



CreditCards.com: Weekly Credit Card Rate Report

Thursday, May 15, 2008

Austin, Texas – Annual percentage rates for select major credit card categories firmed this week. Despite an aggressive Federal Reserve campaign that has lowered interest rates to 2 percent from 5.25 percent in September, the latest pricing data suggests inflation remains controlled, reducing pressure on the Fed to begin tightening monetary policy.

Of the nine card categories tracked by CreditCards.com, five had higher rates, two categories declined and two remained unchanged.

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

Credit Card Rate Averages

| | Avg. APR | Last Week | 6 Month |
|------------------|----------|-----------|---------|
| Balance Transfer | 10.15% | 10.02% | 11.65% |
| Business | 10.76% | 10.38% | 13.77% |
| Low Interest | 10.87% | 10.74% | 11.67% |
| Cash Back | 11.44% | 11.38% | 12.69% |
| Instant Approval | 11.56% | 11.72% | 13.35% |
| Reward | 11.89% | 11.79% | 13.56% |
| Bad Credit | 12.49% | 12.49% | 13.54% |
| Airline | 13.34% | 13.35% | 15.07% |
| Student | 14.86% | 14.86% | 16.75% |

Source: CreditCards.com

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Economic weakness appears to be limiting inflation, as consumer prices rose only modestly in April. When volatile food and energy prices are removed, the so-called "core" consumer price index rose at a year-over-year pace of 2.3 percent last month, above the central bank's preferred target of a 1.5 percent to 2 percent gain. Over the past three months, core prices increased at an annual rate of just 1.2 percent.

While some Fed officials have expressed concerns regarding inflation, recent earnings reports suggest that the sluggish economy is making it tougher for companies to pass along higher commodity prices.

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.

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