

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3

August 7, 1947

DEPARTMENT STORE CREDIT

JUNE 1947

Instalment accounts outstanding at department stores increased slightly in June, and continued about four-fifths above the year-ago level. Collections on instalment accounts were down slightly as is usual in June, and the ratio of collections to instalment accounts outstanding at the beginning of the month was 27 per cent. At the prevailing rate of repayment instalment accounts would be outstanding, on the average, nearly six and one-half months.

Charge accounts receivable declined one per cent in June, but were about one-fourth larger than on the corresponding date last year. Collections on charge accounts were reduced 2 per cent during the month, and the June collection ratio was 54 per cent, two points less than in May. The average collection period for charge accounts outstanding in June was about 56 days as compared with approximately 50 days a year ago.

Cash and credit sales at department stores declined moderately from May to June. The volume of cash sales, which continued to account for approximately 55 per cent of the total, was 6 per cent below the year-ago level. Charge-account sales were 7 per cent larger than in June a year earlier, while instalment sales rose 53 per cent over the year-period.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:	
	May 1947 to June 1947	June 1946 to June 1947
Sales during month		
Cash	- 9	- 6
Instalment	-11	+53
Charge account	-10	+ 7
Accounts receivable, end of month		
Instalment accounts	+ 1	+82
Charge accounts	- 1	+24
Collections during month		
Instalment accounts	- 4	+43
Charge accounts	- 2	+16

Ratio of collections during month to accounts receivable at beginning of month

	June 1947	May 1947	June 1946
Instalment accounts	27	29	33
Charge accounts	54	56	60

Note.— Figures for June 1947 are preliminary and subject to revision.

DEPARTMENT STORES - JUNE 1947

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	June 1947p	May 1947	June 1946	June 1947p	May 1947	June 1946	June 1947p	May 1947	June 1946
Boston	196	217	202	141	151	68	168	187	154
New York	213	224	215	114	130	87	169	176	156
Philadelphia	197	228	223	112	125	75	182	208	160
Cleveland	206	226	222	142	153	85	190	207	180
Richmond	209	250	224	82	128	58	187	211	171
Atlanta	251	321	290	148	159	86	169	228	163
Chicago	231	247	236	124	133	77	185	198	169
St. Louis	196	243	236	137	161	105	167	206	167
Minneapolis	262	274	270	124	125	105	199	203	176
Kansas City	271	310	303	144	150	91	188	203	164
Dallas	266	341	322	135	183	100	194	255	196
San Francisco	229	243	263	123	129	80	185	203	179
U. S. Total	219	241	234	123	138	81	182	202	169

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			
	June 1947p	May 1947	June 1946	June 1947p	May 1947	June 1946	June 1947p	May 1947	June 1946	June 1947p	May 1947	June 1946
Boston	78	83	48	171	176	144	20	23	23	48	46	49
New York	82	78	51	159	155	127	24	23	29	47	47	55
Philadelphia	81	86	40	173	177	127	24	28	33	54	57	62
Cleveland	103	99	47	174	174	137	26	27	35	54	56	61
Richmond	75	73	51	166	167	128	23	24	27	44	49	51
Atlanta	92	91	47	151	161	127	25	28	31	40	45	47
Chicago	68	66	37	171	169	137	34	38	51	61	64	67
St. Louis	78	78	45	172	181	135	32	36	39	54	59	65
Minneapolis	86	90	53	168	172	123	33	32	41	61	61	70
Kansas City	79	79	52	151	156	121	34	37	38	58	61	70
Dallas	91	92	53	154	168	135	25	30	28	58	63	61
San Francisco	77	76	37	158	161	137	35	33	41	63	64	65
U. S. Total	82	82	45	165	167	133	27	29	33	54	56	60

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.