

Deposit and Savings Accounts - UK - June 2017

Report Price: £1995.00 | \$2583.33 | €2370.86

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“Savers are having a grim time, with an ultra-low base rate and rising inflation making it near-impossible to achieve a real return. The introduction of funding schemes by the Bank of England has also reduced banks’ reliance on retail deposits, removing the pressure to aggressively compete.”

– **Sarah Hitchcock, Senior Finance Analyst**

This report looks at the following areas:

- Older savers respond very differently to low interest rates than younger savers
- Beware of overlooking the importance of branches in the drive towards digital

The retail savings market is not currently the most dynamic in the UK. Monetary policy over the past five years has dampened banks’ appetite for retail funding, leading to reduced competition. This, along with an ultra-low base rate, has led to a decline in product availability and average quoted rates on cash deposits. The situation for savers is further compounded by rising inflation. Yet, in spite of this challenging backdrop, household savings balances grew by over 4%, in real terms, in 2016.

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This report is part of a series of reports, produced to provide you with a more holistic view of this market

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The Market – What You Need to Know

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Digital revolution paves the way for new micro-saving apps

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