

G.17.3

August 2, 1949

DEPARTMENT STORE CREDIT

JUNE-1949

Instalment accounts outstanding at department stores declined 1 per cent in June, although at the end of the month they were 11 per cent larger than a year earlier. Collections on instalment accounts were slightly less than in May; however, they continued to account for 24 per cent of the amount outstanding on the first of the month. At the current rate of collection, instalment accounts would be repaid on the average in 7 months, about the same as a year earlier.

Charge accounts receivable on June 30 also were down slightly from the end of May, and showed a 2 per cent decline from both month-ago and year-ago levels. Collections on charge accounts rose 1 per cent during June, when little change is customary, and the ratio of collections to accounts receivable on June 1 was 54 per cent, 1 point higher than in May. The average collection period for charge accounts outstanding in June was 56 days, 1 day less than in the corresponding month of 1948.

Cash sales decreased 2 per cent in June, and continued below the year-ago volume. This type of sale constituted 51 per cent of the total in June, 1 point more than in May. Instalment and charge-account sales showed somewhat larger rates of decline from a month ago than occurred a year earlier, and were down about 5 per cent from June 1948.

Department Store Sales, Accounts Receivable and Collections

Item	Percentage change from:		
	May 1949 to June 1949	June 1948 to June 1949	
Sales during month			
Cash	-2	-10	
Instalment	-8	-6	
Charge account	-4	-5	
Accounts receivable, end of month			
Instalment accounts	-1	+11	
Charge accounts	-2	-2	
Collections during month			
Instalment accounts	-1	+11	
Charge accounts	+1	+2	
Ratio of collections during month to accounts receivable at beginning of month			
	June <u>1949</u>	May <u>1949</u>	June <u>1948</u>
Instalment accounts	24	24	24
Charge accounts	54	53	52

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

DEPARTMENT STORES - JUNE 1949

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	June 1949p	May 1949	June 1948	June 1949p	May 1949	June 1948	June 1949p	May 1949	June 1948
Boston	212	214	227	164	179	179	208	205	208
New York	199	189	225	171	169	184	179	179	193
Philadelphia	198	207	211	163	178	167	209	222	213
Cleveland	194	204	213	173	199	200	206	215	215
Richmond	208	223	219	113	183	108	207	210	214
Atlanta	232	272	256	246	279	219	205	252	208
Chicago	206	211	239	152	158	168	206	210	218
St. Louis	195	217	219	214	223	217	180	209	200
Minneapolis	234	242	252	203	188	192	221	239	223
Kansas City	261	265	285	214	223	213	210	219	217
Dallas	225	263	244	273	292	257	204	258	215
San Francisco	206	202	230	152	149	173	203	202	214
U. S. Total	205	210	229	168	182	179	201	210	211

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 1949p	May 1949	June 1948	June 1949p	May 1949	June 1948	June 1949p	May 1949	June 1948	June 1949p	May 1949	June 1948
Boston	112	121	104	184	190	186	24	22	23	50	44	49
New York	129	130	117	177	175	178	29	27	24	51	49	49
Philadelphia	157	164	151	214	221	205	19	20	20	51	50	53
Cleveland	184	183	153	195	201	213	20	22	24	52	53	50
Richmond	130	130	107	175	177	173	18	19	21	40	40	37
Atlanta	232	230	186	186	200	183	16	17	18	36	38	37
Chicago	113	111	109	184	184	195	42	41	34	65	65	62
St. Louis	171	169	152	219	227	209	22	23	25	52	51	53
Minneapolis	144	144	146	185	191	189	24	24	27	60	60	57
Kansas City	169	175	183	189	190	183	22	24	22	54	53	56
Dallas	238	232	231	182	199	179	19	21	17	57	58	58
San Francisco	151	150	136	183	185	191	25	25	30	64	65	62
U. S. Total	151	151	136	188	192	192	24	24	24	54	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.