

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

September 4, 1953

DEPARTMENT STORE CREDIT - JULY 1953

Instalment accounts outstanding at department stores decreased 2 per cent during July, but continued well above a year ago. Collections on these accounts during the month amounted to 15 per cent of balances outstanding at the beginning of the month, approximately the same ratio as in June.

Charge accounts outstanding were further reduced during July, as is usual for this time of year. Balances at the month-end were 7 per cent below the June level, but were 7 per cent above the level of July last year. The collection ratio on charge accounts, 46 per cent, was down 1 point from the preceding month.

Sales of all types were lower in July than in the preceding month--cash sales by 16 per cent, charge-account sales by 19 per cent, and instalment sales by 11 per cent. Each type of sale, however, was moderately above a year ago.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	June 1953	July 1952
	to July 1953	to July 1953
Sales during month: Total	-16	+ 4
Cash	-16	+ 4
Charge	-19	+ 5
Instalment	-11	+ 4
Accounts receivable, end of month: Charge	- 7	+ 7
Instalment	- 2	+21

Collection Ratios and Percentage Distribution of Sales

Item	July 1953	June 1953	July 1952
Collection ratios <u>1</u> /: Charge accounts	46	47	46
Instalment accounts	15	15	17
Percentage distribution of sales: Cash	47	47	48
Charge	42	43	41
Instalment	11	10	11

DEPARTMENT STORE CREDIT - JULY 1953

Sales by type
(Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	June '53 to July '53	July '52 to July '53	June '53 to July '53	July '52 to July '53	June '53 to July '53	July '52 to July '53	June '53 to July '53	July '52 to July '53
	July '53	July '53	July '53	July '53	July '53	July '53	July '53	July '53
Boston	-35	+4	-33	+7	-39	+4	-31	-5
New York	-27	+5	-25	+5	-33	+3	-18	+11
Philadelphia	-23	+9	-20	+8	-28	+9	-8	+7
Cleveland	-20	+7	-14	+7	-26	+8	-12	+4
Richmond	-20	+2	-19	+2	-25	+2	-10	+1
Atlanta	-7	+6	-5	+5	-8	+11	-11	-1
Chicago	-18	+8	-16	+8	-23	+7	-14	+12
St. Louis	-19	+1	-17	-1	-20	+4	-28	-7
Minneapolis	-17	+5	-15	-1	-23	+8	+10	+16
Kansas City	-18	-1	-12	+2	-23	+1	-22	-16
Dallas	-7	+1	-8	+1	-7	+4	-2	-9
San Francisco	-6	+2	-6	0	-6	+4	-8	+2
U. S. Total	-16	+4	-16	+4	-19	+5	-11	+4
Number of stores	568	568	568	568	530	530	493	493

Accounts Receivable and Collection Ratios

Federal Reserve District	Accounts receivable, end of month (Percentage changes)				Collection ratios 1/					
	Charge accounts		Instalment		Charge accounts		Instalment			
	June '53 to July '53	July '52 to July '53	June '53 to July '53	July '52 to July '53	July 1953	June 1953	July 1952	July 1953	June 1953	July 1952
Boston	+3	+24	-4	+15	44	48	44	14	15	16
New York	+3	-25	-3	+14	42	45	40	14	15	16
Philadelphia	-11	+11	-2	+23	40	41	41	14	15	16
Cleveland	-11	+1	-4	+12	49	49	44	15	16	15
Richmond	-11	+3	-2	+16	41	41	39	13	13	14
Atlanta	-4	+4	-4	+16	36	35	35	13	14	14
Chicago	-11	+5	-2	+20	53	55	53	17	18	20
St. Louis	-12	+3	-1	+18	49	49	47	18	18	19
Minneapolis	-15	+9	-2	+17	53	51	55	17	17	19
Kansas City	-9	0	-1	+26	49	48	47	14	15	18
Dallas	-6	+3	+1	+38	48	46	46	11	11	14
San Francisco	-5	+4	-1	+35	48	50	49	15	16	19
U. S. Total	-7	+7	-2	+21	46	47	46	15	15	17
Number of stores	477	477	391	391	477	477	483	391	391	392

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