

Making More Cents

Quarterly Newsletter, Q1'2023



Last week the Fed increased the target federal funds rate by a modest 0.25 percentage points. Currently, Prime Rate stands at 8%. This rate increase has several impacts to our wallets.

Credit Cards

Since most credit cards have a variable rate, with the Fed rate increase, [credit cards](#) APRs are now over 20% on average. With high inflation still

persisting, cardholders are carrying more debt on their credit cards. Credit analysts recommend consolidating [high interest loans](#) for those who are carrying a balance on their credit cards.

Home Equity Lines of Credit (HELOCs)

HELOC is a popular financing option for many home owners. Since most HELOCs are prime based, the average HELOC rate is around 7.76%. Financial experts recommend taking the time to shop among multiple lenders to find the best HELOC offer.

Savings accounts and CDs

Savings accounts' interest rates tend to be correlated to changes in the federal funds rate. As a result, rates on FDIC Insured short term CDs and [high yield savings accounts](#) are the best in 15 years. Compare high rates and open your high yield account today to take advantage of the high returns. [6 month CDs can be found paying 5%](#), a peace of mind [no penalty CD paying 4.80%](#) and a [high yield savings account is paying 4.75%](#).

What does FDIC Insurance cover?

With the sudden collapses of the 2 Banks earlier this month, questions regarding the level of protection consumers have for their bank deposits have arisen. Below is a short summary of the insurance coverage offered by FDIC for bank customers.

The standard FDIC coverage limit is \$250,000 per account owner, per ownership category. The FDIC covers many common deposit accounts but doesn't insure investment accounts. Bank accounts like checking, savings, money market, and CDs are covered. However,

stocks, bonds, mutual funds, crypto assets, safe deposit boxes or their contents are not covered.

Ownership category refers to who owns the account. Just as a single owner means an account is owned by just one person, a joint account is one which is shared by two or more people. This means that if an account is co-owned by two people, for example, that account is insured up to \$250,000 per person, for a total of \$500,000.

Trending on Amazon



[Check out the items trending on Amazon right now on popular categories like Home Improvement to Spring Outfits and more.](#)

Products are updated regularly. Prices and inventory are subject to change.

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