

in the U.S. – 2nd Quarter, 2019

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SURVEY HIGHLIGHTS

- Each of the top ten 1-year CDs offered a rate more than twice as high as the category average of 1.148%
- Online accounts maintain their rate advantage roughly 15 times the average savings account rate of a traditional, branch-based account
- For the first time in over two years, savings rates did

not rise. However, the gap between the top savings account rate and the average is now 1.959%, the widest it's ever been.

1-Year CDs: Where the Action is in Mid-2019

Looking to earn more money on your bank deposits?

The second quarter 2019 America's Best Rates survey shows that consumers have plenty of opportunities to earn more on their bank deposits. Interest rates leveled off a bit in the second quarter, but 1-year certificates of deposit (CDs) and money market accounts saw rate gains on average.

What's most important is that, for all four types of deposit products studied - savings accounts, money market accounts, 1-year CDs and 5-year CDs - the gap between the top rates and average rates remains very wide. That means most bank customers have an opportunity to earn more money if they shop for the best interest rates.

In fact, the gap between the top savings account rate and the average rate is the widest it's ever been in the seven-year history of this survey. This gap makes the opportunity for consumers to find higher bank rates better than ever.

America's Best Savings Account Rates: 2nd quarter, 2019

This quarter, the top-ten list of best savings account rates includes eleven banks due to a three-way tie for ninth place.

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America's best savings account rates: 2nd quarter, 2019		
Rank	Bank	2019 Q2 Avg APY
1 st place	MySavingsDirect (ABR platinum medal winner)	2.40%
2 nd place	Salem Five Direct (ABR gold medal winner)	2.34%
3 rd place	SFGI Direct (ABR silver medal winner)	2.27%
4 th place	Synchrony Bank (ABR bronze medal winner)	2.25%
5 th place	Marcus by Goldman Sachs	2.25%
6 th place	FNBO Direct	2.23%
7 th place (tie)	Ally Bank	2.20%
7 th place (tie)	Barclays	2.20%
9 th place (tie)	American Express National Bank	2.10%
9 th place (tie)	Discover Bank	2.10%
9 th place (tie)	Sallie Mae Bank	2.10%

(Although Synchrony Bank and Marcus by Goldman Sachs might appear to be tied for fourth place, the average rate for Synchrony Bank during the second quarter was actually higher by a few thousandths of a%.)

Average savings account rate: 0.441%

The overall average savings account rate dropped by a tiny amount during the second quarter, from 0.442% to 0.441%. This slight drop in the average savings account rate is the first time in over two years that savings rates did not rise.

With rates appearing to level off, does this mean the chance for consumers to earn more on their savings is fading?

The answer is no.

Looking at the big difference between the top rates and the average rate, it's easy to see that most bank customers could do a lot better by changing banks.

The difference between the top savings account rate and the average is the widest it's been since the current form of this study began in mid-2012. That difference is now 1.959%, which for a \$10,000 account would translate to \$195.90 in extra interest per year for bank customers who move from an average rate to the top rate.

In other words, with nearly \$200 a year in extra interest there for the taking (even with savings account rates leveling off), most bank customers have a great opportunity to do better by shopping around.



The Platinum medal for Best Savings Account Rate was awarded to MySavingsDirect for its 2.40% average rate over the entire second quarter of 2019.

This is the second consecutive quarter in which the 2.40% savings account rate offered by MySavingsDirect topped this survey.

Average online savings account rate: 1.348%

One of the best ways to get a higher savings account rate is to try online banking. Online savings accounts averaged a 1.348% interest rate in the second quarter, compared to just 0.086% for traditional, branch-based savings accounts.

That means the average online savings account customer earns more than 15 times as much interest as the average traditional savings account customer. This gap is getting wider, as the average online savings account rate rose in the second quarter while the average traditional savings account rate fell.

America's Best Money Market Rates: 2nd quarter, 2019

Based on the average rate offered during the second quarter, these were the top ten money market accounts:

America's best money market account rates: 2nd quarter, 2019		
Rank	Bank	2019 Q2 Avg APY
1 st place	Sallie Mae Bank (ABR platinum medal winner)	2.30%
2 nd place	First Internet Bank (ABR gold medal winner)	2.01%
3 rd place (tie)	BBVA Compass (ABR silver medal winner)	2.00%
3 rd place (tie)	Capital One (ABR silver medal winner)	2.00%
5 th place	Discover Bank (ABR bronze medal winner)	1.95%
6 th place	Mutual of Omaha Bank	1.91%
7 th place (tie)	Able Banking	1.85%
7 th place (tie)	CIT Bank	1.85%
9 th place	My Banking Direct	1.50%
10 th place	UFB Direct	1.26%

Average money market account rate: 0.458%

Unlike savings account rates, the average money market rate rose to 0.458% during the second quarter. This means that, on average, money market accounts now yield more than savings accounts, though this study found more savings accounts offering in excess of 2%.

The top money market rate also rose during the second quarter. Sallie Mae Bank kept the top spot, hiking its money market rate from 2.22% to 2.30%.



The Platinum medal for Best Money Market Account Rate was awarded to Sallie Mae Bank, who also ranked 3rd for Best 1-year CD Rate over the entire second quarter of 2019.

As with savings accounts, the gap between the top money market rate and the average continues to widen. The top rate would now pay \$184.20 more per year on a \$10,000 account than the average rate.

Average online money market account rate: 1.181%

As with savings accounts, a big advantage can be gained by moving to an online money market account.

The average online money market account now pays 1.181% in interest, compared to 0.221 for traditional, branch-based accounts.

As a result, a typical online money market customer now earns over five times as much annual interest as a customer with a branch-based account. That kind of incentive should get even more consumers to try online banking.

The Best 1-year CD Rates: 2nd quarter, 2019

Based on the average rates offered during the second quarter of 2019, the following were the ten best 1-year CDs available:

America's best 1-year CD rates: 2nd quarter, 2019		
Rank	Bank	2019 Q2 Avg APY
1 st place	First Internet Bank (ABR platinum medal winner)	2.79%
2 nd place	TIAA Direct (ABR gold medal winner)	2.74%
3 rd place	Sallie Mae Bank (ABR silver medal winner)	2.72%
4 th place	Synchrony Bank (ABR bronze medal winner)	2.71%
5 th place	Ally Bank	2.68%
6 th place	Marcus by Goldman Sachs	2.67%
7 th place	Barclays	2.66%
8 th place	Discover Bank	2.64%
9 th place	Capital One	2.61%
10 th place	ableBanking	2.60%

Average 1-year CD rate: 1.148%

The best 1-year CD rates improved by 0.055% during the second quarter. That might seem like a modest increase, but it was the best performance of any category in the America's Best Rates survey.

In fact, with 1-year CD rates rising while 5-year CDs slipped a bit, a 1-year product might be an attractive place for CD shoppers to look right now. Especially with some uncertainty about the future of rates after two years of an upward trend, a 1-year CD could offer the chance to make significantly more interest than you could in a savings or money market account, without locking up your money for a multi-year period.



The Platinum medal for Best 1-Year CD Rate was awarded to First Internet Bank for its 2.79% rate over the entire second quarter of 2019.

First Internet Bank repeated as the leader in 1-year CD rates this quarter. The 2.79% offered by First Internet Bank would mean \$164.20 more interest over the life of the CD than the average 1-year rate.

Average online 1-year CD rate: 1.949%

Here again, online accounts are a prime place to look for a rate advantage. Online 1-year CDs offered an average rate of 1.949 during the second quarter, more than 1% higher than the average of 0.853% offered for traditional, branch-based 1-year CDs.

The Best 5-year CD Rates: 2nd quarter, 2019

Based on the average rates offered throughout the second quarter, the following were the ten best 5-year CD rates available:

America's best 5-year CD rates: 2nd quarter, 2019		
Rank	Bank	2019 Q2 Avg APY
1 st place	First Internet Bank (ABR platinum medal winner)	3.12%
2 nd place	Synchrony Bank (ABR gold medal winner)	3.05%
3 rd place	American Express National Bank (ABR silver medal winner)	3.03%
4 th place	Barclays (ABR bronze medal winner)	3.02%
5 th place	Sallie Mae Bank	3.00%
6 th place	Ally Bank	2.99%
7 th place	Marcus by Goldman Sachs	2.98%
8 th place	Discover Bank	2.97%
9 th place	Capital One	2.97%
10 th place	Popular Community Bank	2.91%

(Note that, while Discover and Capital One look like they are tied for eighth, Discover Bank's rate was actually higher than Capital One's by a tiny fraction of a%.)

Average 5-year CD Rate: 1.690%

The best 5-year CD rates slipped slightly during the second quarter. The average rate fell by 0.046%, to 1.690%.

Even so, 5-year CD rates offer a rate advantage for those who are willing to lock their money up for a little longer. You should always consider the early withdrawal penalty before agreeing to commit your money to a long-term CD.

The rate advantage offered by the leading products is especially important when looking at 5-year CDs, because you can lock in that advantage for the term of the CD.

First Internet Bank, which also led the 1-year CD category, offered the best 5-year CD rate during the second quarter, at 3.12%. This would allow you to earn an extra 1.43% each year for five years, compared to an average 5-year CD rate.



The Platinum medal for Best 5-Year CD Rate was awarded to First Internet Bank for its 3.12% rate over the entire second quarter of 2019.

Average online 5-year CD rate: 2.274%

The rate advantage offered by online banking carries over to 5-year CDs. The average online 5-year CD offers a rate of 2.274%, compared to 1.489% for the average branch-based 5-year CD. This rate advantage is especially compelling since a long-term CD does not require any regular interaction with a branch.

There are signs that, after two years of steady rate gains, bank rates are leveling off. However, unless you are already with one of the leading banks in the above tables, you still have a good chance to improve how much your deposit accounts earn for you.

The America's Best Rates method - identify the consistently highest rates

Rather than base the America's Best Rates savings, money market account, and CD account rankings on a single snapshot in time, MoneyRates looks to identify the most consistently competitive accounts by averaging rates throughout each calendar quarter. Rates available to customers with a \$10,000 balance and no broader relationship with the bank are used for this survey.

Further, to provide a representative view of banking trends, the analysis is based on the MoneyRates Index, a consistent sample of accounts reflecting a cross-section of the retail deposit industry. The MoneyRates Index is comprised of 50 of the largest retail deposit institutions in the United States, plus 25 smaller banks and 25 medium-sized banks.