

AUG 4- 1944

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

August 2, 1944
R&S dsc - 21

DEPARTMENT STORE CREDIT

JUNE 1944

Instalment accounts outstanding at department stores declined by about the usual seasonal amount in June, and continued approximately one-fifth below the level of a year ago. Collections on instalment accounts decreased 9 per cent in June, resulting in a collection ratio of 31 per cent as compared with 33 per cent in the preceding month and 29 per cent in the corresponding month last year. The average period that instalment accounts were outstanding was about five and one-half months, nearly one-half month less than in June 1943.

Charge accounts receivable showed somewhat more than the customary seasonal decline, and at the end of the month were in slightly larger volume than a year earlier. Collections on charge accounts in June showed little change from the preceding month, but were 11 per cent above the year-ago level. Charge accounts were outstanding, on the average, approximately 48 days in June, about one day less than in the corresponding month of 1943.

Both cash and credit sales of department stores declined from May to June. Cash sales, which accounted for 63 per cent of the total, remained substantially above the year-ago level but charge-account and instalment sales were in smaller volume than in June 1943.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	May 1944 to June 1944	June 1943 to June 1944	
Sales during month			
Cash	- 8	+ 9	
Instalment	-14	-10	
Charge account	-12	- 2	
Accounts receivable, end of month			
Instalment accounts	- 6	-19	
Charge accounts	- 4	+ 2	
Collections during month			
Instalment accounts	- 9	-16	
Charge accounts	+ 1	+11	
Ratio of collections during month to receivables at beginning of month			
	June 1944	May 1944	June 1943
Instalment accounts	31	33	29
Charge accounts	63	61	62

DEPARTMENT STORES

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	June 1944	May 1944	June 1943	June 1944	May 1944	June 1943	June 1944	May 1944	June 1943
Boston	148	169	138	40	51	43	96	109	95
New York	137	r145	123	57	63	59	91	99	91
Philadelphia	155	r173	142	48	63	46	102	r115	101
Cleveland	189	177	150	46	57	50	100	117	105
Richmond	171	191	163	49	54	50	99	121	101
Atlanta	222	283	172	65	64	53	102	131	97
Chicago	168	176	148	47	57	56	99	r108	100
St. Louis	182	r189	153	53	65	55	96	r116	103
Minneapolis	180	193	161	62	64	63	106	111	101
Kansas City	217	238	194	55	56	82	102	116	108
Dallas	265	309	215	54	65	60	113	138	111
San Francisco	203	213	187	47	48	70	103	108	104
U. S. Total	166	180	150	50	58	55	99	112	100

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		
June 1944	May 1944	June 1943	June 1944	May 1944	June 1943	June 1944	May 1944	June 1943	June 1944	May 1944	June 1943	
Boston	29	32	38	86	89	85	28	30	26	57	57	54
New York	43	46	51	77	79	77	25	26	24	54	55	51
Philadelphia	35	38	38	84	88	79	29	31	27	62	64	62
Cleveland	34	36	40	79	83	78	32	35	31	63	65	62
Richmond	43	43	47	77	80	71	26	27	25	56	58	57
Atlanta	36	38	40	75	83	72	25	27	24	51	54	52
Chicago	29	30	39	82	85	77	39	41	37	70	71	70
St. Louis	33	34	42	79	85	78	36	41	30	66	69	67
Minneapolis	33	37	44	74	77	70	38	39	36	76	76	78
Kansas City	34	37	48	74	77	77	37	37	33	70	70	67
Dallas	31	32	39	78	85	78	31	34	29	64	66	60
San Francisco	29	31	43	72	73	74	36	37	33	72	73	68
U. S. Total	34	36	42	78	82	77	31	33	29	63	64	62

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.