



CreditCards.com: Weekly Credit Card Rate Report

Thursday, January 22, 2009

Austin, Texas -- Annual percentage rates on new credit card offers headed lower this week, according to the CreditCards.com Weekly Credit Card Rate Report, as American Express cut APRs on a number of its cards.

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

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

Credit Card Rate Averages

	Avg. APR	Last week	6 months ago
National Average	11.76%	11.84%	11.34%
Balance Transfer	10.21%	10.21%	9.75%
Low Interest	11.14%	11.14%	10.82%
Instant Approval	11.29%	11.63%	11.35%
Reward	11.43%	11.65%	11.87%
Airline	11.71%	11.86%	12.87%
Bad Credit	12.15%	12.15%	11.09%
Cash Back	12.71%	12.91%	11.58%
Student	14.21%	14.21%	15.02%
Business	15.82%	15.82%	10.46%

Source: CreditCards.com

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AmEx trimmed select APRs several weeks after the Fed lowered its key lending rate to practically zero. Variable rates are generally tied to the prime rate, which itself tracks the federal funds rate set by the Fed. AmEx acknowledged via e-mail that the latest APR changes were based on prime movement.

No longer able to trim rates, the Fed faces challenges. In a speech last Thursday, San Francisco Fed president Janet Yellen said that the central bank is trying something new to spur lending: buying up the asset-backed securities that underlie credit cards and other loans.

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 more than 150 credit cards and offers credit card issuers an online channel to acquire qualified applicants.

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