

CreditCards.com: Weekly Credit Card Rate Report

AUSTIN, Texas--(BUSINESS WIRE)--Credit card interest rates held firm this week, as the Federal Reserve sticks to its wait-and-see approach to monetary policy, seeing little reason to change rates. With the prime rate apparently set for the time being, widespread changes to credit card rates do not appear imminent.

Students still pay the highest credit card average percentage rates (APRs).

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

Credit Card Rate Averages	
Low Interest	11.41%
Balance Transfer	11.41%
Bad Credit	12.81%
Cash Back	13.13%
Reward	13.66%
Business	13.95%
Instant Approval	14.18%
Airline	15.08%
Student	17.88%

Source: CreditCards.com

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The prime rate matters to credit card holders because a majority of banks base their credit card APRs on an index tied to the prime rate. According to the U.S. central bank, 54% of credit card issuers tie card interest rates to prime.

In a speech this week, Federal Reserve Chairman Ben Bernanke noted that inflation should not pose a problem if expectations remain unruffled by movement in volatile food and energy prices. Bernanke explained that unlike in the U.S. of the 1970s, steep gains in energy prices over recent years have not produced ongoing inflation or recession.

Amid this environment, it appears unlikely that the Fed will move to change monetary policy at its August 7 meeting, which means any rate changes that consumers see are due to the actions of the card issuers, not the Fed.

The CreditCards.com credit card rate survey is conducted each week using data from the leading credit card issuers in the United States.

Introductory offer periods and actual regular interest rates can vary depending on individual applicants' credit quality and issuer risk-based pricing policies.

About CreditCards.com

CreditCards.com is the leading online credit card marketplace, bringing consumers and credit card issuers together. At its free website, www.creditcards.com, consumers can compare hundreds of credit card offers from the nation's leading issuers and banks, and apply securely online. CreditCards.com is also a destination site for consumers wanting to learn more about credit cards; offering news, advice, features, statistics and tools – all designed to help consumers make smart choices about credit cards.

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