

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

November 2, 1944
R&S dsc - 24

DEPARTMENT STORE CREDIT

SEPTEMBER 1944

Instalment accounts outstanding at department stores showed about the usual seasonal increase in September, and were 15 per cent below the volume of a year ago. Collections on instalment accounts rose five per cent during the month, resulting in a collection ratio of 35 per cent, one point above the high August level. The average length of time instalment accounts were outstanding was about four and one-half months, approximately 15 days less than in September 1943:

Charge accounts receivable increased by slightly less than the customary seasonal amount in September, and were one-tenth larger than a year ago. Collections on charge accounts rose four per cent during the month, but the collection ratio remained at the August level of 64 per cent. Charge accounts continued to be outstanding approximately 47 days, about one day less than in the corresponding month last year.

Cash and charge-account sales showed substantial gains, as is usual in September, and were in much larger volume than a year earlier. Cash sales accounted for about 63 per cent of the total. Instalment sales increased nine per cent in September, but continued five per cent below the year-ago level.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	August 1944 to September 1944	September 1943 to September 1944	
Sales during month			
Cash	+16	+15	
Instalment	+ 9	- 5	
Charge account	+25	+10	
Accounts receivable, end of month			
Instalment accounts	+ 2	-15	
Charge accounts	+17	+10	
Collections during month			
Instalment accounts	+ 5	- 9	
Charge accounts	+ 4	+14	
Ratio of collections during month to accounts receivable at beginning of month	Sept. <u>1944</u>	Aug. <u>1944</u>	Sept. <u>1943</u>
Instalment accounts	35	34	33
Charge accounts	64	64	62

DEPARTMENT STORES - SEPTEMBER 1944

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Sept. 1944	Aug. 1944	Sept. 1943	Sept. 1944	Aug. 1944	Sept. 1943	Sept. 1944	Aug. 1944	Sept. 1943
Boston	162	r126	147	61	51	61	114	r76	100
New York	157	120	136	77	64	88	102	70	93
Philadelphia	189	141	152	66	57	71	113	78	101
Cleveland	190	176	167	56	59	55	117	98	102
Richmond	200	161	174	71	58	71	124	97	116
Atlanta	269	255	208	75	86	56	128	122	113
Chicago	192	171	164	61	54	61	112	92	102
St. Louis	199	187	172	71	67	67	120	101	112
Minneapolis	213	133	187	83	87	73	120	95	108
Kansas City	259	r245	222	74	r71	68	125	r111	113
Dallas	334	292	267	82	73	81	161	131	142
San Francisco	235	r227	202	56	r57	70	116	108	101
U. S. Total	193	167	167	66	60	69	116	r93	104

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month Indexes; 1941 average = 100						Collection ratios *					
	Instalment			Charge accounts			Instalment			Charge accounts		
	Sept. 1944	Aug. 1944	Sept. 1943	Sept. 1944	Aug. 1944	Sept. 1943	Sept. 1944	Aug. 1944	Sept. 1943	Sept. 1944	Aug. 1944	Sept. 1943
Boston	28	27	34	86	60	78	31	30	29	55	r56	54
New York	38	38	47	74	62	71	30	28	28	53	52	51
Philadelphia	31	31	34	82	66	73	35	32	32	63	62	61
Cleveland	32	32	36	83	72	74	35	36	32	63	64	61
Richmond	39	38	41	77	65	68	29	28	29	57	58	59
Atlanta	35	41	40	92	80	78	31	31	27	51	55	50
Chicago	28	27	34	85	73	75	45	40	42	71	71	71
St. Louis	30	30	36	86	74	78	42	39	36	70	67	68
Minneapolis	39	r36	45	89	r67	72	42	r40	40	80	r78	77
Kansas City	36	35	42	80	72	76	44	42	35	71	71	68
Dallas	33	31	37	89	r78	89	36	36	33	65	66	62
San Francisco	29	r29	38	77	71	70	39	40	36	72	73	69
U. S. Total	33	32	38	81	70	74	35	34	33	64	64	62

r - Revised.

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