

38% of regular monthly savings accounts have restricted availability

Analysis by independent financial research company Defaqto has found that there are restrictions on 38% of regular monthly savings accounts meaning that many consumers will not be able to access some of the most competitive deals. 30 of the 79 regular monthly savings accounts have restricted availability.

The 9 highest interest paying regular monthly savings accounts all have a restriction.

Restrictions can be grouped into the following areas where consumers must:

- have, or open, a current account
- have a specified additional savings account or open linked investment plans
- make deposits from an external source (ie. transfers not permitted from another account held with the same provider).

Additionally there are other restrictions in relation to consumer status where some providers require that savers:

- be prospective first time buyers
- fulfill specific age criteria
- have dependent children
- live in the local branch area
- open the account in person at a branch

David Black, Banking Specialist at Defaqto said: “Regular monthly savings accounts have consistently offered some of the highest interest rates available in the savings market at a time when savers have faced an incredibly difficult task trying to get a good rate of return on their money. Consumers need to read the details very carefully to see whether they are likely to be eligible for the highest paying accounts.”

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Notes to Editors:

The following table shows the highest paying regular monthly savings accounts:

Provider	Account	Save each month	Gross AER %	Term	Restriction
HSBC	Regular Saver	£25 - £250	8.00%	1 year	Must have specified packaged current account
Halifax	Children's Regular Saver	£10 - £100	6.00%	1 year	Must open by age 16
Santander	Super Fixed Rate Monthly Saver	£20 - £250	6.00%	13 months	Must switch to a Santander current account using Santander's

					account transfer service
First direct	Regular Saver	£25 - £300	5.00%	1 year	Must have first direct 1 st account
Norwich and Peterborough BS	Family Regular Saver	£1 - £250	5.00%	Annually ongoing	Only available to families with dependent children aged up to 16 (or 18 if in full-time education)
Norwich and Peterborough BS	Gold Savings	£20 - £250	5.00%	1 year	Only available if have Gold Current Account
Nottingham BS	Branch Fixed Rate Regular Saver	£10 - £100	5.00%	1 Feb 2011	Must be opened in person at a branch
Santander	First Home Saver	£100 - £300	5.00%	ongoing	Must be under 35 and a first time buyer. Must have a mortgage interview up to 90 days before close account.
Principality BS	Dylan's Children's Regular Saver	£10 - £150	4.50%	1 year	Must be under 16

David Black is a Banking Specialist at Defaqto

David joined Defaqto in May 2004 when Defaqto acquired the financial research company of Blay's Guides where he had 16 years of banking research experience for the majority of which he was a director. Previously he was a political risk underwriter in the City. David is Defaqto's Banking Specialist and specialises in credit cards, current accounts, equity release, mortgages, savings and unsecured loans. He was the Banking Analyst in Defaqto's Insight team until July 2009 when he switched to dealing with the press on all aspects of banking. He is a frequent commentator in both the printed and the broadcast media in his areas of expertise. He is ACII, CeMAP and CeRER qualified, as well as holding an Honours degree from Exeter University.

For further information contact:

David Black
Banking Specialist
01844 295 535
mediaenquiries@defaqto.com

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About Defaqto: www.defaqto.com

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Since 1994, Defaqto has built the largest, whole of market, financial product database and become one of the leading providers of financial product data in the UK. We now cover over 30,000 products across banking, life, pensions, investments and general insurance.

Our experts validate and analyse the data to provide insight and consultancy to all layers of the financial services sector including IFAs, mortgage and general insurance brokers, providers, web aggregators and the public sector.

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Aequos Online

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