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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3

October 3, 1947

DEPARTMENT STORE CREDIT

AUGUST 1947

Instalment accounts outstanding at department stores rose slightly during August, and at the end of the month were around three-fourths above the year-ago level. Collections on instalment accounts were down one per cent, and the ratio of collections to instalment accounts outstanding on the first of August was unchanged at 28 per cent. At the current rate of repayment instalment accounts would be outstanding, on the average, about six months.

Charge accounts receivable remained at the level of the preceding month, and were 15 per cent larger than at the end of August 1946. Collections on charge accounts were reduced substantially, and the August collection ratio of 51 per cent was two points lower than in July. The average repayment period for charge accounts outstanding in August was nearly two months.

Both cash and credit sales showed less than the usual expansion from July to August. Cash sales, accounting for 56 per cent of the total, were 16 per cent less than a year earlier. Instalment sales showed a year-to-year gain of 31 per cent, while charge-account sales fell below the year-ago volume for the first time since June 1944.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	July 1947 to August 1947	August 1946 to August 1947	
Sales during month			
Cash	+ 6	-16	
Instalment	+15	+31	
Charge account	+10	- 5	
Accounts receivable, end of month			
Instalment accounts	+ 1	+77	
Charge accounts	0	+15	
Collections during month			
Instalment accounts	- 1	+42	
Charge accounts	-15	+ 7	
Ratio of collections during month to accounts receivable at beginning of month			
	Aug. <u>1947</u>	July <u>1947</u>	Aug. <u>1946</u>
Instalment accounts	28	28	36
Charge accounts	51	53	59

Note.--Figures for August 1947 are preliminary and subject to revision.

## DEPARTMENT STORES - AUGUST 1947

## Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Aug. 1947p	July 1947	Aug. 1946	Aug. 1947p	July 1947	Aug. 1946	Aug. 1947p	July 1947	Aug. 1946
Boston	157	148	177	125	101	89	129	112	138
New York	168	161	197	117	100	95	119	117	129
Philadelphia	160	156	199	126	99	88	133	131	130
Cleveland	196	184	237	151	132	110	162	149	177
Richmond	171	164	206	105	81	89	152	132	163
Atlanta	247	218	325	120	116	101	187	150	204
Chicago	201	195	245	118	114	90	154	146	165
St. Louis	209	196	260	154	139	126	160	148	182
Linneapolis	255	220	270	129	113	140	167	146	165
Kansas City	283	250	329	188	147	122	175	153	180
Dallas	282	253	365	183	182	136	222	185	235
San Francisco	250	221	278	137	123	99	196	173	182
U. S. Total	196	184	233	130	113	99	156	143	164

## Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month						Collection ratios *					
	Indexes; 1941 average = 100						Instalment		Charge accounts			
	Aug. 1947p	July 1947	Aug. 1946	Aug. 1947p	July 1947	Aug. 1946	Aug. 1947p	July 1947	Aug. 1946	Aug. 1947p	July 1947	Aug. 1946
Boston	73	74	47	136	142	126	22	22	26	44	45	51
New York	79	80	50	133	138	116	23	22	27	41	43	47
Philadelphia	81	78	39	138	145	111	26	25	35	50	53	60
Cleveland	106	103	50	154	153	134	25	24	38	51	54	59
Richmond	72	72	51	138	141	117	21	21	29	44	45	54
Atlanta	97	92	54	146	137	134	26	25	35	40	41	49
Chicago	66	65	41	145	152	132	41	41	50	57	61	67
St. Louis	78	77	49	159	156	134	33	33	42	55	56	66
Linneapolis	90	87	65	160	149	118	32	32	44	53	56	71
Kansas City	90	82	58	140	139	115	34	35	41	58	60	72
Dallas	100	94	59	150	139	134	29	29	31	57	61	61
San Francisco	83	91	42	155	147	138	31	40	44	63	65	64
U. S. Total	84	83	47	145	146	127	28	28	36	51	53	59

p - Preliminary.

\* - Collections during month as percentage of accounts receivable at beginning of month.

Note: These data are based on reports of about 475 large department stores reporting sales by type of transaction, more than 400 having charge accounts and about 300 having instalment accounts. Back figures may be obtained on request from the Division of Research and Statistics.