

08 October 2026

Skip the wait: Lloyds is only UK bank to pay 12 months of fixed bond interest in the first month

- Lloyds is the only bank offering a fixed bond that pays 12 months of interest in the first month
- Customers can skip the wait and enjoy their interest sooner, while their savings stay put for the full year
- Available through the Lloyds app or online

Lloyds savers can skip waiting a full year to receive the interest on a one-year Online Fixed Bond, as the bank now offers customers the option to get 12 months of interest in the first month, while their savings remain fixed for the full term. Lloyds is the only UK bank to offer this.

'Upfront Interest' gives customers more choice over when they receive the return on their savings, as the interest due over the year is paid near the start of the fixed term, rather than when the bond matures.

How does 'Upfront Interest' work?

When opening a Lloyds one-year Online Fixed Bond, customers can choose to receive all the interest due over the 12-month term shortly after the account's funding window closes, rather than waiting until the bond matures, by selecting **'Upfront Interest'** during account opening.

The Online Fixed Bond earns 4.00% AER/gross fixed interest for one year, with an extra 0.20% AER/gross if customers hold a Lloyds Premier current account, that's been open for at least 8 days.

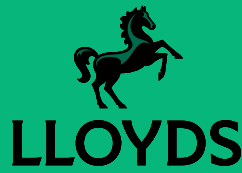
The interest is paid into a nominated account, which customers can specify when opening the one-year Online Fixed Bond.

The account keeps the certainty and fixed-term structure of Lloyds' existing one-year Online Fixed Bond; however, customers cannot withdraw any money until the 12-month term is up.

This new way of offering interest was shaped by research with customers, particularly those who have been saving for a long time, who said they'd welcome a straightforward new option for managing their money and accessing their interest.

'Upfront Interest' is available in the Lloyds app and online for existing customers. New customers can apply online.

Customers opening a one-year Online Fixed Bond can continue to choose for their interest to be paid at bond maturity, should they prefer this.



Key facts about Upfront Interest

- **Upfront Interest** is available with the Lloyds one-year Online Fixed Bond.
- Interest is paid shortly after the funding window closes (max. 20 days from application).
- The product retains the fixed-term structure of the [Online Fixed Bond](#) range.
- When choosing **Upfront Interest**, customers must agree to retain the account, and the opening balance, for the whole year – early withdrawals are not possible.
- Existing customers can open the account in the app or online, while new customers can apply online.

Simon Caddick, Savings Director at Lloyds, said:

"One thing that can stop people putting money away for a fixed period is the wait to benefit from the interest it earns. Our new **Upfront Interest** changes that.

"We know savers value choice when managing their money and **Upfront Interest** gives them the opportunity to receive their interest at the beginning of their savings term, helping them benefit from that money sooner, while still having the certainty of a fixed-rate bond.

"This is a fresh approach to fixed-rate savings and reflects our commitment to offering savings that reflect the ways customers tell us they want to save and manage their money."

Ends

Notes to editors

The information in our press releases is intended solely for journalists and media professionals. It does not constitute financial advice or a personal recommendation and should not be relied upon by consumers when making financial decisions. Products and services referenced are subject to eligibility criteria, terms and conditions.
Information accurate as at 08/10/2026.

- Lloyds one-year Fixed Bond at 4.00% AER/gross fixed interest for one year. Extra 0.20% AER/gross with a Lloyds Premier current account that's been open for at least 8 days.
- Upfront Interest is available only on Lloyds one year Online Fixed Bond.
- Customers choosing the upfront interest option receive their interest shortly after the funding window closes to a nominated account, 20 days after application.
- The account retains the fixed-term structure and withdrawal restrictions of the existing Online Fixed Bond product.
- More information and full terms and conditions here: <https://www.lloydsbank.com/savings/upfront-interest-online-fixed-bond.html>