

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3

December 7, 1950

DEPARTMENT STORE CREDIT - OCTOBER 1950

Instalment accounts receivable at department stores increased further in October but at a much slower rate than in the preceding three months. At the month-end this type of credit was approximately one and one-half times the amount outstanding on October 31 last year. Collections on instalment accounts were 5 per cent larger than in September but the ratio of collections to accounts receivable on the first of the month remained at 18 per cent. At this rate of repayment outstanding indebtedness would be liquidated in a somewhat shorter period than a year earlier.

Charge accounts outstanding on October 31 were 3 per cent larger than at the end of September and 13 per cent greater than on the corresponding date of 1949. Collections on charge accounts rose 10 per cent from September to October but the collection ratio, based on first-of-month accounts receivable, was unchanged at 51 per cent.

Total sales at department stores declined slightly in October when some increase is usual. Credit sales of both types were below the advanced levels of the third quarter. From September to October instalment sales declined 12 per cent and charge-account sales, 1 per cent. Both continued well above year-ago levels. The volume of cash sales showed little change from either the preceding month or the corresponding month of 1949.

Department Store Sales, Accounts Receivable, and Collections

Item	Percentage change from:		
	Sept. 1950 to Oct. 1950	Oct. 1949 to Oct. 1950	
Sales during month			
Cash	0	+ 1	
Instalment	-12	+ 9	
Charge account	- 1	+ 7	
Accounts receivable, end of month			
Instalment accounts	+ 2	+49	
Charge accounts	+ 3	+13	
Collections during month			
Instalment accounts	+ 5	+40	
Charge accounts	+10	+14	
Ratio of collections during month to accounts receivable at beginning of month:			
	Oct. 1950	Sept. 1950	Oct. 1949
Instalment accounts	13	18	20
Charge accounts	51	51	53

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

3.17.3

- 2 -

## DEPARTMENT STORES - OCTOBER 1950

## Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1949 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	Oct. 1950p	Sept. 1950	Oct. 1949	Oct. 1950p	Sept. 1950	Oct. 1949	Oct. 1950p	Sept. 1950	Oct. 1949
Boston	187	213	204	254	29	209	210	210	200
New York	209	210	205	270	31	273	194	173	130
Philadelphia	215	217	200	241	26	239	250	243	234
Cleveland	207	201	195	321	33	234	230	234	200
Richmond	210	210	200	190	22	179	242	247	227
Atlanta	202	202	271	205	104	354	270	205	202
Chicago	221	224	214	230	203	215	237	243	216
St. Louis	210	223	227	217	350	200	224	240	223
Minneapolis	273	202	279	535	50	343	310	264	299
Kansas City	273	290	240	290	35	204	250	204	244
Dallas	275	270	232	339	61	434	309	310	290
San Francisco	200	211	215	210	24	193	229	231	225
U. S. Total	210	217	215	270	300	240	230	230	220

## Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month						Collection ratios*					
	Indexes; 1949 average = 100						Installment			Charge-account		
	Oct. 1950p	Sept. 1950	Oct. 1949	Oct. 1950p	Sept. 1950	Oct. 1949	Oct. 1950p	Sept. 1950	Oct. 1949	Oct. 1950p	Sept. 1950	Oct. 1949
Boston	234	230	15	199	137	175	15	17	10	40	43	47
New York	190	191	13	161	170	100	17	16	16	40	49	45
Philadelphia	230	225	170	252	233	221	17	17	19	51	43	51
Cleveland	200	203	101	223	215	191	17	17	18	51	51	52
Richmond	107	104	140	199	109	177	18	18	20	43	42	45
Atlanta	440	429	277	223	221	200	14	14	15	43	43	44
Chicago	221	219	144	221	219	190	21	21	23	50	57	61
St. Louis	305	295	205	202	204	229	18	18	21	51	49	54
Minneapolis	250	243	104	220	211	204	21	19	24	57	53	59
Kansas City	342	340	200	237	239	204	19	17	23	54	53	50
Dallas	500	501	315	234	220	210	12	12	10	51	50	52
San Francisco	270	270	104	209	215	100	19	20	21	50	51	50
U. S. Total	261	250	175	210	210	191	10	10	20	51	51	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 about 300 having installment accounts. Back figures may be obtained on request from the Division of Research and Statistics.