

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3

October 5, 1951

## DEPARTMENT STORE CREDIT - AUGUST 1951

Instalment accounts receivable at department stores did not change during August, but at the month-end were 11 per cent below the level of a year ago. Collections on instalment accounts increased 3 per cent in August and resulted in a collection ratio of 19, one point above both July and the preceding August. The average repayment period for instalment indebtedness was about 9 months.

Charge accounts receivable on August 31 were 1 per cent above the level of the July month-end. The year-to-year gain was 3 per cent. Charge-account collections were down 7 per cent during August, but the rate of repayment was somewhat higher than in July, as shown by the increase in the collection ratio from 46 to 48. This reduced the average repayment period to about 63 days.

Instalment sales rose 39 per cent in August, while charge-account sales increased 21 per cent. Cash sales were up 17 per cent. Increases in all three types of sales have been usual in August. Despite these increases, sales were below the high levels of a year ago.

## Department Store Sales, Accounts Receivable, and Collections

Item	Percentage change from:		
	July 1951	August 1950	
	to August 1951	to August 1951	
Sales during month			
Cash	+17	- 2	
Instalment	+39	-21	
Charge accounts	+21	- 7	
Accounts receivable, end of month			
Instalment accounts	0	-11	
Charge accounts	+ 1	+ 3	
Collections during month			
Instalment	+ 3	+ 4	
Charge accounts	- 7	0	
Ratio of collections during month to accounts receivable at beginning of month:			
	August <u>1951</u>	July <u>1951</u>	August <u>1950</u>
Instalment accounts	19	18	18
Charge accounts	48	46	50

Figures for August 1951 are preliminary and subject to revision.

## DEPARTMENT STORES - AUGUST 1951

## Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes: 1941 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Aug. 1951p	July 1951	Aug. 1950	Aug. 1951p	July 1951	Aug. 1950	Aug. 1951p	July 1951	Aug. 1950
Boston	156	135	166	219	131	320	116	121	159
New York	160	138	166	221	165	265	138	121	118
Philadelphia	169	146	168	171	119	241	174	149	168
Cleveland	196	169	197	270	188	348	207	167	217
Richmond	182	167	175	176	122	203	180	153	201
Atlanta	250	215	253	323	256	357	232	185	241
Chicago	223	170	208	199	153	274	210	166	224
St. Louis	201	173	212	268	170	364	197	171	213
Minneapolis	249	229	252	431	231	395	239	166	273
Kansas City	280	216	284	301	206	335	223	185	240
Dallas	240	216	253	400	300	594	251	212	275
San Francisco	216	182	226	219	170	260	225	192	246
U. S. Total	191	163	196	230	165	292	195	160	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		
	Instalment		Charge-account				Aug. 1951p	July 1951	Aug. 1950	Aug. 1951p	July 1951	Aug. 1950
Boston	183	182	225	170	180	162	18	16	16	46	43	46
New York	177	180	175	158	165	182	17	15	16	42	41	44
Philadelphia	186	191	215	217	226	200	18	16	17	45	43	49
Cleveland	251	253	265	202	200	198	18	17	17	49	48	51
Richmond	162	161	176	179	205	171	16	16	18	40	37	44
Atlanta	317	339	411	208	203	200	17	15	14	39	39	42
Chicago	173	177	204	200	199	196	22	21	21	53	53	59
St. Louis	235	231	287	226	228	227	20	18	19	48	47	49
Minneapolis	183	180	222	187	180	196	22	21	20	55	51	55
Kansas City	293	295	308	212	211	224	20	18	17	52	49	55
Dallas	406	406	548	206	203	203	17	16	12	48	47	51
San Francisco	231	229	253	214	201	216	21	20	19	52	49	52
U. S. Total	215	215	241	197	195	191	19	18	18	48	46	50

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.