

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3

February 6, 1948

DEPARTMENT STORE CREDIT

DECEMBER 1947

Instalment accounts outstanding at department stores showed more than the customary rise in December, and continued considerably larger than a year ago. Although the increase in collections on instalment accounts was substantial, the ratio of collections during the month to accounts outstanding at the beginning of the month was down one point to 29 per cent. The average repayment period for instalment accounts outstanding in December was six months as compared with four and one-half months in December 1946.

Charge accounts receivable increased slightly more than the usual amount in December, and at the year-end were 18 per cent above the level of a year earlier. Collections on charge accounts rose 10 per cent during the month, resulting in a collection ratio of 54 per cent, the same as in December 1946. At the current rate of repayment charge accounts would be outstanding, on the average, 56 days.

Credit sales of department stores showed more than the customary expansion from November to December. Charge-account sales exceeded the year-ago volume by almost two-fifths, but instalment sales were up 43 per cent from a year earlier. Cash sales increased seasonally in December and were slightly larger than in the corresponding month of 1946. The ratio of this type of transaction to total sales was 54 per cent in December.

Department Store Sales, Accounts Receivable and Collections

	Percentage change from:	
	November 1947 to December 1947	December 1946 to December 1947
Sales during month		
Cash	+41	+4
Instalment	+26	+43
Charge account	+37	+19
Accounts receivable, end of month		
Instalment accounts	+23	+84
Charge accounts	+29	+18
Collections during month		
Instalment accounts	+13	+42
Charge accounts	+10	+15
Ratio of collections during month to accounts receivable at beginning of month		
	Dec. 1947	Nov. 1947
Instalment accounts	29	30
Charge accounts	54	55
		Dec. 1946
Instalment accounts		36
Charge accounts		54

Note.--Figures for December 1947 are preliminary and subject to revision

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DEPARTMENT STORES - DECEMBER 1947

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes: 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Dec. 1947p	Nov. 1947	Dec. 1946	Dec. 1947p	Nov. 1947	Dec. 1946	Dec. 1947p	Nov. 1947	Dec. 1946
Boston	368	257	353	276	212	259	313	232	267
New York	380	270	371	302	235	234	313	227	272
Philadelphia	422	284	390	314	234	222	355	283	292
Cleveland	389	263	364	291	230	180	356	245	309
Richmond	407	276	368	224	203	175	338	242	288
Atlanta	321	321	307	209	256	136	309	267	255
Chicago	399	293	380	262	197	180	351	258	276
St. Louis	398	300	376	314	247	220	345	267	291
Minneapolis	464	315	442	260	214	163	366	259	305
Kansas City	528	366	492	332	274	152	353	253	278
Dallas	543	375	563	366	313	219	428	314	368
San Francisco	426	292	431	252	191	153	374	256	327
U. S. Total	400	285	384	281	223	197	347	253	293

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		
	Dec. 1947p	Nov. 1947	Dec. 1946	Dec. 1947p	Nov. 1947	Dec. 1946	Dec. 1947p	Nov. 1947	Dec. 1946	Dec. 1947p	Nov. 1947	Dec. 1946
Boston	155	104	82	248	195	223	24	22	24	47	47	47
New York	124	104	77	239	188	207	22	27	30	45	47	46
Philadelphia	145	114	76	308	230	225	26	28	36	45	56	55
Cleveland	162	138	76	270	205	237	25	25	34	54	55	52
Richmond	121	95	78	251	196	206	28	25	30	42	47	49
Atlanta	157	124	88	246	192	197	26	26	33	42	42	46
Chicago	106	88	59	273	213	223	43	44	54	63	64	64
St. Louis	124	100	79	292	234	228	34	37	43	55	55	59
Minneapolis	153	129	97	279	219	211	34	32	38	59	57	65
Kansas City	163	135	83	243	191	194	33	34	43	64	59	66
Dallas	171	138	83	263	214	221	27	29	37	59	59	61
San Francisco	127	108	65	262	196	256	34	36	43	65	65	54
U. S. Total	137	111	75	263	204	223	29	30	36	54	55	54

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.