026 (see page 12). In practice, they could rise more slowly or more quickly than we are forecasting, depending on how the broader economy and inflation evolve.

Our broad thoughts are thus the same as they were a month ago: mortgage rates are at or near their lows, and it is therefore worth considering fixing for longer. We can't rule out further downside, but there are risks on both sides for wholesale rates. As an additional factor, competition between banks has been intensifying, and that may also play a meaningful role in determining where mortgage rates go over the summer.

Looking at the rates currently on offer, the one thing that leaps out is that there isn't much separating rates from 1-5 years, and even less separating 1-3 year rates. The 6-month rate is also low, but as our breakevens (see next page) show, that would only work out cheaper than 1-year if the 6-month rate falls by 0.6% to 4.19% over the next 6 months, and that seems unlikely if the RBNZ doesn't cut the OCR again. As such, we'd be considering 1-5 year rates, and given how closely bunched they are, most people should be able to find a term (or combination of terms) that balances their individual cost/certainty trade-off. If we are at the bottom of the cycle, 18-month and 2-year look good compared to 1-year, and 3-years isn't much higher, and rates in that vicinity likely offer a happy middle ground. The 5-year is more expensive, but it offers more certainty, and as always, we think it makes sense to consider spreading rollover risk over several terms.

Figure 1. Carded special mortgage rates*

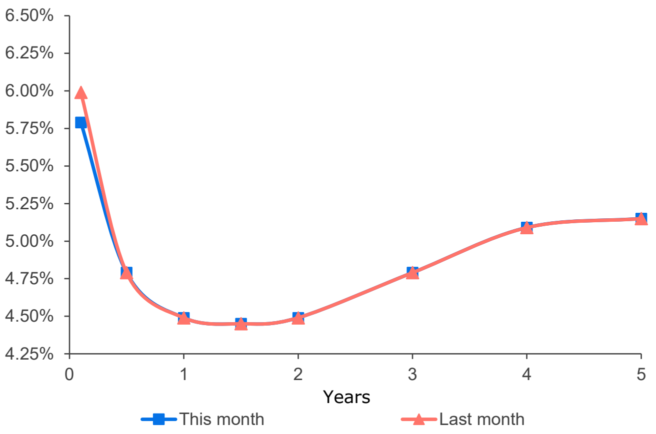


Table 1. Carded special mortgage rates*

Term	Current	Last month
Floating	5.79%	5.99%
6 months	4.79%	4.79%
1 year	4.49%	4.49%
18 months	4.45%	4.45%
2 years	4.49%	4.49%
3 years	4.79%	4.79%
4 years	5.09%	5.09%
5 years	5.15%	5.15%

Sources (figure 1 and table 1): interest.co.nz, ANZ Research

*Median of the five largest banks

Breakevens

Table 1. Special mortgage rates and breakevens*^

		Breakevens for 20%+ equity borrowers					
Term	Current	in 6mths	in 1yr	in 18mths	in 2 yrs	in 3 yrs	in 4 yrs
Floating	5.79%	3.19%					
6 months	4.79%	4.19%	4.37%	4.61%			
1 year	4.49%	4.28%	4.49%	4.93%	5.39%	5.99%	5.39%
18 months	4.45%	4.39%		5.13%			
2 years	4.49%	4.60%	4.94%	5.31%	5.69%	5.69%	
3 years	4.79%	4.97%	5.29%	5.46%	5.59%		
4 years	5.09%	5.16%	5.32%				
5 years	5.15%		*Median of the five largest banks				

Source: interest.co.nz, ANZ Research

^ Floating rate breakeven assumes floating rate won't change. If it falls, the breakeven will be higher; if it rises, the breakeven will be lower.

Key – how to read our infographics

Longer fixed rate option*

Shorter fixed rate option* → Breakeven rate (the highest fixed rate in the future that would make taking the shorter fixed rate option cheaper than taking the longer fixed rate option)

* Current advertised special mortgage rate, median of 5 largest banks

1 year horizon^

Fixed for 1 year at 4.49%

6mths | 1 year

or, fixed for 6 months at 4.79% → … and then fixed for 6 months at 4.19%

or, go floating for 6 months at 5.79% → … and then fixed for 6 months at 3.19%

2 year horizon

Fixed for 2 years at 4.49%

1 year | 2 years

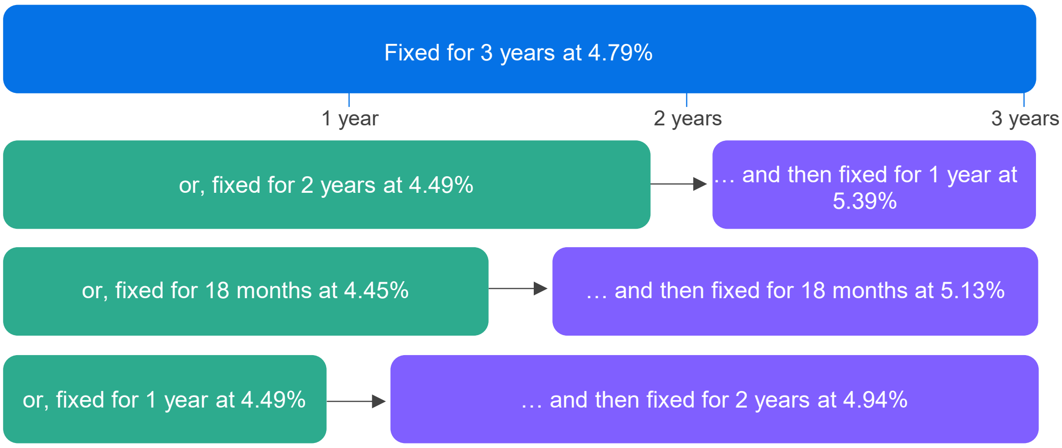
or, fixed for 18 months at 4.45% → … and then fixed for 6 months at 4.61%

or, fixed for 1 year at 4.49% → … and then fixed for 1 year at 4.49%

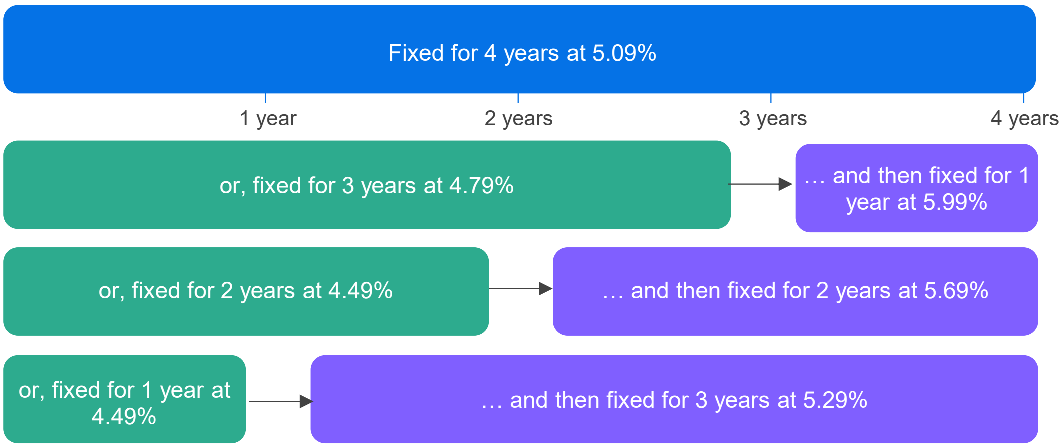
or, fixed for 6 months at 4.79% → … and then fixed for 18 months at 4.39%

Breakevens

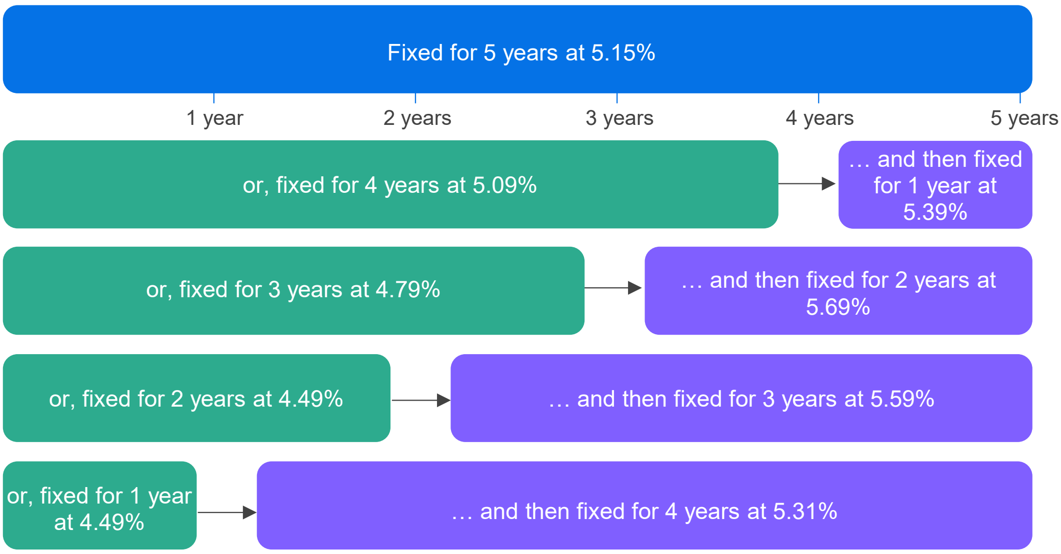
3 year horizon



4 year horizon



5 year horizon



Source: interest.co.nz, ANZ Research calculations

Key forecasts

Weekly mortgage repayments table (based on 30-year term)

Mortgage Size ($000)	Mortgage Rate (%)													
	4.00	4.25	4.50	4.75	5.00	5.25	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25
200	220	227	234	241	248	255	262	269	277	284	292	299	307	315
250	275	284	292	301	309	318	327	336	346	355	364	374	384	393
300	330	340	351	361	371	382	393	404	415	426	437	449	460	472
350	385	397	409	421	433	446	458	471	484	497	510	524	537	551
400	440	454	467	481	495	509	524	538	553	568	583	598	614	629
450	495	511	526	541	557	573	589	606	622	639	656	673	690	708
500	550	567	584	601	619	637	655	673	691	710	729	748	767	787
550	606	624	643	662	681	700	720	740	760	781	802	823	844	865
600	661	681	701	722	743	764	786	807	830	852	875	897	921	944
650	716	737	760	782	805	828	851	875	899	923	947	972	997	1,023
700	771	794	818	842	867	891	917	942	968	994	1,020	1,047	1,074	1,101
750	826	851	876	902	928	955	982	1,009	1,037	1,065	1,093	1,122	1,151	1,180
800	881	908	935	962	990	1,019	1,048	1,077	1,106	1,136	1,166	1,197	1,227	1,259
850	936	964	993	1,023	1,052	1,082	1,113	1,144	1,175	1,207	1,239	1,271	1,304	1,337
900	991	1,021	1,052	1,083	1,114	1,146	1,178	1,211	1,244	1,278	1,312	1,346	1,381	1,416
950	1,046	1,078	1,110	1,143	1,176	1,210	1,244	1,278	1,313	1,349	1,385	1,421	1,458	1,495
1000	1,101	1,134	1,168	1,203	1,238	1,273	1,309	1,346	1,383	1,420	1,458	1,496	1,534	1,573

Mortgage rate projections (historic rates are special rates; projections based on ANZ's wholesale rate forecasts)

	Actual			Projections						
	Jun-25	Sep-25	Current	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27
Floating Mortgage Rate	6.8	6.6	5.8	6.0	6.0	6.0	6.0	6.0	6.2	6.7
1-Yr Fixed Mortgage Rate	4.9	4.7	4.5	4.4	4.5	4.7	4.9	5.1	5.2	5.2
2-Yr Fixed Mortgage Rate	4.9	4.7	4.5	4.4	4.6	4.8	4.9	5.0	5.1	5.1
3-Yr Fixed Mortgage Rate	5.1	5.0	4.8	4.7	4.8	4.9	5.1	5.1	5.2	5.2
5-Yr Fixed Mortgage Rate	5.6	5.5	5.2	5.2	5.2	5.3	5.4	5.5	5.6	5.6

Source: RBNZ, ANZ Research

Wholesale interest rate forecasts

	Actual			Forecasts						
	Jun-25	Sep-25	Current	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27
Official Cash Rate	3.25	3.00	2.25	2.25	2.25	2.25	2.25	2.25	2.50	3.00
90-Day Bank Bill Rate	3.29	2.80	2.44	2.33	2.30	2.30	2.30	2.57	3.07	3.15
NZ 2-yr swap	3.19	2.63	2.79	2.50	2.65	2.85	3.00	3.10	3.21	3.23
10-Year Bond	4.54	4.19	4.23	4.20	4.20	4.20	4.30	4.40	4.40	4.40

Economic forecasts

	Actual			Forecasts						
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
GDP (Annual % Chg)	-1.4	-0.6	-0.6	0.9	1.4	1.2	2.9	3.1	2.9	2.8
CPI Inflation (Annual % Chg)	2.2	2.5	2.7	3.0(a)	2.9	2.2	2.1	1.8	1.8	1.9
Unemployment Rate (%)	5.1	5.1	5.2	5.3(a)	5.2	5.0	4.8	4.6	4.5	4.3
House Prices (Quarter % Chg)	-0.2	0.4	0.6	-0.5(a)	0.2	0.6	1.4	1.6	1.3	1.1
House Prices (Annual % Chg)	-1.0	-1.1	0.1	0.3(a)	0.7	0.9	1.7	3.9	5.0	5.5

Source: RBNZ, Statistics NZ, REINZ, Bloomberg, ANZ Research

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