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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17.3

December 5, 1952

DEPARTMENT STORE CREDIT - OCTOBER 1952

Instalment accounts outstanding at department stores continued to increase during October. The gain, largely seasonal in nature, brought outstanding balances at the month-end to a level 5 per cent above September 30 and 17 per cent above the level of October 31 a year ago. Collections on instalment accounts increased 5 per cent in October, but the ratio of collections during the month to first-of-month accounts receivable remained unchanged from the preceding month at 18 per cent. This, however, was 3 points below the collection ratio of a year ago.

Charge accounts outstanding also increased in October, a month during which an expansion usually occurs. At the end of the month, outstanding balances were 9 per cent above a month ago and 5 per cent above October a year ago. Collections on charge accounts increased 15 per cent in October, and amounted to 50 per cent of balances outstanding at the first of the month. This was 3 points above the collection ratio for September, but the same as for October of last year.

Instalment sales at department stores in October were up 20 per cent from the preceding month, while charge-account and cash sales gained 15 per cent. Increases over a year-ago were also shown by each type of transaction--8 per cent for instalment sales, 3 per cent for charge-account sales, and 1 per cent for cash sales.

Department Store Sales, Accounts Receivable, and Collections

Item	Percentage change from:	
	Sept. 1952	Oct. 1951
	to Oct. 1952	to Oct. 1952
Sales during month		
Cash	+15	+ 1
Instalment	+20	+ 8
Charge accounts	+15	+ 3
Accounts receivable, end of month		
Instalment accounts	+ 5	+17
Charge accounts	+ 9	+ 5
Collections during month		
Instalment accounts	+ 5	- 3
Charge accounts	+15	+ 3

Ratio of collections during month to accounts receivable at beginning of month:

	<u>Oct.</u> <u>1952</u>	<u>Sept.</u> <u>1952</u>	<u>Oct.</u> <u>1951</u>
Instalment accounts	18	18	21
Charge accounts	50	47	50

NOTE:--Figures for October 1952 are preliminary and subject to revision.

DEPARTMENT STORES - OCTOBER 1952

Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes: 1947-1949 average = 100								
	Cash sales			Instalment sales			Charge-account sales		
	Oct. 1952p	Sept. 1952	Oct. 1951	Oct. 1952p	Sept. 1952	Oct. 1951	Oct. 1952p	Sept. 1952	Oct. 1951
Boston	89	85	96	143	123	166	97	87	111
New York	100	84	102	185	143	169	118	102	117
Philadelphia	104	92	102	150	131	141	132	111	129
Cleveland	105	89	103	169	140	168	128	109	123
Richmond	112	97	109	190	139	159	133	117	127
Atlanta	111	101	r101	191	175	r157	127	112	r116
Chicago	103	90	101	176	155	158	125	111	121
St. Louis	107	90	101	157	144	150	125	107	118
Minneapolis	115	96	108	373	238	326	148	112	138
Kansas City	102	94	103	186	161	176	128	117	126
Dallas	113	89	100	205	157	161	140	121	125
San Francisco	91	85	89	184	175	164	110	101	110
U. S. Total	102	89	101	178	149	164	124	108	121

Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding, end of month Indexes: 1947-1949 average = 100						Collection ratios*					
	Instalment			Charge-account			Instalment			Charge-account		
	Oct. 1952p	Sept. 1952	Oct. 1951	Oct. 1952p	Sept. 1952	Oct. 1951	Oct. 1952p	Sept. 1952	Oct. 1951	Oct. 1952p	Sept. 1952	Oct. 1951
Boston	192	190	168	117	101	114	15	16	18	47	47	46
New York	186	168	163	112	101	110	18	18	18	45	47	45
Philadelphia	157	151	143	143	127	133	17	17	20	45	42	48
Cleveland	181	174	165	119	110	117	17	16	19	50	46	51
Richmond	190	177	156	149	136	132	15	15	19	43	40	42
Atlanta	231	220	r196	138	130	r126	15	15	17	38	37	r39
Chicago	198	186	179	127	120	124	21	20	24	57	53	57
St. Louis	200	194	175	137	124	132	19	19	23	51	47	50
Minneapolis	175	156	159	127	109	123	20	20	25	61	55	57
Kansas City	235	228	204	135	130	135	17	16	21	51	48	53
Dallas	263	248	203	143	127	129	13	13	18	47	46	50
San Francisco	262	250	189	128	126	116	18	19	22	52	49	54
U. S. Total	201	190	172	128	118	122	18	18	21	50	47	50

p--Preliminary. r--Revised

*--Collections during month as percentage of accounts receivable at beginning of month.

NOTE:--These data are based on reports of about 550 large department stores reporting sales by type of transaction, about 475 having charge accounts and about 375 having instalment accounts. Back figures may be obtained on request from the Division of Research and Statistics.