



CreditCards.com: Weekly Credit Card Rate Report

Thursday, March 26, 2009

Austin, Texas -- The national average annual percentage rate on new credit card offers declined this week, according to the CreditCards.com Weekly Credit Card Rate Report, one week after the Federal Reserve announced new initiatives to encourage lending.

The national average credit card APR is comprised of every card found at CreditCards.com. Introductory (teaser) rates are not included in the calculation. Among averages in eight card categories, two rose, two fell and four were unchanged.

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

Credit Card Rate Averages

	Avg. APR	Last week	6 months ago
National Average	12.00%	12.25%	11.43%
Balance Transfer	11.18%	11.18%	9.71%
Instant Approval	11.29%	11.29%	11.73%
Reward	11.59%	11.56%	12.21%
Bad Credit	11.79%	12.77%	10.87%
Low Interest	11.83%	11.83%	10.77%
Airline	12.90%	13.02%	13.14%
Cash Back	13.31%	13.22%	11.46%
Student	14.90%	14.90%	14.66%

Source: CreditCards.com

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Although its key federal funds rate remained unchanged, the Fed last week announced other plans aimed at stimulating lending for credit cards and other loan types.

Still, the longer-term impact on APRs remains to be seen. Despite their latest dip, credit card interest rates have been largely divorced from the loosening of Federal Reserve monetary policy: Even as the prime rate -- which tracks the fed funds rate -- has dropped from a level of 5.25 a year ago to 3.25 percent now, the national average rate for credit cards has actually increased over that period.

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 credit cards and offers credit card issuers an online channel to acquire qualified applicants.

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