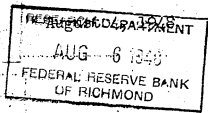


BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3

DEPARTMENT STORE CREDIT

JUNE 1948



Instalment accounts receivable of department stores rose 1 per cent in June and continued substantially above year-ago levels. Collections on instalment accounts were somewhat larger than in May but, when related to first-of-month accounts receivable, yielded a collection ratio of 24 per cent for June, the same as for the preceding month. The rate of collection has dropped off in the past year; nevertheless, instalment accounts are being liquidated currently in about 7 months, a comparatively short period of time.

Charge accounts outstanding at the end of June were unchanged at the May 31 level, but were approximately one-sixth larger than a year earlier. Collections were up slightly in June, amounting to 52 per cent of accounts outstanding on the first of the month. During the past three months charge accounts have been repaid, on the average, in about 58 days; in June, 1947, the average was around 56 days.

Credit sales of department stores, which customarily decline in June, were somewhat below the May volume while cash sales remained unchanged. Sales of all types were larger than a year earlier, the increases ranging from 43 per cent for instalment sales to 5 per cent for cash transactions.

Department Store Sales, Accounts Receivable and Collections

Item	Percentage change from:	
	May 1948 to June 1948	June 1947 to June 1948
Sales during month		
Cash	0	+ 5
Instalment	-5	+43
Charge account	-1	+16
Accounts receivable, end of month		
Instalment accounts	+1	+66
Charge accounts	0	+17
Collections during month		
Instalment accounts	+2	+44
Charge accounts	+1	+12

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

	June 1948	May 1948	June 1947
Instalment accounts	24	24	28
Charge accounts	52	52	54

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

G.17.3

-2-

DEPARTMENT STORES - JUNE 1948

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes: 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	June 1948p	May 1948	June 1947	June 1948p	May 1948	June 1947	June 1948p	May 1948	June 1947
Boston	229	219	197	179	159	134	210	202	169
New York	223	214	211	182	178	126	195	188	169
Philadelphia	211	218	199	167	181	113	213	220	180
Cleveland	213	215	206	200	211	142	215	215	190
Richmond	219	235	209	108	164	82	214	210	187
Atlanta	257	296	256	219	251	144	207	252	182
Chicago	239	230	231	164	172	121	219	212	185
St. Louis	220	228	194	209	220	135	203	211	165
Minneapolis	252	256	251	192	182	140	223	244	206
Kansas City	282	297	273	209	239	138	217	231	188
Dallas	239	298	265	257	259	135	215	269	194
San Francisco	231	226	228	173	166	120	214	209	185
U. S. Total	229	223	218	178	186	124	212	213	182

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 1948p	May 1948	June 1947	June 1948p	May 1948	June 1947	June 1948p	May 1948	June 1947	June 1948p	May 1948	June 1947
Boston	104	111	78	186	189	171	23	21	20	49	44	48
New York	117	115	82	178	174	159	24	24	24	49	48	47
Philadelphia	151	151	81	205	205	173	20	21	24	53	53	54
Cleveland	153	152	103	213	210	174	24	24	26	50	50	54
Richmond	107	103	75	173	172	166	21	22	23	37	37	44
Atlanta	186	183	92	183	194	151	18	19	25	37	39	40
Chicago	109	107	64	195	191	167	34	34	42	62	62	62
St. Louis	152	146	78	209	215	172	25	25	32	53	53	54
Minneapolis	145	145	88	189	198	166	27	27	33	57	57	61
Kansas City	184	183	79	183	186	151	22	23	34	56	56	58
Dallas	236	227	91	199	219	154	17	19	25	52	53	58
San Francisco	136	130	77	191	187	153	30	29	35	62	61	63
U. S. Total	136	134	82	193	193	165	24	24	28	52	52	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. Each figure may be obtained on request from the Division of Research and Statistics.