



CreditCards.com: Weekly Credit Card Rate Report

Thursday, December 27, 2007

Austin, Texas – Interest rates for select major credit card categories tumbled this week, as banks continued to pass along the Federal Reserve's recent decision to trim the federal funds rate a quarter point to 4.25 percent. Economic news showed a mixed picture of consumers' willingness to spend, much of which is often charged to credit cards.

A majority of banks index their credit card annual percentage rates (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

Low Interest	10.25%
Balance Transfer	10.12%
Cash Back	12.11%
Business	11.08%
Instant Approval	11.57%
Reward	12.11%
For Bad Credit	14.04%
Airline	13.30%
Student	16.54%

Source: CreditCards.com

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November durable goods orders came in below estimates, suggesting that businesses are losing confidence in consumer spending. Orders for durable goods -- items designed to last three years or more -- edged up 0.1% last month, following a revised 0.4% fall in October.

Separately, the Conference Board reported that its measure of consumer confidence rose this month for the first time since July. The Conference Board explained that the overall gain was entirely based on a rise in the expectations index, which measures consumers' outlook over the next six months.

The CreditCards.com credit card rate survey is conducted weekly using data from the leading card issuers in the United States.

Introductory offer periods and regular interest rates can vary depending on 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.

For more information, contact:

Ben Woolsey
Director of Marketing
benw@creditcards.com
512-996-8663 x106

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