

Money Best Buys



Credit cards for new purchases

If you are looking for a flexible way to borrow money over Christmas and want to spread repayments over an interest-free period, these Best Buy credit cards could be the answer.

This month, the top three Best Buys are retail-branded credit cards. These cards from

Tesco, Sainsbury's and Marks & Spencer also offer some good loyalty point schemes on all purchases, and preferential deals when buying goods at the card's store. It's tempting to use these cards throughout the 0% period to make the most of the loyalty scheme, but be aware that when the

period ends, the interest on these cards will revert to their headline rates, so it is wise to repay the balance beforehand.

The Saga credit card is available only to those aged over 50.

See www.which.co.uk/ccpurchases for the latest Which? Best Buys.

CREDIT CARDS CHARGING 0% INTEREST FOR PURCHASES	APR	0% PERIOD	SATISFACTION
	(%)	PURCHASE (months)	2009 (%)
BEST BUYS			
TESCO PERSONAL FINANCE Clubcard MasterCard	16.9	12	75
MARKS & SPENCER MONEY MasterCard	15.9	10	78
SAINSBURY'S FINANCE MasterCard	15.9	10 ^a	71
SAGA Platinum Visa^b	11.9	9	76
PLAY.COM Credit Card	15.9	9	Sample size too small
AVERAGE	16.8		68
WIDELY HELD CARD			
LLOYDS TSB Platinum MasterCard	15.9	3	57

For all cards in the table exact rate depends on your credit score. Rates correct at 21 October 2009 ^a 0% for the first 12 months on Sainsbury's shopping ^b Card available only to customers aged over 50

SAVE £85 WITH A BEST BUY CARD

■ If you're planning to spend £1,000, you could save around £85 in interest by using the Tesco Personal Finance Clubcard MasterCard instead of a card with an average APR of 16.8%, and paying back the balance in equal repayments within the interest-free period.



Credit cards with 0% balance transfer deals

A lengthy 0% balance transfer deal can be useful if you've built up a large debt on your card and need time to pay it off.

The Virgin Money MasterCard has consistently offered the longest 0% balance transfer deal of 16 months, charging a fee of

2.98% of the amount transferred on to the card. The Santander Credit Card offers the next longest deal of 15 months, with a 3% transfer fee. We recommend you use these types of deal solely to pay off any debt during the 0% period, as any repayments will often go towards paying

off the lowest-rate debt on the card first – in this case, the balance transfer. In the meantime, any further spend will be charged at the headline rate. For more information, see 'The great British credit card rip-off', p18.

Go to www.which.co.uk/balancetransfer for free Best Buy updates.

INTRODUCTORY 0% BALANCE TRANSFER	APR	0% PERIOD	TRANSFER FEE		SATISFACTION
BEST BUYS	(%)	TRANSFER (months)	TRANSFER FEE	DEAL STARTS	2009 (%)
VIRGIN MONEY MasterCard	16.6	16	2.98% of balance (min £3.00)	Issue ^a	56
SANTANDER Credit Card	15.9	15	3% of balance (min £5.00)	Issue ^b	59
MBNA Platinum Rewards Visa	15.9	13	2.9% of balance (min £3.00)	Issue ^c	54
NATIONWIDE BS Gold Visa	16.9	13	3% of balance (min £5.00)	Issue ^d	77
HALIFAX/BANK OF SCOTLAND Plus MasterCard	16.9	13	3% of balance (min £3.00)	Issue ^c	56
AVERAGE	16.8				68
WIDELY HELD CARD					
BARCLAYCARD Gold Credit Card	19.9	6	2.5% of balance (min £6.25)	Issue	58

For all cards in the table, exact rate depends on your credit score. Rates correct at 21 October 2009 ^a Limited to 95% of credit limit and not transferable from any other MBNA cards ^b You cannot transfer balances from other Abbey accounts ^c Balance transfer must be made within 90 days of receiving card ^d Balance transfer must be made within three months of opening the account

BE AWARE OF TRANSFER FEES

■ There are no longer any cards available in the UK that don't charge a transfer fee for balance transfers, so remember to factor in the cost of this. A fee of 3% might sound small, but it adds up – if you transfer £3,000 to the Santander Credit Card, for example, you'd pay a transfer fee of £90.



Credit cards to earn cash back

If you're going to pay for your Christmas shopping by credit card, why not earn some money in the process? Our Best Buy cashback credit cards are ideal if you always or usually pay off your bill in full each month, earning you

a percentage of your spend (between 0.5%-1.25%) as reward. The American Express Platinum Cashback Card offers the best cashback rate on the market, and has an excellent introductory offer of 5% cashback on all spending (to a maximum of £100 cashback) for the

first three months. The Egg Money World Cashback MasterCard has the next best deal – if you spend more than £370 a month. Though it offers 1% cashback, it has a monthly fee of £1 which eats into the money earned.

For weekly Best Buy updates, see www.which.co.uk/cashbackcreditcards.

CASHBACK CREDIT CARDS	CASHBACK RATE (per annual spend)				REWARD	APR	SATISFACTION
	£0-£1,999	£2,000-£3,500	£3,501-£7,500	£7,501+	MAX ANNUAL CASHBACK (£)	(%)	2009 (%)
BEST BUYS							
AMERICAN EXPRESS Platinum Cashback Card ^a	0.5	0.5	1	1.25	no max	19.9	66
EGG MONEY World Cashback MasterCard	1	1	1	1	200	17.8 ^b	73
BARCLAYCARD Cashback MasterCard ^c	1	0.5	0.5	0.5	110	14.9	58
LEEDS BS MasterCard	0.5	0.5	0.5	0.5	no max	17.9	Sample too small
BANK OF IRELAND (UK) Moneyback MasterCard ^d	0.5	0.5	0.5	0.5	75	17.9	Sample too small

Rates highlighted in **red** have cashback of 1% or over. For all cards in the table, exact rate depends on your credit score, and cashback is available only on spending up to credit limit each month. Rates correct at 21 October 2009 ^a Up to 5% cashback for the first three months (maximum of £100). No cashback if you spend less than £3,000 in a year. To be eligible you need a household income of £30,000 (ie your personal income and partners income). American Express is not as widely accepted as Visa or MasterCard ^b Typical APR includes £1 monthly fee, purchase APR is 16.9% ^c Double cashback on contactless purchases of £10 or under ^d Also available as a Gold card with the same rates and features



Credit cards for borrowing

Our Best Buys are selected for three main types of borrower. The occasional payer pays off one in every four bills. The never payer never or rarely pays bills in full. Holiday payers borrow for big purchases and pay the debt off over

a year. Check www.which.co.uk/borrowingcc for the latest Which? Best Buys for each.

The average rate for purchases as we went to press was 16.8% – 10% higher than the rate offered by the top Which? Best Buy, Barclaycard Simplicity Visa.

SATISFACTION SCORE

■ Between April and July 2009, we surveyed 10,207 Which? online panel members about their credit card providers. The satisfaction score combines overall member satisfaction with the likelihood of them recommending the lender.

CREDIT CARDS FOR BORROWING	APR	TYPE OF BORROWER			SATISFACTION
	(%)	OCCASIONAL PAYER	NEVER PAYER	HOLIDAY PAYER	2009 (%)
BEST BUYS					
BARCLAYCARD Simplicity Visa	6.8	✓	✓	✓	58
BARCLAYCARD Goldfish MasterCard	9.9	✓	✓	✓	58
CO-OPERATIVE BANK Platinum Fixed Rate Visa ^a	9.9	✓	✓	✓	78
SAGA Platinum ^b	11.9	✓			76
BARCLAYCARD Cashback Card ^c	14.9	✓			58
AVERAGE	16.8				68
WIDELY HELD CARD					
TESCO PERSONAL FINANCE Clubcard MasterCard	16.9				75

For all cards in the table, exact rate depends on your credit score. Rates correct at 21 October 2009 ^a To apply, you must be aged 25 years or over and earn more than £25,000. Rate is fixed for five years ^b Card available only to customers aged over 50 ^c Calculation includes cashback

EARN £110 WITH A BEST BUY

■ You could earn **£110** in cashback in your first year if you spend **£500** a month with the Amex Platinum Cashback Card.



Contacts

American Express
01273 696933
www.americanexpress.co.uk

Bank of Ireland
0800 085 0444
www.bankofireland.co.uk

Barclaycard
0800 731 2000
www.barclaycard.co.uk

Co-operative Bank
0845 600 6000
www.co-operative.co.uk

Egg Money
www.egg.com

Halifax/Bank of Scotland
0845 726 3646
www.halifax.co.uk

Leeds BS 0845 050 5075
www.leedsbuilding.society.co.uk

Marks & Spencer Money
0808 001 1111; www.marksandspencer.com

MBNA 0800 068 8788
www.mbna.co.uk

Nationwide BS
0800 302 010
www.nationwide.co.uk

Play.com www.play.com

Saga 0800 096 4082
www.saga.co.uk

Sainsbury's Finance
0870 154 2543; www.sainsburysfinance.co.uk

Santander (Abbey)
0800 032 4265
www.abbey.com

Tesco Personal Finance
0845 600 6016
www.tescofinance.com

Virgin Money
0800 096 9939
www.virginmoney.com