**Five Things To Consider Before Applying For A Credit Card**

A **credit card** helps you in financial emergencies and saves you from the woes of carrying cumbersome cash in your wallet. The swipe of a card is enough to buy all the products and services you need when you step out of your home. Credit cards protect you from losing money and robberies. When your card is stolen all you have to do is make a phone call to the company and block it- it is as simple as that!

**Things To Consider**

Before you apply for a card you have to be aware of how you intend to use it. These are important factors that will help you determine which one to take. There are card limits and features you may wish to enjoy. Different companies give different **credit card** benefits to meet and match the needs of their diverse customers. However before applying for one it is important to take into account these six things:

1. **Spending Habits –** You have to decide why you need the card? You may just want it for emergencies or for buying everything. You may be a person with the intent of paying dues once the statement arrives or prefer carrying the balance over to the next month. These are some of the factors you have to think about before you apply for your **credit card.**

2. **Credit Limits-** Your credit history will determine your card limit. This is the sum that the issuer of the card will allow you to borrow. You should never exceed your card limit, as this will affect your credit score. There are some companies that penalize holders if they exceed the limits of their card.

3. **Interest Rates-** The APR or the annual percentage rate needs to be determined as this could be a fixed or a variable rate. In the former the rate of interest is fixed while in the latter the interest fluctuates. Further details will be with your card issuer.

4. **Incentives-** For inducing customers to use their card more often, card companies offer reward programs. There are many flexible cash or travel programs that you can opt for.

5. **Fees & Penalties** – Apply for a card with reasonable fees. You should pay extra for reward programs. Search for offers that have no transaction fees and have a zero percent interest for 12 months at least.

The above 5 things should be considered before you apply for a **credit card.** Research will help you find a card that suits your budget and individual needs. Before applying for a card you should shop comparison and check different card companies. The features and benefits of each card should be evaluated before you make the final decision. First ascertain your needs and decide on a card that meets your individual preferences with success!

WC-465

**Resource Box**- This article describes the five things you should consider when you are applying for a credit card. They should be given time and research so that you get a card ideal enough to fit all your needs effectively without affecting your budget.