

Market Comment



RAPAPORT[®]
MARKET COMMENT

BUYER'S MARKET

News: Polished prices in decline. De Beers lets sight holders defer 1 ct. and larger rough to early 2024, as manufacturers have enough goods for the holidays. Shift to fancy shapes is raising production and inventories of cushions. Secondary rough market quiet during sight week. Alrosa 1H sales flat at \$1.9B despite sanctions, profit -35% to \$563M. Dealers in Belgium and Israel returning from vacation with low expectations for 2H. US inflation rises to 3.2% in July vs. 3% in June. Synthetics ruining demand for 1 to 2 ct. Wealthy buying beautiful fancy shapes and high jewelry with top-quality natural melee. Hong Kong preparing for September show amid soft Chinese sales. William Lamb to replace Eira Thomas as Lucara CEO.

Fancies: Fancy-shape market slower than before. Prices dropping, but less sharply than for rounds. Longer Ovals, Pears, Radiants and Cushions bringing higher prices than shorter stones. Goods with medium and short ratios weak. Prices of square Cushions weakening amid low demand and high inventories. Marquise prices holding up following drop in supply. 0.30 ct. doing well. Orders low for 0.70 to 1.20 ct. diamonds. VS-SI losing strength, except in 1.20 to 1.49 ct. Well-cut stones seeing shortages. Excellent shapes commanding premiums. Retailers offering broader product ranges as consumers seek alternative cuts. Oversizes trading at higher prices than usual. Off-make, poorly cut fancies illiquid and difficult to sell.