

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

July 2, 1945
R&S dsc - 32

DEPARTMENT STORE CREDIT

MAY 1945

Instalment accounts outstanding at department stores showed about the usual seasonal decline in May, and at the end of the month were 4 per cent below the year-ago level. Collections on instalment accounts were reduced slightly, but the collection ratio rose two points to 32 per cent. Instalment accounts were outstanding, on the average, about five months, approximately the same length of time as in May 1944.

Charge accounts declined slightly in May, when little change is usual, but were 7 per cent larger than a year ago. Collections on charge accounts decreased 4 per cent, resulting in a collection ratio of 64 per cent, as compared with 62 per cent in the previous month. Charge accounts were collected, on the average, in 47 days, about the same as in the corresponding month of 1944.

Cash and charge-account sales increased substantially from April to May, and were somewhat above the 1944 levels. Cash sales comprised approximately 63 per cent of the total. Instalment sales showed a contraseasonal rise in May, and were in about the same volume as a year ago.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:	
	April 1945 to May 1945	May 1944 to May 1945
Sales during month		
Cash	+11	+ 5
Instalment	+12	+ 1
Charge account	+ 8	+ 3
Accounts receivable, end of month		
Instalment accounts	- 5	- 4
Charge accounts	- 1	+ 7
Collections during month		
Instalment accounts	- 3	- 8
Charge accounts	- 4	+11
Ratio of collections during month to accounts receivable at beginning of month		
	May 1945	April 1945
Instalment accounts	32	30
Charge accounts	64	62
		May 1944
Instalment accounts		33
Charge accounts		64

DEPARTMENT STORES - MAY 1945

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	May 1945	April 1945	May 1944	May 1945	April 1945	May 1944	May 1945	April 1945	May 1944
Boston	145	155	168	17	r 51	51	110	107	109
New York	155	142	146	61	10	12	101	99	105
Philadelphia	181	159	173	53	50	63	117	102	115
Cleveland	182	167	177	53	51	57	117	107	117
Richmond	191	160	192	56	45	54	120	106	121
Atlanta	264	285	263	62	71	64	135	139	131
Chicago	183	166	176	19	17	37	110	101	108
St. Louis	195	177	189	72	55	65	119	107	116
Minneapolis	212	191	193	56	65	66	117	105	111
Kansas City	262	233	238	52	60	56	122	109	116
Dallas	333	r 256	307	77	65	65	r 158	151	138
San Francisco	239	r 212	213	14	r 14	18	123	112	109
U. S. Total	190	r 171	180	55	49	54	117	r 108	113

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					
May 1945	April 1945	May 1944	May 1945	April 1945	May 1944	May 1945	April 1945	May 1944	May 1945	April 1945	May 1944	
Boston	31	37	36	92	r 36	39	25	r 24	29	58	54	57
New York	41	44	46	82	81	79	27	26	26	56	r 53	55
Philadelphia	36	38	38	93	91	88	31	30	31	65	61	64
Cleveland	31	35	36	90	90	83	34	33	35	63	61	65
Richmond	43	44	43	87	r 88	80	26	25	27	57	r 52	58
Atlanta	12	14	13	90	92	83	27	27	27	52	50	54
Chicago	29	31	31	88	89	83	32	35	46	71	69	72
St. Louis	32	34	34	90	89	85	38	36	41	68	68	69
Minneapolis	38	41	37	83	82	77	37	37	39	76	73	76
Kansas City	34	38	37	85	84	78	38	37	37	73	74	70
Dallas	36	36	32	97	91	85	31	29	34	65	65	66
San Francisco	28	30	31	83	r 83	73	37	36	37	74	69	73
U. S. Total	35	37	37	87	88	82	32	30	33	64	62	64

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.