



CreditCards.com: Weekly Credit Card Rate Report

Thursday, February 7, 2008

Austin, Texas – Annual percentage rates for select major credit card categories moved in varied directions this week, with some pushed lower by the Federal Reserve's latest round of interest rate cuts and others raised by a reaction to a slowdown in consumer credit card use.

Despite the Fed's half-point rate cut announced Jan. 30, only five of the nine credit card rates tracked by CreditCards.com fell, while four moved up. Banks often tie their rates to the prime rate, which moves up and down with Fed actions, but are not required to. In this period of poor financial results from banks, many are slow to pass along the Fed rate cuts.

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

Credit Card Rate Averages

Low Interest	10.97%
Balance Transfer	10.03%
Cash Back	11.46%
Business	10.91%
Instant Approval	10.65%
Reward	11.66%
For Bad Credit	13.25%
Airline	12.69%
Student	15.83%

Source: CreditCards.com

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Retailers this week posted January sales figures that fell short of already-diminished expectations, suggesting more-limited card use by shoppers. Meanwhile, the Fed's latest report on consumer credit showed revolving credit, which includes credit cards, increased at an annual rate of 2.7 percent in December, down sharply from the 13.7 percent gain one month earlier.

The latest results could add to recession worries. Against that backdrop, some experts have predicted that the central bank will cut rates by a further half-percentage point at its March meeting in a further effort to enliven a dragging U.S. economy.

The CreditCards.com credit card rate survey is conducted weekly using data from the leading U.S. card issuers.

Introductory offer periods and regular interest rates can 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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