Bah, Humbug! PNC Christmas Price Index Surges 7.7 Percent In 2013; Prices Would Cause Ebenezer Scrooge To Cringe

- Marking 30th Year of Holiday Tradition, PNC CPI has increased 116 Percent Since 1984; but Average Annual Increase Identical to U.S. Inflation -

PITTSBURGH, Dec. 2, 2013 /PRNewswire/ -- A steadily improving economy helped prompt a 7.7 percent boost in the 2013 PNC Christmas Price Index®, the 30th annual tongue-in-cheek economic analysis by PNC Wealth Management.

To view the multimedia assets associated with this release, please click: http://www.multivu.com/mnr/59815-pnc-christmas-price-index

Based on the array of gifts in the holiday classic, *"The Twelve Days of Christmas,"* the price tag for the PNC CPI is $27,393.17 in 2013, $1,192 more than last year and the largest increase since 2010 when the index jumped 9.2 percent.

Launched in 1984 by the chief economist at a PNC predecessor bank in Philadelphia, the PNC CPI is 116 percent higher this year than when it all began, while inflation is up 122 percent over the same period. But an even more intriguing fact emerged, according to Jim Dunigan, managing executive, Investments of 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 2.9 percent, which is exactly the same number as the U.S. inflation index," he said.

The 30th annual survey results were revealed this morning on an enhanced website (www.pncchristmaspriceindex.com) that includes an innovative interactive "gift maker" experience, allowing visitors to "build" their own PNC CPI toys online. The website also reflects PNC's commitment to education by teaching economic trends through the PNC CPI.

This year, the PNC CPI's increase outpaced the government's Consumer Price Index, which stands at 1.0 percent for the past 12 months through September. The core index, removing volatile food and energy prices, is uncharacteristically higher at 1.7 percent.

"We were surprised to see such a large increase from a year ago, given the overall benign inflation rate in the U.S., but the dancers in the index took a huge leap this year to play catch up from paltry increases the previous few years," Dunigan said.

Nine Ladies Dancing vaulted with a 20 percent this year, while Lords-a-Leaping jumped 10 percent,

combining for a $1,736 increase from 2012.

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 $114,651.18 for all 364 gifts, a slightly more "reasonable" increase of 6.9 percent increase compared to last year.

Swans Treading Water

Much like the government's CPI, the PNC CPI also measures a Core Index – up an even more dramatic 10.6 percent this year - that excludes the Swans, which tend to be the most volatile in the index. This year, however the swans remained steady from 2012 at $7,000, which is also the same price they cost in 1984, the first year of the index.

Other Key Components Include:

- **Seven items:** the Partridge, Two Turtle Doves, Three French Hens, Five Gold Rings, Six Geese-a-Laying, Seven Swans-a-Swimming and Eight Maids-A-Milking, remained the same price as last year.
- **Muffled Increase:** The prices for 11 Pipers Piping ($2,635.20) and 12 Drummers Drumming ($2,854.80) advanced minimally this year, both up just 2.9 percent.
- **Pear Tree:** While housing prices in the general economy have been on the upswing, the PNC CPI splintered that trend as the Pear Tree dropped in price by 3.2 percent, down to $184.00. This is the only item in the index to drop in price this 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 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. However, True Loves will pay a grand total of $39,762.61 to buy the items online, a drop of 1.7 percent from last year, yet still $12,300 more than buying in person.

"In general, Internet prices are higher than their non-Internet counterparts because of premium shipping costs for birds and the convenience factor of shopping online," Dunigan said.

Special Present: Updated Website

For a historical look at PNC's index, the updated website can be viewed at *www.pncchristmaspriceindex.com*. The site includes an interactive experience where visitors can "build" all 12 gifts online, also allowing users to enter a drawing to win a 3D printed version of their custom toy, delivered to their home in time for Christmas.

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.

To view or download broadcast quality video and other multimedia assets related to this announcement, visit http://pnc.mediaroom.com/pncchristmaspriceindex. In addition, follow *#PNCcpi* on Twitter.

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[PNC CHRISTMAS PRICE INDEX TABLE FOLLOWS]

2013 PNC Christmas Price Index®

	TRADITIONAL				
			% Change		% Change
	2012	2013	2013/12	1984	30 Yrs

One Partridge in a Pear Tree	$ 204.99	$ 199.99	-2.4%	$ 32.52	515.0%
Partridge	$ 15.00	$ 15.00	0.0%	$ 12.57	19.3%
Pear Tree	$ 189.99	$ 184.00	-3.2%	$ 19.95	822.3%
Two Turtle Doves	$ 125.00	$ 125.00	0.0%	$ 47.73	161.9%
Three French Hen	$ 165.00	$ 165.00	0.0%	$ 15.23	983.4%
Four Calling Birds	$ 519.96	$ 599.96	15.4%	$ 280.00	114.3%
Five Gold Rings	$ 750.00	$ 750.00	0.0%	$ 325.00	130.8%
Six Geese-a-Laying	$ 210.00	$ 210.00	0.0%	$ 150.00	40.0%
Seven Swans-a-Swimming	$ 7,000.00	$ 7,000.00	0.0%	$ 7,000.00	0.0%
Eight Maids-a-Milking	$ 58.00	$ 58.00	0.0%	$ 26.80	116.4%
Nine Ladies Dancing	$ 6,294.03	$ 7,552.84	20.0%	$ 1,511.78	399.6%
10 Lords-a-Leaping	$ 4,766.70	$ 5,243.37	10.0%	$ 1,679.75	212.2%
11 Pipers Piping	$ 2,562.00	$ 2,635.20	2.9%	$ 770.28	242.1%
12 Drummers Drumming	$ 2,775.50	$ 2,854.80	2.9%	$ 834.47	242.1%
Total Christmas Price Index	$ 25,431.18	$ 27,393.17	7.7%	$ 12,673.56	116.1%
True cost of Christmas in song	$ 107,300.24	$ 114,651.18	6.9%	$ 62,832.97	82.5%
"Core" index, excluding swans	$ 18,431.18	$ 20,393.17	10.6%	$ 5,673.56	259.5%

INTERNET

			% Change
	2012	2013	2013/12
One Partridge in a Pear Tree	$ 242.44	$ 242.44	0.0%
Partridge	$ 80.00	$ 80.00	0.0%
Pear Tree	$ 162.44	$ 162.44	0.0%
Two Turtle Doves	$ 365.00	$ 365.00	0.0%
Three French Hen	$ 315.00	$ 315.00	0.0%
Four Calling Birds	$ 550.00	$ 470.00	-14.5%
Five Gold Rings	$ 874.75	$ 874.75	0.0%
Six Geese-a-Laying	$ 1,386.60	$ 1,140.00	-17.8%
Seven Swans-a-Swimming	$ 10,850.00	$ 10,500.00	-3.2%

Eight Maids-a-Milking	$ 339.84	$ 339.52	-0.1%
Nine Ladies Dancing	$ 8,322.55	$ 8,322.55	0.0%
10 Lords-a-Leaping	$ 13,373.35	$ 13,373.35	0.0%
11 Pipers Piping	$ 2,200.00	$ 2,200.00	0.0%
12 Drummers Drumming	$ 1,620.00	$ 1,620.00	0.0%
Total Christmas Price Index	$ 40,439.53	$ 39,762.61	-1.7%
True cost of Christmas in song	$ 177,957.93	$ 173,410.13	-2.6%
"Core" index, excluding swans	$ 29,589.53	$ 29,262.61	-1.1%

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