

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

August 5, 1959

DEPARTMENT STORE CREDIT - JUNE 1959

Instalment accounts outstanding at department stores showed little change during June but were 8 per cent above a year ago. Instalment collections rose to 16 per cent of first-of-month balances.

Charge account receivables declined 2 per cent during the month and were 4 per cent above a year earlier. Collections amounted to 49 per cent of outstanding balances at the beginning of the month.

Total sales at reporting department stores declined 2 per cent but were 11 per cent above a year ago. As in other recent months instalment sales accounted for the largest year-to-year gains. June instalment sales in 1959 were 15 per cent of total sales compared with 14 per cent and 13 per cent in 1958 and 1957 respectively.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	Month ago	Year ago
Sales during month: Total	-2	+11
Cash	0	+10
Charge	-6	+10
Instalment	+3	+18
Accounts receivable, end of month: Charge	-2	+ 4
Instalment	0	+ 8

Collection Ratios and Percentage Distribution of Sales

Item	June 1959	May 1959	June 1958
Collection ratios ^{1/} : Charge accounts	49	47	47
Instalment accounts	16	15	15
Percentage distribution of sales: Cash	44	43	44
Charge	41	43	42
Instalment	15	14	14

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

DEPARTMENT STORE CREDIT - JUNE 1959

Sales by type
(Percentage changes)

Federal Reserve District	Total sales		Cash sales		Charge-account sales		Instalment sales	
	Month	Year	Month	Year	Month	Year	Month	Year
	ago	ago	ago	ago	ago	ago	ago	ago
Boston	0	+ 9	+ 1	+ 9	- 3	+10	+ 2	+ 8
New York	+ 3	+ 7	+ 4	+ 4	- 1	+ 6	+ 5	+17
Philadelphia	- 2	+14	+ 2	+15	- 5	+12	- 1	+20
Cleveland	0	+13	+ 2	+15	- 2	+ 9	+ 4	+19
Richmond	- 6	+10	- 4	+10	-14	+ 9	+ 5	+13
Atlanta	-11	+ 8	-12	+ 8	-15	+ 3	- 1	+17
Chicago	- 5	+14	- 4	+12	- 9	+14	- 2	+22
St. Louis	-11	+ 7	- 4	+ 6	-15	+ 7	-12	+ 2
Minneapolis	+12	+16	+ 7	+15	+11	+12	+31	+31
Kansas City	- 4	+ 7	- 1	+11	- 7	+ 3	- 3	+ 5
Dallas	-13	+13	-12	+11	-17	+10	- 4	+ 8
San Francisco	+ 7	+15	+ 8	+15	+ 4	+13	+ 7	+21
U. S. Total	- 2	+11	0	+10	- 6	+10	+ 3	+18

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	Month	Year	Month	Year
	ago	ago	ago	ago
Boston	0	+11	-1	+ 2
New York	+1	+ 3	+1	+17
Philadelphia	-1	+ 8	-1	- 2
Cleveland	-4	+ 6	+1	+ 6
Richmond	-4	+ 1	0	+ 7
Atlanta	-7	- 1	0	+ 4
Chicago	+1	+ 4	+2	+ 8
St. Louis	-3	+ 4	-2	+ 1
Minneapolis	+7	0	+4	+ 4
Kansas City	0	+ 3	0	+ 2
Dallas	-3	+ 3	0	- 2
San Francisco	0	+ 9	-1	+ 6
U. S. Total	-2	+ 4	0	+ 8