

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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DEPARTMENT STORE CREDIT

JANUARY 1946

Instalment accounts outstanding at department stores declined by slightly less than the customary seasonal amount in January, and were four per cent above the year-ago level. Collections on instalment accounts increased slightly, resulting in a collection ratio of 32 per cent, four points less than in December. Instalment accounts were collected, on the average, in about five months, approximately the same length of time as in January 1945.

Charge accounts decreased by about the usual seasonal amount, and at the end of the month were 11 per cent higher than in the corresponding month last year. Collections showed the customarily substantial increase in January, and the collection ratio was unchanged at 61 per cent. Charge accounts were outstanding about 49 days, approximately the same average as for January last year.

The volume of cash and credit sales at department stores was reduced sharply, as is usual in January. Cash sales, amounting to more than three-fifths of the total, were up 13 per cent over the year-period. Both types of credit sales also were well above year-ago levels.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	December 1945 to January 1946	January 1945 to January 1946	
Sales during month			
Cash	-48	+13	
Instalment	-41	+12	
Charge account	-48	+11	
Accounts receivable, end of month			
Instalment accounts	- 6	+ 4	
Charge accounts	-25	+11	
Collections during month			
Instalment accounts	+ 4	+ 3	
Charge accounts	+29	+14	
Ratio of collections during month to accounts receivable at beginning of month:			
	Jan. 1946	Dec. 1945	Jan. 1945
Instalment accounts	32	36	32
Charge accounts	61	61	61

Note: Figures for January 1946 are preliminary and subject to revision.

DEPARTMENT STORES - JANUARY 1946

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	Jan. 1946p	Dec. 1945	Jan. 1945	Jan. 1946p	Dec. 1945	Jan. 1945	Jan. 1946p	Dec. 1945	Jan. 1945
Boston	180	337	141	75	108	84	95	191	93
New York	168	314	132	72	127	61	93	190	79
Philadelphia	182	376	156	61	135	54	105	205	93
Cleveland	177	343	157	63	84	53	105	215	92
Richmond	173	362	175	59	120	55	100	169	97
Atlanta	236	317	224	44	81	48	119	177	111
Chicago	182	343	101	53	102	47	105	192	98
St. Louis	190	355	177	63	133	64	107	192	101
Minneapolis	116	414	186	98	116	63	108	209	97
Kansas City	187	489	222	64	98	62	105	181	101
Dallas	305	370	272	59	119	77	147	237	124
San Francisco	228	437	226	64	81	56	120	224	106
U. S. Total	182	357	164	63	108	57	106	204	96

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		
	Jan. 1946p	Dec. 1945	Jan. 1945	Jan. 1946p	Dec. 1945	Jan. 1945	Jan. 1946p	Dec. 1945	Jan. 1945	Jan. 1946p	Dec. 1945	Jan. 1945
Boston	83	80	48	113	148	109	24	26	27	55	54	53
New York	80	84	43	104	137	91	29	28	28	55	53	53
Philadelphia	48	51	44	109	151	100	29	37	26	62	58	61
Cleveland	42	48	40	110	150	99	34	36	31	60	59	59
Richmond	32	37	30	109	137	100	27	30	28	60	52	51
Atlanta	48	52	50	100	139	100	32	30	32	51	49	53
Chicago	37	37	37	100	150	94	39	45	45	68	67	71
St. Louis	41	48	41	107	144	98	37	45	36	68	67	67
Minneapolis	53	56	50	93	136	87	42	43	39	72	79	73
Kansas City	48	51	44	99	126	91	36	44	40	71	70	71
Dallas	46	49	38	116	150	95	31	35	32	63	64	60
San Francisco	37	35	31	111	148	90	37	43	36	66	67	66
U. S. Total	48	48	43	105	145	97	32	36	32	61	61	61

p - Preliminary.

Collection ratios are percentages 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. Best figures may be obtained on request from the Division of Research and Statistics.