

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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DEPARTMENT STORE CREDIT

March 1943

At department stores instalment accounts outstanding at the end of March decreased by somewhat more than the usual seasonal amount and continued substantially below the year-ago level. Collections on instalment accounts rose 4 per cent, resulting in a collection ratio of 31 per cent, as compared with 28 for the preceding month and 22 for the corresponding month last year.

Charge accounts receivable showed little change in March, and at the end of the month were 27 per cent below the corresponding date of 1942. Collections on charge accounts declined 4 per cent in March, but were 1 per cent larger than in the same month last year. The ratio of collections in March to accounts receivable at the beginning of the month was 62 per cent, 16 points above that for a year ago.

In March cash and charge account sales showed slight gains over the February volume. Cash sales, amounting to about 59 per cent of the total, continued well above the year-ago level. Instalment sales declined 5 per cent from February to March and were 37 per cent below the corresponding month of 1942. Charge account sales were down 8 per cent.

Sales by type of transaction, accounts receivable, and collection ratios by Federal Reserve Districts are shown on page 2.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	February 1943	March 1942	
	to March 1943	to March 1943	
Sales during month			
Cash	+4	+29	
Instalment	-5	-37	
Other credit	+1	- 8	
Accounts receivable, end of month			
Instalment accounts	-8	-48	
Charge accounts	-1	-27	
Collections during month			
Instalment accounts	+4	-19	
Charge accounts	-4	+ 1	
Ratio of collections during month to receivables at beginning of month			
	March	February	March
	1943	1943	1942
Instalment accounts	31	28	22
Charge accounts	62	61	46

Department Store Cash and Credit Sales,
by Federal Reserve Districts

Federal Reserve District	Cash sales		Installment sales		Other credit sales	
	Percentage change from:		Percentage change from:		Percentage change from:	
	Feb. 1943 to Mar. 1943	Mar. 1942 to Mar. 1943	Feb. 1943 to Mar. 1943	Mar. 1942 to Mar. 1943	Feb. 1943 to Mar. 1943	Mar. 1942 to Mar. 1943
Boston	+13	+17	- 2	-29	+ 3	-13
New York	+10	+14	+ 4	-27	+11	-12
Philadelphia	+11	+26	+ 6	-40	+ 3	- 3
Cleveland	+ 6	+27	-15	-47	+ 2	- 5
Richmond	+ 6	+28	+ 2	-42	0	-15
Atlanta	+ 4	+33	-30	-49	- 7	- 4
Chicago	- 2	+23	- 6	-42	- 4	- 6
St. Louis	0	+27	-11	-33	- 2	-11
Minneapolis	+ 1	+39	-17	-31	- 3	-11
Kansas City	- 3	+21	-13	-33	- 2	+ 4
Dallas	- 7	+35	-15	-41	-15	+11
San Francisco	+ 2	+58	+ 2	-21	0	- 3
U.S. Total	+ 4	+29	- 5	-37	+ 1	- 5

Department Store Accounts Receivable and Collections,
by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month						Collection ratios*					
	Indexes: Dec. 31, 1939 = 100						Installment			Charge Accounts		
	Installment		Charge Accounts		Installment		Installment		Charge Accounts		Charge Accounts	
	Mar. 1943	Feb. 1943	Mar. 1942	Mar. 1943	Feb. 1943	Mar. 1942	Mar. 1943	Feb. 1943	Mar. 1942	Mar. 1943	Feb. 1943	Mar. 1942
Boston	47	81	99	73	70	81	38	25	20	54	753	49
New York	60	64	101	62	65	82	33	24	20	51	51	42
Philadelphia	15	49	97	32	30	32	30	26	21	33	62	37
Cleveland	64	69	111	65	68	80	33	30	23	63	63	36
Richmond	55	59	103	64	66	100	26	21	16	55	56	39
Atlanta	53	65	108	68	72	82	34	33	17	54	57	35
Chicago	42	64	95	62	67	71	39	36	29	72	70	55
St. Louis	57	63	111	67	68	82	31	31	22	67	63	50
Minneapolis	65	69	93	67	69	80	36	34	23	77	77	51
Kansas City	50	68	104	67	67	87	32	30	23	69	663	47
Dallas	67	62	121	68	71	88	23	27	17	62	64	40
San Francisco	65	61	101	65	67	80	32	29	21	68	665	45
U.S. Total	54	68	102	65	67	84	31	28	22	62	61	39

* Revised.

* Collections during months per cent of accounts 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 100 having charge accounts and about 300 having installment accounts. Peak figures may be obtained on request from the Division of Research and Statistics.