

Consolidate credit card debt
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We know that it's good to consolidate credit card debt (at least that is what we keep hearing from everyone). In fact, the first step towards addressing the problem of credit card debt is to consolidate credit card debt. Now, what do you do to consolidate credit card debt? Should you just go with that attractive ad in the newspaper that says '...the lowest APR in the town is available here'?

The first thing, really, is to keep your eyes and ears open. There are always a number of offers available for you to choose from. The credit card suppliers keep coming with new and more attractive offers asking you to consolidate credit card debt with them. However, you must note that the APR quoted in bold, e.g. 0% APR, is applicable only for a short term (3-9 months). The long term (or the standard) APR is different. So, when you go looking for a credit card to consolidate credit card debt, you must be keenly looking for these 3 things (in terms of APR) - introductory APR, introductory APR period and the standard APR. Let's see how each one is important.

Introductory APR is probably the most attractive thing to look for when you are looking to consolidate credit card debt. If you consolidate credit card debt to a card that has a low introductory APR e.g. 0%, the first thing you get is a breather/relief in terms of the rate at which your credit card debt has been growing. Based on how long that 0% APR period is (generally you will look to consolidate credit card debt with a credit card supplier who offers 0% initial APR), you will at least be able to temporarily break the growth rate of your credit card debt. More the introductory period, the better it is. However, you should not ignore the standard APR when you consolidate credit card debt. This is the interest rate that will be applied to your balance after the expiry of the introductory low APR period that was given to lure you to consolidate credit card debt with that credit card supplier. If the standard APR is too high and you know that you will not be able to clear off the entire credit card debt during the low APR period, that credit card is probably not the best for you to consolidate credit card debt to. However, if you think that you will be able to clear off the entire credit card debt during that period, you can make some compromises on the standard APR of the credit card to which you consolidate credit card debt.

The card that synchronizes with your current and future financial position (and needs), is the one you should consolidate credit card debt to.