

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3

December 5, 1946

DEPARTMENT STORE CREDIT

OCTOBER 1946

Instalment accounts receivable at department stores increased by about the usual seasonal amount in October, and at the end of the month were 53 per cent larger than a year earlier. Collections on instalment accounts were more rapid than in September, and the collection ratio rose three points to 37 per cent. Instalment accounts were repaid in about four months, a slightly longer period than in October 1945.

Charge accounts outstanding showed less than the customary seasonal rise, and at the end of October were 57 per cent above the year-ago level. The percentage increase in charge-account collections was 23 per cent, resulting in a collection ratio of 60 per cent as compared with 56 per cent a month ago. The October collection period for charge accounts was, on the average, 50 days, nearly 5 days longer than in the corresponding month last year.

The volume of instalment and charge-account sales showed a marked expansion in October, as is usual at this time of the year. Cash sales, which now comprise only 56 per cent of the total, increased 9 per cent and were slightly larger than at the end of October 1945. Both types of credit sales were substantially higher than the year-ago level.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	September 1946 to October 1946	October 1945 to October 1946	
Sales during month			
Cash	+ 9	+ 2	
Instalment	+23	+34	
Charge account	+13	+38	
Accounts receivable, end of month			
Instalment accounts	+ 9	+53	
Charge accounts	+ 8	+57	
Collections during month			
Instalment accounts	+16	+40	
Charge accounts	+23	+54	
Ratio of collections during month to accounts receivable at beginning of month			
	Oct. 1946	Sept. 1946	Oct. 1945
Instalment accounts	37.	34	41
Charge accounts	60	56	66

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

DEPARTMENT STORES - OCTOBER 1946

Cash and Credit sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	Oct. 1946p	Sept. 1946	Oct. 1945	Oct. 1946p	Sept. 1946	Oct. 1945	Oct. 1946p	Sept. 1946	Oct. 1945
Boston	224	205	203	130	100.	97	194	169	151
New York	194	191	213	103	93	105	162	152	132
Philadelphia	238	228	245	122	85	99	206	169	151
Cleveland	229	202	250	120	90	81	205	169	151
Richmond	241	222	245	107	90	92	209	183	155
Atlanta	348	313	357	143	112	102	220	190	158
Chicago	281	236	256	112	92	88	198	150	156
St. Louis	233	242	257	146	116	97	210	196	149
Minneapolis	307	309	274	169	153	115	211	204	140
Kansas City	238	221	230	132	107	100	208	187	143
Dallas	394	371	418	160	143	126	279	270	199
San Francisco	301	294	292	112	94	87	216	186	143
U. S. Total	249	229	245	118	97	89	202	160	147

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		
	Oct. 1946p	Sept. 1946	Oct. 1945	Oct. 1946p	Sept. 1946	Oct. 1945	Oct. 1946p	Sept. 1946	Oct. 1945	Oct. 1946p	Sept. 1946	Oct. 1945
Boston	58	52	39	107	151	105	28	23	52	50	47	56
New York	55	52	31	141	158	73	29	30	54	46	46	56
Philadelphia	54	51	31	154	130	103	42	30	44	44	58	56
Cleveland	57	52	36	157	149	103	33	31	43	50	52	55
Richmond	57	52	33	145	132	98	33	29	36	55	50	61
Atlanta	55	52	42	150	154	104	34	31	37	50	48	56
Chicago	50	45	27	155	153	141	43	31	55	68	63	74
St. Louis	57	53	34	125	154	102	42	32	46	57	53	71
Minneapolis	51	52	45	141	143	92	47	45	54	71	71	75
Kansas City	50	51	32	147	135	93	49	31	52	72	65	76
Dallas	57	53	41	124	147	112	32	31	39	64	62	67
San Francisco	58	54	30	137	153	90	45	31	45	64	59	75
U. S. Total	55	50	35	152	145	95	37	34	41	60	56	66

p - Preliminary

* - Collections during month as percentage 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 more than 300 having installment accounts. Back figures may be obtained on request from the Division of Research and Statistics.

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 FEDERAL RESERVE BANK
 ST. LOUIS, MO.