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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

March 12, 1954

DEPARTMENT STORE CREDIT - JANUARY 1954

Instalment accounts outstanding at department stores decreased somewhat during January, as is usual for this time of year. Balances at the end of the month were 3 per cent less than at the end of December, but were 11 per cent above the level of January a year ago. Collections amounted to 13 per cent of balances outstanding at the beginning of January, 1 point below the December collection ratio and the same as a year ago.

A decline in charge accounts during the month, largely seasonal in nature, brought month-end balances to a level 18 per cent below the preceding month end. Compared with a year ago, however, charge accounts were up 8 per cent. The January collection ratio, estimated at 45 per cent, was 1 point below December.

Sales of all types decreased sharply from December to January -- cash and charge-account sales by 58 per cent and instalment sales by 49 per cent. All types of sales were slightly below a year earlier.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	Dec. 1953	Jan. 1953
	to Jan. 1954	to Jan. 1954
Sales during month: Total	-57	- 5
Cash	-58	- 6
Charge	-58	- 3
Instalment	-49	- 5
Accounts receivable, end of month: Charge	-18	+ 8
Instalment	- 3	+11

Collection Ratios and Percentage Distribution of Sales

Item	Jan. 1954	Dec. 1953	Jan. 1953
Collection ratios ^{1/} : Charge accounts	45	46	47
Instalment accounts	13	14	13
Percentage distribution of sales: Cash	47	48	47
Charge	42	43	42
Instalment	11	9	11

^{1/} Collections during month as a percentage of accounts receivable at beginning of month. Instalment collection ratios for 1953 have been revised and are not comparable with data previously published.

DEPARTMENT STORE CREDIT - JANUARY 1953

Sales by type
(Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	Dec. '53 to Jan. '54	Jan. '53 to Jan. '54	Dec. '53 to Jan. '54	Jan. '53 to Jan. '54	Dec. '53 to Jan. '54	Jan. '53 to Jan. '54	Dec. '53 to Jan. '54	Jan. '53 to Jan. '54
	Boston	-51	-4	-59	-5	-56	0	-12
New York	-57	-1	-57	-2	-59	-1	-55	+2
Philadelphia	-59	-3	-62	-5	-59	0	-50	-6
Cleveland	-59	-9	-60	-8	-59	-8	-52	-16
Richmond	-64	-8	-67	-10	-64	-5	-51	-9
Atlanta	-67	-7	-70	-12	-71	-4	-58	+1
Chicago	-56	-4	-58	-7	-57	+1	-44	-2
St. Louis	-55	0	-56	-4	-57	+3	-40	+1
Minneapolis	-57	0	-60	-3	-58	+1	-33	+13
Kansas City	-58	-5	-60	-6	-58	-2	-36	-18
Dallas	-57	-9	-60	-9	-58	-6	-37	-18
San Francisco	-58	-8	-59	-8	-59	-8	-45	-3
U. S. Total	-57	-5	-58	-6	-58	-3	-49	-5
Number of stores	647	647	647	647	562	562	467	467

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	Dec. '53 to Jan. '54	Jan. '53 to Jan. '54	Dec. '53 to Jan. '54	Jan. '53 to Jan. '54
	Boston	-17	0	+4
New York	-15	+9	-3	+9
Philadelphia	-20	+7	-5	+13
Cleveland	-22	+2	-4	+4
Richmond	-20	+4	-3	+3
Atlanta	-10	+6	-13	+9
Chicago	-25	+2	-6	+10
St. Louis	-14	+4	+11	+18
Minneapolis	-26	+5	0	+16
Kansas City	-20	0	-3	-1
Dallas	-22	0	-3	+13
San Francisco	-16	+1	-1	+16
U. S. Total	-18	+8	-3	+11
Number of stores	452	452	343	343