

Hong Kong Jeweler TSL Warns of Loss in First Half



Tse Sui Luen (TSL) expects to report a loss for the first half of its fiscal year as a drop in consumer confidence in China outweighed a tourism-driven rebound in Hong Kong.

The [Hong Kong-based jeweler](#) believes it will lose at least HKD 50 million (\$6.4 million) for the six months ending September 30, it said Tuesday. That compares with a profit of HKD 2 million (\$255,509) for the same period of 2022.

Consumer sentiment on the mainland waned in light of the troubled property market and “gloomy” economic outlook, the company explained. Although gold jewelry has spurred a gradual improvement in overall sales in the region, demand for diamonds is still faltering.

“While the Chinese government’s pro-growth measures are gradually boosting the recovery momentum, it still takes time to stimulate luxury-goods consumption, especially for natural-diamond products,” TSL noted.

The challenging market in China outweighed a rise in profit in Hong Kong thanks to the reopening of the border and a rebound in tourism. Chinese tourists to Hong Kong usually drive the luxury sector in the municipality.

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MEANWHILE, HONG KONG JEWELER CHOW TAI FOOK REPORTED A 6% RISE IN TOTAL SALES FOR THE SECOND FISCAL QUARTER ENDING SEPTEMBER 30, WHILE LUK FOOK SAW A 47% HIKE FOR THE SAME PERIOD. BOTH SHOWED INCREASES IN REVENUE FROM CHINA. HOWEVER, HONG KONG FUELED OVERALL SALES.

TSL WILL PUBLISH ITS FIRST-HALF RESULTS BY THE END OF NOVEMBER, IT ADDED.

MAIN IMAGE: A TSL STORE IN HONG KONG. ([MANGONGCHONG](#))