



CreditCards.com: Weekly Credit Card Rate Report

Thursday, July 3, 2008

Austin, Texas – Annual percentage rates for select major credit card categories were mostly flat to down this week, amid continued employment weakness. Meanwhile, a European Central Bank decision could put added pressure on the Federal Reserve to hike interest rates.

According to the Fed, 57 percent of banks index their credit card APRs to the prime rate, with most adjusting variable rates 30 days or one billing cycle after the prime rate changes.

Rates for card categories tracked by CreditCards.com are listed below:

Credit Card Rate Averages

	Avg. APR	Last Week	6 Month
Balance Transfer	10.13%	10.13%	10.35%
Business	10.46%	10.69%	11.08%
Low Interest	10.97%	10.95%	10.25%
Bad Credit	11.09%	11.09%	14.04%
Cash Back	11.37%	11.48%	12.11%
Instant Approval	11.46%	11.46%	11.57%
Reward	11.95%	11.97%	12.20%
Airline	13.23%	13.55%	13.28%
Student	15.06%	15.18%	16.54%

Source: CreditCards.com

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June employment data showed payrolls fell by 62,000, for the sixth-consecutive jobs contraction. Recent reports have indicated that trouble in the job market is partially to blame for rising credit card delinquencies, as consumers struggle to repay their debts.

Overseas, the ECB raised interest rates by a quarter of a percentage point to 4.25 percent in an effort to combat inflation expectations. Although the ECB did not suggest a further rate hike was imminent, analysts have cautioned that higher European rates could weaken the dollar and further boost oil prices -- potentially causing added inflationary pressure.

The CreditCards.com credit card rate survey is conducted weekly using data from the leading U.S. card issuers. Rate movement may also have been influenced by changes in

the composition of offers tracked.

Introductory offer periods and regular interest rates vary with applicants' credit quality and issuer risk-based pricing policies.

About CreditCards.com

CreditCards.com is a leading online credit card marketplace connecting consumers with multiple credit card issuers, including nine of the ten largest in the United States, based on credit card transaction volume. Through its website, <http://www.creditcards.com/>, CreditCards.com enables consumers to search for, compare and apply for more than 150 credit cards and offers credit card issuers an online channel to acquire qualified applicants.

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