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July 6, 1953

DEPARTMENT STORE CREDIT - MAY 1953

Instalment accounts outstanding at department stores showed practically no change during May, but at the end of the month were .25 per cent above the corresponding date a year earlier. Collections on these accounts during the month amounted to 15 per cent of balances outstanding at the beginning of the month, the same as in April but 3 points below May a year ago.

Charge accounts outstanding at the end of May were 2 per cent above both the preceding month and a year ago. The charge-account collection ratio of 46 per cent for May was unchanged from April but was 2 points below the year-ago ratio.

All types of sales increased from April to May -- cash sales by 3 per cent, charge-account sales by 6 per cent, and instalment sales by 5 per cent. Credit sales were also up slightly from a year ago, but cash sales showed no change. As indicated by the percentage distribution, the relative importance of cash, charge, and instalment sales was unchanged from both a month ago and a year ago.

Changes in Department Store Sales and Accounts Receivable

| Item | Percentage change from: | |
|---|-----------------------------|----------------------------|
| | Apr. 1953 to May 1953 | May 1952 to May 1953 |
| Sales during month: Total | + 4 | + 1 |
| Cash | + 3 | 0 |
| Charge | + 6 | + 3 |
| Instalment | + 5 | + 1 |
| Accounts receivable, end of month: Charge | + 2 | + 2 |
| Instalment | 0 | +25 |

Collection Ratios and Percentage Distribution of Sales

| Item | May 1953 | Apr. 1953 | May 1952 |
|---|-------------|--------------|-------------|
| Collection ratios ¹ / ₁ : Charge accounts | 46 | 46 | 48 |
| Instalment accounts | 15 | 15 | 18 |
| Percentage distribution of sales: Cash | 47 | 47 | 47 |
| Charge | 43 | 43 | 43 |
| Instalment | 10 | 10 | 10 |

¹/₁ Collections during month as a percentage of accounts receivable at beginning of month.

NOTE:-- Figures for May 1953 are preliminary.

DEPARTMENT STORE CREDIT - MAY 1953*

Sales by type
(Percentage changes)

| Federal Reserve District | Total sales | | Cash sales | | Charge-account sales | | Instalment sales | |
|--------------------------|---------------------|--------------------|---------------------|--------------------|----------------------|--------------------|---------------------|--------------------|
| | Apr. '53 to May '53 | May '52 to May '53 | Apr. '53 to May '53 | May '52 to May '53 | Apr. '53 to May '53 | May '52 to May '53 | Apr. '53 to May '53 | May '52 to May '53 |
| | Boston | + 1 | 0 | - 1 | - 2 | + 6 | + 2 | -10 |
| New York | +22 | + 3 | +19 | - 1 | +34 | +11 | + 7 | + 6 |
| Philadelphia | + 6 | + 2 | + 5 | + 1 | + 9 | + 4 | - 3 | - 1 |
| Cleveland | + 4 | + 6 | + 3 | +11 | + 7 | + 5 | - 5 | - 2 |
| Richmond | +11 | + 1 | + 9 | 0 | +11 | + 3 | +18 | - 1 |
| Atlanta | +16 | + 3 | +13 | + 3 | +20 | + 5 | +16 | - 4 |
| Chicago | + 4 | + 2 | + 3 | + 1 | + 5 | + 2 | + 7 | + 7 |
| St. Louis | + 4 | + 1 | + 1 | - 2 | + 8 | + 4 | 0 | + 2 |
| Minneapolis | + 9 | + 3 | + 4 | - 2 | +14 | + 6 | + 4 | +10 |
| Kansas City | + 2 | - 2 | 0 | - 3 | + 5 | - 2 | + 3 | + 2 |
| Dallas | + 4 | + 3 | 0 | - 3 | + 5 | 0 | +12 | -12 |
| San Francisco | + 2 | - 5 | + 5 | - 6 | - 2 | - 5 | + 3 | - 1 |
| U. S. Total | + 4 | + 1 | + 3 | 0 | + 6 | + 3 | + 5 | + 1 |
| Number of stores | 568 | 568 | 568 | 568 | 531 | 531 | 494 | 494 |

Accounts Receivable and Collection Ratios

| Federal Reserve District | Accounts receivable, end of month (Percentage changes) | | | | Collection ratios 1/ | | | | | |
|--------------------------|---|--------------------|---------------------|--------------------|----------------------|-----------|----------|------------|-----------|----------|
| | Charge accounts | | Instalment | | Charge accounts | | | Instalment | | |
| | Apr. '53 to May '53 | May '52 to May '53 | Apr. '53 to May '53 | May '52 to May '53 | May 1953 | Apr. 1953 | May 1952 | May 1953 | Apr. 1953 | May 1952 |
| Boston | + 2 | + 1 | - 2 | +22 | 45 | 43 | 45 | 14 | 15 | 16 |
| New York | 0 | + 3 | 0 | +16 | 42 | 45 | 42 | 15 | 15 | 16 |
| Philadelphia | + 4 | +10 | 0 | +23 | 41 | 43 | 46 | 14 | 16 | 18 |
| Cleveland | + 3 | + 3 | - 1 | +15 | 47 | 49 | 48 | 15 | 15 | 17 |
| Richmond | + 4 | + 7 | 0 | +23 | 41 | 42 | 41 | 13 | 14 | 16 |
| Atlanta | + 5 | + 6 | - 3 | +20 | 39 | 36 | 38 | 14 | 14 | 16 |
| Chicago | + 2 | + 3 | + 1 | +25 | 53 | 53 | 54 | 18 | 18 | 23 |
| St. Louis | + 4 | + 1 | 0 | +21 | 48 | 47 | 48 | 18 | 18 | 21 |
| Minneapolis | + 5 | + 7 | - 4 | +17 | 53 | 53 | 55 | 17 | 19 | 21 |
| Kansas City | + 4 | + 4 | 0 | +33 | 48 | 48 | 50 | 15 | 16 | 19 |
| Dallas | + 1 | + 2 | + 2 | +50 | 47 | 48 | 48 | 12 | 12 | 17 |
| San Francisco | - 1 | 0 | + 1 | +41 | 47 | 48 | 49 | 16 | 16 | 19 |
| U. S. Total | + 2 | + 2 | 0 | +25 | 46 | 46 | 48 | 15 | 15 | 18 |
| Number of stores | 487 | 487 | 395 | 395 | 487 | 483 | 477 | 395 | 389 | 376 |

*--May 1953 figures are preliminary and subject to revision.

1/ Collections during month as a percentage of accounts receivable at beginning of month.