

G.17.3

September 7, 1949

DEPARTMENT STORE CREDIT

JULY 1949

Instalment accounts receivable at department stores declined slightly during July, a period of little seasonal change, but continued well above the amount outstanding a year earlier. Collections on instalment accounts amounted to 8 per cent less than in June. The collection ratio, based on first-of-month accounts receivable, was 22 per cent in July, two points below that in the preceding month and one point less than the ratio for the corresponding month of 1948. In July this year instalment accounts were being repaid, on the average, in about eight months.

Charge accounts receivable, which are customarily smaller at the end of July than a month earlier, declined 13 per cent. A more than comparable decrease was noted in collections during July and the collection ratio was down four points to 50 per cent.

Department store sales showed somewhat more than the usual seasonal decline in July with substantial decreases reported for each type of transaction. Cash sales were about one-fourth below those in June and remained well below year-ago levels. Charge-account sales, which account for a substantial proportion of the total, were 30 per cent smaller in July than a month earlier, while instalment sales were down 12 per cent. Both types of credit sale were about one-tenth below those in the corresponding period of 1948.

Department Store Sales, Accounts Receivable and Collections

Item	Percentage change from:	
	June 1949 to July 1949	July 1948 to July 1949
Sales during month		
Cash	-24	-16
Instalment	-12	-10
Charge account	-30	-11
Accounts receivable, end of month		
Instalment accounts	-1	+7
Charge accounts	-13	-2
Collections during month		
Instalment accounts	-8	+5
Charge accounts	-9	-5
Ratio of collections during month to accounts receivable at beginning of month		
	July 1949	June 1949
Instalment accounts	22	24
Charge accounts	50	54
		July 1948
Instalment accounts		23
Charge accounts		51

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

DEPARTMENT STORES - JULY 1949

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	July 1949 ^p	June 1949	July 1948	July 1949 ^p	June 1949	July 1948	July 1949 ^p	June 1949	July 1948
Boston	134	212	160	131	163	127	115	207	134
New York	130	199	160	129	171	146	103	179	125
Philadelphia	137	198	158	119	163	134	128	209	143
Cleveland	159	194	190	154	173	185	145	206	162
Richmond	167	208	173	128	113	112	145	207	149
Atlanta	207	232	240	259	246	264	168	205	184
Chicago	164	206	204	136	152	159	143	206	164
St. Louis	168	194	194	175	204	206	150	179	167
Minneapolis	194	234	209	175	203	187	146	221	162
Kansas City	219	262	254	205	213	216	163	210	181
Dallas	208	225	240	329	273	285	180	204	207
San Francisco	177	206	212	137	153	163	172	203	186
U. S. - Total	157	205	187	147	168	163	141	201	159

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		
	July 1949 ^p	June 1949	July 1948	July 1949 ^p	June 1949	July 1948	July 1949 ^p	June 1949	July 1948	July 1949 ^p	June 1949	July 1948
Boston	101	112	95	153	184	160	20	24	21	44	50	45
New York	125	129	115	150	177	158	25	29	22	43	51	45
Philadelphia	156	157	147	183	214	176	17	19	19	45	51	49
Cleveland	175	184	172	169	195	176	18	20	23	50	52	49
Richmond	130	130	107	157	175	153	18	18	20	36	40	35
Atlanta	236	232	193	170	186	167	15	16	18	35	36	33
Chicago	113	113	109	158	184	165	39	42	32	60	65	62
St. Louis	172	171	154	198	219	185	21	22	23	49	52	54
Minneapolis	143	144	145	157	185	158	18	24	22	56	60	57
Kansas City	172	169	185	168	183	163	22	22	22	52	54	57
Dallas	253	238	238	163	132	163	18	19	18	56	57	58
San Francisco	152	151	137	164	133	172	24	25	29	64	64	64
U. S. - Total	148	151	138	164	188	167	22	24	23	50	54	51

^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.