



CreditCards.com: Weekly Credit Card Rate Report

Wednesday, November 21, 2007

Austin, Texas – Interest rates for select major credit card categories fell this week, as banks continued to react to the Federal Reserve's October rate cut. Minutes from that meeting released this week labeled the central bank's decision a "close call" while an enhanced Fed outlook highlighted greater concern with slower economic growth rather than inflation.

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 offered the lowest APRs.

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

Credit Card Rate Averages

Low Interest	11.56%
Balance Transfer	11.56%
Cash Back	12.36%
Business	13.71%
Instant Approval	13.17%
Reward	13.34%
For Bad Credit	13.54%
Airline	14.94%
Student	16.72%

Source: CreditCards.com

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On Tuesday, the Fed provided projections for the first time under its new quarterly release schedule and three-year forecast horizon, compared with the prior twice-yearly forecast with a two-year horizon. In its outlook for 2008, the Fed called for slower economic expansion alongside tame inflation, suggesting the possibility of additional rate cuts in the coming months.

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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