

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

December 8, 1955

DEPARTMENT STORE CREDIT - OCTOBER 1955

Instalment accounts outstanding at department stores continued to increase during October, when some rise is customary. Balances outstanding at the end of the month were 3 per cent above September and 18 per cent above a year ago. Instalment collections amounted to an estimated 15 per cent of first-of-month receivables, the same as a month earlier and 1 point above a year ago.

Charge accounts, increasing 8 per cent from September to October, showed somewhat more than the usual seasonal rise for this time of year. The increase brought month-end balances 10 per cent above a year earlier. The charge-account collection ratio, estimated at 47 per cent, 2 points above September and the same as October of last year.

Sales of all types showed further increases from September to October, and continued above a year-ago. Compared with October of last year, cash sales were up 6 per cent, charge-account sales 7 per cent, and instalment sales 14 per cent.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	Sept. 1955 to Oct. 1955	Oct. 1954 to Oct. 1955
Sales during month: Total	+10	+ 7
Cash	+ 9	+ 6
Charge	+ 9	+ 7
Instalment	+15	+14
Accounts receivable, end of month: Charge	+ 8	+10
Instalment	+ 3	+18

Collection Ratios and Percentage Distribution of Sales

Item	Oct. 1955	Sept. 1955	Oct. 1954
Collection ratios $\frac{1}{2}$: Charge accounts	47	45	47
Instalment accounts	15	15	14
Percentage distribution of sales: Cash	44	44	44
Charge	43	44	44
Instalment	13	12	12

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Sales by type
(Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	Sept.'55 to Oct.'55	Oct.'54 to Oct.'55	Sept.'55 to Oct.'55	Oct.'54 to Oct.'55	Sept.'55 to Oct.'55	Oct.'54 to Oct.'55	Sept.'54 to Oct.'55	Oct.'54 to Oct.'55
	to Oct.'55	to Oct.'55	to Oct.'55	to Oct.'55	to Oct.'55	to Oct.'55	to Oct.'55	to Oct.'55
Boston	+ 3	+ 3	+ 2	+ 4	+ 2	+ 3	+11	+ 2
New York	+ 9	+ 4	+11	+ 4	+ 4	+ 4	+15	+ 6
Philadelphia	+ 6	+10	+ 5	+13	+ 6	+ 7	+ 7	+11
Cleveland	+12	+16	+10	+11	+12	+11	+17	+35
Richmond	+ 5	+ 6	+10	+ 3	+ 5	+ 6	+13	+13
Atlanta	+14	+ 3	+15	+ 1	+21	+ 5	0	+ 2
Chicago	+10	+ 9	+11	+ 7	+ 8	+ 9	+10	+15
St. Louis	+16	+ 9	+13	+ 7	+16	+ 9	+22	+19
Minneapolis	+10	+ 2	+ 3	- 2	+11	+ 5	+42	+ 2
Kansas City	+ 7	+ 3	+ 6	+ 1	+ 6	+ 4	+21	+10
Dallas	+10	+ 5	+24	+ 3	+15	+ 4	+19	+13
San Francisco	+ 6	+ 2	+ 5	+ 1	+12	- 2	- 1	+17
U. S. Total	+10	+ 7	+ 9	+ 6	+ 9	+ 7	+15	+14

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	Sept.'55 to Oct.'55	Oct.'54 to Oct.'55	Sept.'55 to Oct.'55	Oct.'54 to Oct.'55
	to Oct.'55	to Oct.'55	to Oct.'55	to Oct.'55
Boston	+ 8	+ 2	+ 2	+13
New York	+ 9	+11	+ 3	+13
Philadelphia	+ 8	+10	+ 4	+20
Cleveland	+ 7	+ 8	+ 2	+24
Richmond	+ 8	+ 8	+ 4	+20
Atlanta	+ 8	+ 9	+ 1	+23
Chicago	+ 8	+ 6	+ 4	+15
St. Louis	+11	+ 4	+ 3	+24
Minneapolis	+15	+ 5	+ 6	+20
Kansas City	+ 7	+ 9	+ 2	+ 7
Dallas	+12	+ 7	+ 2	+16
San Francisco	+ 7	+10	+ 4	+13
U. S. Total	+ 8	+10	+ 3	+18