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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

November 2, 1945
R&S dso - 36

DEPARTMENT STORE CREDIT

SEPTEMBER 1945

Instalment accounts outstanding at department stores increased slightly in September when little change is usual, but remained near the level of a year ago. Collections on instalment accounts continued to increase, resulting in a collection ratio of 35 per cent, two points higher than in the preceding month. Instalment accounts were collected, on the average, in nearly five months, a slightly longer period than for September last year.

Charge accounts receivable showed less than the usual seasonal rise in September and at the end of the month were five per cent larger than on the corresponding date last year. Collections on charge accounts remained at the August level and the collection ratio was unchanged at 63 per cent. The average period charge accounts were outstanding was approximately 48 days, as compared with nearly 47 days in the corresponding month of 1944.

Both cash and credit sales showed about the customary seasonal increase in September. Cash sales, which comprised 63 per cent of the total, continued somewhat larger than last year. Charge-account sales were in about the same volume as a year ago, while instalment sales were down five per cent.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:	
	August 1945	September 1944
	to September 1945	to September 1945
Sales during month		
Cash	+12	+ 5
Instalment	+ 9	- 5
Charge account	+19	+ 1
Accounts receivable, end of month		
Instalment accounts	+ 3	- 1
Charge accounts	+13	+ 5
Collections during month		
Instalment accounts	+ 3	- 5
Charge accounts	- 1	+ 7
Ratio of collections during month to accounts receivable at beginning of month:		
	Sept. <u>1945</u>	Aug. <u>1945</u>
Instalment accounts	35	33
Charge accounts	63	64

DEPARTMENT STORES - SEPTEMBER 1945

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	Sept. 1945	Aug. 1945	Sept. 1944	Sept. 1945	Aug. 1945	Sept. 1944	Sept. 1945	Aug. 1945	Sept. 1944
Boston	173	134	168	63	53	61	110	80	113
New York	169	132	159	73	61	77	103	73	103
Philadelphia	133	r164	169	64	60	66	112	r85	113
Cleveland	193	196	190	55	56	56	117	103	117
Richmond	208	177	201	65	61	71	123	104	124
Atlanta	232	277	269	66	79	75	127	126	128
Chicago	200	184	192	53	50	61	116	97	112
St. Louis	216	205	199	72	67	71	125	109	121
Minneapolis	245	222	214	83	67	83	131	105	121
Kansas City	282	r268	260	66	r64	74	124	r112	125
Dallas	363	329	331	99	77	82	172	146	160
San Francisco	244	244	233	54	52	57	118	111	116
U. S. Total	203	181	194	63	58	66	118	99	117

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month Indexes; 1941 average = 100						Collection ratios *					
	Installment			Charge accounts			Installment			Charge accounts		
	Sept. 1945	Aug. 1945	Sept. 1944	Sept. 1945	Aug. 1945	Sept. 1944	Sept. 1945	Aug. 1945	Sept. 1944	Sept. 1945	Aug. 1945	Sept. 1944
Boston	31	r33	31	89	71	86	27	26	32	56	54	55
New York	37	36	38	77	66	74	33	28	30	55	53	53
Philadelphia	30	30	31	84	72	82	35	r33	35	62	63	63
Cleveland	31	31	32	68	80	83	34	35	35	61	62	63
Richmond	38	38	39	81	74	77	29	28	29	56	56	57
Atlanta	41	41	35	92	83	92	30	27	31	50	52	51
Chicago	27	26	28	90	77	84	41	38	50	72	70	73
St. Louis	30	29	30	91	81	86	41	42	42	68	68	70
Minneapolis	38	35	39	86	75	79	44	41	42	77	76	79
Kansas City	35	34	36	83	76	81	42	40	44	73	74	71
Dallas	38	36	33	100	87	89	32	31	36	63	64	65
San Francisco	28	r27	29	79	77	77	40	40	39	70	73	72
U. S. Total	33	r32	33	85	76	81	35	33	36	63	63	64

r - Revised.

* - Collections during month as per cent of accounts receivable at beginning of month.

Notes: 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.