



media release

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New Zealand's best value personal loan lenders revealed

Along with its 2019 Star Ratings Report identifying lenders offering outstanding value to borrowers, *canstar.co.nz* releases research showing New Zealanders can save thousands by consolidating debt.

Boutique and non-bank lenders again stood out in this year's *canstar.co.nz*'s car and personal loan star ratings. Of the 11 providers assessed, four emerged as providing outstanding value for borrowers. Lending Crowd, NZCU Baywide, Harmoney NZ and The Co-operative Bank were rated by Canstar analysts as providing the best overall value to consumers.

Canstar New Zealand General Manager, Jose George said along with competitive pricing, *canstar.co.nz*'s five-star products offered features that made the borrowing process simpler and easier to understand for borrowers.

Recent research from *canstar.co.nz* found using personal loans to consolidate consumer debt such as credit and store card balances or a bank overdraft will not only make managing debt simpler, but it can also save Kiwis thousands of dollars per year in interest. The research shows that \$10,000 debt refinanced from a credit card at 20.95% interest to a five-year personal loan at 8.29% interest will save approximately \$3,770 over the term of the loan. Moving a \$10,000 debt from an overdraft at 19.95% to a personal loan at 8.29% will save approximately \$3,450.

George says all New Zealanders know paying down debt is the best way to get into a good financial position, but many don't know how, and are stuck in high interest vehicles which can result in higher levels of debt year-on-year.

"Quite simply, using the right products to pay off debt can save you thousands of dollars," says George.

"The bigger the debt, the more important it is to find a product that allows you to pay it off as quickly, and cost efficiently as possible."

Full results of the *canstar.co.nz* car and personal loans ratings can be found [here](#).

A \$10,000 personal loan compared with credit card and bank overdraft over a 5 year term

	Rate	Application fee	Monthly payment	Total cost
Personal loan (good credit)	8.29%	\$242.00	\$204.15	\$12,491.28
Standard bank credit card	20.95%	\$48.81	\$270.25	\$16,263.95
Bank overdraft	19.95%	\$61.00	\$264.66	\$15,940.64

Winners 2019 *canstar.co.nz* Personal Loans Star Rating:

Outstanding Value – Car Loan/Secured Personal Loan

This recognition goes to car loan or secured personal loan lenders that provided outstanding value on secured loan products for the purposes of purchasing a car. A total of 33 five-year term loan products offering \$20,000 and over across 11 providers were rated. To determine the rating, Canstar compared pricing (80% weighting) and features (20% weighting) offered by the products.



The winners, in alphabetical order, are:

- Harmoney NZ – Unsecured PL A-1-A5 Credit Rating
- Lending Crowd – Secured Personal Loan A1 – 5 year fixed
- NZCU Baywide - Secured Personal Loan - Orange
- The Co-Operative Bank - Personal Loan Unsecured A++ to A Credit

Outstanding Value – Unsecured Personal Loan

This recognition goes to unsecured personal loan providers that provide outstanding value on loan products for the purposes of debt consolidation or holidays. A total of 23 three-year term loan products offering \$10,000 and over across 10 providers were rated. To determine the rating, Canstar compared pricing (80% weighting) and features (20% weighting) offered by the products.



The winners, in alphabetical order, are:

- Harmoney NZ - Unsecured PL A1-A5 Credit Rating
- NZCU Baywide - Unsecured Personal Loan - Orange
- The Co-Operative Bank - Personal Loan Unsecured A++ to A Credit

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About Canstar:

Canstar provides Australia and New Zealand's only fully interactive online research service in retail and business finance.

Founded in 1992, Canstar Pty Limited (formerly CANNEX) is Australia and New Zealand's premier researcher of retail finance information for over 250 institutions such as Banks, Building Societies, Credit Unions, Finance Companies, Brokers, Mortgage Originators, Life Companies and finance related Internet Portals.

Canstar customers use the extensive database for competitor analysis as well as a means of disseminating their product range. Canstar also distributes this information to print and electronic media for publication and to Agents, Accountants, Brokers and Internet Portals for use in advising their clients.

What are the Canstar star ratings?

Canstar researches, compares and rates the suite of banking products listed below. Results are freely available to consumers who use the star ratings as a guide to product excellence. The use of similar star ratings logos also builds consumer recognition of quality products across all categories. Please access the Canstar website at www.Canstar.co.nz if you would like to view the latest star ratings reports of interest.

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