

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

May 4, 1945
R&S dsc - 30

DEPARTMENT STORE CREDIT

MARCH 1945

Instalment accounts receivable at department stores showed little change in March, and at the end of the month were in slightly smaller volume than a year earlier. Collections on instalment accounts increased 12 per cent in March, and the collection ratio rose six points to 36 per cent. The average period that instalment accounts were outstanding was about four and one-half months, approximately the same length of time as in the corresponding month last year.

Charge accounts outstanding increased by substantially more than the customary seasonal amount, and were about one-fifth larger than a year earlier. Collections on charge accounts showed a small decline, as is usual in March, but the collection ratio reached the high level of 66 per cent, as compared with 61 per cent in the three preceding months. Charge accounts were outstanding, on the average, approximately 46 days in March, about one day less than in March 1944.

Both cash and credit sales showed considerable expansion from February to March, attributable, in large part, to Easter buying. Cash sales, which amounted to 62 per cent of the total, were approximately one-fourth above the volume of last year. Charge-account sales also were about one-fourth greater than in the same period of 1944, while instalment sales remained at the level of a year ago.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:	
	February 1945 to March 1945	March 1944 to March 1945
Sales during month		
Cash	+41	+26
Instalment	+28	0
Charge account	+44	+24
Accounts receivable, end of month		
Instalment accounts	- 1	- 2
Charge accounts	+14	+21
Collections during month		
Instalment accounts	+12	- 3
Charge accounts	- 6	+20
Ratio of collections during month to accounts receivable at beginning of month		
	Mar. 1945	Feb. 1945
Instalment accounts	36	30
Charge accounts	66	61
	1944	1944
		36
		65

DEPARTMENT STORES - MARCH 1945

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	Mar. 1945	Feb. 1945	Mar. 1944	Mar. 1945	Feb. 1945	Mar. 1944	Mar. 1945	Feb. 1945	Mar. 1944
Boston	204	r124	155	73	r83	66	135	r85	104
New York	190	129	150	81	62	80	122	80	97
Philadelphia	232	160	182	89	53	79	146	95	121
Cleveland	132	169	179	64	64	71	145	96	112
Richmond	119	161	185	77	61	69	149	105	122
Atlanta	334	255	206	85	95	91	182	117	133
Chicago	125	165	178	65	r48	61	133	r97	108
St. Louis	134	r169	187	62	57	78	142	104	115
Minneapolis	265	179	193	87	70	89	142	97	108
Kansas City	304	250	231	73	78	71	144	112	118
Dallas	355	275	232	79	71	83	175	145	132
San Francisco	271	210	223	60	52	72	139	108	120
U. S. Total	120	163	182	73	57	75	141	98	114

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month						Collection ratios*					
	Indexes; 1941 average = 100						Installment			Charge accounts		
	Mar. 1945	Feb. 1945	Mar. 1944	Mar. 1945	Feb. 1945	Mar. 1944	Mar. 1945	Feb. 1945	Mar. 1944	Mar. 1945	Feb. 1945	Mar. 1944
Boston	39	38	38	99	86	82	29	24	32	61	54	56
New York	46	47	51	89	76	76	22	26	26	50	53	53
Philadelphia	42	41	40	103	84	87	37	29	35	64	63	65
Cleveland	p37	35	38	p99	85	79	p37	32	39	p65	60	66
Richmond	47	46	45	94	86	77	31	25	30	58	54	56
Atlanta	47	45	45	100	93	94	33	28	30	48	40	54
Chicago	32	34	33	95	86	80	41	34	46	74	r62	74
St. Louis	37	37	37	100	87	82	43	35	42	79	r64	69
Minneapolis	48	45	43	93	75	72	43	36	43	80	73	79
Kansas City	41	r42	43	92	r52	77	43	r39	43	72	67	73
Dallas	37	r37	33	93	90	86	34	32	39	62	65	67
San Francisco	31	r34	36	91	82	75	41	r34	41	74	68	72
U. S. Total	p39	40	40	p93	84	79	p36	30	36	p65	61	65

r - Revised; p - Preliminary.

* - Collections being 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. Best figures may be obtained on request from the Division of Research and Statistics.