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Your pay's low? Many debts? No one wants to lend?
Watch out if someone will lend you out of hand!



Interest rates that banks charge for loans (consumer ones as well as other types) are usually sizeably higher than interest rates that banks offer for deposits.

Why do banks keep interest rates on loans higher than those on deposits?



Ask your parents whether they have recently bought some goods or services on time. If they have done so, try to calculate for yourself - and for your parents - the annual percentage rate of charge.

6.15 Interest rate fixation



Look at the web site of a selected bank to find out the meaning of **interest rate fixation**:

Most banks offer, for some types of loans, an interest rate fixation that is shorter than the term of the loan (eg., the term is 10 years but the fixation is 1 year only). If you draw a loan with this type of fixation, you have to be ready for a certain danger. Can you guess what the danger is?
