

4 August 2009

Half of current accounts pay no interest on your money

If you want to earn interest on your money, then don't leave it in your current account.

Latest Moneyfacts.co.uk figures show that 83% of all non fee paying current accounts pay just 0.10% or less, with half (49%) of accounts paying no interest at all.

The average credit interest rate today stands at 0.71%, mostly thanks to Abbey and Alliance & Leicester which are paying 6.00% AER on their accounts, more than double the interest of their nearest rivals.

	August 2008	August 2009
Percentage of accounts paying 0.10% or less	57%	83%
Percentage of accounts paying no interest	19%	49%
Average credit interest rate	1.54%	0.71%
Average overdraft rate	12.99%	13.52%
Source: Moneyfacts.co.uk 04.08.09		

Michelle Slade, spokesperson at Moneyfacts.co.uk commented:

"A current account is many people's most widely used product, yet so few will switch to get a better deal.

"Most people have their current account with one of the big five banks, but neither Barclays Bank or HSBC pay any credit interest at all.

"In the current economic climate, every penny counts and many customers are losing out on valuable interest.

"Providers have been quick to bring down the credit interest rate with the base rate, but have been reluctant to pass the benefit on through their overdraft rates.

"In the past when base rate increased, providers were quick to increase their overdraft rates, but they are never keen to reduce them. It is highly probable that when base rate increases again, overdraft rates will follow suit.

"People assume that it will take too much time and efforts to switch all their regular payments, but this isn't the case as the bank will do it all for you."

About Moneyfacts.co.uk

Moneyfacts.co.uk is the UK's leading **independent** provider of personal finance information. For the last 21 years, Moneyfacts' information has been the key driver behind many personal finance decisions, from the Treasury and the Bank of England to the high street.

Our increasingly popular consumer website www.moneyfacts.co.uk **helps customers make better financial decisions** and gives them the ability to check the latest best buy products and to search the **whole market** for products that suit their individual circumstances.

Moneyfacts.co.uk also supplies best buy charts to many of the UK national and regional newspapers, with a total weekly readership in excess of 22,000,000. Moneyfacts.co.uk also provides the personal finance data that powers many UK online comparison websites.

Our dedicated research experts produce three monthly publications as well as providing real time news and data services to the majority of banks and building societies. Additional information can be found at www.moneyfactsgroup.co.uk.

Contact us...

Looking for extra comment, a chart or more information, then please give us a call. We are always more than happy to help.

Press Office	Darren Cook Head of Press & PR	01603 476207 dcook@moneyfacts.co.uk
	Michelle Slade Press Officer	01603 476454 mslade@moneyfacts.co.uk
Out of hours	Darren Cook Head of Press & PR	07803 899935
An ISDN line is available for broadcast: 01603 230551		