

Credit, Retail 491

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

April 6, 1961

DEPARTMENT STORE CREDIT - FEBRUARY 1961

Instalment accounts receivable at reporting department stores showed the usual seasonal decline in February and continued about 4 per cent above those of a year earlier. Collections amounted to 14 per cent of instalment accounts outstanding at the beginning of the month, about the same rate of collection as in January.

Charge accounts receivable also declined seasonally in February and, as in the three preceding months, were slightly below those of the preceding year. The rate of collection on charge accounts in February remained at 45 per cent of first-of-month accounts receivable.

The 6 per cent decline in sales of reporting stores in February reflected the reduction in cash and instalment transactions usually occurring at this time of the year. Sales of all types were slightly below those in February 1960.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	Month ago	Year ago
Sales during month: Total	- 6	-4
Cash	- 6	-5
Charge	+ 1	-3
Instalment	-17	-3
Accounts receivable, end of month: Charge	-17	-2
Instalment	- 4	+4

Collection Ratios and Percentage Distribution of Sales

Item	Feb. 1961	Jan. 1961	Feb. 1960
Collection ratios <u>1/</u> : Charge accounts	45	45	45
Instalment accounts	14	14	14
Percentage distribution of sales: Cash	42	43	42
Charge	42	40	42
Instalment	16	17	16

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

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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	-11	-3	-9	-6	-2	-7	-28	+15
New York	-9	-6	-11	-9	-6	-3	-10	-3
Philadelphia	+3	-4	+1	-2	+8	-4	-6	-7
Cleveland	-5	-5	-3	-3	+1	-5	-19	-8
Richmond	-1	-2	0	-2	+26	+4	-30	+10
Atlanta	0	-8	+1	-9	+7	-5	-12	-9
Chicago	-6	-2	-3	-3	-3	-1	-11	-1
St. Louis	-4	-9	-6	-9	-1	-8	-10	-15
Minneapolis	+4	-3	-3	-1	+17	-5	-11	0
Kansas City	-11	+2	-10	+3	-9	0	-20	0
Dallas	-10	-1	-11	0	+1	-1	-28	-2
San Francisco	-9	-5	-9	-4	-1	-10	-20	+4

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	Month ago	Year ago	Month ago	Year ago
Boston	-15	0	-3	+14
New York	-20	-6	-4	-1
Philadelphia	-11	+3	-3	-4
Cleveland	-15	0	-3	+10
Richmond	-14	+3	-5	+1
Atlanta	-12	-3	-6	+4
Chicago	-24	-5	-6	+5
St. Louis	-11	+2	-1	+3
Minneapolis	-12	-11	-2	+23
Kansas City	-18	+13	0	+11
Dallas	-15	-1	-2	+10
San Francisco	-23	-4	-4	+4