

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

December 5, 1956.

DEPARTMENT STORE CREDIT - OCTOBER 1956

Instalment accounts outstanding at department stores increased slightly in October, when some rise is usual, and were 16 per cent above the year-ago level. Collections on instalment accounts amounted to 15 per cent of balances outstanding on the first of the month, the same as for both a month ago and a year ago.

Charge accounts receivable increased 4 per cent from the end of the preceding month, and were up slightly from a year earlier. The October collection ratio is estimated at 47 per cent, 3 points above a month ago, but the same as a year ago.

Sales of all types increased moderately from September to October--cash sales by 8 per cent and credit sales by 9 per cent. Total sales were up slightly over October 1955, reflecting increases in credit sales offset in part by a slight decline in cash sales.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	Sept. 1956 to Oct. 1956	Oct. 1955 to Oct. 1956
Sales during month: Total	+9	+ 1
Cash	+8	- 1
Charge	+9	+ 1
Instalment	+9	+ 4
Accounts receivable, end of month: Charge	+4	+ 4
Instalment	+2	+16

Collection Ratios and Percentage Distribution of Sales

Item	Oct. 1956	Sept. 1956	Oct. 1955
Collection ratios ¹ / ₁ : Charge accounts	47	44	47
Instalment accounts	15	15	15
Percentage distribution of sales: Cash	43	44	44
Charge	44	43	43
Instalment	13	13	13

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

DEPARTMENT STORE CREDIT - OCTOBER 1956

Sales by type
(Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	Sept. '55 to Oct. '55	Oct. '55 to Oct. '56	Sept. '55 to Oct. '55	Oct. '55 to Oct. '56	Sept. '55 to Oct. '55	Oct. '55 to Oct. '56	Sept. '55 to Oct. '55	Oct. '55 to Oct. '56
	to	to	to	to	to	to	to	to
Boston	+ 3	+3	+ 3	+3	+ 3	+3	+ 7	+ 1
New York	+ 9	+3	+11	+1	+ 4	+3	+12	+13
Philadelphia	+ 8	+2	+ 6	+2	+ 8	+3	+11	0
Cleveland	+10	+2	+ 9	+2	+11	+1	+10	+ 3
Richmond	+ 8	0	+ 9	-2	+ 7	+1	+ 9	+ 2
Atlanta	+ 5	-1	+ 5	-2	+ 9	-2	- 2	+ 2
Chicago	+ 6	0	+ 6	-4	+ 7	+3	+ 2	+ 6
St. Louis	+14	-1	+16	-3	+13	+1	+ 7	- 4
Minneapolis	- 8	-7	- 5	-4	- 8	-7	-19	-19
Kansas City	+11	-2	+12	-4	+10	+2	+ 5	-13
Dallas	+19	-1	+24	+1	+16	-1	+24	+ 1
San Francisco	+11	0	+ 3	+1	+16	-3	+ 8	+ 8
U. S. Total	+ 9	+1	+ 8	-1	+ 9	+1	+ 9	+ 4

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	Sept. '55 to Oct. '55	Oct. '55 to Oct. '56	Sept. '55 to Oct. '55	Oct. '55 to Oct. '56
	to	to	to	to
Boston	+5	+ 2	+1	+ 6
New York	+7	+12	+2	+17
Philadelphia	+4	- 1	+1	+10
Cleveland	+4	+ 3	0	+17
Richmond	+6	+ 3	+3	+17
Atlanta	+4	+ 4	0	+ 9
Chicago	+4	+ 8	+2	+14
St. Louis	+9	+ 9	-5	+15
Minneapolis	-4	- 1	+1	+14
Kansas City	+3	- 2	0	- 8
Dallas	+6	+ 2	0	+ 1
San Francisco	-2	- 7	+3	+31
U. S. Total	+4	+ 4	+2	+16