

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

July 8, 1958

DEPARTMENT STORE CREDIT - MAY 1958

Instalment accounts outstanding at department stores declined 1 per cent during May and at the month end were unchanged from the year ago level. The instalment collection ratio at 15 per cent was up 1 point from the previous month.

Charge accounts receivable increased 1 per cent during May, somewhat more than seasonally, and were 2 per cent below the year-ago level. Collections on charge accounts amounted to 48 per cent of first-of-month balances as compared with 46 per cent a month ago and a year ago.

Total sales at reporting department stores were 6 per cent above the previous month, reflecting increases in both cash and credit sales. Total sales, however, were 2 per cent below the volume in May 1957.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	Month ago	Year ago
Sales during month: Total	+6	-2
Cash	+8	-3
Charge	+3	-3
Instalment	+5	0
Accounts receivable, end of month: Charge	+1	-2
Instalment	-1	0

Collection Ratios and Percentage Distribution of Sales

Item	May 1958	April 1958	May 1957
Collection ratios <u>1/</u> : Charge accounts	48	46	46
Instalment accounts	15	14	15
Percentage distribution of sales: Cash	44	43	44
Charge	43	44	43
Instalment	13	13	13

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

DEPARTMENT STORE CREDIT - MAY 1958

Sales by type
(Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	Month ago	Year ago	Month ago	Year ago	Month ago	Year ago	Month ago	Year ago
Boston	+ 6	0	+ 7	-1	+ 7	+1	- 2	- 2
New York	+ 4	-4	+ 6	-5	0	-4	+ 4	+1
Philadelphia	+ 1	-3	+ 4	-3	- 1	-4	+ 2	- 3
Cleveland	+ 5	0	+ 8	0	+ 4	0	+ 1	0
Richmond	- 5	-2	- 2	-4	-12	-1	+ 6	0
Atlanta	+ 6	-5	+ 5	-6	+ 7	-7	+ 5	+ 4
Chicago	+12	-4	+15	-3	+ 5	-3	+ 9	- 8
St. Louis	+14	0	+16	+1	+11	-1	+18	0
Minneapolis	+ 5	-7	+ 5	-3	+ 6	-9	+ 3	-14
Kansas City	+10	+3	+12	+3	+10	+1	+ 4	+ 9
Dallas	+15	+2	+16	+1	+13	+1	+20	+ 6
San Francisco	- 1	-1	+ 2	-3	- 6	-7	+ 1	+14
U. S. Total	+ 6	-2	+ 6	-3	+ 3	-3	+ 5	0

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	Month ago	Year ago	Month ago	Year ago
Boston	-1	-4	-3	- 7
New York	-2	-1	-1	+12
Philadelphia	-1	-4	-1	- 2
Cleveland	+2	-3	0	- 1
Richmond	+2	-2	-1	+ 7
Atlanta	-2	-7	-1	- 1
Chicago	+2	-2	-1	- 5
St. Louis	+4	-1	-1	+ 1
Minneapolis	0	-6	-3	- 9
Kansas City	+6	+2	-1	- 3
Dallas	+3	-1	0	- 3
San Francisco	0	-9	-2	+ 9
U. S. Total	+1	-2	-1	0