

December 5, 1945

R&S dsc - 37

DEPARTMENT STORE CREDIT

OCTOBER 1945

Instalment accounts outstanding at department stores showed somewhat more than the customary seasonal increase in October, and were larger than a year ago for the first time since March 1942. Collections on instalment accounts rose considerably, and the collection ratio increased five points to the high level of 40 per cent. Instalment accounts were outstanding approximately four months, about the same length of time as in the corresponding month of 1944.

Charge accounts receivable increased considerably more than is usual in October, and at the end of the month were one-tenth larger than a year earlier. Collections on charge accounts showed the customary large increase from September, resulting in a collection ratio of 66 per cent as compared with 63 per cent for the preceding month. Charge accounts were collected in about 45 days, approximately the same average as for October last year.

Both cash and credit sales rose sharply during October, when only a moderate expansion is expected. Cash sales, accounting for 63 per cent of the total, were 16 per cent higher than a year ago. Sales on charge as well as on instalment accounts were up substantially over the year-period.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	September 1945 to October 1945	October 1944 to October 1945	
Sales during month			
Cash	+21	+16	
Instalment	+42	+11	
Charge account	+25	+15	
Accounts receivable, end of month			
Instalment accounts	+11	+ 1	
Charge accounts	+17	+10	
Collections during month			
Instalment accounts	+19	0	
Charge accounts	+18	+ 6	
Ratio of collections during month to accounts receivable at beginning of month:			
	Oct. 1945	Sept. 1945	Oct. 1944
Instalment accounts	40	35	40
Charge accounts	66	63	66

DEPARTMENT STORES - OCTOBER 1945

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	Oct. 1945	Sept. 1945	Oct. 1944	Oct. 1945	Sept. 1945	Oct. 1944	Oct. 1945	Sept. 1945	Oct. 1944
Boston	203	173	186	97	63	82	151	110	128
New York	213	169	177	105	73	96	132	103	115
Philadelphia	243	193	206	100	64	68	151	r111	133
Cleveland	240	193	210	82	55	70	151	117	129
Richmond	248	213	221	92	65	60	155	123	135
Atlanta	357	295	301	102	68	111	158	127	138
Chicago	237	200	205	70	53	73	137	116	121
St. Louis	256	218	214	93	72	75	149	125	125
Minneapolis	175	241	221	117	63	93	141	131	121
Kansas City	332	r284	274	113	66	77	142	r123	127
Dallas	418	323	334	124	99	69	199	172	161
San Francisco	283	244	252	87	54	68	143	118	130
U. S. Total	245	203	211	90	63	81	147	118	127

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		
	Oct. 1945	Sept. 1945	Oct. 1944	Oct. 1945	Sept. 1945	Oct. 1944	Oct. 1945	Sept. 1945	Oct. 1944	Oct. 1945	Sept. 1945	Oct. 1944
Boston	39	34	31	105	r86	98	32	27	30	58	58	57
New York	41	37	42	93	77	64	34	33	33	58	55	56
Philadelphia	34	30	35	105	84	96	44	35	40	68	62	65
Cleveland	32	31	35	103	88	92	43	34	39	65	61	64
Richmond	42	38	41	95	81	87	35	29	33	61	58	59
Atlanta	42	41	41	104	82	97	37	30	39	56	50	53
Chicago	19	27	31	103	90	92	44	41	41	73	72	74
St. Louis	34	30	32	102	91	92	48	41	47	71	68	70
Minneapolis	45	38	43	93	82	83	54	44	48	79	77	80
Kansas City	42	36	38	93	r84	86	54	42	46	77	r72	75
Dallas	41	38	34	112	100	98	39	32	38	67	63	67
San Francisco	30	28	31	90	79	84	45	40	43	73	70	74
U. S. Total	36	33	33	99	85	90	40	35	40	66	63	66

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.