

G.17.3

July 7, 1950

DEPARTMENT STORE CREDIT

MAY 1950

Instalment accounts outstanding at department stores showed a moderate increase in May and at the month end were approximately two-fifths larger than on the corresponding date last year. Collections on instalment accounts increased 3 per cent in May and, when related to first-of-month accounts receivable, yielded a ratio of 18 per cent, 1 point more than for April. At the current rate of collection accounts would be repaid in about 10 months, nearly 2 months longer than in the corresponding period last year.

Charge-accounts receivable at the end of May were 2 per cent above the amount outstanding on both April 30 and the corresponding date of 1949. Collections on these accounts rose 6 per cent during the month but were only slightly above the volume of a year earlier. The ratio of these collections to balances outstanding at the beginning of May was 52 per cent compared with 50 per cent for April. At the current rate of repayment charge accounts would be repaid on the average in about 58 days, a slightly longer period than was required in the corresponding month of 1949.

Both cash and credit sales showed slight increases -- 2 per cent and 6 per cent, respectively. Cash sales continued somewhat below the year-ago level. Instalment sales were above those of a year earlier for the tenth consecutive month. Charge-account sales were up 4 per cent from May 1949, the first year-to-year increase to occur in sales of this type since December.

Department Store Sales, Accounts Receivable, and Collections

Item	Percentage change from:		
	Apr. 1950 to May 1950	May 1949 to May 1950	
Sales during month			
Cash	+ 2	- 2	
Instalment	+ 6	+20	
Charge account	+ 6	+ 4	
Accounts receivable, end of month			
Instalment accounts	+ 3	+42	
Charge accounts	+ 2	+ 2	
Collections during month			
Instalment accounts	+ 3	+18	
Charge accounts	+ 6	+ 1	
Ratio of collections during month to accounts receivable at beginning of month:			
	May <u>1950</u>	Apr. <u>1950</u>	May <u>1949</u>
Instalment accounts	18	17	22
Charge accounts	52	50	53

NOTE: Figures for May 1950 are preliminary and subject to revision.

DEPARTMENT STORES - MAY 1950

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	May 1950p	Apr. 1950	May 1949	May 1950p	Apr. 1950	May 1949	May 1950p	Apr. 1950	May 1949
Boston	200	210	214	219	254	179	201	198	205
New York	180	180	191	227	194	198	177	174	170
Philadelphia	204	199	207	197	204	178	228	212	221
Cleveland	196	192	204	251	250	199	223	207	215
Richmond	213	214	223	205	163	183	214	206	210
Atlanta	273	271	259	346	301	335	269	251	252
Chicago	215	205	212	201	198	158	212	197	210
St. Louis	204	195	217	267	258	223	218	204	209
Minneapolis	249	239	242	234	220	188	273	246	239
Kansas City	260	252	265	254	239	223	238	219	219
Dallas	270	265	268	483	448	310	279	255	254
San Francisco	200	197	202	169	153	149	215	205	204
U. S. Total	205	202	210	226	214	189	217	205	209

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month						Collection ratios*					
	Indexes; 1941 average = 100						Instalment			Charge-account		
	May 1950p	Apr. 1950	May 1949	May 1950p	Apr. 1950	May 1949	May 1950p	Apr. 1950	May 1949	May 1950p	Apr. 1950	May 1949
Boston	212	212	136	182	180	181	15	16	19	47	46	48
New York	175	158	130	159	175	175	18	16	20	42	43	45
Philadelphia	210	211	164	222	216	221	17	17	20	52	50	51
Cleveland	238	234	183	202	193	201	17	17	20	51	51	53
Richmond	165	165	130	183	179	177	17	17	20	44	42	44
Atlanta	369	359	230	232	205	200	14	14	18	47	42	45
Chicago	175	174	111	193	184	184	20	20	26	61	57	63
St. Louis	257	251	169	229	219	227	18	18	23	54	49	51
Minneapolis	191	192	144	199	192	191	19	20	23	56	55	56
Kansas City	246	239	175	211	202	190	19	20	25	54	53	55
Dallas	443	415	232	205	199	199	13	14	20	53	50	51
San Francisco	217	214	150	193	189	185	18	18	23	54	52	55
U. S. Total	217	212	153	195	190	191	18	17	22	52	50	53

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 a about 300 having instalment accounts. Back figures may be obtained on request from the Division of Research and Statistics.