



CreditCards.com: Weekly Credit Card Rate Report

Thursday, July 24, 2008

Austin, Texas – Annual percentage rates for select major credit card categories fell this week, as the latest economic data continues to leave the Federal Reserve in wait-and-see mode regarding interest rates. The Fed is expected to maintain rates at 2 percent when it next meets on Aug. 5.

According to the Fed, 57 percent of banks index their credit card APRs to the prime rate, with most adjusting variable rates 30 days or one billing cycle after the prime rate changes.

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

Credit Card Rate Averages

	Avg. APR	Last Week	6 Month
Balance Transfer	9.75%	9.97%	10.40%
Business	10.46%	10.46%	10.94%
Low Interest	10.82%	10.96%	11.04%
Bad Credit	11.09%	11.09%	13.05%
Instant Approval	11.35%	11.62%	11.62%
Cash Back	11.58%	11.65%	11.71%
Reward	11.87%	11.96%	11.84%
Airline	12.87%	13.22%	13.01%
Student	15.02%	15.02%	16.46%

Source: CreditCards.com

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The Fed's latest beige book survey indicated that "the pace of economic activity slowed somewhat since the last report," with consumer spending described as "sluggish or slowing" in nearly all of the 12 regional Fed bank districts. In the Atlanta region, some businesses acknowledged using credit cards to cover expenses amid the challenging economy.

Meanwhile, despite recent discussion of inflation threats from soaring energy and food prices, a moderate pullback in oil prices over the past two weeks could reduce pressure on the Fed to raise interest rates.

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.

For more information, contact:

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

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