



CreditCards.com: Weekly Credit Card Rate Report

Thursday, December 17, 2009

Austin, Texas -- Interest rates on new credit card offers climbed higher this week, according to the CreditCards.com Weekly Credit Card Rate Report, as banks continue to charge cardholders more to carry a balance.

The national average credit card annual percentage rate is comprised of about 95 of the most popular credit cards in the country, including cards from dozens of leading U.S. issuers and representing every card category listed below. Introductory (teaser) rates are not included in the calculation. Among the average APRs in nine card categories, four rose, two declined and three were unchanged.

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

Credit Card Rate Averages

	Avg. APR	Last week	6 months ago
National Average	12.99%	12.75%	11.95%
Business	10.74%	9.74%	11.24%
Low Interest	11.97%	11.65%	10.41%
Balance Transfer	12.09%	12.13%	9.98%
Cash Back	12.49%	12.08%	11.20%
Instant Approval	13.32%	13.32%	12.49%
Reward	13.42%	13.29%	12.03%
Airline	13.60%	13.60%	13.22%
Bad Credit	13.74%	13.74%	14.44%
Student	14.51%	14.89%	14.45%

Source: CreditCards.com

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Among their most recent changes to card offers, banks continue to hike APRs in an effort to protect themselves from losses associated with high unemployment and increasing regulation.

Amid double-digit joblessness, the Federal Reserve on Wednesday again left lending rates at record lows. Economists say the Fed will leave rates unchanged until unemployment falls. That means that while the bulk of cards have variable interest rates tied to the prime rate, any near-term changes to APRs will come from card issuers rather than the Fed.

The CreditCards.com credit card rate survey is conducted weekly, using offer data from the

leading U.S. card issuers' Web sites. Introductory offer periods and regular interest rates will vary with applicants' credit quality and issuer risk-based pricing policies.

About CreditCards.com

CreditCards.com is the leading online credit card marketplace connecting consumers with multiple credit card issuers, including several of the 10 largest in the United States, based on credit card transaction volume. CreditCards.com, <http://www.creditcards.com>, enables consumers to search for, compare and apply for credit cards and offers credit card issuers an online channel to acquire qualified applicants.

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