



## **CreditCards.com: Weekly Credit Card Rate Report**

Thursday, March 6, 2008

Austin, Texas – Annual percentage rates for select major credit card categories fell this week, as the Federal Reserve appears ready to offer another sharp rate cut when it meets on March 18. Meanwhile, retail data suggested that consumers continued to use their credit cards in February.

A majority of banks index their credit card 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.

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

### Credit Card Rate Averages

	Avg. APR	Last Week	6 Month
Balance Transfer	9.71%	9.85%	11.73%
Business	10.50%	10.85%	13.99%
Instant Approval	10.65%	11.23%	13.95%
Low Interest	10.80%	10.91%	11.62%
Cash Back	11.44%	11.68%	12.36%
Reward	11.76%	11.99%	13.54%
For Bad Credit	13.02%	13.02%	12.80%
Airline	13.14%	12.80%	15.28%
Student	15.57%	15.69%	17.55%

Source: [CreditCards.com](http://CreditCards.com)

Updated: 3-06-08

The central bank is expected to cut rates again after economic data released this week suggested mild contraction in the services sector, while the Fed's beige book report noted that economic activity was "softening or weakening" in eight of its 12 districts alongside "subdued, slow, or modest growth" in the other four districts.

Separately, a majority of retailers posted same-store sales results that topped modest expectations in February.

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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