



CreditCards.com: Weekly Credit Card Rate Report

Thursday, November 8, 2007

Austin, Texas – Select major credit card categories declined this week, on the heels of the recent Federal Reserve decision to trim interest rates by 0.25 percent to 4.5 percent. Comments today from Fed Chairman Ben Bernanke seemed to suggest that another rate cut in December is unlikely.

A majority of banks index their credit card annual percentage rates (APRs) to the prime rate, which moves in lock step with Fed decisions. According to the Fed, 54 percent of issuers tie card interest rates to prime, with most banks adjusting variable rates 30 days or one billing cycle after a change in the prime rate.

Among the popular credit card categories tracked by CreditCards.com, low interest and balance transfer credit cards offer consumers the lowest APRs.

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

Credit Card Rate Averages

Low Interest	11.62%
Balance Transfer	11.65%
Cash Back	12.69%
Business	13.64%
Instant Approval	13.35%
Reward	13.46%
For Bad Credit	13.64%
Airline	15.11%
Student	16.75%

Source: CreditCards.com

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In prepared testimony, Bernanke commented that despite recent signs of economic expansion, the Fed "did not see the recent growth performance as likely to be sustained in the near term," adding that the central bank expected economic activity to slow "noticeably" in the fourth quarter and remain "sluggish" into early 2008.

While appearing to downplay the likelihood of another rate cut next month, the Fed chief said the central bank will "act as needed to foster price stability and sustainable economic growth."

The CreditCards.com credit card rate survey is conducted weekly using data from the leading card issuers in the United States.

Introductory offer periods and regular interest rates can vary depending on 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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