

Diamond Trade Cautious at End of Year



RAPAPORT PRESS RELEASE, January 2, 2024, Las Vegas... Diamond trading was quiet in late December as wholesalers took vacation between Christmas and New Year. The industry was cautious due to sluggish US consumer demand and competition from synthetics.

The holiday season for the overall jewelry market was weaker than in 2022 but in line with expectations. US jewelry sales fell 2% year on year for the period between November 1 and December 24, Mastercard SpendingPulse reported. Restaurant revenues rose 7.8%, indicating a shift from products to experiences. Chinese diamond demand remained slow amid an economic slump.

Polished prices rose in most categories as India's two-month voluntary freeze on rough imports — which ended December 15 — reduced inventories. India's rough imports for November slid 76% year on year to \$314 million. Manufacturers were under less pressure to sell, since they needed less cash to buy rough. Holiday orders supported prices for 1- to 3-carat, F-I, VS-SI, RapSpec A3+ diamonds.

RapNet Diamond Index (RAPI™)				
	Index	December	4Q 2023	2023
RAPI 0.30 ct.	1,418	1.0%	-0.3%	-4.3%
RAPI 0.50 ct.	1,980	2.2%	2.1%	-25.9%
RAPI 1 ct.	5,981	0.1%	-1.4%	-20.6%
RAPI 3 ct.	22,021	-0.4%	-0.7%	-11.3%

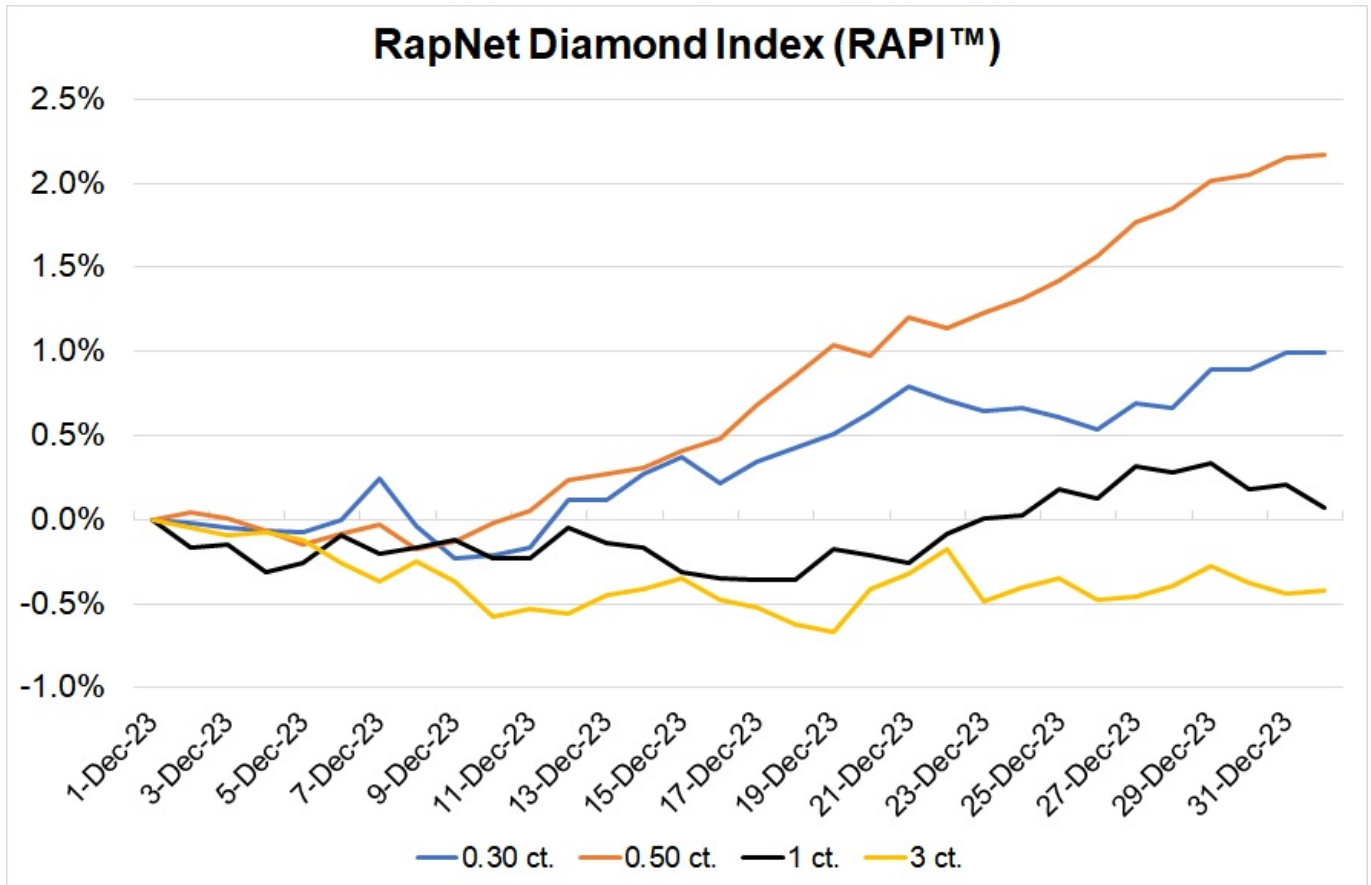
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The RapNet Diamond Index (RAPI™) for 1-carat diamonds rose 0.1% in December. The index for 0.30-carat stones increased 1%, and the 0.50-carat RAPI climbed 2.2%. Prices for fancy shapes were stable or declined.

The 0.50- and 1-carat RAPI categories had their worst full year on record, falling 26% and 21% respectively. However, the trend improved from November onward as US retailers bought for the holidays and Indian factories lowered polished production. The number of diamonds on RapNet fell 8% during 2023, totaling 1.6 million on January 1, 2024.

Some sightholders expect De Beers to reduce rough prices in January to stimulate sales. This could have an immediate impact on polished prices. To avoid an oversupply, manufacturers must ensure that their purchases match polished demand.

January also marks the introduction of broader Group of Seven (G7) restrictions on Russian diamonds. An expanded ban on any polished resulting from Russian rough begins March 1. The implementation could profoundly affect supply dynamics.



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About the RapNet Diamond Index (RAPI™): The RAPI is the average asking price, in hundred dollars per carat, of the 10% lowest-priced round diamonds in each of the top 25 quality categories (D-H, IF-VS2, GIA-graded, RapSpec-A3 and better) offered for sale on RapNet® (www.rapnet.com). Additional information is available at www.rapaport.com

About the Rapaport Group: The Rapaport Group is an international network of companies providing added-value services that support the development of ethical, transparent, competitive and efficient diamond and jewelry markets. Established in 1976, the group has more than 20,000 clients in over 120 countries. Group activities include Rapaport Information Services, providing the Rapaport benchmark Price List for

diamonds, as well as research, analysis and news; RapNet, the world's largest diamond trading network; Rapaport Trading and Auction Services, the world's largest recycler of diamonds, selling over 400,000 carats of diamonds a year; and Rapaport Laboratory Services, providing Rapaport gemological services in India and Israel. Additional information is available at www.rapaport.com

Main image: A polished diamond, tweezers and a loupe. (Shutterstock)