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Profit rates on national savings schemes slashed

ISLAMABAD: The government on Tuesday slashed profit rates on the national saving schemes sizably and which would be effective from November 1, 2019.

Profit rates on the Defence Saving Certificate has been cut by 2.33 percentage points to 10.68 percent. On Pension Behbood the rate has been cut by 2.28 percentage points to 12.48 percent. On Regular Income Certificate the cut was made of 2.04 percentage points to 10.92 percent. Profit rate on Special Saving Certificate cut by 1.77 percentage points to 11.13 percent and on saving accounts the rate has been slashed by 2.05 percentage points to 8.20 percent.

Since July 1, 2019, till this new rates announcement, the rates were 12.90 percent for Special Saving Certificates, 12.96 per cent for Regular Income Certificates, 13.01 per cent for Defence Saving Certificates and 14.76 per cent for Behbood Saving Certificates and pensioners benefit certificates.

It is worth mentioning that for the last few months, the yield on secondary market bonds has been declining and the economic experts believe that this was expected that the government was going to cut the rates.