



CreditCards.com: Weekly Credit Card Rate Report

Thursday, December 6, 2007

Austin, Texas – Interest rates for select major credit card categories advanced this week, despite predictions of a Federal Reserve interest rate cut on Dec. 11. Tomorrow's employment report should provide added fodder for rate speculation.

Upward rate adjustments may be connected to recent increases in loan loss reserves by certain issuers, who may be bracing for higher consumer default rates following the holiday season.

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.

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

Credit Card Rate Averages

Low Interest	11.51%
Balance Transfer	11.49%
Cash Back	12.64%
Business	13.74%
Instant Approval	13.40%
Reward	13.44%
For Bad Credit	14.04%
Airline	15.05%
Student	16.79%

Source: CreditCards.com

Updated: 12-06-07

According to data released Wednesday by payroll firm Automatic Data Processing, job growth surged in November. Meanwhile, the Labor Department said that U.S. workers were more efficient in the third quarter, despite a slowdown in salary gains.

The Fed may be less apt to cut rates following a steep rise in November nonfarm payrolls. However, the indication of higher productivity coupled with slowing wage growth suggests less inflationary pressure, offering the opportunity for further loosening of monetary policy.

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.

For more information, contact:

Ben Woolsey
Director of Marketing
benw@creditcards.com
512-996-8663 x106

NOTE TO EDITORS: The information contained in this release is available for print or broadcast with attribution to CreditCards.com.

Source: CreditCards.com