

December 4, 1944

R&S dsc - 25

DEPARTMENT STORE CREDIT

OCTOBER 1944

Instalment accounts outstanding at department stores increased by somewhat more than the usual seasonal amount in October, and at the end of the month were only 11 per cent below the year-ago level. Collections on instalment accounts rose 12 per cent, and the collection ratio reached a new high of 39 per cent. Instalment accounts were collected, on the average, in approximately four months, as compared with nearly four and one-half months in October 1943.

Charge accounts receivable showed slightly more than the customary seasonal rise in October, and for the third consecutive month amounted to about nine-tenths of the year-ago volume. Collections on charge accounts increased considerably, as is usual in October, resulting in a collection ratio of 65 per cent, one point higher than in September. The average period charge accounts were outstanding was nearly 46 days, the same length of time as in the corresponding month of 1943.

Both cash and credit sales showed about the usual expansion from September to October. Cash sales, which accounted for around 63 per cent of the total, remained substantially above the volume of a year earlier. Charge-account sales continued ten per cent larger than a year ago, while instalment sales declined four per cent over the year-period.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:	
	September 1944 to October 1944	October 1943 to October 1944
Sales during month		
Cash	+ 9	+12
Instalment	+23	- 4
Charge account	+ 9	+10
Accounts receivable, end of month		
Instalment accounts	+ 9	-11
Charge accounts	+11	+11
Collections during month		
Instalment accounts	+12	-10
Charge accounts	+20	+10
Ratio of collections during month to accounts receivable at beginning of month		
	Oct. <u>1944</u>	Sept. <u>1944</u>
Instalment accounts	39	35
Charge accounts	65	64
		Oct. <u>1943</u>
Instalment accounts		37
Charge accounts		65

DEPARTMENT STORES - OCTOBER 1944

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Oct. 1944	Sept. 1944	Oct. 1943	Oct. 1944	Sept. 1944	Oct. 1943	Oct. 1944	Sept. 1944	Oct. 1943
Boston	187	169	163	82	61	84	126	114	111
New York	177	r156	157	96	r75	101	114	r101	103
Philadelphia	209	189	189	88	66	87	132	113	120
Cleveland	210	190	185	70	56	71	129	117	115
Richmond	220	200	191	81	71	20	135	124	132
Atlanta	301	269	232	111	75	82	138	128	123
Chicago	305	194	180	73	61	73	121	115	108
St. Louis	114	193	187	75	71	77	125	120	113
Minneapolis	210	213	193	99	83	93	122	120	108
Kansas City	275	r260	240	75	74	63	128	125	119
Dallas	337	334	305	69	82	96	161	161	147
San Francisco	253	233	256	67	56	84	129	116	119
U. S. Total	211	193	187	81	66	84	127	116	115

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month Index: 1941 average = 100						Collection ratios*					
	Instalment			Charge accounts			Instalment			Charge accounts		
	Oct. 1944	Sept. 1944	Oct. 1943	Oct. 1944	Sept. 1944	Oct. 1943	Oct. 1944	Sept. 1944	Oct. 1943	Oct. 1944	Sept. 1944	Oct. 1943
Boston	31	38	36	98	86	88	35	31	34	57	55	56
New York	42	38	50	84	71	80	53	50	29	56	53	53
Philadelphia	35	31	35	96	82	85	49	33	37	65	53	64
Cleveland	35	32	36	92	83	81	39	35	38	64	63	65
Richmond	42	39	14	87	77	76	33	22	32	52	57	60
Atlanta	41	35	42	97	92	79	39	31	34	53	51	56
Chicago	30	28	25	94	86	81	46	45	47	72	71	77
St. Louis	32	30	37	92	86	83	47	42	40	70	70	70
Minneapolis	43	39	47	83	80	73	49	42	46	80	r79	79
Kansas City	38	36	43	85	80	82	48	44	44	75	71	73
Dallas	34	35	38	98	83	94	38	36	36	67	65	63
San Francisco	31	29	38	84	77	78	42	39	39	74	72	73
U. S. Total	35	33	40	90	81	81	39	35	37	65	64	65

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