



CreditCards.com: Weekly Credit Card Rate Report

Thursday, February 21, 2008

Austin, Texas – Annual percentage rates for select major credit card categories largely climbed this week, although rates for bad credit and student credit cards declined. Minutes from the most recent Federal Reserve meeting and economic data highlighted an ongoing challenge for Fed policymakers.

A majority of banks index their credit card APRs to the prime rate, which moves in lock step with Fed decisions. According to the Fed, 54 percent of issuers tie card interest rates to prime, with most banks adjusting variable rates 30 days or one billing cycle after a change in the prime rate.

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

Credit Card Rate Averages

	Avg. APR	Last Week	6 Month
Balance Transfer	10.25%	10.03%	11.73%
Low Interest	11.00%	10.97%	11.62%
Business	11.10%	10.91%	13.99%
Instant Approval	11.23%	10.81%	13.95%
Cash Back	11.68%	11.46%	12.36%
Reward	12.49%	11.63%	13.54%
Airline	12.92%	12.69%	15.28%
For Bad Credit	13.02%	13.25%	12.80%
Student	15.69%	15.83%	17.55%

Source: CreditCards.com

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Even after slashing rates to their lowest level since June 2005, the Fed minutes showed the central bank continued to see threats to the economy. "With no signs of stabilization in the housing sector and with financial conditions not yet stabilized, the Committee agreed that downside risks to growth would remain even after this action," the Fed said.

A rise in January consumer prices highlighted inflationary pressures. Meanwhile, the Philadelphia Fed reported the third-straight contraction in that region's manufacturing sector during February, fanning recessionary fears.

The CreditCards.com credit card rate survey is conducted weekly using data from the leading U.S. card issuers.

Introductory offer periods and regular interest rates can 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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