

Published based on [Best Bank Account Interest Rates - Summary for Week Ending December 24, 2011](#)

Best Bank Account Interest Rates - Summary for Week Ending December 24, 2011

I would like to thank all of you for your support this year, and I wish you all a Merry Christmas and a safe and happy holiday season.

There was some good economic news this week to start the holidays. First-time jobless claims unexpectedly fell this week to the lowest level since April 2008. New home sales rose to a 7-month high, and durable goods rose in November by the most in 4 months. However, not all of the news pointed to a fast economic recovery. Consumer spending and incomes rose just 0.1% last month. As the economy improves, interest rates will eventually rise. The question is how long will we have to wait. The Fed may want to see considerable improvement before they start to hike rates. I reviewed a WSJ article yesterday that indicated a Fed change in which the mid-2013 pledge of low rates may change to a pledge to keep rates low until certain economic metrics are met which could mean no rate hikes before 2014.

The economic news did spur Treasury yields higher this week. The yield summary below shows the changes (Numbers are based on Yahoo bond rate data and the CME Group FedWatch.)

Treasury Yields:

- 6-month: 0.02% same as last week
- 2--year: 0.28% up from 0.22% last week
- 5--year: 0.97% up from 0.80% last week
- 10-year: 2.02% up from 1.85% last week
- 30-year: 3.05% up from 2.85% last week

Fed funds futures' implied probability for a higher rate by:

- Dec 2012: 14.6% up from 11.9% last week
- Mar 2013: 18.6% up from 12.7% last week
- July 2013: 33.0% up from 21.6% last week

There were no bank failures on Friday. The number of bank failures for 2011 remains at 92. If we don't see any failures next week, 92 will be the final number of bank failures for 2011. There was one credit union that failed last week. It was a tiny credit union in Birmingham, Alabama. That puts the number of federally insured credit unions liquidated this year at 15.

Before New Years I'll have my full 2011 summary of bank and credit union failures. Here's my 2010 bank failure summary that I published last year.

Savings & Checking Account Rates

It was reported on Fatwallet that Alliant Credit Union will be cutting its savings and checking rates by 15 basis points effective January 1st. I haven't been able to confirm this pending change, but I wouldn't be surprised. The last savings and checking rate cuts at Alliant were on January 2011.

Two rate cuts that took effect this week were at CNB Bank Direct and Capital One. CNB Bank Direct cut its savings account rate from 1.00% to 0.90%. Capital One reduced its promotional checking rate from 0.91% to 0.75%. They continue to guarantee this rate for one year, but with this rate cut, that's not nearly as appealing.

The two highest rates continue to be UFB Direct's savings account with a 1.30% APY and Flagstar Bank's savings account with a promotional 1.25% APY guaranteed for 4 months from account opening. UFB Direct has been offering its 1.30% APY since August. Those who jumped on this deal in August have been rewarded with several months of this savings account rate.

Reward Checking Accounts

There continues to be no rate cuts on my short list of nationally available reward checking accounts. There have also been no changes to the 4-percent club that I last reviewed on December 14th. These are local deals that offer at least 4.00% APY on balances of at least \$ 25K. There are currently 7 of these, but 2 have rate and/or balance cap cuts scheduled for January.

To see the reward checking account rates available in your state, please refer to the reward checking rate table. If you're new to these tables, my rate table guide should be useful, and if you're new to reward checking, my blog post, 10 Common Traits of High-Yield Reward Checking, should also be useful.

Rate Hikes:

1. None

Rate Cuts:

1. Alliant CU Savings - 1.00% reportedly sch for Jan [currently 1.15%]
2. Alliant CU Checking - 0.95% reportedly sch for Jan [currently 1.10%]
3. CNB Bank Direct Savings - 0.90% [was 1.00%]
4. Capital One Checking - 0.75% w/1-yr guarantee [was 0.91%]

Certificate of Deposit Rates

My recap of CD rate changes and the list of CD deals will now be in my survey of the best CD rates. This recap will now focus on banking news of the week and liquid accounts.

Recap for the Week - Links to This Week's Posts

Banking News/Resources

- Little Known Service at Your Local Bank: Medallion Stamp
- Banks & Credit Unions that Don't Allow POD Beneficiaries

Savings/Checking Accounts - Nationwide

- No new posts this week

CD Deals/Resources - National

- Survey of the Best CD Rates for December 23, 2011
- Navy Federal's IRA CD Special & Top CD Rates - Limited Membership
- Long-Term CD Rates Continue to Decline

Checking/Savings/CC Bonuses

- Another Perk with a Perkstreet Financial Checking Account

Reward Checking Accounts

- No new posts this week

CD and Money Market Deals - Local

- Special Short-Term CD Rates at CapitalSource Bank in California

- Top Long-Term CD Rates at Polam Federal Credit Union in SoCal - Limited Membership
- Top 5-Year Jumbo CD Rate at Nutmeg State FCU in Connecticut - Local Only
- Top Long-Term CD Rates at Royal Bank America in PA & NJ - Local Only

Posts from Previous Weeks

- Archive of 2011 Posts

The rates listed below are based on Annual Percentage Yield (APY). No minimum balances are required unless noted. MMA next to the rates indicate a money market account. Most MMAs have check writing and ATM cards. Online savings accounts usually lack both of these. Previous weekly summaries are available at this page.

Rates as of December 24, 2011

Checking/Savings/Money Market Accounts:

- Best Savings Account Rates (Nationwide & by State)
- Best Money Market Rates (Nationwide & by State)
- Best Checking Account Rates (Nationwide & by State)
- How to View Rates for Your State
- **Noteworthy Accounts Available Nationwide:**
 - UFB Direct (Bank of Internet) - 1.30% Savings account review
 - Flagstar Bank - 1.25% savings (4-month promo) promo review
 - AmTrustDirect - 1.15% (min \$ 5K) promo rate
 - MyBankingDirect - 1.15% (min \$ 5K) promo rate
 - Alliant Credit Union - 1.15% (min \$ 100) Savings (January APY 1.00%) account review
 - Incredible Bank - 1.10% MMA (\$ 2.5K min) account review
 - Alliant Credit Union - 1.10% Checking (January APY 0.95%) (req's elec. dep & e-stmts) account review
 - Clear Sky Accounts - 1.04% (max \$ 250K) account review
 - Incredible Bank - 1.01% Checking (\$ 1K min) account review
 - SFGI Direct - 1.01% account review
 - Capital One/Costco - 1.00% InterestPlus Savings (\$ 10K min, includes 10% quarterly bonus) 0.91% (w/o bonus) account review
 - Discover Bank - 1.00% Savings (min \$ 500) account review
 - Sallie Mae Bank - 1.00% MMA & Savings account review
 - ING Direct - 0.95% (\$ 100K) 0.90% (\$ 50K) Electric Orange Checking
 - airbanking.com - 0.95% Savings
 - Hudson City Savings Bank - 0.90% (min \$ 2.5K)
 - American Express Bank - 0.90%, account review
 - CNB Bank Direct - 0.90% account review
 - Ally Bank - 0.89% MMA/savings account review
 - Capital One - 0.88% InterestPlus Savings (\$ 10K min, includes 10% quarterly bonus) 0.80% (w/o bonus) account review
 - ING Direct - 0.85% Orange Savings
 - Colorado Federal Savings Bank - 0.85% (\$ 2.5K min) account review
 - Capital One - 0.75% Checking (rate guaranteed for 1 yr) account review
 - SmartyPig - 0.70% (min \$ 25, max \$ 50K) withdrawal restrictions, account review

Reward Checking Accounts:

- Best Reward Checking Account Rates for a \$ 10,000 Balance - Nationally Available
- Best Reward Checking Account Rates for a \$ 25,000 Balance - Nationally Available

- How to View Rates for Your State

- **Noteworthy Accounts Available Nationwide:**

- Consumers Credit Union - 4.09% (up to \$ 10K) 0.56% (\$ 10K-\$ 25K) 0.35% (\$ 25K+)
- Lake Michigan Credit Union - 3.00% (up to \$ 15K) 0.00% (\$ 15K+)
- ABCO Federal Credit Union - 2.52% (up to \$ 25K) 0.50% (\$ 25K+)
- Pacific Resource Credit Union - 2.27% (up to \$ 15K) 0.50% (\$ 15K+)
- Provident Credit Union - 2.26% (up to \$ 25K) 0.31% (\$ 25K+)
- First New England Federal Credit Union - 2.03% (up to \$ 15K) 0.10% (\$ 15K+) (extra 1% w/relationship)
- Atlantic Coast Bank - 2.01% (up to \$ 15K) 0.50% (\$ 15K+)
- Community Bank of Raymore - 2.01% (up to \$ 25K) 0.50% (\$ 25K+)
- Community Bank of Pleasant Hill - 2.01% (up to \$ 25K) 0.50% (\$ 25K+)
- Connexus Credit Union - 2.00% (up to \$ 25K) 0.50% (\$ 25K+)
- Heritage Bank - 1.71% (up to \$ 25K) 0.10% (\$ 25K+)
- Avidia Bank - 1.66% (up to \$ 25K) 0.10% (\$ 25K+)
- North Country Savings Bank - 1.50% (up to \$ 50K) 0.75% (\$ 50K+)
- West Texas National Bank - 1.26% (up to \$ 25K) 0.25% (\$ 25K+)
- Bank of Internet USA - 1.25% APY (all balances)

Certificates of Deposit:

- Best CD Rates (Nationwide & by State)
- Best IRA CD Rates (Nationwide & by State)
- How to View Rates for Your State
- Survey of the Best CD Rates for December 23, 2011 (Nationwide & Local)

Various Deposit Account Deals

- Bank Promotions
- Best IRA CD rates, local and nationwide deals
- Latest CD and Savings Account Deals with No Major Deposit Limitations

Bank Account Alternatives

- Ford Interest Advantage - 1.25% rate for \$ 50k+, Ford Interest Advantage review
- GE Interest Plus - 1.20% rate for \$ 50k+
- Vanguard Prime Money Market Fund - 0.02% 7-day yield
- Vanguard Tax-Exempt Money Market Fund - 0.01% 7-day yield
- Fidelity Money Market Fund - 0.01% 7-day yield (reviews on Fatwallet)
- Fidelity Municipal Money Market Fund - 0.01% 7-day yield
- TIAA-CREF Money Market Fund - 0.00% 7-day yield
- PayPal Money Market Fund has ended effective 7/29/11
- FW Thread on Treasury Bills
- Series I Savings Bonds for November 2011, I Bond Article, I Bonds as CD Alternatives

Historical Rates from the Federal Reserve (Federal funds, Treasury bills, CD's)

[Deposit Accounts](#)

You can also find this article published on [Best Bank Account Interest Rates - Summary for Week Ending December 24, 2011](#), and on the tag pages