



American Express Cobalt® Card Review

Description

American Express Cobalt ® Card

Best rewards credit card

American Express Cobalt ® Card Logo

Our Rating:

Star Star Star Star Star 5.0 stars

5.0 stars

[See Offer](#)

On American Express’s secure website.

Top Perks

- Earn accelerated rewards (2x) on eligible travel purchases (including flights)
- No annual fee for supplementary cards
- Up to \$100 USD hotel credit to use on amenities like dining, spa or other leisure facilities when charged to the room

[See Offer](#)

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Rewards

- 5x Membership Rewards® on eligible food and drink
- 3x Membership Rewards® on eligible streaming subscriptions
- 2x Membership Rewards® on eligible travel and transit
- 1x Membership Rewards® on everything else

Welcome bonus

Up to 30,000 Membership Rewards® points in the first year (2,500 points per month for each month that you spend \$500 on the card during the first year)

Learn more

Click here to learn more about the [American Express Cobalt® Card](#)

Annual fee:

\$155.88 (\$12.99 monthly)

Eligibility:

Credit rating: Fair

Our bottom line on the American Express Cobalt Card

Quite simply one of the most compelling rewards credit cards on the market. Yes, there is a (monthly) fee for the card, but with attractive reward earn rates, a hefty welcome bonus, and generous perks, the card pays for itself and then some. In fact, American Express tends to pack so many features into its cards, that new cardholders are wise to really take the time to understand what's available so they get the most out of this top-notch card.

What's great about this card

All-around high earn rates

If you're looking for a [rewards credit card](#) that does it all, look no further. The American Express Cobalt

Card has one of the highest earn rates on a broad range of everyday purchases. With this card, you'll earn rewards on the following:

- "Eats and drinks": Five Membership Rewards® points per dollar on groceries, dining out, cafes, bars, takeout, and delivery services.
- "Travel and transit": Two Membership Rewards® points per dollar on gas, flight and hotel bookings, transit (buses, subways, streetcars), taxis, and ride shares.
- Everything else: One Membership Rewards® point per dollar on every other purchase.

As if that's not enough, you'll also earn one additional point for eligible hotel or car rental purchases made through the Amex travel website.

Hefty welcome bonuses

Another exciting feature of the Amex Cobalt Card is the first-year rolling bonus, which allows cardholders to earn 2,500 extra points per month when you meet a monthly spending cap of \$500. If you spend at least \$500 every month for the first year, you'll earn a whopping 30,000 bonus points.

Monthly (not annual) fee

It's not surprising for a credit card with this much earning power to charge a fee. But the Amex Cobalt Card adds a twist. Instead of a flat annual fee, you'll pay a monthly fee of \$12.99.

This can help you in a few ways. For one, you can easily decide if you're earning enough on the card to justify paying the monthly fee. If you're not earning at least \$12.99 per month in rewards, the card isn't worth it. Period. Secondly, if you decide you're not earning enough per month to warrant having it, you can cancel at any time. Unlike cards with annual fees, you won't have to stomach losing a full yearly charge.

More than likely, however, you'll find the rewards will outweigh the fee. If that's the case, the monthly fee may help you afford the card, since you won't have to put down a full lump sum at once.

Travel and shopping insurance

In addition to rewards and welcome bonuses, the Amex Cobalt Card comes with comprehensive travel and shopping insurance. When you're a cardholder, here's what you'll benefit from:

- Extended warranty (one additional year on warranties of five years or less)
- Purchase protection (90 days of damage or theft protection)
- Flight delay (up to \$500 in coverage)
- Baggage delay (up to \$500 for four days of coverage)
- Baggage damage or theft (up to \$500)
- Travel accident (up to \$250,000)
- Out-of-province/country medical insurance (up to \$5,000,000)
- Car rental damage/theft (up to \$85,000)
- Hotel burglary (up to \$500)

No charge on supplementary cards

Occasionally, [rewards cards](#) will charge you a fee on top of the annual fee for supplementary cards, such as credit cards for authorized users. This is not so with the Amex Cobalt Card. You'll pay nothing to take out cards for your authorized users (up to nine cards), nor any fees to replace yours if it's lost or stolen.

No strict income requirements

Unlike other [rewards cards](#), which require users to earn a certain income, the Amex Cobalt Card doesn't have such strict criteria. As long as your credit score is in the fair to good range (650-780), you should be able to get this card with few problems.

Exclusive Amex benefits for cardholders

Throughout the year, American Express will treat you with extra bonuses, rewards, and perks. As a cardholder, you may enjoy the following:

- The Hotel Collection: A hotel credit up to \$100 for certain amenities (room service, spa visits, golfing) and a free room upgrade at over 600 participating hotels in 30 countries.
- American Express Experiences: As a cardholder, you may get private shopping experiences, curated wellness offers, advanced movie screenings, special access to food festivals, pre-sale access to high-demand concerts, theatre productions, and reserved seatings at sporting events.
- Exclusive offers: Throughout the year, you may receive offers to earn more rewards at restaurants or retail stores, as well as deals on flights and hotel bookings.

What's not great

Earning cap on rewards

Though the earn rate on the American Express Cobalt Card is substantial, you do have an earning cap on the "eats and drinks" category. The five times earn rate has an annual maximum of \$30,000 spent. After you spend \$30,000 on any purchases within that category, your earn rate will fall to one point for every dollar spent.

Less return on cash-back redemptions

As with other [rewards cards](#), the value of your points depends on how you redeem them. With the Amex Cobalt Card, you'll get the most value if you exchange your points for travel purchases. In general, you'll receive around \$10 for every 1,000 Amex points when you redeem them for travel (Note: you could potentially get a higher valuation for your points when you redeem them for certain flights through Amex's Fixed Points Program).

The downside: You'll get far less value for your points if you redeem them for statement credits, gift cards, or other retail purchases. The valuation for your points comes out to around \$.007 per point

when redeemed for cash back. That's not awful, but it's certainly less than [cash-back cards](#).

Amex accepted at fewer places

In general, fewer retailers accept American Express than Visa or Mastercard. Amex has closed the gap over the years, but you're still far more likely to find a retailer or restaurant that doesn't take Amex, but does take Visa or Mastercard, rather than vice versa.

An easy solution to this concern is to simply have a Visa or Mastercard on hand in the offhand chance you're somewhere that doesn't take Amex. There are both [rewards credit cards](#) and [cash back credit cards](#) that have no fee and therefore are a good companion to a higher-yielding fee-bearing card like the Cobalt.

How it compares

With a massive earn rate, a comprehensive insurance suite, and a welcome bonus to make you smile, the Amex Cobalt Card is one of the most exciting [rewards credit cards](#) in Canada. When compared with other rewards cards with a similar annual fee, the five times earn rate on "eats and drinks" is highly competitive, as are the bonuses and perks you'll enjoy throughout the year.

Perhaps one point of comparison is the manner in which you can transfer Amex points to partner loyalty programs. In the case of the Amex Cobalt Card, you really have one option: the Marriot Bonvoy program. When you transfer Amex points to the Marriot Bonvoy program, which allows you to book hotels at over 7,000 locations, you'll get a ratio of 1:1.2. So, for every 1,000 Amex points you convert, you'll get 1,200 Marriot Bonvoy points. Not bad, right?

The only downside is that you cannot convert Amex points to airline points, such as Aeroplan. Whereas other Amex credit cards offer more flexible points transfer, the Amex Cobalt Card only has the Marriot Bonvoy option.

American Express Cobalt Card: Earn more on travel

The Amex Cobalt Card is an excellent way to earn more points for travel purchases. When you redeem your points for travel, you'll get a ratio of 1:1, or \$.01 per point. That means, for every 1,000 Amex points you earn, you'll get \$10 in travel credit.

Now, if you want more value for your points, you can find and buy flights through American Express's Fixed Points Travel Program. Through this program, Amex will allow you to redeem a fixed number of points for certain routes up to a maximum amount.

For example, if you're taking a short haul trip (say Toronto to Montreal), you can buy a \$300 plane ticket with 15,000 points. By using 15,000 points for a \$300 ticket, your points are worth \$.02 each — double their usual value (\$.01 per point). You'll pay taxes and fees on bookings, of course. But, when used in this way, you'll get more value.

How do you apply for the American Express Cobalt Card?

In order to apply for the American Express Cobalt Card, you should be the age of majority in your province (either 18 or 19) and have a good credit score (650 or above).

If you meet those requirements, applying is fairly simple. Just go to the American Express website, find the Cobalt Card, and fill out the application. Once you submit your application, you'll hear back from American Express almost instantly.

Who should get this card?

The American Express Cobalt Card is an excellent all-around [rewards credit card](#) with a hefty earn rate for everyday purchases and a lucrative rolling sign-up bonus for new cardholders.

Since the points redemptions are geared toward travelers, this card is ideal for Canadian travelers who want their everyday purchases to cover hotel, flight, and rental costs. The 1:1 ratio on travel purchases helps you optimize rewards points, and redeeming points through the Fixed Points Travel Program can help you stretch their value even more.

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