

# BYE-BYE, PAPER SAVINGS BONDS

They'll be harder to get next year, as a result of coming changes from the Treasury.

Come Jan. 1, you'll no longer be able to walk into a bank and buy a paper savings bond. The U.S. Treasury announced in July that, starting next year, series EE and I bonds will be available for purchase only through treasurydirect.gov or via your tax refund.

You can still buy up to \$5,000 in bonds electronically and \$5,000 on paper per series per year. But the tax refund will be the only way to get the paper version—making it more difficult to get \$10,000 of either series, says Ken Tumin of DepositAccounts.com. “Purposely over-withholding to the tune of \$5,000 is not practical,” adds financial planner Kay Conheady of Rush, N.Y. Instead, she favors a short-term bond fund that invests mostly in government issues—such as **Vanguard Short-Term Bond Index Fund** (VBISX)—for any money exceeding what you can buy electronically. Such a fund will have almost the same credit risk as a savings bond, but gives you a shot at slightly better returns over five years, the minimum needed to hold a savings bond to avoid penalty. —DANIEL BORTZ

► CREDIT

	RATE	ANNUAL FEE	TELEPHONE
<b>Cards With the Lowest Rates</b>			
Amalgamated Bank of Chicago (Illinois) <sup>2</sup>	7.50%	\$37	800-723-0303
Citizens Trust Bank (Georgia) <sup>3</sup>	9.25	0	404-659-5959
Abington Bank (Pennsylvania)	10.24	0	215-887-4666
<b>No-Fee Cards With the Lowest Rates</b>			
Citizens Trust Bank (Georgia) <sup>3</sup>	9.25	0	404-659-5959
Abington Bank (Pennsylvania)	10.24	0	215-887-4666
First Command Bank (Texas) <sup>1,3</sup>	10.25	0	888-763-7600
<b>Premium Cards With the Lowest Rates<sup>4</sup></b>			
Nevada State Bank (Nevada)	7.00	0	800-727-4743
Zions Bank (Utah)	7.00	0	888-758-5349
Simmons First National Bank (Arkansas)	7.25	0	800-636-5151
<b>AVERAGE ALL CARDS</b>	<b>14.40</b>		

► HOME-LOAN RATES

	RATE	PREVIOUS MONTH
1-year adjustable	▼ 3.5%	3.53%
5/1 adjustable	► 3.39	3.39
15-year fixed <sup>1</sup>	▼ 4.00	4.01
30-year fixed <sup>2</sup>	▲ 4.62	4.61
30-year fixed jumbo <sup>3</sup>	► 5.08	5.08
Home-equity loan	► 7.12	7.12
Home-equity credit line	▲ 5.26	5.2

► SAVINGS

	YIELD	MIN. INVEST.	TELEPHONE
<b>Bank Money-Market and Savings Accounts</b>			
<b>AVERAGE</b>	<b>0.17%</b>		
Discover Bank (Delaware)	1.15	\$500	888-204-8984
Colorado Federal Savings Bank (Colo.)	1.10	2,500	877-412-8643
Nationwide Bank (Ohio)	1.05	1,000	877-412-6251
Ally Bank (Utah)	1.04	1	877-412-3513
<b>Taxable Money-Market Funds</b>			
<b>AVERAGE</b>	<b>0.01</b>		
Flex-funds Money Market <sup>1</sup>	0.10	2,500	800-325-3539
Harbor Money Market <sup>1</sup>	0.06	1,000	800-422-1050
Pimco MMF <sup>1</sup>	0.05	1,000	800-426-0107
PNC Money Market Fund <sup>1</sup>	0.05	1,000	800-622-3863
<b>Tax-Exempt Money-Market Funds</b>			
<b>AVERAGE</b>	<b>0.01</b>		
Alpine Municipal MMF/Investor <sup>1</sup>	0.17	2,500	888-785-5578
Daily Income Fund-Muni/Advantage <sup>1</sup>	0.05	1	800-221-3079
Dreyfus Municipal MMF <sup>1</sup>	0.05	2,500	800-782-6620
Marshall Tax Free MMF/Class Y <sup>1</sup>	0.02	1,000	800-236-3863
<b>Taxable Short-Term Bond Funds</b>			
<b>AVERAGE</b>	<b>1.50</b>		
DWS Short Duration Plus Fund	2.46	2,500	800-728-3337
Homestead Short-Term Bond Fund	2.43	500	800-258-3030
USAA Short-Term Bond Fund	2.30	3,000	800-531-8722
Metrop. West Low Duration Bond Fund	2.18	5,000	800-241-4671
<b>Tax-Exempt Short-Term Bond Funds</b>			
<b>AVERAGE</b>	<b>1.04</b>		
Columbia Short Term Muni Bond Fund	1.86	2,500	800-345-6611
Wells Fargo Advan. S/T Muni Bond Fund	1.80	2,500	800-222-8222
USAA Tax Exempt Short-Term Fund	1.68	3,000	800-531-8722
Alpine Ult. St. Tax Opt. Income Fund	1.66	2,500	800-236-3863
<b>Six-Month CDs</b>			
<b>AVERAGE</b>	<b>0.26</b>		
Aurora Bank, FSB (Delaware)	1.04	1,000	877-412-8271
Colorado Federal Savings Bank (Colo.)	1.00	5,000	877-412-9546
Ally Bank (Utah)	0.94	1	877-779-0119
Discover Bank (Delaware)	0.90	2,500	888-204-8970
<b>One-Year CDs</b>			
<b>AVERAGE</b>	<b>0.44</b>		
Aurora Bank, FSB (Delaware)	1.20	1,000	877-412-8271
Discover Bank (Delaware)	1.20	2,500	888-204-8970
Colorado Federal Savings Bank (Colo.)	1.20	5,000	877-412-9546
Ally Bank (Utah)	1.19	1	877-779-0119
<b>Five-Year CDs</b>			
<b>AVERAGE</b>	<b>1.62</b>		
First Internet Bank of Indiana (Indiana)	2.40	1,000	888-873-3424
Discover Bank (Delaware)	2.35	2,500	888-204-8970
Aurora Bank, FSB (Delaware)	2.34	1,000	877-412-8271
Ally Bank (Utah)	2.33	1	877-779-0119

**CREDIT NOTES AND SOURCES:** All rates subject to change. Credit card rates are for standard cards as of July 19 from Bankrate.com and are variable unless otherwise indicated. <sup>1</sup>Fixed rate. <sup>2</sup>MasterCard only. <sup>3</sup>Visa only. <sup>4</sup>Platinum and gold cards.

**HOME-LOAN NOTES AND SOURCES:** Mortgage rates as of July 11, home-equity rates from the previous month updated as of July 11. <sup>1</sup>15-year mortgage rates combine both conforming and jumbo loans. <sup>2</sup>\$417,000 or less. <sup>3</sup>Typically more than \$417,000, up to \$729,750 in some high-cost areas. **SOURCE:** HSH.com

**SAVINGS NOTES AND SOURCES:** CD and money-market account data as of July 25 from *100 Highest Yields*, a publication of Bankrate.com (\$124 for 52 issues; 800-327-7717 ext. 11410); all have a minimum investment of \$10,000 or less; all hold three or more stars on Bankrate.com's Safe & Sound ratings system. Average tax-exempt and taxable money-market fund yields are as of July 18 (tax-exempt) and July 19 (taxable) from Money Fund Report (imoney.net.com); all have a minimum investment of \$10,000 or less and assets of \$25 million or more. Average bond fund yields for the month ending June 30 from Lipper; all are medium- and high-quality funds without sales loads and with average maturities of three years or less. <sup>1</sup>Manager absorbed all or some operating expenses.