

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

August 4, 1954

DEPARTMENT STORE CREDIT - JUNE 1954

Instalment accounts outstanding at department stores at the end of June were practically unchanged from the preceding month-end, and continued 6 per cent above the level of a year ago. The ratio of collections to instalment accounts outstanding at the beginning of the month was unchanged from the May ratio of 14 per cent.

Charge accounts receivable were down slightly in June, when some decline is usual, but continued larger than a year earlier. A slight increase in collections on charge accounts during the month resulted in a collection ratio of 47 per cent as compared with 46 per cent a month earlier.

Department store sales increased slightly in June, reflecting gains in credit sales. Cash sales, amounting to nearly half of total sales, declined fractionally. Compared with a year ago, cash sales were down 3 per cent, but charge-account and instalment sales were up, 1 per cent and 3 per cent, respectively.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	May 1954 to June 1954	June 1953 to June 1954
Sales during month: Total	+ 1	0
Cash	0	- 3
Charge	+ 2	+ 1
Instalment	+ 4	+ 3
Accounts receivable, end of month: Charge	- 1	+ 5
Instalment	0	+ 6

Collection Ratios and Percentage Distribution of Sales

Item	June 1954	May 1954	June 1953
Collection ratios ^{1/} : Charge accounts	47	46	47
Instalment accounts	14	14	14
Percentage distribution of sales: Cash	46	47	47
Charge	44	43	43
Instalment	10	10	10

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

DEPARTMENT STORE CREDIT - JUNE 1954

Sale by type
(Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	May '54 to June '54	June '53 to June '54	May '54 to June '54	June '53 to June '54	May '54 to June '54	June '53 to June '54	May '54 to June '54	June '53 to June '54
	Boston	+ 7	+ 3	+ 7	0	+ 8	+ 7	+ 5
New York	+ 7	+ 4	+ 4	+ 3	+ 9	+ 4	+10	+12
Philadelphia	+ 5	+ 2	+ 4	- 1	+ 6	+ 3	+ 3	+10
Cleveland	+ 7	-10	+ 4	-11	+10	- 9	+ 3	-13
Richmond	- 2	+ 1	- 2	- 2	- 2	+ 4	- 5	+ 2
Atlanta	- 6	+ 2	- 7	- 1	-11	+ 1	+ 8	+11
Chicago	+ 1	0	- 1	- 3	+ 3	+ 5	+ 3	0
St. Louis	+ 3	0	+ 2	- 5	+ 3	+ 4	+17	+ 6
Minneapolis	- 9	+ 1	- 3	- 2	-11	0	-19	+24
Kansas City	0	0	- 1	- 2	- 2	+ 1	+15	+ 9
Dallas	-13	- 4	- 9	- 8	-15	0	+ 9	- 9
San Francisco	+ 2	- 1	+ 4	- 4	0	+ 1	+ 4	+ 3
U. S. Total	+ 1	0	0	- 3	+ 2	+ 1	+ 4	+ 3

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	May '54 to June '54	June '53 to June '54	May '54 to June '54	June '53 to June '54
	Boston	+ 1	+ 4	- 3
New York	+ 2	+ 7	+ 1	+ 8
Philadelphia	0	0	- 2	+ 9
Cleveland	0	0	- 2	- 6
Richmond	- 2	+ 1	- 1	- 1
Atlanta	- 4	+ 5	0	+ 3
Chicago	+ 1	+ 1	0	+ 8
St. Louis	0	+ 2	+ 3	+ 5
Minneapolis	- 2	+ 7	0	+22
Kansas City	- 1	- 2	+ 1	+ 4
Dallas	- 6	- 1	0	- 1
San Francisco	0	+ 4	0	+15
U. S. Total	- 1	+ 5	0	+ 6