21 February 2025

**Can you have your rate cut and eat it too?**

With the RBA announcing a cut to the cash rate in February, the expectation is that banks will pass that cut on to their mortgage customers. But is that the best they can do?

SWSbank, a member owned bank based in the South West Slopes of NSW, is not only passing on the full 0.25% p.a. rate cut to their variable home loan products, but for a limited time, they’ve increased one of their term deposit products to 4.80% p.a.

“We’re acutely aware of the financial pinch most Australians have been experiencing, and while the rate cut is a welcome relief for some, that rate cut is often also applied to deposit accounts. So, we decided to be a little bold,” said SWSbank CEO Andrew Jones.

At 4.80% p.a., the 4 Month Special Term Deposit ticks a lot of boxes for savvy investors.

“Our Assets and Liability Committee met very soon after the RBA announcement and unanimously decided to pass on the full 0.25% rate cut to our variable home loan products. But we wanted to benefit our members by giving them their cake and letting them eat it too.”

And the cake tastes pretty good. SWSbank’s Intro Discounted Standard Variable Loan will drop to 5.95% p.a. (comparison rate 6.31% p.a.) on the 4 March 2025, in line with the RBA’s cash rate decrease.

“It is normal practice to lower deposit rates when home loan rates drop. But we like to do more for our members and therefore don’t always follow the grain,” said Mr Jones.

“Credit unions are often misunderstood,” muses Mr Jones. “We have all the same government guarantees for term deposits that the big banks have. But SWSbank is a customer owned bank which means we value people over profits.”

So, whether you’re a mortgage holder or have cash investments, or both, it seems SWSbank is worth a look.

*South West Slopes Credit Union trading as SWSbank.*

*Credit eligibility criteria, terms and conditions, fees and charges apply.*

*SWSbank’s Intro Discounted Standard Variable Home Loan has a lead rate of 5.95% p.a. with a comparison rate of 6.31% p.a. effective from 4 March 2025.*

*SWSbank’s 4 Month Special Term Deposit rate is 4.80% p.a. for a limited period for deposits up to $2M, effective from 21 February 2025.*

*www.swsbank.com.au*

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