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America's Best Rates on Savings, Money Markets and CDs - 4th Quarter 2019

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SURVEY HIGHLIGHTS

- Savings account interest rates just saw the steepest one-quarter decline in the seven-plus year history of the MoneyRates America's Best Rates bank survey.
- CD rates saw even more dramatic declines as bankers scramble to adjust to a reversal in the direction of interest rates.

Falling rates on deposit products is bad news for consumers with savings. Still, even as rates drop generally, most consumers could actually improve their rates because there remains a significant gap between the highest rates available and the average interest rate.

Below are highlights of trends in savings account rates, money market account rates, 1-year and 5-year CD rates.

America's Best Savings Account Rates: 4th Quarter, 2019

The top ten [savings account rates](#) in the 4th quarter of 2019 were:

Rank	Bank	2019 Q4 Avg APY
1 st Place	SFGI Direct	2.22%
2 nd Place	UFB Direct	2.06%
3 rd Place	MySavingsDirect	2.03%
4 th Place	Salem Five Direct	1.95%
5 th Place	FNBO Direct	1.88%
6 th Place	Synchrony Bank	1.88%
7 th Place	Capital One Bank	1.84%
8 th Place	Barclays	1.84%
9 th Place	iGoBanking	1.82%
10 th Place	Marcus by Goldman Sachs	1.81%

(Note: While there appear to be ties at 1.88% and 1.84%, the bank rates involved are actually separated by a tiny fraction of a percent.)

Though many of the same banks that were in the top ten for the previous quarter also made the top ten in the 4th quarter, the rapidly changing rate environment shook up the order somewhat.

With savings account rates falling overall, the banks that most improved their positions were those that best held the line by keeping rates at or close to their prior levels.

Average savings account rate: 0.405%

The average savings account rate dropped for the third consecutive quarter. This is a decisive reversal of a trend that had previously seen savings account rates rise for eight consecutive quarters.

In the fourth quarter, the average savings account rate fell by 0.034%. That represents the largest single-quarter decline dating back to the inception of this survey in mid-2012.

Savings account rates are subject to change at any time. This means that consumers who stay with the same banks in a falling-rate environment will be earning less interest on their accounts. However, for consumers who are willing to change, there may still be opportunities to raise their rates.

The top savings account rate in the 4th quarter survey was 1.81% higher than the average rate. All of the top ten [savings account rates](#) were well over a full percentage point better than the average rate.

This gives consumers with accounts at average banks plenty of opportunities to raise their rates if they switch to one of the top banks. That would allow them to see the amount of interest they earn actually increase even while most bank customers were seeing their interest earned drop.

Average online savings account rate: 1.28%

One of the best ways to find a higher savings account rate is to switch from a traditional, branch-based account to an online account.

In the fourth quarter, the average rate on online savings accounts was 1.28%, while the average on traditional savings accounts was 0.067%. As a result, online savings account customers typically earn 19 times as much interest as traditional savings account customers.

America's Best Money Market Rates: 4th Quarter, 2019

These were the ten best [money market rates](#) in the 4th quarter of 2019:

Rank	Bank	2019 Q4 Avg APY
1 st Place	First Internet Bank	1.96%
2 nd Place	Sallie Mae Bank	1.88%
3 rd Place (tie)	Able Banking	1.85%
3 rd Place (tie)	CIT Bank	1.85%
5 th Place	Mutual of Omaha Bank	1.76%
6 th Place	BBVA Compass	1.67%
7 th Place	Discover Bank	1.63%
8 th Place	MyBankingDirect	1.33%
9 th Place	Synchrony Bank	1.20%
10 th Place	TIAA Direct	1.17%

Money market accounts followed much the same trends as savings accounts, with many of the same banks remaining in the top ten despite a shake-up in the order as average rates fell.

Average money market rate: 0.376%

The average money market account rate fell for the second consecutive quarter, and by nearly twice as much as the average savings account rate.

As with savings accounts, though, there remains a large gap between the top money market account rates and the average. This gives the customers at most banks an opportunity to fight back against falling interest rates by switching to a bank with one of the top rates.

With smart shopping, a bank customer could find a [money market rate](#) more than a full percentage point above the average. In contrast, staying with the typical bank in today's environment means accepting steadily falling interest rates on your money market account.

Average online money market rate: 1.028%

The rate advantage online accounts have over traditional accounts is demonstrated by money market rates. The average of these rates for online accounts managed to

remain above 1 percent despite the general drop in rates, averaging 1.028% over the course of the 4th quarter of 2019.

In contrast, the average traditional money market account offered a rate of just 0.172%. As a result of this difference, the average online money market account offers an interest rate nearly six times that of the average traditional money market account.

America's Best 1-Year CD Rates: 4th Quarter, 2019

These were the ten best 1-year [CD rates](#) over the course of the 4th quarter:

Rank	Bank	2019 Q4 Avg APY
1 st Place	Sallie Mae Bank	2.23%
2 nd Place	Capital One	2.16%
3 rd Place	TIAA Direct	2.16%
4 th Place	Barclays	2.14%
5 th Place	Discover Bank	2.11%
6 th Place	Synchrony Bank	2.10%
7 th Place	Marcus by Goldman Sachs	2.09%
8 th Place	Ally Bank	2.08%
9 th Place	Able Banking	2.01%
10 th Place	First Internet Bank	1.98%

(Note: While there appears to be a tie at 2.16%, the bank rates involved are actually separated by a tiny fraction of a percent.)

CD rates fell even more sharply than savings and money market rates during the quarter. This is because CDs represent a commitment to rates for a specified period of time. When rates are falling, banks are careful about making such commitments at higher rates.

Average 1-year CD rate: 0.858%

At 0.858%, the average 1-year CD rate still represents an advantage over average savings or money market rates for consumers who are able to commit their money for a full year.

Better yet, as you can see from the list of the ten best [CD rates](#) there are several opportunities to earn more than twice as much as the average.

Shopping for a better rate is especially important when it comes to CDs because those rates are typically locked in for a set period of time. This gives you an opportunity to lock in a rate advantage for the length of the CD.

Average online 1-year CD rate: 1.534%

Choosing online CDs is a good way to find that kind of rate advantage. During the 4th quarter of 2019, the average online 1-year CD was 1.534%, which is more than twice as high as the average traditional CD rate of 0.6%.

Since CDs normally entail little or no interaction with the bank during the term of the CD, online CDs offer an opportunity to earn a higher rate without giving up anything in the way of face-to-face service.

America's Best 5-Year CD Rates: 4th Quarter, 2019

These were the ten best 5-year [CD rates](#) during the 4th quarter:

Rank	Bank	2019 Q4 Avg APY
1 st Place	Synchrony Bank	2.31%
2 nd Place	INTRUST Bank	2.29%
3 rd Place	Sallie Mae Bank	2.28%
4 th Place	Ally Bank	2.26%
5 th Place	TIAA Direct	2.25%
6 th Place	Marcus by Goldman Sachs	2.24%
7 th Place	First Internet Bank	2.23%
8 th Place	State Farm Bank	2.22%
9 th Place	Axos Bank	2.22%
10 th Place	Discover Bank	2.21%

(Note: While there appears to be a tie at 2.22%, the bank rates involved are actually separated by a tiny fraction of a percent.)

Five-year CDs generally suffered the biggest rate declines of the four products tracked by this survey, as banks shy away from the possibility of being stuck paying a higher rate for an extended period of time.

Even so, 5-year CD rates on average still offer the best interest rates of those four products.

Average 5-year CD rate: 1.276%

The average rate of 5-year CDs declined by 0.193% during the 4th quarter, the third consecutive quarterly decline for 5-year CD rates.

As the list of the best CD rates shows, there are still opportunities to improve on the average rate of 1.276% by a full percentage point. Locking in that rate advantage for a 5-year period would make the effort of shopping for a better rate especially worthwhile.

Average online 5-year CD rate: 1.791%

Though the difference between online and traditional rates is less dramatic for 5-year CDs than for other products, there is still clear value to be gained by choosing an online account. The average online 5-year CD rate was 1.791%, compared with 1.087% for traditional, branch-based accounts.







Finding Consistently High Rates: The America's Best Rates Method









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.

Here are leading offers from other online banks

Account Type: Savings + MMA <input type="button" value="v"/>	Credit Rating: Select <input type="button" value="v"/>	Amount: \$25,000 to \$49,999 <input type="button" value="v"/>	Purpose Of Account: Select <input type="button" value="v"/>
Household Income: Select <input type="button" value="v"/>	Currently Banking With: <input checked="" type="checkbox"/> None <input type="button" value="v"/>	Deposit Frequency Select <input type="button" value="v"/>	<input type="button" value="Update"/>

Bank/Institution	APY	Min. to earn APY	Type
 Personal Savings American Express National Bank <small>Advertiser Comments</small>	1.70% <small>Rates as of 1/30/2020</small>	\$1	Type: Savings <input type="button" value="Start Saving"/> <small> FDIC Insured</small>
 Marcus <small>BY GOLDMAN SACHS</small> Goldman Sachs Bank USA <small>Goldman Sachs Bank USA, Member FDIC</small> <small>Advertiser Comments</small>	1.70% <small>Rates as of 1/30/2020</small>	\$0	Type: Savings <input type="button" value="Start Saving"/> <small> FDIC Insured</small>
 UFB Direct <small>Advertiser Comments</small>	1.90% <small>Rates as of 1/30/2020</small>	\$25,000	Type: MMA <input type="button" value="Start Saving"/> <small> FDIC Insured</small>

	Capital One	1.70%	\$0	Type: Savings
		Rates as of 1/30/2020		
Advertiser Comments				 FDIC Insured
Start Saving				
	Barclays	1.70%	\$0	Type: Savings
		Rates as of 1/30/2020		
Advertiser Comments				 FDIC Insured
Start Saving				
	Discover Bank	1.70%	\$0	Type: Savings
		Rates as of 1/30/2020		
Advertiser Comments				 FDIC Insured
Start Saving				
	Bee Credit Union	7.52%	\$0	Type: Savings
		Rates as of 1/29/2020		
 FDIC Insured				Learn More

Rates / Annual Percentage Yield terms above are current as of the date indicated. These quotes are from banks, credit unions and thrifts, some of which have paid for a link to their website. Bank, thrift and credit unions are member FDIC or NCUA. Contact the bank for the terms and conditions that may apply to you. Rates are subject to change without notice and may not be the same at all branches.

Previous America's Best Rates Survey Tables

- Best Rates for Savings & Deposits in the U.S. – 2nd Quarter, 2019
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- Best Rates for Savings & Deposits in the U.S. – 1st Quarter, 2019
(+)
- Best Rates for Savings & Deposits in the U.S. – 4th Quarter, 2018
(+)

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