

Gem Diamonds Sales Slip in Weak Market



Revenue at Gem Diamonds slid in the third quarter as prices fell amid weak market conditions and a decline in the proportion of large stones sold.

Sales from the company's Letšeng mine in Lesotho slumped 45% year on year to \$31.4 million for the three months that ended September 30, it said Wednesday. Sales volume dropped 14% to 23,955 carats, while the average price decreased 35% to \$1,310 per carat. Revenue also slipped 10% from the previous quarter, with the average price down 1%.

“As has been well documented, the global rough-diamond market has experienced a downturn in 2023,” the miner noted. “A decrease in the number of large, high-value diamonds recovered combined with this market pressure have negatively impacted the average dollar per carat and revenue achieved during the period.”

Gem Diamonds sold four diamonds for more than \$1 million each, generating revenue of

\$6.1 million during the period. That compares with the sale of 10 diamonds in that range a year earlier, which garnered \$25.1 million. The highest prices achieved in the three months from July to September were for a 5.96-carat, pink diamond, which realized \$67,853 per carat, and for a 58.71-carat, white, type Ila rough, which sold for \$36,399 per carat.

Production grew 8% to 26,913 carats for the period, with the [company](#) recovering one diamond greater than 100 carats. It plans to sell that stone in the fourth quarter, it said.

In the first nine months of 2023, revenue declined 34% to \$103 million. The average price slid 26% to \$1,353 per carat, and sales volume dropped 10% to 76,118 carats.

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MAIN IMAGE: THE LET&SCARON;ENG MINE IN LESOTHO. (GEM DIAMONDS)