

Low interest credit card  
Low interest credit cards

A lot of people just look at low interest credit cards when they are looking to get a credit card for themselves. The credit card suppliers too advertise low interest credit cards more than any other kind of credit cards. However, should low interest credit cards be the only ones on your list when you are hunting for a credit card? Probably not. For some people, interest rate or the APR is probably the most important thing to look for when selecting a credit card. However, that doesn't hold good for everyone. Low interest credit cards are good and should surely be on your list, but APR is not the only thing to look for.

Let's start with understanding what an APR (annual percentage rate) is and where its importance lies. APR is simply the interest rate that is used to calculate interest on the balance in your credit account with the credit card supplier. There is no interest charge if you make the full payment of your credit card bill (by the due date). However, in case of a partial payment, you will need to pay an interest on whatever you owe the credit card supplier. The APR is backward calculated to get a monthly rate and the same is applied on your balance to calculate the interest for the applicable period.

That means, people who are not sure about being able to pay the full amount, every time, should surely look for low interest credit cards. A low interest credit card helps in reducing your total outgo by curtailing the interest you pay on your balance. So, low interest credit cards help in slowing down the rate at which your credit card debt builds up. Thus low interest credit cards are surely important for a particular group of people, as stated above.

Besides this group, there are others who don't really need low interest credit cards. These people are capable of (and intend to) pay off their credit card bill in full every month. Their purpose in using a credit card is convenience and other benefits associated with the credit cards. So, be it low interest credit cards or high interest ones; it really doesn't matter for them.

So the need for low interest credit cards is more felt by a particular group of people. However, even if you go for a low interest credit card, you need to pit the various low interest credit cards against each other (vis-à-vis the other benefits they offer) and then select the low interest credit card that is best suited to your needs.

So, first you need to evaluate whether you need to go only for low interest credit cards and then select the low interest credit card that fulfils your needs. After all, you don't go hunting for a credit card everyday.

