



## NFF Agribusiness Loan Monitor: Sept 2011

The National Farmers' Federation (NFF) *Agribusiness Loan Monitor* compares and contrasts the agribusiness loan rates of the major banks and other financial institutions to shed light on bank rates and products.

This tool is designed to help farmers and rural business operators to make decisions regarding banking products, through a comparison of agricultural loans and interest rates. The *Agribusiness Loan Monitor* is released each month following the Reserve Bank of Australia (RBA) rate announcement.

NFF provides this valuable tool to all Australian farmers in partnership with Canstar Cannex.

### Agri Term Loans\*

| Company                  | Product                    | Sept 2010 Base Rate | Sept 2011 Rate    | Change from Aug to Sept 2011 |
|--------------------------|----------------------------|---------------------|-------------------|------------------------------|
| ANZ Agribusiness         | Bus Loan Var (Bus Asset)   | 8.55                | 9.09              | 0.11                         |
| Bananacoast Comm CU Agri | Bus Loan Var (Base Rate)   | 8.30                | 8.55 (to 9.30)    | No change                    |
| BankSA Agribusiness      | Agri Bus Loan Variable     | 7.72                | 8.72 (and higher) | No change                    |
| Bendigo Bank             | Term Loan                  |                     | 7.95 (to 8.80)    | New listing                  |
| Commonwealth Bank Agri   | Agribusiness Variable Loan | 7.69                | 9.74#             | No change                    |
| nab Agribusiness         | Bus Opts Instal Var Std    | 7.33                | 7.76 (and higher) | No change                    |
| Suncorp Agri             | Business Loan Var (Res)    | 9.09                | 9.34              | No change                    |

### Agri Overdrafts\*

| Company                  | Product                 | Sept 2010 Base Rate | Sept 2011 Rate    | Change from Aug to Sept 2011 |
|--------------------------|-------------------------|---------------------|-------------------|------------------------------|
| ANZ Agribusiness         | Revolving Agri Line     | 9.12                | 9.51 (to 14.72)   | No change                    |
| Bananacoast Comm CU Agri | Bus O/Draft Secured     | 9.25                | 9.75 (to 15.05)   | No change                    |
| BankSA Agribusiness      | Agri Business Maximiser | 9.32                | 9.57 (and higher) | No change                    |
| BankWest Agribusiness    | AgriOne Overdraft       | 8.68                | 8.15 (and higher) | No change                    |
| Bendigo Bank             | Seasonal Overdraft      |                     | 9.30 (to 10.10)   | New listing                  |
| Commonwealth Bank Agri   | Agribusiness Overdraft  | 7.19                | 11.24#            | No change                    |
| nab Agribusiness         | Farmers Choice OD       | 8.33                | 8.76 (and higher) | No change                    |
| Suncorp Agri             | Business O/D (Res Sec)  | 10.59               | 10.84             | No change                    |
| Westpac Agribusiness     | Agribusiness Overdraft  | 9.46                | 9.81 (to 11.71)   | No change                    |

Source: [www.canstarcannex.com.au](http://www.canstarcannex.com.au).

\*Notes:

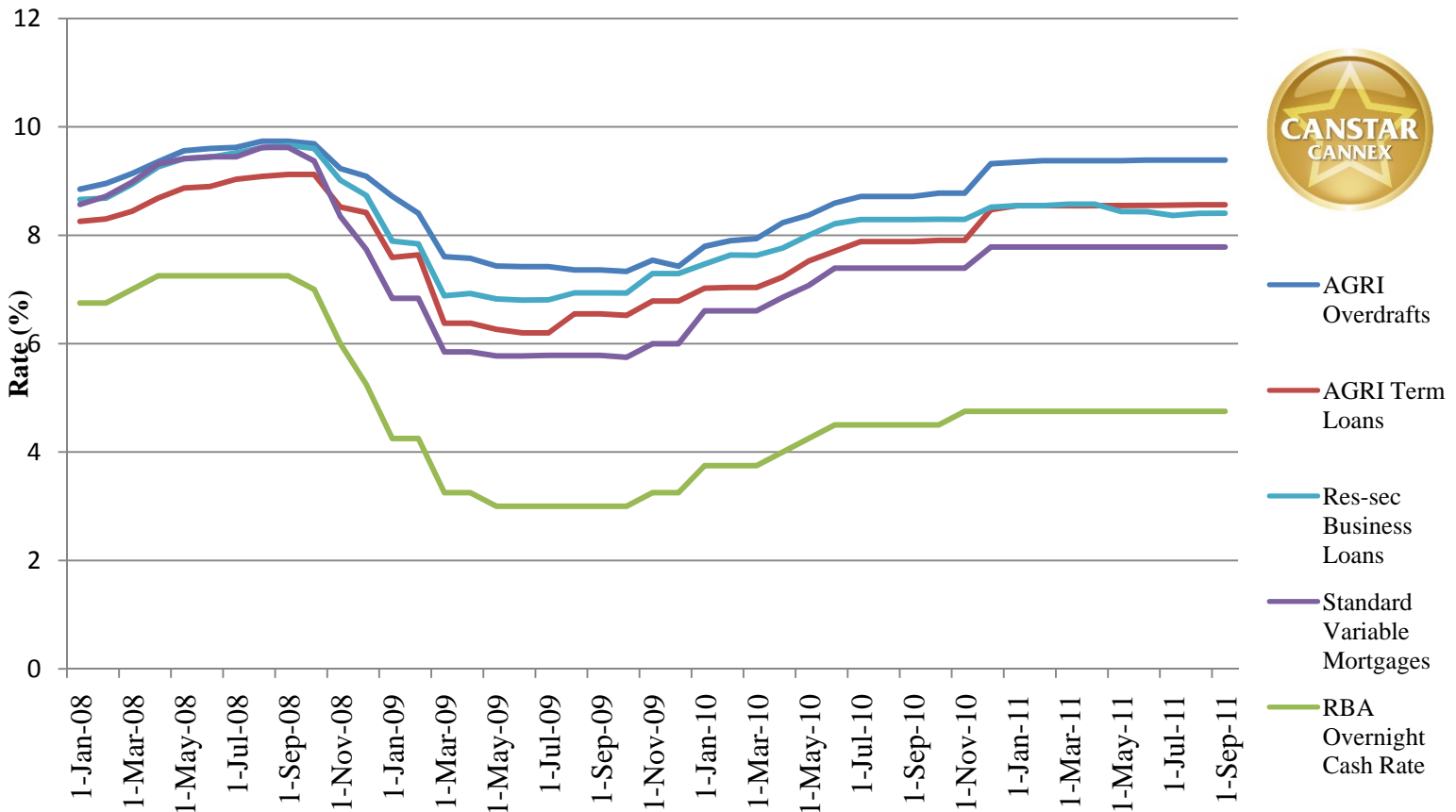
- Each loan has a different set of fees, features and benefits which should be considered in addition to interest rate when choosing a loan.
- Base rates are used where applicable, with risk margins included. Base rates are the minimum rates available based on the ideal security, cashflow and risk scenario. Actual rates charged may vary based on several factors, including security provided, cashflow situation and assessment of risk.
- Term Loans are used for financing of larger investments, such as a farm. They have a fixed term and set repayments.
- Overdrafts are a financing tool used to cover shortages in cashflow. They do not have a fixed term or set repayments, allowing greater flexibility. Many allow interest to be capitalised, meaning repayments can be delayed during months where cashflow is limited.
- Some lenders also offer 'all-in-one' style products. Rabobank in particular offers a product where short- and long-term lending, as well as transaction facilities, are managed within an overall facility limit, hence not shown in the tables above.
- # Changes in Commonwealth Bank rates since the August Agribusiness Loan Monitor are a result of changes to CANSTAR rate listings rather than changes to published rates, hence "no change" is recorded.
- Data current as of 16 September 2011.



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## Average Lending Rates:



Source: [www.canstarcannex.com.au](http://www.canstarcannex.com.au), base rates used where applicable, risk margins may apply.

