

The Great British Savings Squeeze

GREAT BRITISH SAVINGS SQUEEZE
Supported by Allica Bank

Monthly Savings Tracker | 1st October 2024

Allica Bank

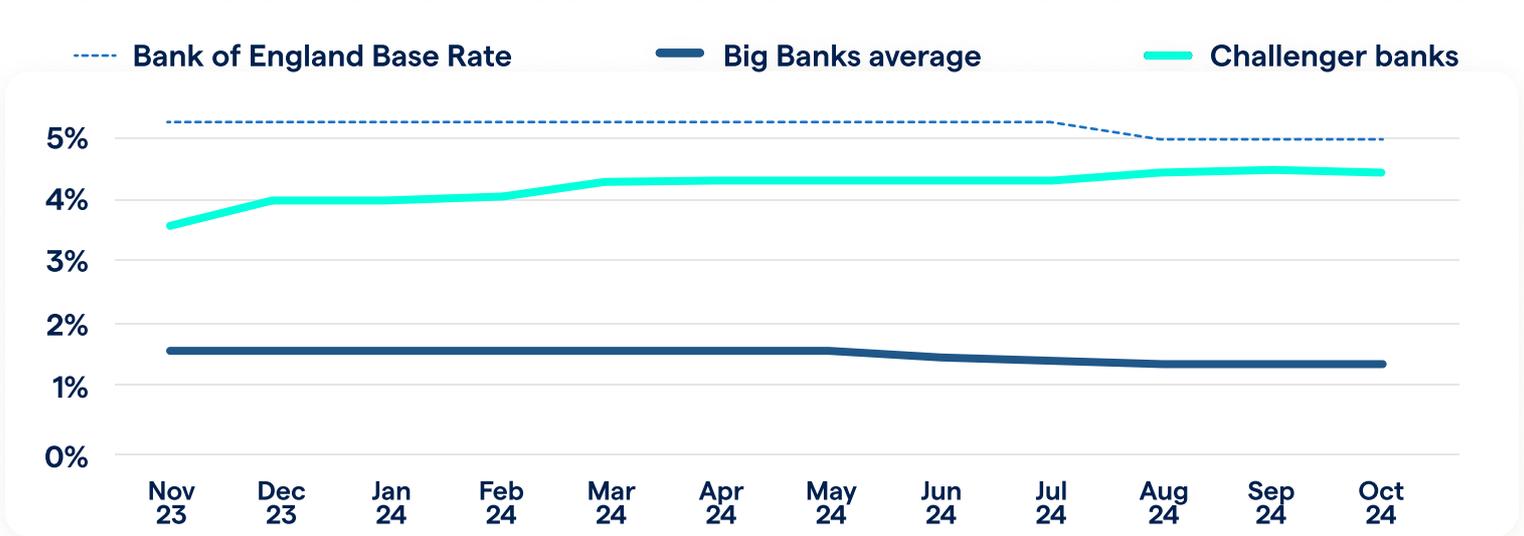
Key takeaways

Businesses are offered **up to 2.98% more** on their savings by challenger banks.

The average SME with £75,000 of savings is **missing out on £2,233 a year** in interest from their bank.

The average interest rate available from the big banks is **just 1.39%**

	Instant access (AER)	Interest earned on £75k deposit
Average offered by the Big Banks	1.39%	£1,044
Best rate from challenger banks	4.37%	£3,277
Difference	2.98% (bps)	£2,233



Analysis

This month's tracker reveals that the top savings rate offered by challenger banks to SMEs has dropped slightly from 4.45% to 4.37%.

Meanwhile the average rate being offered to SMEs by the big banks remains at 1.39% for the third month in a row. It now sits at 2.98% a year less than the best rate available from the challenger banks.

In monetary terms, this means that, for an SME with £75,000 of savings, they could be earning £2,233.50 a year more by keeping these savings in a challenger bank savings account.

The Bank of England base rate remains at 5% for now, though further cuts are expected this year and we wait to see what this will do to SME interest rate offerings.

About The Great British Savings Squeeze petition

Small businesses lose out on £9 billion a year in savings interest because big banks aren't offering them the rates their hard work deserves.

The Great British Savings Squeeze petition wants to fix that and get small businesses the money they deserve.

With support from the Federation of Small Businesses and Institute of Directors, we're calling for change in the business savings market.

About Allica Bank

Business banking isn't working. Allica Bank is on a mission to change that.

Built especially for businesses with between 5 and 250 employees, Allica Bank provides no-nonsense business banking for established businesses.

Allica was named as Britain's fastest-growing company in 2024's The Sunday Times 100. In 2023, it achieved its first full-year profit and revealed it had lent over £2 billion to established UK businesses.

[Find out more at savingssqueeze.com](https://savingssqueeze.com)

Or reach our team at savingssqueeze@allica.bank

Methodology: The 'Average rate offered by the Big Banks' is determined by taking the average rate offered to a business with £75,000 of savings at the time of publication by the six major big banks in the UK by market share: Barclays, Nationwide, HSBC, Lloyds, NatWest and Santander. Historic data is taken from the first of each month.

The 'Best rate from challenger banks' is sourced from Moneyfacts'.

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