



CreditCards.com: Weekly Credit Card Rate Report

Thursday, March 13, 2008

Austin, Texas – Annual percentage rates for select major credit card categories were largely unchanged this week, amid expectations for a larger Federal Reserve rate cut on March 18 ramped up in the wake of unfavorable jobs and retail sales data.

A majority of banks index their credit card APRs to the prime rate, which moves in lock step with Fed rate moves. 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

Balance Transfer	9.72%	9.71%	11.73%
Business	10.50%	10.50%	13.99%
Instant Approval	10.65%	10.65%	13.95%
Low Interest	10.84%	10.80%	11.62%
Cash Back	11.44%	11.44%	12.36%
Reward	11.80%	11.76%	13.54%
For Bad Credit	13.02%	13.02%	12.80%
Airline	13.19%	13.14%	15.28%
Student	15.57%	15.57%	17.55%

Source: CreditCards.com

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The February employment report, released last Friday, showed the largest payroll decline in five years. Thursday's retail report was abysmal, too. Together, they pushed expectations higher that the Fed will cut its key fed funds rates again on April 30, perhaps by another half-point. The Fed has cut that rate five times since last September, from 5.5 percent to today's 3 percent.

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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