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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3

March 7, 1947

DEPARTMENT STORE CREDIT

JANUARY 1947

Instalment accounts outstanding at department stores at the end of January remained at the December level; although some decline is usual in this month. Collections on instalment accounts increased slightly during the month, resulting in a collection ratio of 29 per cent as compared with 35 per cent in December. Instalment accounts were collected in about six months in January, a somewhat longer period than in the corresponding month a year ago.

Charge accounts receivable declined by about the customary amount in January, and continued more than one-half above the year-ago level. Collections on charge accounts rose substantially, but the collection ratio decreased two points to 52 per cent. The average collection period for charge accounts was approximately 57 days as compared with about 49 days in January last year.

The volume of cash and instalment sales at department stores showed about the usual sharp drop from December. Charge-account sales decreased more than seasonally but were 35 per cent larger than a year ago. Cash sales were at about the same level as a year earlier while instalment sales increased 63 per cent.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	December 1946 to January 1947	January 1946 to January 1947	
Sales during month			
Cash	-51	0	
Instalment	-46	+68	
Charge account	-51	+35	
Accounts receivable, end of month			
Instalment accounts	0	+59	
Charge accounts	-22	+62	
Collections during month			
Instalment accounts	+ 1	+41	
Charge accounts	+23	+34	
Ratio of collections during month to accounts receivable at beginning of month			
	Jan. <u>1947</u>	Dec. <u>1946</u>	Jan. <u>1946</u>
Instalment accounts	29	35	33
Charge accounts	52	54	61

Note: Figures for January 1947, are preliminary and subject to revision.

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DEPARTMENT STORES - JANUARY 1947

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Jan. 1947p	Dec. 1946	Jan. 1946	Jan. 1947p	Dec. 1946	Jan. 1946	Jan. 1947p	Dec. 1946	Jan. 1946
Boston	153	353	159	143	261	95	104	266	99
New York	177	369	165	110	215	72	125	270	93
Philadelphia	172	391	132	93	223	59	133	292	104
Cleveland	166	364	177	115	130	63	110	309	105
Richmond	165	363	173	83	175	59	143	233	106
Atlanta	222	307	236	71	136	44	156	255	119
Chicago	137	331	184	92	133	50	114	275	104
St. Louis	133	376	192	120	219	52	113	291	107
Minneapolis	240	451	215	123	161	100	154	296	107
Kansas City	240	492	213	149	152	81	150	278	108
Dallas	299	565	305	156	219	99	219	367	117
San Francisco	233	432	239	101	154	62	170	332	123
U. S. Total	137	334	137	108	199	64	114	293	107

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month						Collection ratios *					
	Indexes; 1941 average = 100											
	Instalment			Charge accounts			Instalment			Charge accounts		
Jan. 1947p	Dec. 1946	Jan. 1946	Jan. 1947p	Dec. 1946	Jan. 1946	Jan. 1947p	Dec. 1946	Jan. 1946	Jan. 1947p	Dec. 1946	Jan. 1946	
Boston	83	36	53	130	225	114	19	22	21	44	47	52
New York	77	77	50	167	107	104	25	30	29	45	46	55
Philadelphia	73	76	45	174	225	110	22	36	29	53	55	52
Cleveland	80	76	42	131	237	110	30	34	31	50	52	60
Richmond	71	70	32	146	204	107	24	30	27	46	49	50
Atlanta	36	33	43	153	197	104	27	33	32	46	46	51
Chicago	66	62	35	171	223	101	34	43	49	61	63	69
St. Louis	72	79	21	142	223	107	36	44	37	60	59	63
Minneapolis	96	97	36	146	211	95	35	38	42	50	65	73
Kansas City	82	83	43	145	194	94	36	43	37	45	66	72
Dallas	35	33	43	173	221	116	31	37	31	60	61	63
San Francisco	66	61	36	156	236	110	34	43	37	52	54	65
U. S. Total	75	75	44	173	221	103	29	35	32	52	54	61

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 about 300 having instalment accounts. Back figures may be obtained on request from the Division of Research and Statistics.