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**PNC CHRISTMAS PRICE INDEX UP A TAME ONE PERCENT IN 2014;
IS THIS THE YEAR TRUE LOVES MAKE THE SPLURGE?**

- PNC Marks 31 Year Holiday Tradition; PNC CPI has increased 118 Percent Since 1984; Average Annual Increase Identical to U.S. Inflation -

PITTSBURGH, Dec. 1, 2014 – With energy costs tumbling and inflation remaining calm, the 2014 PNC Christmas Price Index® (PNC CPI) experienced a mild one percent boost in the 31st annual tongue-in-cheek economic analysis by PNC Wealth Management.

Based on the gifts in the holiday classic, *"The Twelve Days of Christmas,"* the price tag for the PNC CPI is \$27,673.21 in 2014, just \$280.04 more than last year and the smallest increase since 2002 when the index fell 7.6 percent.

Launched in 1984 by a PNC predecessor bank in Philadelphia, the 2014 PNC CPI is 118 percent higher than when it all began, while inflation is up 127 percent over the same period. But an even more intriguing fact emerged, according to Jim Dunigan, chief investment officer, PNC Wealth Management.

"While there are exceptions in given years, what's most interesting about the index's history is that since the beginning, year-over-year increases have averaged 2.8 percent, which is exactly the same number as the U.S. inflation index," he said.

The 31st annual survey results were revealed this morning on an enhanced website (www.pncchristmaspriceindex.com) with the theme of bringing the classic carol to a new generation. "The Great Carol Comeback" site features 12 innovative experiences that bring each gift in the song to life in a new and modern way. Content includes a children's book, an animated short film, a sing-a-long and several humorous musical videos that site visitors can share to help the carol's "comeback."

This year, the PNC CPI's increase is close to the government's Consumer Price Index, which stands at 1.7 percent for the past 12 months through October. The government's core index, removing volatile food and energy prices, is up 1.8 percent.

"The recurring theme seems to be that with energy prices and labor costs contained, the overall index increase has been modest despite a few large increases in individual items," Dunigan said.

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Eight out of the 12 items in the index remained the same price as last year, but the Six Geese-A-Laying went up a whopping 71.4 percent. The only other increase of significance was the Partridge in a Pear Tree which increased 33.3 percent but is at a still reasonable \$20.

As part of its annual tradition, PNC Wealth Management also tabulates the "True Cost of Christmas," which is the total cost of items gifted by a True Love who repeats all of the song's verses. Very thoughtful True Loves must fork over \$116,273.06 for all 364 gifts, a much more reasonable increase of 1.4 percent compared with last year's 6.9 percent.

Swans Treading Water

Much like the government's CPI, the PNC CPI also measures a Core Index – up 1.4 percent this year - that excludes the Swans, which tend to be the most volatile in the index. This year, however, the Swans remained steady at \$7,000, which is also the same price they cost in 1984, the first year of the index.

Other Key Components Include:

- **Same As Before:** Two Turtle Doves, Four Calling Birds, Five Gold Rings, Seven Swans-a-Swimming, Eight Maids-A-Milking, Nine Ladies Dancing, 11 Pipers Piping and 12 Drummers Drumming held steady at last year's prices.
- **That's Entertainment!:** True Loves can splurge on entertainment this year. Of all the gifts in the entertainment category, only the 10 Lords-a-Leaping saw any increase, and by just a meager two percent. Nine Ladies Dancing, 11 Pipers Piping and 12 Drummers Drumming stayed on par with their costs in 2013.
- **Pear Tree:** Housing and fresh fruit prices have been up recently, so the Pear Tree saw a two percent increase, driving the cost of the Partridge in a Pear Tree up 3.8 percent from last year.
- **Maids-a-Milking:** As the only unskilled laborers in the PNC CPI, the price for the eight Maids-a-Milking is represented by the minimum wage. With the Federal minimum wage flat at \$7.25 per hour, hiring the maids this year will not increase labor costs.

The PNC CPI's sources include retailers, the National Aviary in Pittsburgh and the Philadelphia-based PHILADANCO and the Pennsylvania Ballet Company.

Cyber Prices: The Cost of Convenience

For those True Loves who prefer the convenience of shopping online, PNC Wealth Management calculates the cost of "*The Twelve Days of Christmas*" gifts purchased on the Internet.

This year, the trends identified in the traditional index are not repeated in the Internet version. True Loves will pay a grand total of \$42,959.07 to buy the items online, a surprising increase of eight percent from last year, \$15,285 more than buying "in person."

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Special Present: Updated Website

For a historical look at PNC's index, the updated website can be viewed at www.pncchristmaspriceindex.com.

Each year, educators across the country use the PNC Christmas Price Index to teach economic trends to middle and high school students. With that in mind, this year's site includes interactive activities, annual results and PNC CPI trends in a Flash presentation, MP3 downloads and much more.

Educators who visit the site will also find lesson plans on the Christmas Price Index from The Stock Market Game™ (SMG), a program of the Securities Industry and Financial Markets Association Foundation for Investor Education (www.sifma.org/education). The enhanced activities are specially designed to help students identify economic trends and to project their impact on this year's Index, giving them the opportunity to make predictions and check their success against actual results. SMG is America's premier educational stock market simulation. Available in all 50 states for grades 4-12, the SMG program teaches children core academic and investment skills.

The PNC Financial Services Group, Inc. (www.pnc.com) is one of the United States' largest diversified financial services organizations providing retail and business banking; residential mortgage banking; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management.

[PNC CHRISTMAS PRICE INDEX TABLE FOLLOWS]

2014 PNC Christmas Price Index®

	Traditional			Internet		
	2013	2014	% Change 2014/13	2013	2014	% Change 2014/13
One Partridge in a Pear Tree	\$ 199.99	\$ 207.68	3.8%	\$ 242.44	\$ 242.44	0.0%
Partridge	\$ 15.00	\$ 20.00	33.3%	\$ 80.00	\$ 80.00	0.0%
Pear Tree	\$ 184.00	\$ 187.68	2.0%	\$ 162.44	\$ 162.44	0.0%
Two Turtle Doves	\$ 125.00	\$ 125.00	0.0%	\$ 365.00	\$ 330.00	-9.6%
Three French Hen	\$ 165.00	\$ 181.50	10.0%	\$ 315.00	\$ 331.50	5.2%
Four Calling Birds	\$ 599.96	\$ 599.96	0.0%	\$ 470.00	\$ 470.00	0.0%
Five Gold Rings	\$ 750.00	\$ 750.00	0.0%	\$ 874.75	\$ 874.75	0.0%
Six Geese-a-Laying	\$ 210.00	\$ 360.00	71.4%	\$ 1,140.00	\$ 1,140.00	0.0%
Seven Swans-a-Swimming	\$ 7,000.00	\$ 7,000.00	0.0%	\$ 10,500.00	\$ 13,706.00	30.5%
Eight Maids-a-Milking	\$ 58.00	\$ 58.00	0.0%	\$ 339.52	\$ 348.48	2.6%
Nine Ladies Dancing	\$ 7,552.84	\$ 7,552.84	0.0%	\$ 8,322.55	\$ 8,322.55	0.0%
10 Lords-a-Leaping	\$ 5,243.37	\$ 5,348.24	2.0%	\$ 13,373.35	\$ 13,373.35	0.0%
11 Pipers Piping	\$ 2,635.20	\$ 2,635.20	0.0%	\$ 2,200.00	\$ 2,200.00	0.0%
12 Drummers Drumming	\$ 2,854.80	\$ 2,854.80	0.0%	\$ 1,620.00	\$ 1,620.00	0.0%
 Total Christmas Price Index	 \$ 27,393.17	 \$ 27,673.21	 1.0%	 \$ 39,762.61	 \$ 42,959.07	 8.0%
 True cost of Christmas in song	 \$ 114,651.18	 \$ 116,273.06	 1.4%	 \$ 173,410.13	 \$ 192,470.93	 11.0%
 "Core" index, excluding swans	 \$ 20,393.17	 \$ 20,673.21	 1.4%	 \$ 29,262.61	 \$ 29,253.07	 0.0%

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