

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

January 4, 1944

R&amp;S dsc - 14

## DEPARTMENT STORE CREDIT

November 1943

Instalment accounts outstanding at department stores on November 30 showed more than the usual seasonal rise from the end of October, but were 30 per cent below the year-ago level. Collections on instalment accounts continued to increase in November, and the collection ratio remained at the October level of 37 per cent. Instalment accounts were outstanding, on the average, approximately four months as compared with about six months in November 1942.

Charge accounts receivable increased by somewhat more than the usual seasonal amount in November, and at the end of the month were above the year-ago level for the first time this year. Collections on charge accounts rose 11 per cent during November, and the collection ratio reached a new high level of 66 per cent. The average period charge accounts were outstanding in November was about 45 days, approximately two days less than in November 1942.

Both cash and credit sales showed substantial gains over the October volume, reflecting the effect of early Christmas buying. Cash sales, which continued to account for more than three-fifths of the total for the fifth consecutive month, were 30 per cent above those for the corresponding month last year. The dollar volume of charge-account sales in November was 14 per cent larger than a year ago.

## Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	October 1943	November 1942	
	to November 1943	to November 1943	
Sales during month			
Cash	+ 12	+ 30	
Instalment	+ 10	+ 4	
Charge account	+ 13	+ 14	
Accounts receivable, end of month			
Instalment accounts	+ 8	- 30	
Charge accounts	+ 11	+ 7	
Collections during month			
Instalment accounts	+ 7	- 16	
Charge accounts	+ 11	+ 3	
Ratio of collections during month to receivables at beginning of month			
	November 1943	October 1943	November 1942
Instalment accounts	37	37	29
Charge accounts	66	65	64

Department Store Cash and Credit Sales,  
by Federal Reserve Districts

Federal Reserve District	Indexes: 1941 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	Nov. 1943	Oct. 1943	Nov. 1942	Nov. 1943	Oct. 1943	Nov. 1942	Nov. 1943	Oct. 1943	Nov. 1942
Boston	161	162	149	92	84	91	121	111	108
New York	176	157	146	113	104	105	121	104	108
Philadelphia	212	189	168	102	87	87	140	120	126
Cleveland	211	185	153	78	71	75	132	115	117
Richmond	219	190	176	90	88	89	141	123	124
Atlanta	243	232	166	94	82	76	135	123	115
Chicago	202	181	157	83	71	83	125	108	111
St. Louis	211	187	158	69	77	97	127	115	114
Minneapolis	211	190	154	115	93	96	124	107	99
Kansas City	266	240	188	90	83	76	128	119	110
Dallas	330	305	199	89	96	67	156	147	119
San Francisco	268	256	188	87	84	100	152	119	117
U. S. Total	210	187	162	93	85	90	130	115	115

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	
	Nov. 1942	Oct. 1943	Nov. 1942	Nov. 1943	Oct. 1943	Nov. 1942	Nov. 1943	Oct. 1942	Nov. 1942	Nov. 1943	Oct. 1943	Nov. 1942		
Boston	60	58	50	77	71	71	38	35	26	58	56	59		
New York	57	52	71	72	64	69	29	29	25	54	53	54		
Philadelphia	60	55	55	70	66	71	38	r37	20	65	64	63		
Cleveland	62	54	63	76	69	71	39	33	29	67	65	65		
Richmond	62	45	70	76	68	74	32	32	25	62	60	59		
Atlanta	51	47	71	81	71	71	32	34	23	59	56	53		
Chicago	51	35	56	74	60	67	47	43	37	74	77	75		
St. Louis	62	42	70	76	70	72	42	40	30	72	70	68		
Minneapolis	71	47	67	66	61	61	40	46	34	80	79	75		
Kansas City	54	r48	71	71	68	69	47	r44	31	73	73	67		
Dallas	63	r48	63	83	81	70	37	r36	20	66	63	61		
San Francisco	64	r42	60	73	66	70	40	39	29	74	73	70		
U. S. Total	62	42	65	75	63	70	37	r37	29	66	65	64		

r - Revised.  
\* - Collections during month as 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 400 having charge accounts and about 300 having installment accounts. Rack figures may be obtained on request from the Division of Research and Statistics.