

FinanceGates.com's CD Rates Guide

“HOW TO GET BEST CD RATE WITH 3 EASY STEPS”

1. Check your CD interest

When it comes to savings, interest is what it's all about. Interest is what a borrower pays a lender for the use of the lender's money.

When you deposit money in a savings account or a certificate of deposit (CD), you're lending that financial institution your money. The institution uses that money to make loans -- essentially, borrowing money from you and paying you interest for the right to use your money to lend to someone else.

Of course, the institution then charges that loan customer an even higher interest rate to more than recover the interest it's paying you. Interest is calculated as a percentage of the amount of the loan.

Interest can get complicated, especially when the terms "rate" and "yield" are involved. You may see a \$10,000 CD with a 5-percent annual interest rate (APR), but right next to it is the annual percentage yield (APY) number and it's higher.

The difference between rate and yield is determined by how frequently interest is paid, and how it is paid.

Rate is the nominal, or stated, interest rate on the investment. If you have a CD with a 5-percent nominal rate, then interest is calculated by multiplying 5 percent by the amount invested and by the fraction of a year the money is invested.

Let's say interest pays annually. A \$10,000 investment will earn \$500 in interest. ($\$10,000 \times 5 \text{ percent} \times 1 \text{ year.}$) When an investment pays interest annually, its rate and its yield are the same.

2. Know your CD options

People have a tendency to use the word "bank" when talking about a commercial bank, a savings bank or a savings and loan association, also known as thrift.

The lines between them have certainly blurred but, according to the Conference of State Bank Supervisors, there are differences between banks, thrifts and credit unions, which are the third major deposit-taking institutions.

Online banks are another entity that's making a significant pitch for your banking business.

Commercial banks have traditionally been the largest source of loans to small businesses. They also make consumer loans and mortgages and offer credit cards, deposit products and checking accounts for everyone from students to seniors.

Thanks to deregulation, banks can offer insurance and investment products such as mutual funds and IRAs. Many banks also offer trust services, estate planning and asset management.

Banks vary in size from mega-banks with hundreds of branches nationwide to small community banks that specialize in serving the needs of the local clientele. Many banks are publicly held corporations. Their principal goal is to make money for their stockholders.

3. Find Best option with FinanceGates.com!

At FinanceGates.com you can easily check the most up-to-date CD options. Please visit Our [CD section](#). Use tables headings for sorting with different criteria.

If you would not find the most appropriate solution with CD Wizard please refer to our Online Support at cd_rates_advice@financegates.com or our Community (<http://www.financegates.com/defaultForum.aspx>).

These easy steps will help you to get the best financing deal on mortgage.

A mortgage—whether it's a home purchase, a refinancing, or a home equity loan—is a product, just like a car, so the price and terms may be negotiable. You'll want to compare all the costs involved in obtaining a mortgage. Shopping, comparing, and negotiating may save you thousands of dollars.