



National Savings and Investments

Interest rate changes

We are committed to keeping you informed and up to date on changes in the interest rates for our variable rate products. Below are details of rate changes that have applied for the past 12 months.

For full details of a product, including current interest rates, go to the products section of our website.

Definitions

Tax-free means the interest and prizes are exempt from UK Income Tax and Capital Gains Tax.

Gross is the taxable rate of interest without the deduction of UK Income Tax.

Net is the rate of interest payable after the deduction of UK Income Tax at the rate specified by law (currently 20.00%).

AER (Annual Equivalent Rate) is a notional rate that illustrates what the annual rate of interest would be if the interest was compounded each time it was paid. Where interest is paid annually, the quoted rate and the AER are the same.

RPI (Retail Prices Index) is the measure of inflation we use to calculate increases in the value of Index-linked Savings Certificates. The RPI is compiled and published monthly by the Office for National Statistics (ONS).

Variable rate products as at 26 October 2009

Premium Bonds

Annual rate used to calculate prize fund for monthly draws

Effective from	Rate pa	Odds per £1 Bond unit
1 October 2009	1.50%	24,000 to 1
1 April 2009	1.00%	36,000 to 1
1 December 2008	1.80%	36,000 to 1
1 November 2008	2.85%	24,000 to 1
1 May 2008	3.40%	22,000 to 1

Direct ISA

Effective from	Tax-free rate pa/AER
19 August 2009	2.50%
18 March 2009	1.30%
19 February 2009	1.80%
21 January 2009	2.30%
7 November 2008	3.30%
8 October 2008	4.80%

Income Bonds

Effective from	Gross rates pa	AER
20 May 2009		
£500-£24,999	1.70%	1.71%
£25,000 +	2.00%	2.02%
18 March 2009		
£500-£24,999	0.70%	0.70%
£25,000 +	1.00%	1.00%
19 February 2009		
£500-£24,999	1.20%	1.21%
£25,000 +	1.45%	1.46%
21 January 2009		
£500-£24,999	1.95%	1.97%
£25,000 +	2.20%	2.22%
19 November 2008		
£500-£24,999	2.45%	2.48%
£25,000 +	2.70%	2.73%
6 November 2008		
£500-£24,999	3.75%	3.82%
£25,000 +	4.00%	4.07%
7 October 2008		
£500-£24,999	4.25%	4.33%
£25,000 +	4.50%	4.59%

Easy Access Savings Account

Effective from	Gross rates pa/AER
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19 February 2009

£100-£9,999	0.30%
£10,000-£49,999	0.45%
£50,000+	0.70%

21 January 2009

£100-£9,999	0.45%
£10,000-£24,999	0.70%
£25,000-£49,999	0.95%
£50,000+	1.20%

19 November 2008

£100-£9,999	1.45%
£10,000-£24,999	1.70%
£25,000-£49,999	1.95%
£50,000+	2.20%

22 October 2008

£100-£999	1.15%
£1,000-£4,999	2.65%
£5,000-£9,999	2.95%
£10,000-£24,999	3.20%
£25,000-£49,999	3.45%
£50,000+	3.70%

Investment Account

Effective from	Gross rates pa/AER
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18 March 2009

£1-£24,999	0.20%
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£25,000+	0.30%
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19 February 2009

£1-£9,999	0.30%
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£10,000-£49,999	0.40%
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£50,000+	0.50%
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21 January 2009

£1-£24,999	0.35%
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£25,000-£49,999	0.55%
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£50,000+	0.90%
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19 November 2008

£1-£499	1.00%
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£500-£4,999	1.05%
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£5,000-£9,999	1.15%
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£10,000-£24,999	1.35%
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£25,000-£49,999	1.55%
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£50,000+	1.90%
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22 October 2008

£1-£499	2.50%
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£500-£4,999	2.55%
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£5,000-£9,999	2.65%
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£10,000-£24,999	2.85%
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£25,000-£49,999	3.05%
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£50,000+	3.40%
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Cash ISA and T-Cash ISA (no longer on sale)

Effective from	Tax-free rate pa/AER
18 March 2009	0.50%
19 February 2009	0.90%
21 January 2009	1.40%
19 November 2008	2.40%
22 October 2008	3.90%
7 October 2008	4.40%

Ordinary Account (no longer on sale)

The NS&I Ordinary Account has now been closed completely and any remaining funds transferred to the NS&I Residual Account on 18 June 2008. The interest earned on funds in the Residual Account is taxable but credited gross. (Please note that no tax is payable on the first £70 interest earned up to 17 June 2008, ie before transfer to the NS&I Residual Account.)

Residual Account

Type A:

**(Ordinary Account, Deposit Bonds,
Yearly Plan, SAYE and Treasurer's Account)**

Effective from	Gross rate pa/AER
18 March 2009	0.10%
21 January 2009	0.15%
19 November 2008	0.25%
22 October 2008	1.25%

Type B: 0% interest paid

**(Gift Tokens; Savings Stamps
and British Savings Bonds)**

General Extension Rate

Interest earned on 7th to 43rd Issue Fixed Interest Savings Certificates that matured before 8 October 2001, and on Yearly Plan, for each complete period of three months held

Effective from	Tax-free rate pa/AER
1 April 2009	0.09%
1 February 2009	0.15%
1 December 2008	0.51%
1 November 2008	1.71%
1 May 2008	2.19%

Fixed rate products as at 26 October 2009

Index-linked Savings Certificates

3-year Index-linked Savings Certificates

Effective from

29 April 2009

19th Issue

Guaranteed compound rate over 3 years Index-linking+1.00% AER Tax-free

18 June 2008

18th Issue

Guaranteed compound rate over 3 years Index-linking+1.00% AER Tax-free

5-year Index-linked Savings Certificates

Effective from

29 April 2009

46th Issue

Guaranteed compound rate over 5 years Index-linking+1.00% AER Tax-free

18 June 2008

45th Issue

Guaranteed compound rate over 5 years Index-linking+1.00% AER Tax-free

Fixed Interest Savings Certificates

2-year Fixed Interest Savings Certificates

Effective from

19 August 2009

47th Issue

Guaranteed compound rate over 2 years 1.25% AER Tax-free

19 February 2009

46th Issue

Guaranteed compound rate over 2 years 0.95% AER Tax-free

21 January 2009

45th Issue

Guaranteed compound rate over 2 years 1.90% AER Tax-free

17 September 2008

44th Issue

Guaranteed compound rate over 2 years 2.95% AER Tax-free

5-year Fixed Interest Savings Certificates

Effective from

19 August 2009

96th Issue

Guaranteed compound rate over 5 years 2.25% AER Tax-free

19 February 2009

95th Issue

Guaranteed compound rate over 5 years 1.90% AER Tax-free

21 January 2009

94th Issue

Guaranteed compound rate over 5 years 2.35% AER Tax-free

17 September 2008

93rd Issue

Guaranteed compound rate over 5 years 2.95% AER Tax-free

Children's Bonus Bonds

Effective from

19 August 2009

34th Issue

Guaranteed compound rate over 5 years, 2.50% AER Tax-free
including 5th anniversary bonus

19 February 2009

33rd Issue

Guaranteed compound rate over 5 years, 2.30% AER Tax-free
including 5th anniversary bonus

21 January 2009

32nd Issue

Guaranteed compound rate over 5 years, 2.85% AER Tax-free
including 5th anniversary bonus

17 September 2008

31st Issue

Guaranteed compound rate over 5 years, 3.70% AER Tax-free

including 5th anniversary bonus

Guaranteed Growth Bonds

(Replacement for Fixed Rate Savings Bonds and Capital Bonds effective from 23 February 2008)

From Monday 26 October NS&I Guaranteed Growth Bonds will be exclusively available directly from NS&I (by freephone, online or by post) and no longer available through the Post Office.

1-year Guaranteed Growth Bonds

Effective from

26 October 2009

48th Issue

Guaranteed rate for first year 3.95% gross/AER Taxable, paid net

19 February 2009

47th Issue

Guaranteed rate for first year 1.00% gross/AER Taxable, paid net

21 January 2009

46th Issue

Guaranteed rate for first year 2.35% gross/AER Taxable, paid net

17 September 2008

45th Issue

Guaranteed rate for first year 4.20% gross/AER Taxable, paid net

2-year Guaranteed Growth Bonds

Effective from

26 October 2009

41st Issue

Guaranteed rate for first 2 years 4.25% gross/AER Taxable, paid net

13 July 2009

40th Issue

Guaranteed rate for first 2 years 3.75% gross/AER Taxable, paid net

3-year Guaranteed Growth Bonds

Effective from

26 October 2009

42nd Issue

Guaranteed rate for first 3 years 4.40% gross/AER Taxable, paid net

19 February 2009

41st Issue

Guaranteed rate for first 3 years 1.75% gross/AER Taxable, paid net

21 January 2009

40th Issue

Guaranteed rate for first 3 years 2.80% gross/AER Taxable, paid net

17 September 2008

39th Issue

Guaranteed rate for first 3 years 4.00% gross/AER Taxable, paid net

5-year Guaranteed Growth Bonds

Effective from

26 October 2009

39th Issue

Guaranteed rate for first 5 years 4.60% gross/AER Taxable, paid net

19 February 2009

38th Issue

Guaranteed rate for first 5 years 2.60% gross/AER Taxable, paid net

21 January 2009

37th Issue

Guaranteed rate for first 5 years 3.15% gross/AER Taxable, paid net

17 September 2008

36th Issue

Guaranteed rate for first 5 years 4.00% gross/AER Taxable, paid net

Guaranteed Income Bonds

(Replacement for Fixed Rate Savings Bonds and Pensioner's Bonds effective from 23 February 2008)

From Monday 26 October NS&I Guaranteed Income Bonds will be exclusively available directly from NS&I (by freephone, online or by post) and no longer available through the Post Office.

1-year Guaranteed Income Bonds

Effective from

26 October 2009

48th Issue

Guaranteed rate for first year 3.85% gross/3.92%AER Taxable, paid net

19 February 2009

47th Issue

Guaranteed rate for first year 1.00% gross/1.00%AER Taxable, paid net

21 January 2009

46th Issue

Guaranteed rate for first year 2.25% gross/2.27%AER Taxable, paid net

17 September 2008

45th Issue

Guaranteed rate for first year 4.10% gross/4.18%AER Taxable, paid net

2-year Guaranteed Income Bonds

Effective from

26 October 2009

41st Issue

Guaranteed rate for first 2 years 4.15% gross/4.23% AER Taxable, paid net

13 July 2009

40th Issue

Guaranteed rate for first 2 years 3.65% gross/3.71% AER Taxable, paid net

3-year Guaranteed Income Bonds

Effective from

26 October 2009

42nd Issue

Guaranteed rate for first 3 years 4.30% gross/4.39% AER Taxable, paid net

19 February 2009

41st Issue

Guaranteed rate for first 3 years 1.70% gross/1.71% AER Taxable, paid net

21 January 2009

40th Issue

Guaranteed rate for first 3 years 2.70% gross/2.73% AER Taxable, paid net

17 September 2008

39th Issue

Guaranteed rate for first 3 years 3.90% gross/3.97% AER Taxable, paid net

5-year Guaranteed Income Bonds

Effective from

26 October 2009

39th Issue

Guaranteed rate for first 5 years 4.50% gross/4.59% AER Taxable, paid net

19 February 2009

38th Issue

Guaranteed rate for first 5 years 2.55% gross/2.58% AER Taxable, paid net

21 January 2009

37th Issue

Guaranteed rate for first 5 years 3.05% gross/3.09% AER Taxable, paid net

17 September 2008

36th Issue

Guaranteed rate for first 5 years 3.90% gross/3.97% AER Taxable, paid net

Pensioners Guaranteed Income Bonds (No longer available from 23 February 2008)

(Please see Guaranteed Income Bonds)

Monthly interest

2-year Pensioners Guaranteed Income Bonds

Effective from

23 January 2008

Series 44

Guaranteed rate for first 2 years 3.85% gross/3.92% AER Taxable, paid gross

5-year Pensioners Guaranteed Income Bonds

Effective from

23 January 2008

Series 69

Guaranteed rate for first 5 years 3.90% gross/3.97% AER Taxable, paid gross

Fixed Rate Savings Bonds (No longer available from 23rd February 2008)

(Please see Guaranteed Income Bonds and Guaranteed Growth Bonds)

3-year Fixed Rate Savings Bonds

Effective from

23 January 2008

Issue 34

Guaranteed rate for first 3 years 3.75-4.10% gross/AER Taxable, paid net

5-year Fixed Rate Savings Bonds

Effective from

23 January 2008

Issue 31

Guaranteed rate for first 5 years 3.80-4.15% gross/AER Taxable, paid net
monthly interest options available

Capital Bonds (no longer available from 23 February 2008)

(Please see Guaranteed Growth Bonds)

Effective from

23 January 2008

Series 31

Guaranteed compound rate over 5 years. 3.95% gross/AER Taxable, paid gross