

Credit Retail Dept 447

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.17

July 6, 1961

DEPARTMENT STORE CREDIT - MAY 1961

Instalment accounts outstanding at reporting department stores showed little change in May and at the month-end were 3 per cent larger than on the corresponding date of 1960. These accounts were being repaid somewhat faster than in the preceding month and at about the same rate as in May 1960.

Charge accounts receivable continued at about the same level as in April but somewhat below the year-earlier level. The rate of collection was 4 percentage points higher than in either April 1961 or May 1960.

Department store sales of all types increased in May from the post-Easter low reached in April, but increases in cash and instalment transactions were more marked than in charge-account sales. All types of sales were well above those in May 1960. The importance of each type of transaction relative to total sales has shown little change during the past year.

Changes in Department Store Sales and Accounts Receivable

Item	Percentage change from:	
	Month ago	Year ago
Sales during month: Total	+12	+5
Cash	+13	+5
Charge	+7	+9
Instalment	+13	+4
Accounts receivable, end of month: Charge	0	-2
Instalment	-1	+3

Collection Ratios and Percentage Distribution of Sales

Item	May 1961	Apr. 1961	May 1960
Collection ratios $\frac{1}{2}$: Charge accounts	48	44	44
Instalment accounts	15	14	15
Percentage distribution of sales: Cash	43	43	43
Charge	42	42	42
Instalment	15	15	15

$\frac{1}{2}$ 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	+12	+9	+10	+ 8	+18	+ 9	+ 1	+ 9
New York	+10	+6	+ 9	+ 5	+11	+ 7	+12	+ 5
Philadelphia	+ 8	+3	+ 9	+ 4	+ 9	+ 3	- 1	+ 2
Cleveland	+10	+4	+10	+ 3	+11	- 2	+ 6	+22
Richmond	+13	+6	+16	+ 8	+14	+11	+ 4	+ 1
Atlanta	+10	+4	+ 9	+ 1	+10	+14	+ 3	- 4
Chicago	+17	+6	+19	+ 5	+14	+ 4	+13	+11
St. Louis	+18	-1	+18	- 3	+19	+ 1	+15	- 4
Minneapolis	+14	+6	+12	+ 5	+17	+ 7	+ 6	+ 8
Kansas City	+13	+2	+13	+ 2	+15	+ 3	+ 7	+ 1
Dallas	+11	+5	+14	+ 8	+13	+ 4	+ 3	+ 5
San Francisco	+ 8	+6	+10	+10	+ 9	+ 4	+ 2	+15

Accounts receivable, end of month
(Percentage changes)

Federal Reserve District	Charge accounts		Instalment	
	Month ago	Year ago	Month ago	Year ago
Boston	0	-2	0	+17
New York	0	-2	-2	- 4
Philadelphia	-2	+1	-2	- 3
Cleveland	+2	-6	+1	+11
Richmond	+1	+2	-2	+ 1
Atlanta	-1	+5	0	-1
Chicago	+1	0	-1	+ 2
St. Louis	+3	-5	+1	+ 4
Minneapolis	+1	+1	-2	+ 7
Kansas City	+4	+8	+1	+12
Dallas	-3	-3	0	+ 9
San Francisco	0	-4	-2	+ 4