

17 December 2025

Economic Comment

Prosperous Christmas ahead

Marcin Luziński, tel. +48 510 027 662, marcin.luzinski@santander.pl

With Christmas approaching, we decided – with a touch of humour – to take a closer look at the cost of organising this year's festive celebration. We identified two main cost components of Christmas: the Christmas Eve and holiday gathering at the table, and gifts. For each of these factors, we built a price index to reflect changes in their cost. The indices were constructed based on GUS inflation data, our bank's card spending data, survey results, anecdotal information and expert knowledge.

Our indices show that festive food will be 2.4% more expensive y/y, and gifts 2.6% y/y – which, compared with income growth of 9.4% y/y, means the strongest increase in purchasing power in years and thus potential for higher spending. These could be prosperous holidays.

Christmas Food Index

The Christmas food price index includes only food and is intended to reflect the cost of festive consumption. We assumed that holiday consumption roughly resembles consumption patterns on other days of the year, with a few important exceptions: since – according to research – around 80% of Poles fast on Christmas Eve, we increased the weight of fish at the expense of meat. Moreover, as we cannot imagine Christmas without beetroot soup (just like half of Poles), we increased the weight of beetroot.

Our index indicated that this year festive food will be 2.4% more expensive than a year earlier. This is the lowest growth rate since 2020. Products that became more expensive include: chocolate (33% y/y), beef (22% y/y), coffee (17% y/y), eggs (12% y/y), citrus fruit (11% y/y), poultry (5% y/y), fish (1% y/y), while those that became cheaper include: cabbage (-4% y/y), tea (-3% y/y), beetroot (-4% y/y), butter (-14% y/y), potatoes (-28% y/y).

Rising chocolate and coffee prices are the result of climate change, which has negatively affected supply. Cocoa crops in Ghana look particularly bad, where farmers have even started uprooting cocoa trees due to disastrous weather conditions. There is no way to quickly increase cocoa supply, as cocoa trees bear fruit only after several years. In the case of coffee, climate change has adversely affected harvests in Brazil, Vietnam and Colombia. Price hikes at producers were so strong that some retail chains even stopped buying coffee, causing shortages in many shops in Western Europe. Unfortunately, expensive chocolate and coffee are here to stay. Meat prices rose due to reduced livestock farming during the pandemic and then weaker global conditions. Now rebuilding is underway, particularly fast for poultry. Beef, being a luxury meat, reacts strongly to demand driven by better economic conditions, so it is unlikely to get cheaper. Eggs are becoming more expensive due to flock losses caused by diseases, changes in production profiles (abandoning cage farming) and high profitability of exports. High domestic harvests of fruit and vegetables this year, however, are lowering prices of these products, especially beetroot, cabbage and potatoes. Butter is cheaper thanks to a rebound in global milk production.

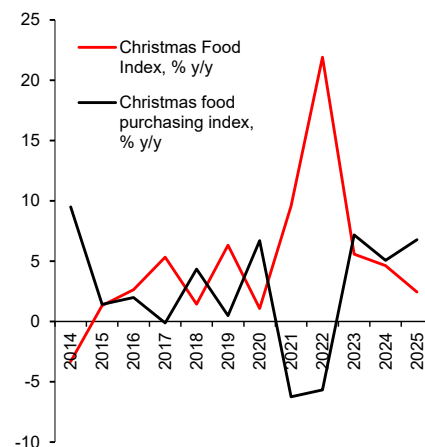
Since disposable income rose by 9.4% this year, Christmas food purchasing power increased by 6.8%, making it one of the strongest readings in over 10 years (though comparable to 2020 and 2023).

Christmas Gift Index

We believe Poles are very creative when it comes to Christmas gifts, yet according to surveys, toys, cosmetics and perfumes, sweets, clothing, books, home and decorative accessories, jewellery and electronic equipment invariably dominate.

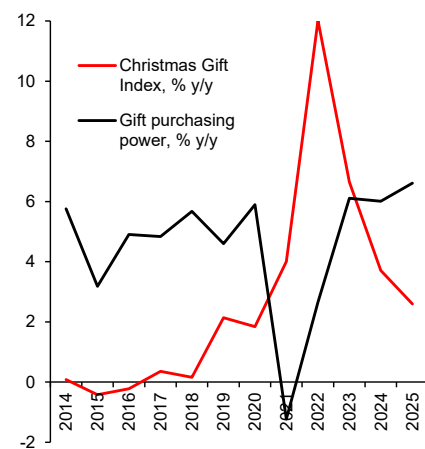
Our price index shows that this year gifts will be 2.6% more expensive than a year earlier. We will pay more than last year for jewellery (14% y/y), watches (6% y/y), foreign trips (3% y/y), books (3% y/y), toys (1% y/y). Cheaper, however, are pet products (-1.5% y/y),

Christmas Food Index



Source: GUS, Santander

Christmas Gift Index



Source: GUS, Santander

Economic Analysis Department:

al. Jana Pawła II 17, 00-854 Warszawa
 email: ekonomia@santander.pl
 website: santander.pl/en/economic-analysis
Piotr Bielski +48 691 393 119
Bartosz Białas +48 517 881 807
Adrian Domitrz +48 571 664 004
Marcin Luziński +48 510 027 662
Grzegorz Ogonek +48 609 224 857

cosmetics (-2% y/y), women's clothing (-4% y/y), computers (-7% y/y), games (-11% y/y), consumer electronics (-12% y/y).

These figures clearly show the effect of imported deflation from China, which influences prices of products such as electronics, toys and clothing. The introduction of tariffs on Chinese goods by the US prompted Chinese companies to seek new markets and redirect more of their production to Europe. Meanwhile, rising global gold prices are reflected in advancing jewellery prices.

Compared with income growth of 9.4% y/y, gift purchasing power increased by 6.6%, the strongest since we have comparable data (2014).

This publication has been prepared by Santander Bank Polska S.A. for information purposes only. It is not an offer or solicitation for the purchase or sale of any financial instrument. Information presented in the publication is not an investment advice. All reasonable care has been taken to ensure that the information contained herein is not untrue or misleading. But no representation is made as to its accuracy or completeness. No reliance should be placed on it and no liability is accepted for any loss arising from reliance on it. Forecasts or data related to the past do not guarantee future prices of financial instruments or financial results. Santander Bank Polska S.A. its affiliates and any of its or their officers may be interested in any transactions, securities or commodities referred to herein. Santander Bank Polska S.A. or its affiliates may perform services for or solicit business from any company referred to herein. This publication is not intended for the use of private investors. Clients should contact analysts at and execute transactions through a Santander Bank Polska S.A. entity in their home jurisdiction unless governing law permits otherwise. Copyright and database rights protection exists in this publication.

Additional information is available on request. Please contact Santander Bank Polska S.A. Financial Management Division. Economic Analysis Department. al. Jana Pawła II 17, 00-854 Warsaw, Poland. phone +48 22 534 18 87. email ekonomia@santander.pl. <http://www.santander.pl>.