

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

February 7, 1956.

DEPARTMENT STORE CREDIT - DECEMBER 1955

Instalment accounts outstanding at department stores increased further during December. The monthly rise of 12 per cent, somewhat larger than usual, brought balances at the end of 1955 to a level 20 per cent above a year earlier. Collections in December amounted to an estimated 15 per cent of first-of-month balances, the same as November and 1 point above a year ago.

Charge accounts increased 33 per cent during December, a rise that was largely seasonal in nature. Compared with a year ago, balances on December 31 were up 9 per cent. The charge-account collection ratio, estimated at 46 per cent, was 1 point below a month ago and the same as a year earlier.

Sales of all types increased sharply from November to December--cash sales by 57 per cent, charge-account sales by 45 per cent, and instalment by 37 per cent. All types were also above December a year ago--cash and charge-account sales by 4 per cent and instalment sales by 15 per cent.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	Nov. 1955	Dec. 1954
	to Dec. 1955	to Dec. 1955
Sales during month: Total	+49	+ 5
Cash	+57	+ 4
Charge	+45	+ 4
Instalment	+37	+15
Accounts receivable, end of month: Charge	+33	+ 9
Instalment	+12	+20

Collection Ratios and Percentage Distribution of Sales

Item	Dec. 1955	Nov. 1955	Dec. 1954
Collection ratios <u>1</u> /: Charge accounts	46	47	46
Instalment accounts	15	15	14
Percentage distribution of sales: Cash	46	44	47
Charge	43	44	43
Instalment	11	12	10

DEPARTMENT STORE CREDIT - DECEMBER 1955

Sales by type
(Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	Nov. '55	Dec. '54	Nov. '55	Dec. '54	Nov. '55	Dec. '54	Nov. '55	Dec. '54
	to	to	to	to	to	to	to	to
	Dec. '55	Dec. '55	Dec. '55	Dec. '55	Dec. '55	Dec. '55	Dec. '55	Dec. '55
Boston	+52	+ 1	+59	0	+44	- 1	+58	+14
New York	+48	+ 1	+52	+ 1	+45	+ 3	+43	+ 8
Philadelphia	+37	+ 6	+55	+10	+27	+ 3	+24	+10
Cleveland	+46	+ 8	+56	+ 6	+41	+ 6	+38	+28
Richmond	+54	+ 7	+67	+ 5	+46	+ 5	+39	+19
Atlanta	+63	+ 5	+77	+ 5	+40	+ 1	+80	+14
Chicago	+50	+ 6	+58	+ 5	+45	+20	+25	+20
St. Louis	+47	+ 9	+53	+ 9	+44	+ 8	+32	+20
Minneapolis	+54	- 1	+65	- 3	+50	+ 3	+30	- 4
Kansas City	+59	+ 3	+67	+ 3	+55	+ 4	+30	- 4
Dallas	+61	+ 5	+76	+ 4	+57	+ 3	+40	+17
San Francisco	+61	+ 2	+68	+ 1	+55	0	+55	+13
U. S. Total	+49	+ 5	+57	+ 4	+45	+ 4	+37	+15

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	Nov. '55	Dec. '54	Nov. '55	Dec. '54
	to	to	to	to
	Dec. '55	Dec. '55	Dec. '55	Dec. '55
Boston	+37	+ 3	+14	+14
New York	+36	+12	+15	+16
Philadelphia	+29	+10	+11	+27
Cleveland	+33	+ 5	+13	+28
Richmond	+32	+ 7	+13	+21
Atlanta	+27	+ 4	+12	+19
Chicago	+30	0	+10	+13
St. Louis	+27	+ 8	+ 7	+24
Minneapolis	+32	+ 9	+12	+16
Kansas City	+34	+ 8	+ 8	+ 4
Dallas	+35	+ 4	+ 7	+15
San Francisco	+45	+ 8	+15	+14
U. S. Total	+33	+ 9	+12	+20