

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

September 4, 1945

R&S dsc - 34

DEPARTMENT STORE CREDIT

JULY 1945

Instalment accounts outstanding at department stores showed about the customary seasonal decline in July, and were in about the same volume as a year earlier. Collections on instalment accounts decreased seven per cent, resulting in a collection ratio of 31 per cent, one point less than in the preceding month. Instalment accounts were outstanding approximately five and one-half months, about the same average as for July last year.

Charge accounts receivable declined by about the usual seasonal amount during July, but at the end of the month were considerably larger than a year ago. Collections on charge accounts were slightly less than in June, and the collection ratio declined two points to 62 per cent. Charge accounts were collected in about 49 days, approximately the same length of time as in the corresponding month of 1944.

Cash and charge-account sales showed the usual large decreases from June to July, and continued substantially above the year-ago levels. Cash sales amounted to 68 per cent of the total, the largest percentage shown to date. Instalment sales declined nine per cent during the month, but were eight per cent greater than in July 1944.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	June 1945 to July 1945	July 1944 to July 1945	
Sales during month			
Cash	-16	+18	
Instalment	- 9	+ 8	
Charge account	-25	+17	
Accounts receivable, end of month			
Instalment accounts	- 5	- 1	
Charge accounts	-14	+14	
Collections during month			
Instalment accounts	- 7	- 2	
Charge accounts	- 3	+15	
Ratio of collections during month to accounts receivable at beginning of month			
	July 1945	June 1945	July 1944
Instalment accounts	31	32	31
Charge accounts	62	64	61

DEPARTMENT STORES - JULY 1945

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	July 1945	June 1945	July 1944	July 1945	June 1945	July 1944	July 1945	June 1945	July 1944
Boston	128	r173	109	43	45	36	74	114	63
New York	117	162	98	44	61	44	67	107	58
Philadelphia	150	185	124	47	51	39	81	116	70
Cleveland	169	192	144	45	49	40	92	123	77
Richmond	189	195	140	45	39	40	89	125	74
Atlanta	242	221	209	62	64	55	105	119	92
Chicago	161	193	139	44	49	44	84	115	73
St. Louis	179	r195	148	58	r21	51	93	r113	79
Minneapolis	191	232	157	59	71	65	80	119	76
Kansas City	230	r259	197	64	r53	53	103	r118	51
Dallas	267	r295	238	62	r63	50	122	134	55
San Francisco	229	237	194	62	49	48	105	121	92
U. S. Total	182	194	138	48	52	44	68	117	75

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		
	July 1945	June 1945	July 1944	July 1945	June 1945	July 1944	July 1945	June 1945	July 1944	July 1945	June 1945	July 1944
Boston	30	32	30	80	r98	71	25	28	27	53	r60	53
New York	37	39	39	71	84	84	27	r28	25	52	58	51
Philadelphia	31	33	32	73	91	89	31	32	28	32	33	61
Cleveland	31	33	31	80	92	67	32	33	32	61	64	61
Richmond	39	41	39	75	88	68	26	27	24	54	58	54
Atlanta	39	40	38	77	85	68	28	28	27	52	50	53
Chicago	28	r27	27	75	90	67	38	38	41	70	73	69
St. Louis	30	32	29	76	89	68	37	38	36	67	68	66
Minneapolis	33	35	33	71	86	61	37	40	36	75	75	73
Kansas City	33	32	35	75	83	68	39	r39	37	71	r73	69
Dallas	35	38	30	80	91	69	28	27	30	60	62	62
San Francisco	28	28	28	78	83	68	40	39	38	72	73	70
U. S. Total	32	34	32	76	86	67	31	32	31	62	64	61

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