

**At the Court at Buckingham Palace****THE 16TH DAY OF DECEMBER 1998****PRESENT,****THE QUEEN'S MOST EXCELLENT MAJESTY IN COUNCIL**

It is this day ordered by Her Majesty in Council that the Right Honourable the Lord High Chancellor of Great Britain do cause the Great Seal of the Realm to be affixed to the Proclamation of this day's date, appointing certain days in the years 1998 and 1999 as bank holidays under the Banking and Financial Dealings Act 1971.

A. K. Galloway

(1106/85)

**Public Finance****National Savings****NATIONAL SAVINGS FIRST OPTION BONDS - NEW INTEREST RATE**

On and from 23rd December 1998 the guaranteed gross interest rate for the first year a Bond is held will be 5.25% pa. Assuming a rate of tax of 20%, the net rate credited to a Bond will be 4.2% pa. Bonds of £20,000 or more also earn bonus interest of 0.25% pa gross (0.2% net).

**FIXED INTEREST NATIONAL SAVINGS CERTIFICATES - NEW ISSUE**

48th Issue Savings Certificates went on sale on 31st December 1998. They will grow in value at a guaranteed rate each year as follows:

Year 1	3.2%
Year 2	3.3%
Year 3	3.4%
Year 4	3.6%
Year 5	4.01%

If a Certificate is held for five years, these rates will give a tax-free and guaranteed return equal to 3.5% per annum compound.

**INDEX-LINKED NATIONAL SAVINGS CERTIFICATES - NEW ISSUE**

15th Index-linked Issue Savings Certificates went on sale on 31st December 1998. The value of a Certificate will move in line with the rate of inflation as measured by the Retail Prices Index, plus Extra Interest as follows:

Purchase Price	+ Index-linking for year 1	+ 1% of Purchase Price	= 1st Anniversary Value
1st Anniversary Value	+ Index-linking for year 2	+ 1.2% of 1st Anniversary Value	= 2nd Anniversary Value
2nd Anniversary Value	+ Index-linking for year 3	+ 1.4% of 2nd Anniversary Value	= 3rd Anniversary Value
3rd Anniversary Value	+ Index-linking for year 4	+ 1.9% of 3rd Anniversary Value	= 4th Anniversary Value
4th Anniversary Value	+ Index-linking for year 5	+ 2.76% of 4th Anniversary Value	= 5th Anniversary Value

If a Certificate is held for five years, these rates will give a tax-free and guaranteed return equal to 1.65% per annum compound in addition to index-linking.

**NATIONAL SAVINGS TREASURER'S ACCOUNTS - NOTICE OF NEW INTEREST RATES**

On and from 14th January 1999 the variable gross rates of interest payable on Treasurer's Accounts will be as follows:

£10,000 to £24,999.99	5.0% pa
£25,000 to £99,999.99	5.25% pa
£100,000 and above	5.75% pa

**NATIONAL SAVINGS ORDINARY ACCOUNTS - NOTICE OF NEW INTEREST RATES**

On and from 1st February 1999 the variable gross rates of interest payable on Ordinary Accounts will be as follows:

Standard rate	1.75% pa
Higher rate	2.0% pa

The higher rate of interest is paid for each complete calendar month that £500 or more is in the account.

**NEW GENERAL EXTENSION RATE**

On and from 1st February 1999 the variable rate of interest for National Savings Certificates (including Yearly Plan Certificates) earning the General Extension Rate will be 3.0% pa tax-free.

**NATIONAL SAVINGS INCOME BONDS - NOTICE OF NEW INTEREST RATE**

On and from 3rd February 1999 the variable "Treasury Rate" of interest payable on Income Bonds will be 5.75% pa gross. The bonus rate for bonds held under the same register number with a total capital value of at least £25,000 will be 0.25% pa gross.

**NATIONAL SAVINGS DEPOSIT BONDS - NOTICE OF NEW INTEREST RATE**

On and from 3rd February 1999 the rate of interest payable on Deposit Bonds will be 5.25% pa gross.

Issued by National Savings on behalf of the Treasury.

**NATIONAL SAVINGS CAPITAL BONDS - NEW SERIES**

Series N Capital Bonds went on sale on 31st December 1998. Bonds held for five years will grow in value at a guaranteed rate each year as follows:

Year 1	4.0%
Year 2	4.2%
Year 3	4.5%
Year 4	4.75%
Year 5	5.06%

These rates will give a guaranteed return equal to 4.5% per annum compound. The interest is credited gross and is taxable.

**NATIONAL SAVINGS CHILDREN'S BONUS BONDS - NEW ISSUE**

Issue L Children's Bonus bonds went on sale from 31st December 1998. For the first five years each £25 unit will earn interest at 3.5% per annum compound. On the fifth anniversary of purchase it also earns a bonus of £1.46 (5.84% of purchase price). At these rates a Bond will earn a tax-free return equal to 4.5% per annum compound over the first five years.

**NATIONAL SAVINGS PENSIONERS GUARANTEED INCOME BONDS - NEW SERIES**

Series 7 Pensioners Guaranteed Income Bonds went on sale from 31st December 1998. The interest rate, fixed and guaranteed for the first five years a Bond is held, is 4.5% per annum. The interest is paid gross and is taxable.

**NATIONAL SAVINGS INVESTMENT ACCOUNTS - NOTICE OF NEW INTEREST RATES**

On and from 14th January 1999 the variable gross rates of interest payable on Investment Accounts will be as follows:

Balance in Account	Rate of Interest
up to £499.99	4.2% pa
£500 to £2,499.99	4.4% pa
£2,500 to £4,999.99	4.6% pa
£5,000 to £9,999.99	4.8% pa
£10,000 to £24,999.99	5.0% pa
£25,000 to £49,999.99	5.25% pa
£50,000 and above	5.75% pa

(1402/72)