



## National Savings and Investments

### Interest rate changes

We subscribe to the Banking Code and one of our commitments is to keep 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 twelve months.

For full details of a product, including current interest rates, go to the product's section of this 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 23 April 2008

### Premium Bonds

Annual rate used to calculate prize fund for monthly draws

Effective from	Rate pa	Odds per £1 bond unit
1 May 2008	3.40%	22,000 to 1
1 March 2008	3.60%	21,000 to 1
1 January 2008	3.80%	21,000 to 1
1 August 2007	4.00%	21,000 to 1
1 July 2007	3.80%	24,000 to 1
1 June 2007 *	3.95% (3.80%+0.15%)	24,000 to 1

\*Please note in June 2007 a bonus of 0.15% was paid in celebration of the 50<sup>th</sup> Anniversary of Premium Bonds.

### Direct ISA

Effective from	Tax-free rate pa/AER
10 April 2008	5.30%
6 April 2008	5.55%
7 February 2008	5.80%
6 December 2007	6.05%
5 July 2007	6.30%
10 May 2007	6.05%

### **Cash ISA and T-only ISA**

<b>Effective from</b>	<b>Tax-free rate pa/AER</b>
23 April 2008	4.60%
22 February 2008	4.85%
20 December 2007	5.10%
25 July 2007	5.35%
23 May 2007	5.10%

### **Income Bonds**

<b>Effective from</b>	<b>Gross rates pa</b>	<b>AER</b>
6 May 2008		
Under £25,000	4.45%	4.54%
£25,000 +	4.70%	4.80%
6 March 2008		
Under £25,000	4.70%	4.80%
£25,000 +	4.95%	5.06%
7 January 2008		
Under £25,000	4.95%	5.06%
£25,000 +	5.20%	5.33%
6 August 2007		
Under £25,000	5.20%	5.33%
£25,000 +	5.45%	5.59%
23 May 2007		
Under £25,000	4.95%	5.06%
£25,000 +	5.20%	5.33%

## **Easy Access Savings Account**

<b>Effective from</b>	<b>Gross rates pa/AER</b>
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23 April 2008

£100-£999	1.85%
£1,000-£4,999	3.35%
£5,000-£9,999	3.65%
£10,000-£24,999	3.90%
£25,000-£49,999	4.15%
£50,000+	4.40%

22 February 2008

£100-£999	2.10%
£1,000-£4,999	3.60%
£5,000-£9,999	3.90%
£10,000-£24,999	4.15%
£25,000-£49,999	4.40%
£50,000+	4.65%

20 December 2007

£100-£999	2.35%
£1,000-£4,999	3.85%
£5,000-£9,999	4.15%
£10,000-£24,999	4.40%
£25,000-£49,999	4.65%
£50,000+	4.90%

25 July 2007

£100-£999	2.60%
£1,000-£4,999	4.10%
£5,000-£9,999	4.40%
£10,000-£24,999	4.65%
£25,000-£49,999	4.90%
£50,000+	5.15%

23 May 2007

£100-£999	2.35%
£1,000-£4,999	3.85%
£5,000-£9,999	4.15%
£10,000-£24,999	4.40%
£25,000-£49,999	4.65%
£50,000+	4.90%

**Investment Account**

**Effective from**

**Gross rates pa/AER**

23 April 2008

Under £500	3.20%
£500-£4,999	3.25%
£5,000-£9,999	3.35%
£10,000-£24,999	3.55%
£25,000-£49,999	3.75%
£50,000+	4.10%

22 February 2008

Under £500	3.45%
£500-£4,999	3.50%
£5,000-£9,999	3.60%
£10,000-£24,999	3.80%
£25,000-£49,999	4.00%
£50,000+	4.35%

20 December 2007

Under £500	3.70%
£500-£4,999	3.75%
£5,000-£9,999	3.85%
£10,000-£24,999	4.05%
£25,000-£49,999	4.25%
£50,000+	4.60%

25 July 2007

Under £500	3.95%
£500-£4,999	4.00%
£5,000-£9,999	4.10%
£10,000-£24,999	4.30%
£25,000-£49,999	4.50%
£50,000+	4.85%

23 May 2007

Under £500	3.70%
£500-£4,999	3.75%
£5,000-£9,999	3.85%
£10,000-£24,999	4.05%
£25,000-£49,999	4.25%
£50,000+	4.60%

**Ordinary Account** (no longer on sale)

No tax on first £70 interest each year

<b>Effective from</b>	<b>Gross rate pa/AER</b>
1 May 2008	
Under £500	1.35%
£500 +	1.45%
1 March 2008	
Under £500	1.60%
£500 +	1.70%
1 January 2008	
Under £500	1.85%
£500 +	1.95%
1 August 2007	
Under £500	2.10%
£500 +	2.20%
1 June 2007	
Under £500	1.85%
£500 +	1.95%

**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

<b>Effective from</b>	<b>Tax-free rate pa/AER</b>
1 May 2008	2.19%
1 March 2008	2.67%
1 January 2008	2.91%
1 August 2007	3.15%
1 June 2007	2.94%

## **Fixed rate products as at 21 May 2008**

### **Index-linked Savings Certificates**

#### **3-year Index-linked Savings Certificates**

##### **Effective from**

18 June 2008

18<sup>th</sup> Issue

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

21 May 2008

17<sup>th</sup> Issue

Guaranteed compound rate over 3 years Index-linking+0.70% AER Tax-free

2 April 2008

16<sup>th</sup> Issue

Guaranteed compound rate over 3 years Index-linking+0.25% AER Tax-free

25 April 2007

15<sup>th</sup> Issue

Guaranteed compound rate over 3 years Index-linking+1.35% AER Tax-free

#### **5-year Index-linked Savings Certificates**

##### **Effective from**

18 June 2008

45<sup>th</sup> Issue

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

21 May 2008

44<sup>th</sup> Issue

Guaranteed compound rate over 5 years Index-linking+0.70% AER Tax-free

2 April 2008

43<sup>rd</sup> Issue

Guaranteed compound rate over 5 years Index-linking+0.35% AER Tax-free

25 April 2007

42<sup>nd</sup> Issue

Guaranteed compound rate over 5 years Index-linking+1.35% AER Tax-free

## **Fixed Interest Savings Certificates**

### **2-year Fixed Interest Savings Certificates**

#### **Effective from**

18 June 2008

43rd Issue

Guaranteed compound rate over 2 years 3.50% AER Tax-free

21 May 2008

42<sup>nd</sup> Issue

Guaranteed compound rate over 2 years 2.90% AER Tax-free

2 April 2008

41<sup>st</sup> Issue

Guaranteed compound rate over 2 years 2.60% AER Tax-free

23 January 2008

40<sup>th</sup> Issue

Guaranteed compound rate over 2 years 2.90% AER Tax-free

28 November 2007

39<sup>th</sup> Issue

Guaranteed compound rate over 2 years 3.20% AER Tax-free

24 October 2007

38<sup>th</sup> Issue

Guaranteed compound rate over 2 years 3.60% AER Tax-free

20 June 2007

37<sup>th</sup> Issue

Guaranteed compound rate over 2 years 3.95% AER Tax-free

23 May 2007

36<sup>th</sup> Issue

Guaranteed compound rate over 2 years 3.75% AER Tax-free

**5-year Fixed Interest Savings Certificates**

**Effective from**

18 June 2008

92<sup>nd</sup> Issue

Guaranteed compound rate over 5 years 3.50% AER Tax-free

21 May 2008

91<sup>st</sup> Issue

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

2 April 2008

90<sup>th</sup> Issue

Guaranteed compound rate over 5 years 2.70% AER Tax-free

23 January 2008

89<sup>th</sup> Issue

Guaranteed compound rate over 5 years 3.00% AER Tax-free

28 November 2007

88<sup>th</sup> Issue

Guaranteed compound rate over 5 years 3.15% AER Tax-free

24 October 2007

87<sup>th</sup> Issue

Guaranteed compound rate over 5 years 3.50% AER Tax-free

20 June 2007

86<sup>th</sup> Issue

Guaranteed compound rate over 5 years 3.85% AER Tax-free

23 May 2007

85<sup>th</sup> Issue

Guaranteed compound rate over 5 years 3.60% AER Tax-free

### **Children's Bonus Bonds**

#### **Effective from**

18 June 2008

Issue 30

Guaranteed compound rate over 5 years, 4.45% AER Tax-free including 5th anniversary bonus

21 May 2008

Issue 29

Guaranteed compound rate over 5 years, 3.75% AER Tax-free including 5th anniversary bonus

2 April 2008

Issue 28

Guaranteed compound rate over 5 years, 3.40% AER Tax-free including 5th anniversary bonus

23 January 2008

Issue 27

Guaranteed compound rate over 5 years, 3.75% AER Tax-free including 5th anniversary bonus.

28 November 2007

Issue 26

Guaranteed compound rate over 5 years, 4.05% AER Tax-free including 5th anniversary bonus.

24 October 2007

Issue 25

Guaranteed compound rate over 5 years, 4.55% AER Tax-free including 5th anniversary bonus.

20 June 2007

Issue 24

Guaranteed compound rate over 5 years, 5.10% AER Tax-free including 5th anniversary bonus.

23 May 2007

Issue 23

Guaranteed compound rate over 5 years, 4.80% AER Tax-free including 5th anniversary bonus.

**Guaranteed Growth Bonds**

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

**1-year Guaranteed Growth Bonds**

**Effective from**

18 June 2008

Issue 44

Guaranteed rate for first year 4.75% gross/AER Taxable, paid net

21 May 2008

Issue 43

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

2 April 2008

Issue 42

Guaranteed rate for first year 3.50% gross/AER Taxable, paid net

23 February 2008

Issue 41

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

### **3-years Guaranteed Growth Bonds**

#### **Effective from**

18 June 2008

Issue 38

Guaranteed rate for first 3 years 4.75% gross/AER Taxable, paid net

21 May 2008

Issue 37

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

2 April 2008

Issue 36

Guaranteed rate for first 3 years 3.55% gross/AER Taxable, paid net

23 February 2008

Issue 35

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

### **5-years Guaranteed Growth Bonds**

#### **Effective from**

18 June 2008

Issue 35

Guaranteed rate for first 5 years 4.75% gross/AER Taxable, paid net

21 May 2008

Issue 34

Guaranteed rate for first 5 years 4.05% gross/AER Taxable, paid net

2 April 2008

Issue 33

Guaranteed rate for first 5 years 3.65% gross/AER Taxable, paid net

23 February 2008

Issue 32

Guaranteed rate for first 5 years 4.05% gross/AER Taxable, paid net

**Guaranteed Income Bonds**

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

**1-year Guaranteed Income Bonds**

**Effective from**

18 June 2008

Issue 44

Guaranteed rate for first year 4.65% gross/4.75%AER Taxable, paid net

21 May 2008

Issue 43

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

2 April 2008

Issue 42

Guaranteed rate for first year 3.40% gross/3.45%AER Taxable, paid net

23 February 2008

Issue 41

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

**3-years Guaranteed Income Bonds**

**Effective from**

18 June 2008

Issue 38

Guaranteed rate for first 3 years 4.65% gross/4.75% AER Taxable, paid net

21 May 2008

Issue 37

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

2 April 2008

Issue 36

Guaranteed rate for first 3 years 3.45% gross/3.51% AER Taxable, paid net

23 February 2008

Issue 35

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

### **5-years Guaranteed Income Bonds**

#### **Effective from**

18 June 2008

Issue 35

Guaranteed rate for first 5 years 4.65% gross/4.75% AER Taxable, paid net

21 May 2008

Issue 34

Guaranteed rate for first 5 years 3.95% gross/4.02% AER Taxable, paid net

2 April 2008

Issue 33

Guaranteed rate for first 5 years 3.55% gross/3.61% AER Taxable, paid net

23 February 2008

Issue 32

Guaranteed rate for first 5 years 3.95% gross/4.02% AER Taxable, paid net

**Pensioners Guaranteed Income Bonds (No longer available from 23<sup>rd</sup> February 2008) ( Please see Guaranteed Income Bonds)**

**Monthly interest.**

**1-year Pensioners Guaranteed Income Bonds**

**Effective from**

23 January 2008

Series 38

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

28 November 2007

Series 37

Guaranteed rate for first year 4.35% gross/4.44% AER Taxable, paid gross

24 October 2007

Series 36

Guaranteed rate for first year 4.95% gross/5.06% AER Taxable, paid gross

20 June 2007

Series 35

Guaranteed rate for first year 5.30% gross/5.43% AER Taxable, paid gross

23 May 2007

Series 34

Guaranteed rate for first year 5.20% gross/5.33% AER Taxable, paid gross

24 January 2007

Series 33

Guaranteed rate for first year 5.10% gross/5.22% AER Taxable, paid gross

**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

28 November 2007

Series 43

Guaranteed rate for first 2 years 4.20% gross/4.28% AER Taxable, paid gross

24 October 2007

Series 42

Guaranteed rate for first 2 years 4.85% gross/4.96% AER Taxable, paid gross

20 June 2007

Series 41

Guaranteed rate for first 2 years 5.35% gross/5.48% AER Taxable, paid gross

23 May 2007

Series 40

Guaranteed rate for first 2 years 5.15% gross/5.27% AER Taxable, paid gross

24 January 2007

Series 39

Guaranteed rate for first 2 years 5.05% gross/5.17% 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

28 November 2007

Series 51

Guaranteed rate for first 5 years 4.15% gross/4.23% AER Taxable, paid gross

24 October 2007

Series 50

Guaranteed rate for first 5 years 4.70% gross/4.80% AER Taxable, paid gross

20 June 2007

Series 49

Guaranteed rate for first 5 years 5.20% gross/5.33% AER Taxable, paid gross

23 May 2007

Series 48

Guaranteed rate for first 5 years 4.90% gross/5.01% AER Taxable, paid gross

24 January 2007

Series 47

Guaranteed rate for first 5 years 4.80% gross/4.91% AER Taxable, paid gross

**Fixed Rate Savings Bonds (No longer available from 23<sup>rd</sup> February 2008)**

*(Please see Guaranteed Income Bonds and Guaranteed Growth Bonds)*

**1-year Fixed Rate Savings Bonds**

**Effective from**

23 January 2008

Issue 40

Guaranteed rate for first year 3.70-4.05% gross/AER Taxable, paid net

28 November 2007

Issue 39

Guaranteed rate for first year 4.20-4.55% gross/AER Taxable, paid net

24 October 2007

Issue 38

Guaranteed rate for first year 4.80-5.15% gross/AER Taxable, paid net

20 June 2007

Issue 37

Guaranteed rate for first year 5.20-5.55% gross/AER Taxable, paid net

23 May 2007

Issue 36

Guaranteed rate for first year 5.00-5.35% gross/AER Taxable, paid net

24 January 2007

Issue 35

Guaranteed rate for first year 4.90-5.25% gross/AER Taxable, paid net

**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

28 November 2007

Issue 33

Guaranteed rate for first 3 years 4.05-4.40% gross/AER Taxable, paid net

24 October 2007

Issue 32

Guaranteed rate for first 3 years 4.65-5.00% gross/AER Taxable, paid net

20 June 2007

Issue 31

Guaranteed rate for first 3 years 5.25-5.60% gross/AER Taxable, paid net

23 May 2007

Issue 30

Guaranteed rate for first 3 years 4.90-5.25% gross/AER Taxable, paid net

24 January 2007

Issue 29

Guaranteed rate for first 3 years 4.80-5.15% 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

28 November 2007

Issue 30

Guaranteed rate for first 5 years 4.00-4.35% gross/AER Taxable, paid net monthly interest options available

24 October 2007

Issue 29

Guaranteed rate for first 5 years 4.55-4.90% gross/AER Taxable, paid net monthly interest options available

20 June 2007

Issue 28

Guaranteed rate for first 5 years 5.05-5.40% gross/AER Taxable, paid net monthly interest options available

23 May 2007

Issue 27

Guaranteed rate for first 5 years 4.75-5.10% gross/AER Taxable, paid net monthly interest options available

24 January 2007

Issue 26

Guaranteed rate for first 5 years 4.60-4.95% gross/AER Taxable, paid net monthly interest options available

**Capital Bonds (no longer available from 23<sup>rd</sup> 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

28 November 2007

Series 30

Guaranteed compound rate over 5 years. 4.20% gross/AER Taxable, paid gross

24 October 2007

Series 29

Guaranteed compound rate over 5 years. 4.75% gross/AER Taxable, paid gross

20 June 2007

Series 28

Guaranteed compound rate over 5 years. 5.30% gross/AER Taxable, paid gross

.

23 May 2007

Series 27

Guaranteed compound rate over 5 years. 5.00% gross/AER Taxable, paid gross

24 January 2007

Series 26

Guaranteed compound rate over 5 years. 4.85% gross/AER Taxable, paid gross