

For immediate release
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Australians racked up \$29 billion in Christmas credit card debt

Holiday hangover: Aussies expected to pay \$230 million in interest from the silly season

- ➔ Australians face up to \$1,727 each in holiday debt
- ➔ One in 20 Aussies will still be paying off Christmas credit card bill in 12 months
- ➔ Pay off Christmas debt with a balance transfer card

9 January, Sydney, Australia – Australians have been left with a financial hangover from Christmas, according to finder.com.au, the site that compares virtually everything.

A new forecast of Reserve Bank of Australia (RBA) data analysed by finder.com.au reveals the nation borrowed \$29 billion on credit cards in December 2017 which is equivalent to \$1,727 in purchases per card.

Taking into account an average 55-day interest-free period, it's expected the interest alone from Christmas shopping will cost Aussies \$230 million.

Four out of five credit card holders (81%) plan to pay off their holiday-induced debt in three months or less. The remaining 19% will take longer than three months to service their debt, with one in 20 (5%) taking a year or more to pay down their balance.

Graham Cooke, Insights Manager at finder.com.au, says for many households it could take months to pay down the credit card debt accumulated over the Christmas period.

“If the Christmas spirit is measured by consumer spending - we were all feeling very festive.”

“Aussies spend more on credit cards in December than in any month.”

“This over-reliance on credit cards in December means the cost of Christmas is carried well into the new year and could take a toll on household budgets throughout 2018,” he said.

He urged Australians to take action as quickly as possible and to consider a [balance transfer to minimise interest](#) charges.

“A balance transfer could give credit card holders the chance to make more headway on their outstanding balance, especially if they’re having difficulty making repayments.”

“There are currently over one hundred balance transfer cards offering 0% transfers, and most banks offer a product with this feature. The interest free period varies, but more than half of the balance transfer cards on the market will give you a whole year or more interest free if you transfer your balance.”

“But remember – this is not a license to ignore your debt. Often, 0% balance transfer cards will have a higher purchase rate than other cards, so it’s important that you commit to paying off all your debt in the interest free period, and resist the urge to spend beyond your means.”

According to the finder.com.au database, there are currently three credit cards offering 0% interest on balance transfer deals, including the [NAB Premium Card](#) which is exclusive to finder.com.au and has the longest (25 months) 0% interest free period.

Despite there being more cards on the market than ever, the average balance actually accruing interest per card has fallen from \$2,470 in 2012 to \$1,890 towards the end of 2017, which suggests Aussies are becoming better at paying off their plastic bill.

Longest 0% balance transfer cards available on finder.com.au:

Card	Balance Transfer offer	Purchase rate	Annual fee
NAB Premium Card (exclusive to finder.com.au)	0% for 25 months No BT Fee	19.74%	\$90
St George Vertigo Platinum (online offer)	0% for 24 months No BT Fee	12.74%	\$0 p.a annual fee for the first year (\$99 p.a. thereafter)
Citi Rewards Platinum Credit Card	0% for 24 months with 1.5% BT Fee	20.99%	\$49 p.a. annual fee for the first year (\$149 p.a. thereafter)
Westpac Low Rate Card - Online only	0% for 24 months with 2% BT fee	13.49%	\$59
Bankwest Breeze Classic Credit Card	0% for 24 months with 2% BT fee	12.99%	\$79
Bankwest Breeze Platinum Credit Card	0% for 24 months with 2% BT fee	12.99%	\$99
HSBC Platinum Credit Card	0% for 22 months with 2% BT Fee	19.99%	\$129

source: finder.com.au. Longest interest free balance transfer cards listed on finder.com.au

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