

G.17.3

December 3, 1948

## DEPARTMENT STORE CREDIT

OCTOBER 1948

Instalment accounts outstanding at department stores increased at a less rapid rate than is usual in October, but at the end of the month exceeded the year-ago level by 63 per cent. Collections on instalment accounts were slightly higher than in the preceding month, but the percentage of these collections to accounts outstanding on the first of the month was unchanged at 24 per cent. Instalment accounts continued to be liquidated in approximately seven months.

Charge accounts receivable showed about the usual rise in October, and at the month-end remained about one-seventh larger than on the corresponding date last year. The 17 per cent increase in collections on charge accounts resulted in a collection ratio of 54 per cent as compared with 53 per cent a month earlier. The average repayment period for accounts outstanding in October was 55 days; a year ago it was 53 days.

Both cash and charge-account sales showed about the customary seasonal increase from September to October. Instalment sales were down 5 per cent, although a rise is usually expected in this month. Cash sales, currently amounting to slightly more than half of total department store sales, increased 2 per cent over the year-period. Both types of credit sales, however, showed somewhat larger gains from a year earlier--14 per cent for instalment sales and 10 per cent for charge-account sales.

## Department Store Sales, Accounts Receivable and Collections

Item	Percentage change from:		
	Sept. 1948	Oct. 1947	
	to	to	
	Oct. 1948	Oct. 1948	
Sales during month			
Cash	+11		+ 2
Instalment	- 5		+14
Charge account	+ 9		+10
Accounts receivable, end of month			
Instalment accounts	+ 2		+63
Charge accounts	+10		+14
Collections during month			
Instalment accounts	+ 5		+33
Charge accounts	+17		+ 8
Ratio of collections during month to accounts receivable at beginning of month			
	Oct.	Sept.	Oct.
	1948	1948	1947
Instalment accounts	24	24	31
Charge accounts	54	53	57

Note.—Figures for October 1948 are preliminary and subject to revision.

## DEPARTMENT STORES - OCTOBER 1948

## Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Oct. 1948p	Sept. 1948	Oct. 1947	Oct. 1948p	Sept. 1948	Oct. 1947	Oct. 1948p	Sept. 1948	Oct. 1947
Boston	231	224	210	204	197	167	238	221	201
New York	241	211	235	217	209	193	225	195	202
Philadelphia	261	231	249	224	232	198	268	223	237
Cleveland	254	225	234	211	232	194	254	225	224
Richmond	246	223	241	173	172	140	256	241	223
Atlanta	323	284	318	224	293	183	302	279	263
Chicago	257	233	252	181	182	158	241	228	219
St. Louis	262	242	254	218	266	187	248	242	231
Minneapolis	306	276	302	239	227	201	301	250	266
Kansas City	334	297	345	232	245	224	267	238	238
Dallas	313	294	332	258	364	209	310	316	299
San Francisco	242	228	266	185	205	161	226	215	231
U. S. Total	255	230	250	204	215	179	249	228	226

## 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		
	Oct. 1948p	Sept. 1948	Oct. 1947	Oct. 1948p	Sept. 1948	Oct. 1947	Oct. 1948p	Sept. 1948	Oct. 1947	Oct. 1948p	Sept. 1948	Oct. 1947
Boston	113	115	87	195	172	176	21	20	23	48	51	49
New York	130	122	90	188	170	168	25	24	27	49	50	47
Philadelphia	164	158	95	231	196	194	21	22	30	53	50	56
Cleveland	189	186	117	218	198	186	21	21	27	53	51	55
Richmond	123	116	80	194	167	174	21	22	29	37	37	48
Atlanta	229	222	108	218	203	180	17	18	27	39	38	43
Chicago	115	114	75	207	193	183	40	40	45	63	61	65
St. Louis	173	170	87	237	218	200	23	23	36	55	52	61
Minneapolis	158	161	110	210	186	191	26	24	37	64	61	65
Kansas City	204	198	112	200	184	174	22	22	36	60	56	62
Dallas	269	275	110	218	204	192	17	18	29	58	57	61
San Francisco	156	152	95	193	187	173	28	28	38	66	63	69
U. S. Total	155	151	95	206	188	181	24	24	31	54	53	57

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.