



CreditCards.com: Weekly Credit Card Rate Report

Thursday, July 17, 2008

Austin, Texas – Annual percentage rates for select major credit card categories were mixed to lower this week, as the Federal Reserve is expected to leave interest rates unchanged for the remainder of 2008 amid challenges posed by both economic weakness and inflation.

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
Balance Transfer	9.97%	10.13%	10.37%
Business	10.46%	10.46%	10.83%
Low Interest	10.96%	10.97%	11.01%
Bad Credit	11.09%	11.09%	13.41%
Instant Approval	11.62%	11.62%	11.57%
Cash Back	11.65%	11.55%	11.71%
Reward	11.96%	11.95%	11.76%
Airline	13.22%	13.23%	13.01%
Student	15.02%	15.06%	16.46%

Source: CreditCards.com

Updated: 7-17-08

Acknowledging the "numerous difficulties" facing the U.S. economy during his semi-annual testimony to congress, Fed Chairman Ben Bernanke also labeled inflation "too high." That assessment followed data showing last month's consumer inflation rose at the quickest monthly pace since June 1982.

Separately, minutes from the Fed's most recent meeting also revealed inflationary concerns, with officials suggesting their next move "could well be an increase in the funds rate." However, as the outlook for growth and inflation "remained very uncertain," most Fed official believed "the timing and magnitude of future policy actions was quite unclear."

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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