

October 2, 1944
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DEPARTMENT STORE CREDIT

AUGUST 1944

Instalment accounts outstanding at department stores at the end of August remained at the July level, and were 16 per cent below a year ago. Collections on instalment accounts increased five per cent in August, resulting in a collection ratio of 34 per cent, as compared with 30 per cent in the preceding month and 32 per cent in the corresponding month last year. Instalment accounts were outstanding, on the average, nearly five months, about 15 days less than in August 1943.

Charge accounts receivable showed somewhat more than the usual seasonal rise in August, and were 11 per cent above the volume of a year ago. Collections on charge accounts declined ten per cent in August, but the collection ratio rose three points from the previous month to 64 per cent. Charge accounts were collected in about 47 days, as compared with 49 in the corresponding month of 1943.

Both cash and credit sales of department stores showed about the customary seasonal expansion from July to August. Cash sales, which accounted for about 64 per cent of the total, were considerably above the volume of a year earlier. Charge-account sales also showed a sharp increase over the year-period, but instalment sales were five per cent below those of 1943.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	July 1944 to August 1944	August 1945 to August 1944	
Sales during month			
Cash	+20	+19	
Instalment	+38	- 5	
Charge account	+24	+14	
Accounts receivable, end of month			
Instalment accounts	0	-16	
Charge accounts	+ 4	+11	
Collections during month			
Instalment accounts	+ 5	-13	
Charge accounts	-10	+ 9	
Ratio of collections during month to accounts receivable at beginning of month			
	Aug. 1944	July 1944	Aug. 1943
Instalment accounts	34	30	32
Charge accounts	64	61	62

DEPARTMENT STORES - AUGUST 1944

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	Aug. 1944	July 1944	Aug. 1943	Aug. 1944	July 1944	Aug. 1943	Aug. 1944	July 1944	Aug. 1943
Boston	135	r109	109	51	36	56	75	65	69
New York	120	100	98	64	45	68	70	69	65
Philadelphia	141	124	123	57	39	63	78	70	70
Cleveland	175	144	152	59	40	67	96	77	84
Richmond	161	133	134	50	40	61	97	74	84
Atlanta	r65	209	185	80	55	47	122	92	98
Chicago	171	140	141	54	42	54	82	73	80
St. Louis	187	143	149	67	51	63	161	83	85
Minneapolis	193	155	160	67	68	67	95	76	85
Kansas City	r36	197	193	70	59	71	150	r91	94
Dallas	232	240	217	73	60	71	131	94	108
San Francisco	226	194	191	56	r48	75	108	91	93
U. S. Total	167	138	138	60	44	63	94	76	81

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month Indexes; 1941 average = 100						Collection ratios *					
	Installment			Charge accounts			Installment			Charge accounts		
	Aug. 1944	July 1944	Aug. 1943	Aug. 1944	July 1944	Aug. 1943	Aug. 1944	July 1944	Aug. 1943	Aug. 1944	July 1944	Aug. 1943
Boston	27	27	35	68	71	68	50	27	26	57	63	55
New York	30	30	45	62	64	58	26	25	26	52	51	50
Philadelphia	31	32	33	60	60	60	32	28	29	62	60	62
Cleveland	32	31	36	72	67	64	26	32	34	64	61	63
Richmond	33	33	41	65	66	66	28	24	27	58	54	58
Atlanta	41	38	41	80	68	68	31	27	29	55	53	52
Chicago	27	27	35	73	68	63	40	38	40	71	67	69
St. Louis	29	29	36	74	68	69	39	36	35	67	66	66
Minneapolis	35	r35	44	68	61	60	30	r36	42	57	75	78
Kansas City	35	r33	41	72	r67	67	45	r37	37	71	67	68
Dallas	31	30	38	76	69	73	36	30	30	66	62	61
San Francisco	28	28	39	71	66	66	40	36	35	73	70	69
U. S. Total	32	32	38	70	67	64	34	30	32	64	61	62

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* - Collections during month as per cent of accounts receivable 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. Back figures may be obtained on request from the Division of Research and Statistics.