

9 December 2009

Christmas lacking cheer as top savings deals withdrawn

2009 appears to be ending in a similar fashion to 2008 for savers, with many top deals being withdrawn or having rates reduced.

Since the beginning of November, 62% of product changes to Moneyfacts.co.uk have been product withdrawals. While many of these products have been replaced, in the majority of cases the replacement products are offering lower returns.

Fixed rate products have been the hardest hit, with many of the top deals from last month being withdrawn.

	Highest Rate 1 st November 2009	Highest Rate Today
1 Year Bond	3.95%	3.75%
2 Year Bond	4.35%	4.25%
5 Year Bond	5.35%	5.15%

Source: Moneyfacts.co.uk 9.12.09

Savers after top rates on variable rate deals have also not been immune, with numerous best buy deals being withdrawn, including:

- West Bromwich BS – Branch Bonus 2 paying 3.35%
- Manchester BS – Premier Notice 5 paying 3.31%
- Chelsea BS – Bonus 60 paying 2.65%
- Chelsea BS – Rainy Day Savings Issue 4 paying 3.25%
- Citibank – Flexible Saver Issue 6 paying 3.25%
- ING Direct UK – Savings Account (new customers) paying 3.16%
- Leeds BS – Online Access paying 3.05%.

Michelle Slade, spokesperson for **Moneyfacts.co.uk**, commented:

“Legislation requiring providers to hold increased savings deposits and nervousness over the money markets had led to increasing competition amongst providers to attract savers’ money.

“Despite no change in bank rate since March, savers have seen rates steadily increasing, particularly on fixed rate bonds. However, in the last few weeks the tide has turned and many top deals are being withdrawn.

“Providers appear to be returning to more traditional ways of raising funding, reducing reliance on savers’ money.

“The decreasing availability of top rates means that when a market leading deal is launched, it is soon over-subscribed. The recent launch of the top paying one year bond from Melton Mowbray BS lasted just one day.

“Savers need to keep a close eye on the savings market and act quickly when top deals are launched; otherwise they are likely to miss out.”

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.

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