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March 5, 1948.

DEPARTMENT STORE CREDIT FEDERAL RESERVE BANK  
OF RICHMOND

JANUARY 1948

Instalment accounts outstanding at department stores declined 6 per cent in January, about the usual seasonal decrease for this month, but were nearly three-fourths above the year-ago level. The total amount of collections on instalment accounts was slightly higher this month than in December and amounted to 24 per cent of instalment accounts outstanding at the beginning of January. At the current rate of repayment, accounts would be liquidated in about seven and one-half months, nearly two months longer than was indicated in January 1947.

Charge accounts receivable also declined seasonally in January, but continued well above a year ago. Collections on charge accounts were up 27 per cent from the preceding month, and the ratio of collections to accounts outstanding on January 1 remained at 53 per cent. The average collection period for charge accounts outstanding in January was 57 days.

Both cash and credit sales registered the sharp declines usually expected in January. Cash sales, accounting for 54 per cent of the total, were in about the same volume as a year earlier. Charge-account sales expanded 12 per cent over the year-period, while the gain in the instalment segment was 27 per cent.

## Department Store Sales, Accounts Receivable and Collections

	Percentage change from:		
	December 1947 to January 1948	January 1947 to January 1948	
Sales during month			
Cash	-53	+ 1	
Instalment	-51	+27	
Charge account	-53	+12	
Accounts receivable, end of month:			
Instalment accounts	- 6	+72	
Charge accounts	-22	+17	
Collections during month			
Instalment accounts	+ 2	+44	
Charge accounts	+27	+20	
Ratio of collections during month to accounts receivable at beginning of month			
	Jan. <u>1948</u>	Dec. <u>1947</u>	Jan. <u>1947</u>
Instalment accounts	24	29	30
Charge accounts	53	53	52

Note -- Figures for January 1948 are preliminary and subject to revision.

## DEPARTMENT STORES - JANUARY 1948

## Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Jan. 1948p	Dec. 1947	Jan. 1947	Jan. 1948p	Dec. 1947	Jan. 1947	Jan. 1948p	Dec. 1947	Jan. 1947
Boston	151	379	155	121	263	116	135	319	129
New York	180	380	179	137	302	111	148	313	127
Philadelphia	177	429	173	130	312	93	163	353	136
Cleveland	173	389	166	152	291	115	157	356	140
Richmond	164	407	165	102	224	83	150	338	143
Atlanta	194	321	220	98	209	71	155	309	156
Chicago	197	399	187	128	262	92	167	351	144
St. Louis	181	396	189	163	307	122	164	343	147
Minneapolis	232	464	221	166	260	144	197	366	168
Kansas City	250	528	241	180	332	127	181	353	150
Dallas	265	542	300	255	366	154	222	428	214
San Francisco	214	436	223	127	245	106	183	379	164
U. S. Total	183	402	187	136	279	107	163	348	146

## Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month						Collection ratios*					
	Indexes; 1941 average = 100						Percent of accounts					
	Instalment		Charge accounts				Instalment		Charge accounts			
Jan. 1948p	Dec. 1947	Jan. 1947	Jan. 1948p	Dec. 1947	Jan. 1947	Jan. 1948p	Dec. 1947	Jan. 1947	Jan. 1948p	Dec. 1947	Jan. 1947	
Boston	131	141	80	200	257	193	18	22	21	45	45	44
New York	111	124	77	194	239	167	22	22	25	46	45	45
Philadelphia	139	145	73	220	308	175	21	26	28	55	45	55
Cleveland	144	162	82	215	270	184	21	25	30	52	54	50
Richmond	102	121	71	199	251	166	13	28	24	45	42	46
Atlanta	154	157	86	194	246	158	20	26	27	38	42	46
Chicago	164	186	62	196	273	168	37	43	44	62	63	62
St. Louis	119	124	75	231	292	172	23	35	36	52	55	60
Minneapolis	151	153	94	223	279	167	23	34	35	53	59	61
Kansas City	165	163	80	199	243	156	26	33	35	56	64	64
Dallas	182	171	83	206	263	176	21	27	23	53	59	60
San Francisco	127	127	64	209	262	193	29	34	35	61	65	50
U. S. Total	128	136	74	206	264	175	24	29	30	53	53	52

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.