

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

September 3, 1954

DEPARTMENT STORE CREDIT - JULY 1954

Instalment accounts outstanding at department stores decreased 3 per cent during July, but at the month end were 5 per cent above a year earlier. The collection ratio on instalment accounts of 14 per cent was unchanged from a month ago and was 1 point above a year ago.

A decline in charge accounts, largely seasonal in nature, reduced outstanding balances 10 per cent from June to July. Compared with a year ago, however, balances were up 2 per cent. The ratio of collections to first-of-month balances was 45 per cent in July, 2 points below a month ago and 1 point below a year ago.

Sales of all types decreased from June to July -- cash sales by 17 per cent, charge-account sales by 20 per cent, and instalment sales by 10 per cent. Compared with a year ago, cash sales were down 4 per cent, charge-account sales were unchanged, and instalment sales were up 4 per cent.

Changes in Department Store Sales and Accounts Receivable

Item:	Percentage change from:	
	June 1954 to July 1954	July 1953 to July 1954
Sales during month: Total	- 18	- 1
Cash	- 17	- 4
Charge	- 20	0
Instalment	- 10	+ 4
Accounts receivable, end of month: Charge	- 10	+ 2
Instalment	- 3	+ 5

Collection Ratios and Percentage Distribution of Sales

Item	July 1954	June 1954	July 1953
Collection ratios ^{1/} : Charge accounts	45	47	46
Instalment accounts	14	14	13
Percentage distribution of sales: Cash	47	46	47
Charge	42	44	42
Instalment	11	10	11

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

beginning of month

DEPARTMENT STORE CREDIT - JULY 1954

Sales by type
(Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	June '54	July '53	June '54	July '53	June '54	July '53	June '54	July '53
	to	to	to	to	to	to	to	to
	July '54	July '54	July '54	July '54	July '54	July '54	July '54	July '54
Boston	-32	+ 1	-28	- 1	-34	+ 6	-37	- 8
New York	-29	- 2	-27	- 4	-35	+ 1	-22	+ 3
Philadelphia	-30	- 8	-26	- 9	-36	-10	-15	+ 2
Cleveland	-19	- 9	-13	-10	-25	- 9	- 7	- 7
Richmond	-13	+ 2	-13	+ 2	-26	+ 2	- 7	0
Atlanta	-10	+ 1	- 7	- 1	-13	- 1	-13	+ 8
Chicago	-19	- 2	-17	- 5	-25	+ 3	-10	- 1
St. Louis	-19	+ 4	-17	- 3	-25	+ 7	+ 4	+20
Minneapolis	-14	+ 2	-12	0	-19	+ 1	- 1	+12
Kansas City	-12	+ 6	-10	- 1	-18	+ 7	+10	+15
Dallas	- 1	+ 2	- 3	- 3	- 5	+ 3	+10	+11
San Francisco	- 5	+ 3	- 6	- 1	- 6	+ 5	+ 4	+11
U. S. Total	-18	- 1	-17	- 4	-20	0	-10	+ 4

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	June '54	July '53	June '54	July '53
	to	to	to	to
	July '54	July '54	July '54	July '54
Boston	-13	+ 6	- 5	+ 1
New York	-10	+ 7	- 3	+ 7
Philadelphia	-12	0	- 3	+ 9
Cleveland	- 9	+ 1	- 4	- 5
Richmond	- 8	+ 5	- 6	- 4
Atlanta	- 7	+ 3	+ 1	+ 6
Chicago	-13	- 1	- 3	+ 6
St. Louis	-12	+ 3	0	+11
Minneapolis	-14	+ 8	- 2	+21
Kansas City	-10	- 1	+ 2	+ 8
Dallas	- 8	- 1	+ 2	0
San Francisco	- 5	+ 3	- 4	+13
U. S. Total	-10	+ 2	- 3	+ 5