



CreditCards.com: Weekly Credit Card Rate Report

Thursday, October 30, 2008

Austin, Texas -- Annual percentage rates for credit cards were mostly unchanged, according to the CreditCards.com Weekly Credit Card Rate Report, as issuers left APRs alone despite a Federal Reserve rate cut.

Of the nine credit card categories tracked by CreditCards.com, two declined and seven held steady.

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

Credit Card Rate Averages

	Avg. APR	Last week	6 months ago
Balance Transfer	9.97%	9.97%	10.29%
Business	11.52%	11.52%	10.68%
Low Interest	10.68%	10.70%	10.76%
Bad Credit	10.82%	10.82%	12.49%
Cash Back	12.13%	12.13%	11.40%
Instant Approval	11.25%	11.65%	11.68%
Reward	12.33%	12.33%	11.86%
Airline	12.28%	12.28%	13.39%
Student	14.34%	14.34%	14.99%

Source: CreditCards.com

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On Wednesday, the Fed cut its key lending rate by half a percentage point to 1 percent. However, analysts say the decision may only provide APR relief to cardholders of the highest credit quality with certain variable-rate cards from issuers that have not imposed "floors" on how low rates can fall. For example, Bank of America, which does not set floors, told CreditCards.com that variable rates based on prime will eventually drop due to the Fed's move.

Regardless of the benefit to cardholders, additional rate cuts could follow, with the Fed saying it will "act as needed" to encourage economic growth and stable prices. Those cuts could be necessary: third-quarter gross domestic product data released Thursday showed contraction amid the worst consumer spending since 1980.

The CreditCards.com credit card rate survey is conducted weekly using offer data from the leading U.S. card issuers. Rate movement may be 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 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 more than 150 credit cards and offers credit card issuers an online channel to acquire qualified applicants.

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