

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.16

September 7, 1951

RETAIL FURNITURE REPORT FOR JULY 1951

Total sales at furniture stores declined 10 per cent in July, a month during which decreases are usual. Cash and charge-account sales were 9 per cent below their respective June figures, while instalment sales showed a decrease of 11 per cent. The 24 per cent drop in total sales from the previous July reflected sharp year-to-year declines in credit sales, particularly instalment sales, from the high volume of sales reached during the buying wave of July 1950.

A 3 per cent decline in instalment accounts receivable during July continued the downward movement of recent months. At the month-end instalment balances were 9 per cent below the year-ago figure. Collections on instalment accounts were down 6 per cent from June and amounted to about 11 per cent of first-of-month balances, the same collection ratio as in the preceding month.

Inventories at furniture stores were reduced by 4 per cent during July, but at the month-end were 29 per cent above the level of a year ago. Stocks on hand at the end of July represented about 6 months' supply at the current rate of sales. This compares with less than 4 months' supply a year earlier.

Furniture Store Statistics for July 1951

| Item | Percentage change from | |
|--|------------------------------|------------------------------|
| | June 1951 to July 1951 | July 1950 to July 1951 |
| Net Sales | | |
| Total | -10 | -24 |
| Cash sales | -9 | -9 |
| Credit sales: Instalment | -11 | -29 |
| Charge account | -9 | -17 |
| Accounts receivable, at end of month | | |
| Total | -3 | -8 |
| Instalment | -3 | -9 |
| Collections during month | | |
| Total | -6 | 0 |
| Instalment | -6 | -1 |
| Inventories, end of month, at retail value | -4 | +29 |

NOTE:—These figures are preliminary and subject to revision.

RETAIL FURNITURE STORES - JULY 1951*

Sales and Inventories

| Federal Reserve District | Percentage change | | | | | | | |
|--------------------------|-------------------|----------------|----------------|----------------|----------------|----------------|-----------------------------|----------------|
| | Total net sales | | Cash sales | | Credit sales | | Inventories end of month 1/ | |
| | June '51 | July '50 | June '51 | July '50 | June '51 | July '50 | June '51 | July '50 |
| | to July '51 | to July '51 | to July '51 | to July '51 | to July '51 | to July '51 | to July '51 | to July '51 |
| Boston | -18 | -23 | -23 | -6 | -17 | -25 | -6 | +22 |
| New York | -26 | -14 | -24 | +9 | -25 | -23 | -2 | +21 |
| Philadelphia | -16 | -22 | -16 | -17 | -16 | -22 | -1 | +34 |
| Cleveland | -7 | -15 | +1 | +7 | -9 | -16 | -7 | +30 |
| Richmond | -17 | -22 | -8 | -34 | -14 | -18 | -3 | +21 |
| Atlanta | -8 | -34 | -14 | -13 | -9 | -38 | -3 | +20 |
| Chicago | -6 | -22 | +1 | -1 | -4 | -29 | -8 | +32 |
| St. Louis | -7 | -26 | -11 | -12 | -3 | -20 | -3 | +18 |
| Minneapolis | -14 | -28 | -16 | -17 | -13 | -33 | -6 | +37 |
| Kansas City | -16 | -27 | -12 | -24 | -16 | -27 | -4 | +38 |
| Dallas | -1 | -29 | +11 | -9 | -2 | -29 | -3 | +33 |
| San Francisco | -2 | -25 | 0 | -12 | -3 | -27 | -5 | +36 |
| U. S. Total | -10 | -24 | -9 | -9 | -10 | -26 | -4 | +29 |
| Number of stores | 767 | 769 | 615 | 615 | 615 | 615 | 543 | 543 |

1/ At retail value.

Accounts Receivable and Collections

| Federal Reserve District | Percentage change | | | | | | | |
|--------------------------|-----------------------------------|----------------|----------------|----------------|--------------------------|----------------|----------------|----------|
| | Accounts receivable, end of month | | | | Collections during month | | | |
| | Total | | Instalment | | Total | | Instalment | |
| | June '51 | July '50 | June '51 | July '50 | June '51 | July '50 | June '51 | July '50 |
| to July '51 | to July '51 | to July '51 | to July '51 | to July '51 | to July '51 | to July '51 | to July '51 | |
| Boston | -2 | -13 | -4 | -6 | -8 | -12 | -10 | -4 |
| New York | -4 | -1 | -3 | -3 | -10 | +3 | -9 | +2 |
| Philadelphia | -3 | -2 | -3 | -4 | -6 | +4 | -5 | +6 |
| Cleveland | -2 | -8 | -1 | -14 | -10 | 0 | -6 | +6 |
| Richmond | -2 | -8 | -1 | -13 | -5 | -2 | -5 | -5 |
| Atlanta | -1 | -26 | -2 | -21 | -5 | -21 | -5 | -10 |
| Chicago | -2 | -9 | -3 | -19 | -4 | +2 | -2 | -3 |
| St. Louis | -3 | -17 | -2 | -22 | -7 | -9 | -5 | -9 |
| Minneapolis | -4 | -12 | -3 | -11 | -4 | -2 | -2 | -1 |
| Kansas City | -4 | -4 | 0 | -5 | -7 | -3 | +6 | +9 |
| Dallas | -2 | -11 | -1 | -5 | -2 | +2 | -5 | -14 |
| San Francisco | -2 | -2 | +1 | -17 | -5 | +8 | -11 | -9 |
| U. S. Total | -3 | -8 | -3 | -9 | -6 | 0 | -6 | -1 |
| Number of stores | 697 | 697 | 247 | 247 | 697 | 697 | 247 | 247 |

* July 1951 figures are preliminary and subject to revision.