

Lending Rate Reduction – Frequently Asked Questions (FAQs)



The Bank of Namibia has instructed all local banks to reduce lending rates by **0.125%** to narrow the gap between the **Prime Lending Rate** and **Namibia's Repo Rate**. In line with this directive, Standard Bank Namibia has adjusted certain lending rates.

1. What changes have been made to Standard Bank Namibia's lending rates?

The following lending rates have been reduced:

- **SBN Prime Lending Rate:** 10.125% → **10.00%**
 - **SBN Home Loan Base Rate:** 11.125% → **11.00%**
 - **Usury Act Maximum Rate:** 16.2% → **16.00%**
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2. What is the Prime Lending Rate?

The **Prime Lending Rate** is the interest rate that banks use as a reference point when pricing loans. Many loan interest rates are calculated as **prime plus** or **prime minus** a certain percentage.

When the prime rate changes, loans linked to it may also change, depending on the terms and conditions of the loan agreement.

3. What is the Repo Rate?

The **Repo Rate** is the rate at which the Bank of Namibia lends money to commercial banks. Changes to the repo rate influence overall interest rates in the economy, including lending rates offered to customers.

4. What does this rate reduction mean for existing loans (Home Loans and Personal Loans)?

All **qualifying loans that are linked to the Prime Lending Rate** are adjusted **automatically**. This applies to both **Home Loans** and **Personal Loans**, subject to the specific terms of each loan agreement.

Customers are **not required to apply** for the adjustment.

5. Why has my home loan instalment not changed yet?

Interest rate adjustments are applied automatically, but **changes to instalments may not be immediate**. Instalments are typically recalculated during the bank's billing or interest review cycle.

In some cases: - The reduction may result in a **small change** that is not immediately noticeable, or
- The benefit may be reflected in the **total interest payable over time**, rather than a large monthly instalment change.

If your instalment does not change after a reasonable period, you are encouraged to contact the bank for a personalised review.

6. Have Personal Loan interest rates also been reduced?

Yes. **Personal loans that are linked to the Prime Lending Rate** are also adjusted automatically in line with the rate reduction.

However, personal loan interest rates may vary depending on factors such as: - Loan type

- Credit profile
 - Loan terms and conditions
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7. What are the current interest rates on Personal Loans?

Interest rates on Personal Loans **vary from customer to customer** and depend on individual loan agreements.

For the most accurate and up-to-date information: - Please visit **Standard Bank Namibia's official website** and refer to the **2026 Pricing Guide**, or
- Contact the bank directly for personalised assistance.

8. Are there any expectations from clients following this rate reduction?

No. There are **no expectations or actions required from clients**.

All applicable interest rate and instalment adjustments are processed **automatically** by the bank.

9. What should I do if I still have questions about my loan?

If you require clarity on how the rate reduction affects your specific loan, you are encouraged to: - Contact your nearest **Standard Bank Namibia branch**, or
- Reach out via the bank's official digital and customer service channels.

Our team will be happy to assist you with loan-specific information.

10. Will there be more rate reductions this year?

Interest rate decisions depend on economic conditions and are determined by the Bank of Namibia's Monetary Policy Committee. Banks do not pre-announce or predict future changes, but they do endeavor to keep customers informed across our platforms when changes are announced.

11. Will this reduction apply to my Vehicle and Asset Finance (VAF) loan?

If your vehicle finance is linked to the Prime Lending Rate, then yes — the adjustment applies automatically. If your VAF agreement is structured at a fixed rate, the instalment will remain the same.

Disclaimer: This document provides general information only. Final loan pricing and instalments are subject to individual loan agreements, terms, and conditions.