PNC Christmas Price Index Increases 5.4%, Significantly More Than The U.S. Consumer Price Index

- PNC calculates the cost of Christmas from the holiday song "The Twelve Days of Christmas"
- Recent inflation trends are repeating, much like the verses of the song itself
- Five of the 12 gifts had no increase compared to 2023

PITTSBURGH, Nov. 21, 2024 /PRNewswire/ -- National inflation levels may be on the decline, but when it comes to True Loves' gifts, the price of decking the halls keeps rising. Now in its 41st year, PNC Bank's annual Christmas Price Index® (PNC CPI) rose 5.4% — doubling last year's 2.7% increase and surpassing the Bureau of Labor Statistics' Consumer Price Index (BLS CPI) October year-over-year reading of 2.6%.

The PNC CPI measures the change in prices consumers could expect to pay for True Love's gifts from the classic holiday carol, "The Twelve Days of Christmas." Data is compiled by PNC's Investment Office using sources from across the country, including dance and theatre companies, hatcheries, pet stores and others.

Unwrapping the data a little further reveals the increase in PNC CPI, like last year, was driven mainly by service costs, while bird prices mostly have yet to take flight. True Loves should hang on for deer life because overall, the 12 gifts that comprise the PNC CPI increased to a tree-topping $49,263 this year.

"Believe it or not, we're still seeing the cause and effect of the pandemic-inflation hangover, even nearly five years later," says Amanda Agati, chief investment officer of PNC's Asset Management Group. "With years of steep price increases, we'd think inflation has nowhere to go, but we'd be wrong. This latest PNC CPI is an accurate reflection of what we're seeing in the market."

Purchasing all 364 gifts — the "True Cost of Christmas," that is buying the gifts with verses repeated — crossed the $200,000 threshold for the first time last year, and today settles in 3.6% higher at $209,272. Trying to quickly sleigh your list by shopping online? Price increases for tech-savvy santas were lower than those who shop in stores, but the total remains higher at $54,074. The convenience of shopping from home is still impacted by elevated shipping and packaging costs that have yet to ease since the pandemic.

Since the PNC CPI launched, the BLS CPI has increased 213% while the PNC CPI increased 146%. The differences in calculation methodology are going to result in distinct outcomes, but overall inflation trends have remained remarkably consistent over the years. During the last 41 years, the PNC CPI has evolved alongside changes in U.S. GDP as the economy has shifted from a manufacturing focus to one led by services. In 1984, goods composed 70% of the index, with the cost of services accounting for the remainder. Forty-one years later, there's been almost a complete reversal, with services accounting for the majority of the index at 65% and goods at just 35%.

Inflation Trends Repeat, Much Like the Verses of the Song Itself

There were no price increases this year for five of the gifts in the Index, including the Two Turtle Doves, Four Calling Birds, Five Gold Rings, Seven Swans-A-Swimming and Eight Maids-A-Milking.

Although the Partridge was unchanged, there was a 17.1% jump in price for the Pear Tree — a proxy for housing costs, which likewise continue to move higher despite average mortgage rates edging lower.

True Loves will benefit from little to no price increases for goods on this year's list; however, rising wages for skilled labor, represented by the performers, will make a bigger dent in their budget this year. Strong labor markets have helped spread cheer to many workers who have seen wage growth rise, consistent with trends in the BLS CPI. The cost of Nine Ladies Dancing and 10 Lords-a-Leaping jumped to new heights, 11 Pipers Piping trumpeted higher, and the 12 Drummers Drumming beat a stronger sum. In aggregate, prices for performers increased 7.9% this year, substantially higher than last year's 3.3%.

The cost of all 12 gifts is reported on PNC's interactive website, which is meant to be as fun as it is educational. "Buying the same gifts year after year may seem boring," says Agati, "but keeping track of changes in your spending enables you to make brilliant moves with your money, which is what I think the PNC CPI sets out to do."

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[2024 PNC Christmas Price Index Follows]

2024 PNC Christmas Price Index®

	TRADITIONAL			INTERNET		
	2023	2024	% Change 2024/2023	2023	2024	% Change 2024/2023
One Partridge in a Pear Tree	$ 319.18	$ 370.18	16.0 %	$ 479.18	$ 510.18	6.5 %
Partridge	$ 20.18	$ 20.18	0.0 %	$ 110.18	$ 110.18	0.0 %
Pear Tree	$ 299.00	$ 350.00	17.1 %	$ 369.00	$ 400.00	8.4 %

Two Turtle Doves	$ 750.00	$ 750.00	0.0 %	$ 845.00	$ 850.00	0.6 %
Three French Hens	$ 330.00	$ 346.50	5.0 %	$ 540.00	$ 566.50	4.9 %
Four Calling Birds	$ 599.96	$ 599.96	0.0 %	$ 560.00	$ 560.00	0.0 %
Five Gold Rings	$ 1,245.00	$ 1,245.00	0.0 %	$ 1,469.75	$ 1,469.75	0.0 %
Six Geese-a-Laying	$ 780.00	$ 900.00	15.4 %	$ 3,030.00	$ 3,300.00	8.9 %
Seven Swans-a-Swimming	$ 13,125.00	$ 13,125.00	0.0 %	$ 15,325.00	$ 15,325.00	0.0 %
Eight Maids-a-Milking	$ 58.00	$ 58.00	0.0 %	$ 545.28	$ 570.24	4.6 %
Nine Ladies Dancing	$ 8,308.12	$ 8,557.37	3.0 %	$ 8,308.12	$ 8,557.37	3.0 %
10 Lords-a-Leaping	$ 14,539.20	$ 15,579.65	7.2 %	$ 14,539.20	$ 15,579.65	7.2 %
11 Pipers Piping	$ 3,207.38	$ 3,714.96	15.8 %	$ 3,052.50	$ 3,245.00	6.3 %
12 Drummers Drumming	$ 3,468.02	$ 4,016.85	15.8 %	$ 3,330.00	$ 3,540.00	6.3 %
Total Christmas Price Index	$ 46,729.86	$ 49,263.47	5.4 %	$ 52,024.03	$ 54,073.69	3.9 %
True cost of Christmas in song	$ 201,972.66	$ 209,272.00	3.6 %	$ 239,414.64	$ 246,834.79	3.1 %
"Core" index, excluding swans	$ 33,604.86	$ 36,138.47	7.5 %	$ 36,699.03	$ 38,748.69	5.6 %

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Additional assets available online: Photos (1)

https://pnc.mediaroom.com/2024-11-21-PNC-Christmas-Price-Index-Increases-5-4-,-Significantly-More-Than-The-U-S-Consumer-Price-Index