

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

17.2

June 7, 1951

Retail Instalment Credit at Furniture and Household Appliance Stores

APRIL 1951

Instalment accounts receivable at retail furniture stores declined during April, a month during which substantial increases have occurred in the other post-war years. During the six months ended April 30, such receivables declined about 11 per cent. This decline roughly balances the increase in instalment receivables which had taken place during the six months ended October 31, 1950. As a result, month-end instalment receivables were at approximately the year-ago level.

Household appliance store instalment accounts receivable were down substantially in April, also in contrast to the usual April increases shown in recent years. However, the amount of receivables at month-end was nearly 25 per cent above the level of April 1950.

The rate of repayment of furniture store instalment accounts outstanding on April 1 was unchanged from March, as shown by the collection ratios in the table below. However, furniture store instalment accounts were being liquidated more rapidly than a year ago. Household appliance store collections, when related to instalment accounts outstanding at the beginning of the month, were slower in April than in March. The collection ratio for household appliance stores was the same as for April 1950.

Indexes of Instalment Accounts Outstanding at End of Month
December 31, 1939 = 100

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
FURNITURE:												
1949	131	128	126	127	131	134	136	141	146	153	160	174
1950	168	166	168	170	174	177	182	186	192	190	187	192
1951	183	178	172	169								
HOUSEHOLD APPLIANCE:												
1949	134	129	128	129	134	140	148	153	160	167	170	183
1950	180	180	184	190	197	206	219	241	258	258	258	260
1951	r255	r248	240	233								

Instalment Collection Ratios
Instalment collections during month as percentage of accounts outstanding at beginning of month

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
FURNITURE:												
1949	12	12	14	13	13	12	12	12	11	11	11	10
1950	10	10	11	10	10	10	11	11	11	11	10	11
1951	10	10	11	11								
HOUSEHOLD APPLIANCE:												
1949	15	14	15	14	14	14	13	14	12	12	12	12
1950	12	11	12	11	12	10	11	11	10	11	10	10
1951	12	11	12	11								