Holiday Cheer: '12 Days of Christmas' Gifts Rise Just 0.6 Percent In Price, According To PNC

-- PNC celebrates 34th year of tallying the cost of the gifts in the classic holiday song

-- Pear tree, gold, Lords leap; nine gift prices remain flat

-- Costs trail Consumer Price Index for second straight year

PITTSBURGH, Nov. 15, 2017 /PRNewswire/ -- The PNC Christmas Price Index predicts True Loves will be on their merry way to a more robust and satisfying holiday shopping season this year. To purchase the gifts included in the classic holiday song "The 12 Days of Christmas," it will only cost 0.6 percent more than in 2016, according to the 34th annual holiday economic analysis by The PNC Financial Services Group.

PNC calculated the 2017 price tag for The PNC Christmas Price Index at $34,558.65, approximately $200 or 0.6 percent more than last year's cost and less than the government's Consumer Price Index, which increased 2.2 percent through September for the past 12 months.

"The U.S. economy is growing at a sustainable pace, fueled by higher consumer confidence, low unemployment, modest wage gains, and low interest rates," said Thomas P. Melcher, chief investment officer for PNC Asset Management Group. "However, The PNC Christmas Price Index rose at slow steady pace of 0.6 percent in 2017, as companies appear hesitant to pass through price increases to the consumer."

THE COST OF CHRISTMAS PRESENT

The cost of each item was revealed this morning on PNC's interactive website (pnc.com/ChristmasPriceIndex), which teaches consumers about the index and features a historical comparison of index data. Of the 12 items measured by the index, nine remained the same price as last year. This year's insights include:

- **A Partridge in a Pear Tree:** The overall price for this top-of-list item increased 4.7 percent, but not because of the Partridge. The pear tree increased 5.2 percent, from $189.99 to $199.95 due to increased cost of living for workers and the limited supply of larger, more mature trees.
- **Gold Rings:** The largest growth rate in this year's index was the cost of Five Gold Rings, which jumped 10 percent due to increased demand and popularity. Prices had remained steady at $750 during the last five years.
- **Lords-a-Leaping:** Despite wages rising modestly and a tight job market, only the Lords-a-Leaping saw an increase, as prices jumped two percent to $5,618.90 after two years of stagnant growth.

To mirror the government's core CPI, which excludes energy and food prices, PNC removes the Swans – typically the most volatile item in the index – from its total index. The core PNC Christmas Price Index was up 0.9 percent from a year ago, while the government's core Consumer Price Index rose 1.7 percent year-over-year through September.

For those True Loves who prefer the convenience of shopping online, the PNC Christmas Price Index also calculates the cost of "The Twelve Days of Christmas" gifts purchased on the Internet. As Internet prices tend to be higher due to travel and shipping costs, True Loves will have to splurge $45,096 ($10,538 more than in store purchases) for the convenience of online shopping this year.

THE HISTORY OF CHRISTMAS PAST

A PNC predecessor bank in Philadelphia began estimating the cost of the 12 Christmas gifts in 1984 as a holiday client letter. This year's price is 83 percent higher than the inaugural report 33 years ago.

As part of its annual tradition, PNC also tabulates the "True Cost of Christmas," which is the total cost of items bestowed by a True Love who repeats all the song's verses. Purchasing all 364 gifts will require $157,558, up approximately $1,000 from last year and more than $57,000 from 1984.

The PNC index's sources include retailers, hatcheries, the Philadelphia-based PHILADANCO and the Pennsylvania Ballet Company.

THE EDUCATION OF CHRISTMAS YET TO COME

The PNC Christmas Price Index website pnc.com/ChristmasPriceIndex also includes a downloadable coloring book for kids of all ages and interactive educational tools for teachers to help their students learn about the stock market. Each year, educators across the country use the PNC Christmas Price Index to teach middle and high school students about inflation and economic trends.

Teachers who visit the site will have access to a lesson plan from the Securities Industry and Financial Markets Association (SIFMA) (www.sifma.org/foundation) that explains the PNC CPI, its significance and how to interpret its results. The activities in the lesson plan also help students make predictions about this year's cost of Christmas. The SIFMA Foundation is dedicated to providing youth of all backgrounds with an understanding of the capital markets. Its most popular program is The Stock Market Game™.

The PNC Financial Services Group, Inc. (NYSE: PNC) is one of the largest diversified financial services institutions in the United States, organized around its customers and communities for strong relationships and local delivery of retail and business banking including a full range of lending products; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management. For information about PNC, visit www.pnc.com.

[PNC CHRISTMAS PRICE INDEX FOLLOWS]

2017 PNC Christmas Price Index®

Based upon the song "The Twelve Days of Christmas"

	TRADITIONAL			INTERNET		
	2016	2017	% Change 2017/16	2016	2017	% Change 2017/16
One Partridge in a Pear Tree	$ 209.99	$ 219.95	4.7%	$ 244.94	$ 269.00	9.8%
Partridge	$ 20.00	$ 20.00	0.0%	$ 95.00	$ 95.00	0.0%
Pear Tree	$ 189.99	$ 199.95	5.2%	$ 149.94	$ 174.00	16.0%
Two Turtle Doves	$ 375.00	$ 375.00	0.0%	$ 450.00	$ 455.00	1.1%

Three French Hen	$ 181.50	$ 181.50	0.0%	$ 281.50	$ 281.50	0.0%
Four Calling Birds	$ 599.96	$ 599.96	0.0%	$ 370.00	$ 370.00	0.0%
Five Gold Rings	$ 750.00	$ 825.00	10.0%	$ 899.75	$ 899.75	0.0%
Six Geese-a-Laying	$ 360.00	$ 360.00	0.0%	$ 1,350.00	$ 1,488.00	10.2%
Seven Swans-a-Swimming	$ 13,125.00	$ 13,125.00	0.0%	$ 15,125.00	$ 15,165.00	0.3%
Eight Maids-a-Milking	$ 58.00	$ 58.00	0.0%	$ 365.44	$ 377.28	3.2%
Nine Ladies Dancing	$ 7,552.84	$ 7,552.84	0.0%	$ 8,322.55	$ 8,322.55	0.0%
10 Lords-a-Leaping	$ 5,508.70	$ 5,618.90	2.0%	$ 13,373.35	$ 13,373.35	0.0%
11 Pipers Piping	$ 2,708.40	$ 2,708.40	0.0%	$ 2,200.00	$ 2,475.00	12.5%
12 Drummers Drumming	$ 2,934.10	$ 2,934.10	0.0%	$ 1,620.00	$ 1,620.00	0.0%
Total Christmas Price Index	$ 34,363.49	$ 34,558.65	0.6%	$ 44,602.53	$ 45,096.43	1.1%
True cost of Christmas in song	$ 156,507.88	$ 157,558.00	0.7%	$ 202,689.73	$ 204,848.65	1.1%
"Core" index, excluding swans	$ 21,238.49	$ 21,433.65	0.9%	$ 29,477.53	$ 29,931.43	1.5%

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