

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

August 6, 1953

## DEPARTMENT STORE CREDIT - JUNE 1953

Instalment accounts outstanding at department stores at the end of June were practically unchanged from the level of the preceding month, but were 23 per cent above a year ago. Collections on instalment accounts during June amounted to 15 per cent of first-of-month balances outstanding, the same as in May but 3 points below the collection ratio of June last year.

Charge accounts outstanding declined 1 per cent during June, a month in which some decrease is usual, but balances at the month-end were 3 per cent above the corresponding date last year. The June collection ratio of 47 per cent was 1 point above both a month ago and a year ago.

Sales of all types decreased from May to June -- cash sales by 2 per cent, charge-account sales by 5 per cent, and instalment sales by 4 per cent. Compared with a year ago, each type of sale was up 5 per cent. Consequently, the relative importance of cash, charge, and instalment sales was practically unchanged from both a month ago and a year ago.

## Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	May 1953 to June 1953	June 1952 to June 1953
Sales during month: Total	- 4	+ 5
Cash	- 2	+ 5
Charge	- 5	+ 5
Instalment	- 4	+ 5
Accounts receivable, end of month: Charge	- 1	+ 3
Instalment	0	+23

## Collection Ratios and Percentage Distribution of Sales

Item	June 1953	May 1953	June 1952
Collection ratios <u>1/</u> : Charge accounts	47	46	46
Instalment accounts	15	15	18
Percentage distribution of sales: Cash	47	47	47
Charge	43	43	43
Instalment	10	10	10

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

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 DEPARTMENT STORE CREDIT - JUNE 1953  
 Sales by type  
 (Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	May '53 to June '53	June '52 to June '53	May '53 to June '53	June '52 to June '53	May '53 to June '53	June '52 to June '53	May '53 to June '53	June '52 to June '53
	Boston	+1	+2	+3	+5	-1	+2	-5
New York	-19	+5	-18	+3	-24	+6	-10	+8
Philadelphia	-6	+5	-3	+6	-8	+4	-9	+4
Cleveland	+2	+8	+3	+8	+1	+8	+2	+6
Richmond	-11	-2	-8	0	-15	-3	-9	-5
Atlanta	-19	-2	-18	-1	-26	0	-1	-6
Chicago	-1	+9	-1	+10	-1	+7	-4	+8
St. Louis	-5	+7	-1	+7	-11	+9	+6	-2
Minneapolis	+9	+7	+4	-3	-10	+11	-27	+1
Kansas City	+1	-1	+2	-1	-3	-5	+7	+9
Dallas	-12	+2	-8	+4	-17	+3	+3	-7
San Francisco	0	+7	-3	+6	+1	+8	+5	-11
U. S. Total	-4	+5	-2	+5	-5	+5	-4	+5
Number of stores	568	568	568	568	532	532	493	493

## Accounts Receivable and Collection Ratios

Federal Reserve District	Accounts receivable, end of month (Percentage changes)				Collection ratios <sup>1/</sup>					
	Charge accounts		Instalment		Charge accounts			Instalment		
	May '53 to June '53	June '52 to June '53	May '53 to June '53	June '52 to June '53	June 1953	May 1953	June 1952	June 1953	May 1953	June 1952
Boston	-1	+2	-2	+16	48	45	46	15	14	15
New York	+2	+6	-1	+14	45	42	45	15	15	17
Philadelphia	0	+10	-2	+22	41	41	43	15	14	16
Cleveland	0	+3	-1	+14	49	47	44	16	15	16
Richmond	4	+2	-2	+20	41	41	38	13	13	14
Atlanta	-8	+1	+5	+23	35	39	35	14	14	15
Chicago	+1	+3	0	+21	55	53	52	18	18	22
St. Louis	+1	+5	+1	+20	49	48	47	18	18	20
Minneapolis	-3	+9	-4	+15	51	53	53	17	17	23
Kansas City	-1	+3	0	+32	48	48	48	15	15	18
Dallas	-6	+2	+3	+13	46	47	45	11	12	15
San Francisco	-1	+3	-1	+38	50	47	48	16	16	18
U. S. Total	-1	+3	0	+23	47	46	46	15	15	18
Number of stores	477	477	391	391	477	490	486	391	396	399