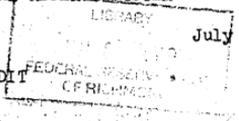


BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3



DEPARTMENT STORE CREDIT

MAY 1949

Instalment accounts outstanding at department stores on May 31 showed little change from the level prevailing at the close of the two preceding months, but continued substantially larger than a year earlier. Collections on instalment accounts were up slightly from April, and again amounted to 24 per cent of accounts receivable on the first of the month. The average repayment period for instalment accounts outstanding in May was approximately seven months, the same as in the corresponding month of 1948.

Charge accounts receivable at the end of May were unchanged from both month-ago and year-ago levels. Collections on charge accounts increased 5 per cent from April to May, but the ratio of collections during the month to balances outstanding on the first of the month continued at 53 per cent. At the current rate of liquidation charge accounts would be repaid on the average in 56 days, about one day less than in the same month last year.

Both cash and credit sales declined in May, and were somewhat below the volume of the corresponding month of 1948. Cash sales, which accounted for one-half of the total, were down 9 per cent from April to May and 7 per cent from a year ago. Smaller decreases were reported for instalment and charge-account sales during the month as well as over the year-period.

Department Store Sales, Accounts Receivable and Collections

Item	Percentage change from:	
	Apr. 1949 to May 1949	May 1948 to May 1949
Sales during month		
Cash	-9	-7
Instalment	-3	-1
Charge account	-5	-1
Accounts receivable, end of month		
Instalment accounts	0	+13
Charge accounts	0	0
Collections during month		
Instalment accounts	+1	+14
Charge accounts	+5	+2
Ratio of collections during month to accounts receivable at beginning of month		
	May <u>1949</u>	Apr. <u>1949</u> May <u>1948</u>
Instalment accounts	24	24 24
Charge accounts	53	53 52

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

DEPARTMENT STORES - MAY 1949

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	May 1949p	Apr. 1949	May 1948	May 1949p	Apr. 1949	May 1948	May 1949p	Apr. 1949	May 1948
Boston	214	246	219	179	204	159	205	226	202
New York	189	207	214	169	189	178	179	189	188
Philadelphia	207	224	218	178	200	181	222	229	220
Cleveland	204	231	215	199	208	211	215	231	215
Richmond	223	242	235	183	149	164	210	212	210
Atlanta	272	300	297	279	236	251	252	268	253
Chicago	214	234	227	159	171	165	210	217	213
St. Louis	217	229	228	223	236	216	209	214	212
Minneapolis	242	273	256	188	223	182	239	255	244
Kansas City	265	291	301	223	202	238	219	231	232
Dallas	263	289	299	292	238	259	258	268	269
San Francisco	202	225	225	147	145	165	202	219	209
U. S. Total	210	232	227	182	188	184	210	221	213

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month						Collector ratios*					
	Indexes; 1941 average = 100						Instalment			Charge accounts		
	May 1949p	Apr. 1949	May 1948	May 1949p	Apr. 1949	May 1948	May 1949p	Apr. 1949	May 1948	May 1949p	Apr. 1949	May 1948
Boston	120	121	111	190	198	189	22	19	21	44	47	44
New York	130	133	115	175	173	174	27	23	24	49	48	48
Philadelphia	164	165	151	221	217	205	20	20	21	50	52	53
Cleveland	183	182	152	201	200	210	22	22	24	53	53	50
Richmond	130	129	103	177	176	172	19	19	22	40	39	37
Atlanta	234	223	183	200	198	194	18	18	19	38	39	39
Chicago	111	110	107	184	182	191	41	40	34	65	64	62
St. Louis	169	167	146	227	224	215	23	26	25	51	52	53
Minneapolis	144	144	145	191	191	198	24	26	27	60	63	57
Kansas City	175	166	183	190	194	188	24	23	23	53	56	57
Dallas	232	228	222	199	199	196	21	21	19	58	59	60
San Francisco	150	150	130	185	185	187	25	27	29	65	64	61
U. S. Total	152	151	134	192	191	192	24	24	24	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.