

Credit Cards And Your Credit Score

Your credit score and credit card use are closely intertwined, with both effecting each other profoundly. The way you use your card can affect your credit rating for good or for ill, depending on how responsibly you use it and how prompt your payments are, but in this article we'll be looking at how things work in the opposite direction, that is how your current credit score influences the kind of credit card you can expect to be approved for. If you have an excellent credit rating then the whole range of cards on the market is available to you, providing that you meet minimum acceptance criteria such as salary level or residential status. You can expect to achieve a headline grabbing low interest rate, even within the single figure range, and you'll be showered with extras such as cash back, rewards programs, balance transfer deals, and interest free shopping periods. These kinds of deals are aimed at the financial elite among the population, and as you'd expect, most of us will have to settle for something a little less luxurious. If you have a decent but not outstanding credit score, with no major black marks such as defaults, then you'll be able to choose from one of the mid-range cards. These cards will tend to offer generally unexciting features across the range, while boasting one or two stand-out features to attract attention. An example would be a card with a great cash back rate but a fairly high standard APR, or a card with an outstanding balance transfer offer but nothing in the way of rewards or cash back. As we go further down the range of credit scores, the number of attractive features gets less while the standard APR gets higher. It also becomes harder to be approved, and applications for the cards in the best buy tables become more or less pointless. That's not to say that there are no decent cards at this level, but you will have to look around a bit harder to find attractive features and low rates. At the bottom rung of the credit card ladder we have cards specifically aimed at people with poor or no credit ratings. These cards charge extremely high interest rates, often in the region of 30% or even higher, and offer no extra inducements such as balance transfers. They will also tend to have a low credit limit, but with such high rates this is no bad thing - you'd want to avoid running up a debt in any case. These cards are mainly beneficial for enjoying the convenience of a credit card while using it responsibly to build up a more positive credit profile for future applications for a better card. If even these specialist cards are out of your reach because of a severely damaged credit rating, then this doesn't have to mean you can't carry plastic at all - there's still the option of a secured or prepaid card which you need to load with funds before you use it. This of course means that they are not actually credit cards at all, but as they can be used in more or less the same way, they have many of the benefits in terms of payment convenience.

About the Author

Michael writes for Card Sense, where you can compare the [best credit cards](#) with the most impressive range of features, along with [bad credit credit cards](#) which are much easier to be approved for.

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