



## CreditCards.com: Weekly Credit Card Rate Report

Thursday, June 19, 2008

Austin, Texas – Annual percentage rates for select major credit card categories were unchanged to barely lower this week, as market watchers predict that the Federal Reserve will leave interest rates alone when it meets next week.

According to the Fed, 57 percent of banks index their credit card APRs to the prime rate, with most adjusting variable rates 30 days or one billing cycle after the prime rate changes.

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

### Credit Card Rate Averages

	Avg. APR	Last Week	6 Month
<a href="#">Balance Transfer</a>	10.15%	10.19%	11.17%
<a href="#">Business</a>	10.78%	10.78%	13.57%
<a href="#">Low Interest</a>	10.96%	10.99%	10.78%
<a href="#">Bad Credit</a>	11.09%	11.09%	14.04%
<a href="#">Cash Back</a>	11.50%	11.55%	12.57%
<a href="#">Instant Approval</a>	11.51%	11.51%	13.29%
<a href="#">Reward</a>	11.99%	12.03%	13.20%
<a href="#">Airline</a>	13.57%	13.57%	14.39%
<a href="#">Student</a>	15.18%	15.18%	16.94%

Source: [CreditCards.com](http://CreditCards.com)

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While the Fed is widely expected to hold monetary policy steady at its June 24-25 meeting, rates could increase by the fall. Rate hike speculation ramped up following a speech last week by Fed Chairman Ben Bernanke. The Fed chief noted that recent increases in energy prices have "added to the upside risks to inflation and inflation expectations," with the central bank prepared to "strongly resist" excessive inflationary projections.

Still, the reaction of financial markets could be overdone, as reports suggest Fed officials believe recent predictions for three or four rate increases through the end of 2008 may be unwarranted.

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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