When Rates Change

Money

What a central bank rate change affects, and how quickly.

Typical transmission after a base rate move.

Product	Effect	Speed
Tracker mortgage	Direct	Next payment
Standard variable rate	Usually passed on	Weeks
Fixed mortgage	None until the deal ends	At renewal
Instant-access savings	Partially passed on	Slowly
Fixed savings bonds	New issues only	Immediately for new
Credit cards	Often unchanged	Rates already high

Savings rates rarely rise as fast or as fully as borrowing rates. Switching provider is usually needed to capture a rise.