

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

June 1, 1944
R&S dsc - 19

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DEPARTMENT STORE CREDIT

APRIL 1944

Instalment accounts outstanding at department stores declined during April by somewhat more than the usual seasonal amount, and continued 22 per cent below the level of a year ago. Collections on instalment accounts decreased 15 per cent in April resulting in a collection ratio of 32 per cent as compared with 36 per cent in the preceding month. The average period that instalment accounts were outstanding was about five months, approximately the same length of time as in April 1943.

Charge accounts receivable remained at the March level, although a rise is usual at this time, but continued slightly above the year-ago level. Collections on charge accounts increased 8 per cent, and were in somewhat larger volume than a year earlier. Charge accounts were outstanding, on the average, nearly 48 days in April, the same as in the corresponding month of 1943.

In April, cash and credit sales showed declines from the unusually large volume of the preceding month. Cash sales, which accounted for about 63 per cent of the total, were 8 per cent above those for April 1943. Instalment sales declined about one-fifth over the year-period, while charge-account sales were in about the same volume as in the corresponding month of 1943.

Department Store Sales, Accounts Receivable and Collections

| | Percentage change from: | | |
|--|--------------------------------|--------------------------------|---------------|
| | March 1944 to April 1944 | April 1943 to April 1944 | |
| Sales during month | | | |
| Cash | - 6 | + 8 | |
| Instalment | -20 | -21 | |
| Charge account | - 9 | 0 | |
| Accounts receivable, end of month | | | |
| Instalment accounts | - 5 | -22 | |
| Charge accounts | 0 | + 1 | |
| Collections during month | | | |
| Instalment accounts | -13 | -21 | |
| Charge accounts | + 8 | + 2 | |
| Ratio of collections during month to receivables at beginning of month | | | |
| | April 1944 | March 1944 | April 1943 |
| Instalment accounts | 32 | 36 | 31 |
| Charge accounts | 63 | 65 | 63 |

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DEPARTMENT STORES

Cash and Credit Sales, by Federal Reserve Districts

| Federal Reserve District | Indexes; 1941 average = 100 | | | | | | | | |
|--------------------------|-----------------------------|-----------|-----------|------------------|-----------|-----------|----------------------|-----------|-----------|
| | Cash sales | | | Instalment sales | | | Charge-account sales | | |
| | Apr. 1944 | Mar. 1944 | Apr. 1943 | Apr. 1944 | Mar. 1944 | Apr. 1943 | Apr. 1944 | Mar. 1944 | Apr. 1943 |
| Boston | 166 | 155 | 159 | 54 | r66 | 71 | 103 | 104 | 104 |
| New York | 134 | 150 | 131 | 61 | 81 | 75 | 90 | 98 | 92 |
| Philadelphia | 163 | r192 | 159 | 57 | r79 | 75 | 106 | r131 | 106 |
| Cleveland | 168 | 179 | 161 | 56 | 71 | 69 | 104 | 112 | 105 |
| Richmond | 168 | 184 | 167 | 55 | 70 | 67 | 104 | 122 | 104 |
| Atlanta | 284 | 266 | 191 | 65 | 91 | 54 | 137 | 133 | 112 |
| Chicago | 170 | 176 | 155 | 60 | r61 | 81 | 100 | 108 | 101 |
| St. Louis | 173 | 190 | 155 | 64 | 73 | 86 | 101 | 117 | 105 |
| Minneapolis | 180 | 190 | 179 | 77 | 90 | 90 | 109 | 107 | 104 |
| Kansas City | 217 | 231 | 200 | 62 | r71 | 60 | 103 | 118 | 109 |
| Dallas | 276 | 291 | 228 | 69 | 83 | 75 | 134 | 151 | 121 |
| San Francisco | 211 | 225 | 190 | 53 | 73 | 89 | 105 | 116 | 105 |
| U. S. Total | 172 | 183 | 159 | 59 | 74 | 75 | 104 | 114 | 103 |

Accounts Receivable and Collections, by Federal Reserve Districts

| Federal Reserve District | Accounts outstanding, end of month | | | | | | Collection ratios * | | | | | |
|--------------------------|------------------------------------|-----------|-----------|-----------------|-----------|-----------|---------------------|-----------|-----------|-----------------|-----------|----|
| | Indexes; 1941 average = 100 | | | | | | | | | | | |
| | Instalment | | | Charge accounts | | | Instalment | | | Charge accounts | | |
| Apr. 1944 | Mar. 1944 | Apr. 1943 | Apr. 1944 | Mar. 1944 | Apr. 1943 | Apr. 1944 | Mar. 1944 | Apr. 1943 | Apr. 1944 | Mar. 1944 | Apr. 1943 | |
| Boston | 34 | 35 | 45 | 87 | 82 | 89 | 29 | 31 | 28 | 54 | 57 | 55 |
| New York | 48 | 51 | 37 | 77 | 75 | 78 | 24 | 28 | 24 | 52 | 53 | 52 |
| Philadelphia | 38 | 40 | 46 | 86 | 87 | 83 | 39 | 38 | 31 | 62 | 65 | 64 |
| Cleveland | 37 | 38 | 45 | 78 | 78 | 77 | 35 | 33 | 34 | 64 | 66 | 65 |
| Richmond | 45 | 45 | 53 | 77 | 77 | 74 | 26 | 30 | 27 | 55 | 58 | 59 |
| Atlanta | 41 | 45 | 48 | 82 | 84 | 75 | 27 | 30 | 24 | 52 | 54 | 54 |
| Chicago | 31 | 33 | 45 | 81 | 82 | 77 | 40 | 43 | 41 | 71 | 72 | 73 |
| St. Louis | 35 | 35 | 50 | 79 | 82 | 80 | 39 | 42 | 34 | 68 | 69 | 68 |
| Minneapolis | 40 | 43 | 52 | 75 | 72 | 71 | 40 | 43 | 39 | 77 | r79 | 79 |
| Kansas City | 40 | r44 | 51 | 75 | 75 | 79 | 38 | r45 | 34 | 71 | r72 | 68 |
| Dallas | 32 | r33 | 43 | 81 | 86 | 81 | 35 | 38 | 27 | 65 | 57 | 62 |
| San Francisco | 33 | 35 | 49 | 74 | 75 | 76 | 35 | r41 | 33 | 72 | r72 | 69 |
| U. S. Total | 38 | 40 | 49 | 79 | 79 | 78 | 32 | 36 | 31 | 63 | r65 | 63 |

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 instalment accounts. Back figures may be obtained on request from the Division of Research and Statistics.