



## CreditCards.com: Weekly Credit Card Rate Report

Thursday, May 1, 2008

Austin, Texas – Annual percentage rates for select major credit card categories surged upward this week, following what appeared to be the last in an aggressive string of Federal Reserve interest rates cuts. Of the nine card categories tracked by CreditCards.com, seven rose and two remained unchanged.

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

### Credit Card Rate Averages

	Avg. APR	Last Week	6 Month
Balance Transfer	10.33%	9.74%	11.68%
Business	10.68%	9.93%	13.80%
Low Interest	10.78%	10.61%	11.63%
Cash Back	11.40%	11.20%	12.64%
Instant Approval	11.68%	9.94%	13.45%
Reward	11.89%	11.43%	13.49%
Bad Credit	12.49%	12.49%	13.64%
Airline	13.39%	12.47%	15.20%
Student	14.99%	14.99%	16.83%

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

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On Wednesday, the central bank lowered the federal funds rate by one-quarter of a percentage point. Ordinarily, that would cause credit card rates to fall, since most are indirectly linked to the federal funds rate, but the credit crisis has made the financial industry less willing to pass the rate cuts along.

The Fed said its series of moves "should help to promote moderate growth over time and to mitigate risks to economic activity."

The economy could use a boost: Excluding inventories, first-quarter gross domestic product data showed an economic contraction.

The Fed's statement also signaled that this may be the last rate cut for awhile.

Meanwhile, consumer spending accelerated in March even as income slowed, suggesting a greater reliance on credit cards.

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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