

Israel Shipments Slump Amid Global Uncertainty



Israel's diamond trade slowed in August as the Ukraine crisis reduced access to rough and global market sentiment weakened.

Polished exports dropped 21% year on year to \$271.9 million for the month, with volume down 19% at 121,256 carats, the country's Ministry of Economy and Industry reported Monday. Polished imports slid 30% to \$178.7 million. Rough exports rose 27% to \$141.6 million, while rough imports slumped 32% to \$160.6 million. The export figures exclude goods that returned to Israel unsold.

The mostly downward trend followed successive months of growth since the start of the year, reflecting the onset of geopolitical and economic uncertainty as well as an unfavorable comparison with last year's post-lockdown rebound.

The war in Ukraine, the sanctions on Russia, stock-market declines and inflation appear to have dampened trading in the diamond sector, contributing to a slowdown, noted Ophir Gore, the nation's diamond controller.

“However, it is important to remember that August is a relatively weak month for the diamond industry,” he added. “Over time, Israeli diamantaires are finding alternatives to Russian rough.”

Image: A rough diamond. (Shutterstock)