

HSBC Direct Promotional High Yield Savings Product Sign of Things to Come, According to comScore Networks

RESTON, VA, February 20, 2007 – comScore Networks, a leader in measuring the digital age, today released the results of a study which examines share of the online High Yield Savings market among key players and the impact of recent rate changes on this marketplace.

The market for high yield savings accounts has become increasingly competitive during the past year, as evidenced by the emergence of new players and subsequent marketplace fragmentation. While ING Direct held a commanding share of new online savings account application submissions in Q4 2005 (53 percent), its share dropped to 25 percent during the same time period in 2006. Meanwhile, newer players like Citibank and Washington Mutual, which each held a negligible share of the market in Q4 2005, increased their share to 19 percent and 17 percent, respectively by Q4 2006.

Share of Online Savings Account Applications Submitted Among High-Yield Savings Players

Q4 2006 vs. Q4 2005

Source: comScore Networks

Banks	Share of Submitted Applications		
	Q4 2005	Q4 2006	Pt Chg
ING Direct	53%	25%	-28
HSBC	14%	21%	7
Citibank	2%	19%	17
Washington Mutual	0%	17%	17
Emigrant Direct	22%	12%	-10
Capital One	10%	8%	-2

Recent HSBC Rate Increase Drives New Online High Yield Savings Accounts

As part of this study, comScore also conducted a ten-week study examining the impact of recent rate changes for online high yield savings accounts. On January 27, 2007, HSBC Direct debuted a new feature for its online high yield savings account called "HSBC New Money," offering a 6.00 percent promotional APY until April 30, 2007. This rate was 95 basis points higher than the next most comparable product. Conversely, Citibank reduced the APY for its E-Savings product, below the rates offered by major online competitors, to 4.75 percent on January 30, 2007. During the same timeframe, ING Direct was offering the lowest rate among the three at 4.50 percent.

To measure the impact of these marketplace changes, comScore compared the average weekly Web site traffic and online account openings among High Yield Savings account consumers for the two weeks ending February 11, 2007 versus the average of the 8 weeks preceding. The data showed a 41 percent increase in unique visitors to HSBC Direct's high yield savings account product pages, which contributed to a 98-percent increase in accounts opened online. During the same timeframe, Citi E-Savings and ING Direct experienced declines in unique visitors to their corresponding product pages, which contributed to their respective decreases of 57 percent and 59 percent in the number of accounts opened.

Change in Average Weekly Volume

2 weeks ending 2/11/07 vs. 8 weeks ending 1/29/07

Source: comScore Networks

Banks	Avg of 2 weeks ending 2/11/07 vs.	
	Avg of 8 weeks ending 1/28/07	
	Unique Visitors*	Online High Yield Savings Accounts Opened
HSBC	41%	98%
Citibank	-63%	-57%
ING Direct	-34%	-59%

* Unique visitors to product pages for online high yield savings accounts.

"Entering the market with aggressive rates, strong brands, and a relatively large existing customer base, both Citibank and Washington Mutual were able to quickly gain market share of newly submitted online High Yield Savings applications from existing market leaders," said Brian Jurutka, director of Financial Services Solutions at comScore Networks. "As the online High Yield Savings accounts market becomes more crowded, we expect banks to continue to add product features and functionality, looking to differentiate their offerings in an increasingly competitive market."

About comScore Networks

comScore Networks is a global leader in measuring the digital age. This capability is based on a massive, global cross-section of more than 2 million consumers who have given comScore permission to confidentially capture their browsing and transaction behavior, including online and offline purchasing. comScore panelists also participate in survey research that captures and integrates their attitudes and intentions. Through its proprietary technology, comScore measures what matters across a broad spectrum of behavior and attitudes. comScore consultants apply this deep knowledge of customers and competitors to help clients design powerful marketing strategies and tactics that deliver superior ROI. comScore services are used by global leaders such as AOL, Microsoft, Yahoo!, Verizon, Best Buy, The Newspaper Association of America, Tribune Interactive, ESPN, Fox Sports, Nestlé, MBNA, Universal McCann, the United States Postal Service, Merck and Expedia. For more information, please visit www.comscore.com.

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