



New Zealand Residential Contents Index (RCI)

December 2024





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Introduction

Sum Insured assists people to establish the correct replacement costs of their assets and in so doing helps them to be correctly insured.

Sum Insured specialises in the research and production of contents replacement cost information and web-based expert calculation systems. We produce information for use in both the home and commercial sectors and operate throughout New Zealand and Australia.

The Sum Insured Residential Contents Index (R.C.I.) is a statistical measure of the movement in home contents replacement costs in New Zealand, specifically focusing on the rate of change of the replacement cost of a home's contents over time.

Changes in home contents prices are researched daily from a wide cross section of New Zealand retailers, with research conducted via the internet, telephone, email and field research.

Extensive use is also made of detailed surveys of a large range of different household types to track the typical quantities of items contained within a home. This ensures we provide users with the most comprehensive and up-to-date home contents replacement cost information available in the New Zealand market.

The index contains all the typical categories of contents you would expect to find in a home including everything from appliances, audio visual equipment and computers, through to clothing, furniture, homewares and sporting equipment.

The RCI measures the change in the cost of items typically found in these categories, which ultimately represent the change in the cost of replacing your home contents.



Basis of Index



The Residential Contents Index is based on the contents of a typical three (3) bedroom home in New Zealand.

The typical home contains a total of four occupants and comprises thirteen (13) different functional rooms or areas. The occupants and rooms/areas are broken down to the right:



Occupants

- 2 x adults
- 2 x children



Rooms/Areas

- 3 x Bedrooms (1 x double + 2 x single)
- 2 x Bathrooms
- 1 x Kitchen
- 1 x Laundry
- 1 x Dining
- 1 x Living/Lounge
- 1 x Family
- 1 x Garage/Storage
- 1 x Garden shed
- 1 x Patio/Balcony/Deck/Veranda

Home Contents Quality Standards

Typically, costs are tracked for 3 separate home contents standards in New Zealand including:

- Average
- Quality
- Prestige

The **'average'** standard of home contents represents no-name brands, basic equipment, and self-assembled furniture, whilst the **'quality'** standard of contents is represented by well-known brands, superior equipment and joinery standard furniture.

'Prestige' home contents on the other hand, include designer brands, handcrafted furniture and top of the line equipment.



Key Categories

The key categories represented within the New Zealand Residential Contents Index (RCI) are summarised below, together with the percentage that each category contributes (based on the mean of the average and quality standards) towards the overall index value:

Category	Contribution
Appliances	6.3%
Audio visual/ Camera/ Computer/ Telephone	10.6%
Books/ Entertainment	2.7%
Clothing/ Footwear	18.1%
Food/ Drinks/ Cleaning	1.9%
Furniture/ Lighting	27.1%
Games/ Hobbies/ Toys	5.2%
Garden equipment/ Tools	6.4%
Homewares/ Bedding/ Linen	10.4%
Jewellery/ Watches (costume)	2.2%
Personal care/ Toiletries/ Medical	2.0%
Sports/ Luggage / Camping	4.7%
Window / Floor furnishings	2.4%
TOTAL	100%

New Zealand Residential Contents Index (R.C.I.)

The Residential Contents Index (RCI) is an important indicator of a cost trend reflecting the movement in the sum insured replacement cost of the contents of a typical three (3) bedroom New Zealand home.

Prices for items are tracked across three different standards of contents (i.e. average, quality and prestige), however only the average and quality standards are used to establish the “Mean” index value.

Movements in the index represent changes from the base index of 100, which has been assigned to the December 2013 year. Hence an index of 129.9 represents a 29.9% increase in the cost of a home’s contents, since the base date.

In the previous 12 months the “Mean” index taken across average and quality standards of **home contents has increased by 1.9%**. This was significantly less than the increase recorded in each of the previous three 12-month periods, returning to levels associated with the period 2015 through 2020.

2024 Sum Insured New Zealand Residential Contents Index (RCI)

Year	RCI % Change	RCI Index
2013	-	100
2014	2.9%	102.9
2015	1.9%	104.9
2016	2.0%	107
2017	1.7%	108.8
2018	0.5%	109.3
2019	1.7%	111.2
2020	0.5%	109.3
2021	3.4%	115.6
2022	5.8%	122.3
2023	4.3%	127.5
2024	1.9%	129.9

Key Drivers

New Zealand Cost Changes

The key drivers of cost in New Zealand for the previous 12 months covering the period between December 2023 and December 2024, saw increases in “Bedding/Linen”, “Woman’s clothing”, “Computer/Communications”, “Decorator”, “Furniture”, “Kitchenware”, “Luggage” and “Window furnishings” categories.

These increases were partially offset by decreases in categories such as “Appliances”, “Audio visual” and “Children’s clothing”.

These changes contributed to an overall increase of 1.4% at the lower end of the market (i.e. the average home contents standard level), whilst larger increases of 2.3% and 2.9% were seen at the higher quality and prestige standard contents levels. This disparity reflecting the continual buoyancy of the higher end of the market, which largely remains unaffected by higher interest rates.

Note: increases in “Woman’s clothing” were largely driven by changes to the quantities of clothing as opposed to pricing changes.

CPI

The NZ Government released CPI figures (all groups) recorded a 2.2% increase for the 12 months to September 2024, with movements in groups ranging from -22.8% to +15.0%.

Of the groups relevant to home contents values, the key group of “Household contents & services” recorded a rise of just 0.1%. All subgroups within this key group recorded rises that ranged from -4.5% to 7.9%.

Other home contents related groups such as the “Recreation and culture” group and “Miscellaneous goods and services” groups recorded increases of 2.3% and 6.2% respectively. Whilst the “Clothing and footwear” group increased by just 0.9% with the “Communication group” seeing an increase of 3.8%.





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Typical home contents replacement costs are provided by Sum Insured. Whilst all reasonable care is taken to ensure the accuracy of the information as a guide for costing, no responsibility is accepted by Sum Insured for its accuracy. Please check with a Valuer or other suitably qualified professional for an accurate estimate.

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