

RESEARCH DEPARTMENT
SLP 81943
FEDERAL RESERVE BANK
OF RICHMOND

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.2

September 6, 1949

Retail Instalment Credit
at Furniture, Household Appliance, and Jewelry Stores

JULY 1949

Instalment accounts receivable at furniture and household appliance stores increased in July for the fourth consecutive month. On July 31 outstanding balances at these two kinds of retail outlet remained well above year-ago levels. Customers' instalment accounts outstanding at jewelry stores declined slightly as is usual in July but continued somewhat larger than those of a year earlier.

The ratio of collections during the month to instalment accounts receivable on the first of the month declined one point in July to 13 per cent at both household appliance and jewelry stores. This change in the collection ratio indicates that the rate of repayment in July averaged about one month longer than the rate prevailing in the second quarter of 1949. Instalment accounts at furniture stores are being repaid, on the average, somewhat more slowly than at either household appliance or jewelry stores. The collection ratio for furniture stores was 12 per cent in July, the same as in the preceding month.

Instalment Accounts Outstanding and Collection Ratios

Month	Accounts outstanding at end of month December 31, 1939 = 100			Collection ratios $\frac{1}{2}$		
	Furniture stores	Household appliance stores	Jewelry stores	Furniture stores	Household appliance stores	Jewelry stores
<u>1947</u>						
June	80	62	94	18	25	16
July	81	65	95	17	23	16
August	83	70	99	17	21	15
September	87	74	103	19	22	17
October	92	79	106	19	22	17
November	98	85	117	18	21	17
December	110	91	156	16	21	21
<u>1948</u>						
January	104	90	143	14	19	15
February	103	90	137	14	17	14
March	104	94	134	15	18	15
April	108	103	130	15	17	15
May	112	112	131	15	18	15
June	116	118	131	16	17	16
July	117	124	129	14	17	16
August	122	131	127	14	17	16
September	128	138	128	14	16	16
October	128	139	127	14	16	16
November	130	138	137	14	15	17
December	140	142	164	14	15	20
<u>1949</u>						
January	131	134	152	12	15	14
February	128	129	140	12	14	13
March	126	128	133	14	15	14
April	127	129	133	13	14	14
May	131	134	132	13	14	14
June	134	140	134	12	14	14
July p	136	149	132	12	13	13

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 $\frac{1}{2}$ Instalment collections during month as percentage of accounts outstanding at beginning of month.