



MoneyRates.com Considers Interest Rate Gap: Do Americans Evaluate Banks Correctly?

April 30, 2020

Survey shows record rate declines on savings accounts, MMAs and CDs

Foster City, CA – April 30, 2020 – Today, MoneyRates.com released its quarterly survey of [America's Best Rates](#) for the first quarter of 2020. The analysis shows savings account rates suffered the largest year-over-year decline in the eight-year history of this report. Additionally, money market and CD rates dropped sharply over the past year.

Because deposits are heavily concentrated in the largest banks, most earn even less than they would at an average bank. The largest banks tend to pay their customers much lower rates, according to Richard Barrington, senior financial analyst with MoneyRates.com.

The QuinStreet personal finance site shows consumers can rally against lower rates by using rate consistency as a yardstick when they shop. The America's Best Rates method identifies banks that consistently offer the highest rates, making it clear to consumers where they can profit from rate gaps. With financial hardships from the coronavirus pandemic making every dollar especially precious, evaluating banks on rate consistency becomes even more important.

For example, despite that the average savings account rate declined by 0.066% over the past year, to 0.376%, the top rate in the survey stood at 1.89%. On a \$10,000 savings account balance, that difference could mean earning \$189.10 per year in interest instead of \$37.60--just by switching banks.

MoneyRates spokesperson Richard Barrington comments, "At a time when consumer information is easily accessible and people shop carefully for so many things, it's stunning that most people settle for miniscule interest rates on their savings. Consumers that use rate consistency as a yardstick to evaluate banks for the [best savings accounts](#) often earn much more on their deposits."

Top Banks

The America's Best Rates Survey finds that rather than settling for below-average rates, consumers have a number of savings account options that pay more than a full percentage point above the average rate. Here are the top 10:

	Bank	2020 Q1 Avg APY
1	SFGI Direct	1.89%
2	UFB Direct	1.89%
3	Salem Five Direct	1.71%
4	MySavingsDirect	1.70%
5 (tie)	American Express National Bank	1.70%
5 (tie)	Marcus by Goldman Sachs	1.70%
7	Synchrony Bank	1.70%
8	Barclays	1.68%
9	Capital One	1.66%
10	Sallie Mae Bank	1.65%

(Note: Some of the above rates that appear tied are actually separated by small fractions of a percentage.)

Other Findings

- The average [online savings account](#) pays 1.206%, more than 16 times the 0.073% average interest rate available from

traditional, branch-based savings accounts.

- The average [money market account rate](#) slipped to 0.349% during the first quarter, but MoneyRates.com identifies ten banks that pay well over half a percentage point higher.
- The average [5-year CD rate](#) fell to 1.181% in the first quarter but MoneyRates.com shows ten banks paying 2% or more.

See the complete results and rankings for savings accounts, money market accounts and CD rates here: <https://www.money-rates.com/research-center/americas-best-rates/>

Methodology

The America's Best Rates survey is based on an average of rates offered throughout the calendar quarter by banks in the MoneyRates Index. This index is a representative cross-section of 50 of the largest retail deposit institutions in the United States, plus 25 small banks and 25 medium-sized banks. The index comprises nearly three-quarters of all U.S. deposits.

The survey is unique in measuring this representative industry sample because it averages bank rates over the course of the quarter rather than analyzing a single snapshot in time. Rates available to customers with a \$10,000 balance and no broader relationship with the bank are used for this survey.

About MoneyRates.com

MoneyRates.com is owned and operated by QuinStreet, Inc. (Nasdaq: [QNST](#)), a pioneer in delivering online marketplace solutions to match searchers with brands in digital media. QuinStreet is committed to providing consumers and businesses with the information and tools they need to research, find and select the products and brands that meet their needs.

MoneyRates.com is a member of the company's expert Research and Publishing Division.

Since 1998, [MoneyRates.com](#) has served as a personal finance resource designed to help readers make the most of their money. In addition to a variety of financial calculators, MoneyRates.com researches and tracks CD, savings, and money market rates offered from over 400 financial institutions across the country to offer expert advice on banking, investing and retirement planning.

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