

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

LIBRARY OF THE FEDERAL  
RESERVE BANK OF CLEVELAND

G.17.3

April 7, 1949

## DEPARTMENT STORE CREDIT

FEBRUARY 1949

Instalment accounts outstanding at department stores registered a small decline in February, when some decline is customary, but continued substantially above the year-ago level. Although collections on instalment accounts dropped 8 per cent during the month, they again amounted to 22 per cent of accounts outstanding on the first of the month. Instalment accounts continued to be liquidated in approximately eight months.

Charge accounts receivable declined somewhat more sharply than in the corresponding month last year, but the balances at the end of the month were slightly larger than a year earlier. Collections on charge accounts were down substantially in February, resulting in a collection ratio of 50 per cent as compared with 52 per cent a month ago. At the prevailing rate of repayment, charge accounts would be outstanding about 60 days.

Cash sales showed about the same rate of decrease in February as in the preceding year, but the decline in charge accounts was somewhat larger than in the same month last year. Instalment transactions were down slightly in February, contrary to the movement of this type of sale in recent years. Both cash and instalment sales showed small decreases from the year-ago volume. Charge-account sales were unchanged from the February 1948 level.

## Department Store Sales, Accounts Receivable and Collections

Item	Percentage change from:		
	Jan. 1949 to Feb. 1949	Feb. 1948 to Feb. 1949	
Sales during month			
Cash	-7	-5	
Instalment	-3	-6	
Charge account	-5	0	
Accounts receivable, end of month			
Instalment accounts	-4	+27	
Charge accounts	-15	+4	
Collections during month			
Instalment accounts	-8	+22	
Charge accounts	-25	+8	
Ratio of collections during month to accounts receivable at beginning of month	Feb. 1949	Jan. 1949	Feb. 1948
Instalment accounts	22	22	23
Charge accounts	50	52	49

Note: Figures for February 1949 are preliminary and subject to revision.

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DEPT. TMENT STORES - FEBRUARY 1949

DEFERRED CASH SALES  
Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes: 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Feb. 1949p	Jan. 1949	Feb. 1948	Feb. 1949p	Jan. 1949	Feb. 1948	Feb. 1949p	Jan. 1949	Feb. 1948
Boston	152	171	151	133	162	131	141	161	137
New York	152	171	165	135	143	134	133	152	136
Philadelphia	151	172	167	118	122	134	149	165	156
Cleveland	172	181	168	156	152	175	165	172	159
Richmond	158	158	161	111	108	105	176	152	172
Atlanta	233	237	240	161	152	174	199	191	199
Chicago	172	186	183	114	122	125	162	172	164
St. Louis	131	175	176	143	145	155	168	160	165
Minneapolis	197	214	205	159	171	172	169	207	172
Kansas City	222	206	228	152	133	181	187	173	180
Dallas	223	231	241	131	197	201	224	220	221
San Francisco	173	200	193	120	132	131	164	187	167
U. S. Total	168	182	177	133	138	141	162	171	162

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		
	Feb. 1949p	Jan. 1949	Feb. 1948	Feb. 1949p	Jan. 1949	Feb. 1948	Feb. 1949p	Jan. 1949	Feb. 1948	Feb. 1949p	Jan. 1949	Feb. 1948
Boston	136	156	122	172	202	170	17	19	18	45	45	42
New York	136	140	109	172	202	172	20	22	22	45	48	44
Philadelphia	167	177	158	203	245	186	13	19	20	47	53	49
Cleveland	187	189	140	194	224	192	22	20	22	49	52	48
Richmond	131	133	100	175	203	190	18	17	20	38	38	42
Atlanta	220	211	154	194	227	177	18	17	19	35	36	38
Chicago	115	124	100	131	212	175	36	38	32	58	60	57
St. Louis	174	186	115	220	250	203	22	21	27	48	51	48
Minneapolis	145	154	129	185	229	177	24	26	30	56	57	55
Kansas City	190	203	165	188	216	169	22	22	24	50	53	52
Dallas	243	230	161	198	224	185	21	19	18	57	57	56
San Francisco	157	166	126	194	235	183	24	27	27	58	59	55
U. S. Total	157	163	124	137	219	181	22	22	23	50	52	49

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.