

Prices of Higher-Clarity Diamonds Continue to Fall



RAPAPORT PRESS RELEASE, May 7, 2024, Las Vegas... The diamond market slowed in April due to seasonal factors as well as weak US and Chinese demand. Prices of VS-plus goods fell, while SIs improved, continuing a trend that has been present since the start of the year.

BHP's \$38.9 billion bid for Anglo American raised questions about the future of De Beers. Anglo is also reportedly trying to sell De Beers in a separate process that could lead to a restructuring of the diamond market. The company is under unprecedented pressure from synthetics, political challenges, and the drop in Chinese demand.

Polished sales were slow in April. High inflation and interest rates impacted US spending. Chinese consumers preferred to invest in gold rather than diamonds.

The RapNet Diamond Index (RAPI™) for 1-carat goods — reflecting round, D to H, IF to VS2 diamonds — dropped 3.5% in April and almost 20% year on year. Prices for round, 1-carat, D to H, SI diamonds increased 1% in April.

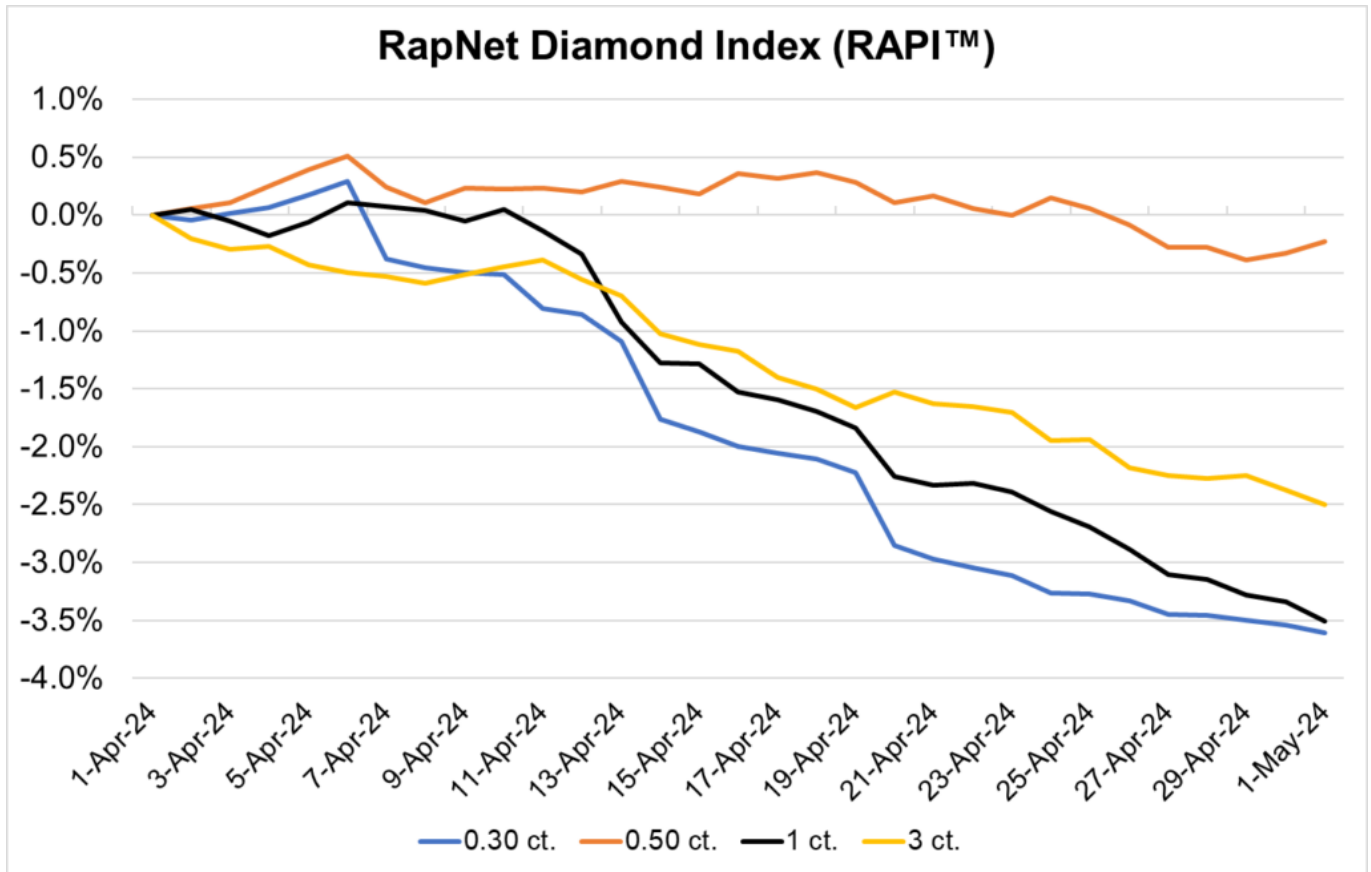
RapNet Diamond Index (RAPI™)				
	Index	April	Year to Date <small>Jan. 1, 2024, to May 1, 2024</small>	Year on Year <small>May 1, 2023, to May 1, 2024</small>
RAPI 0.30 ct.	1,340	-3.6%	-5.5%	-16.8%
RAPI 0.50 ct.	2,041	-0.2%	3.1%	-20.7%
RAPI 1 ct.	5,746	-3.5%	-3.9%	-19.7%
RAPI 3 ct.	21,040	-2.5%	-4.5%	-12.5%

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The rough market was sluggish due to the weakness in polished. Dealers struggled to make profits on most De Beers boxes on the secondary market. April rough sales at Botswana's state-owned Okavango Diamond Company fell 68% year on year to \$34.6 million. De Beers reduced its 2024 production outlook by about 10%, forecasting output of 26 million to 29 million carats.

Group of Seven (G7) sanctions on Russian diamonds impacted the market. Ari Epstein's resignation as CEO of the Antwerp World Diamond Centre (AWDC) reflected controversy over the implementation of European Union rules, which have caused delays at the city's customs office. Plans to make Antwerp the single inspection point for all diamonds entering G7 countries faced opposition from across the industry.

The trade's focus shifted to the upcoming Las Vegas shows, with hopes they would kick-start the wholesale market ahead of the holiday season.



Media Contacts: media@rapaport.com
US: Sherri Hendricks +1-702-893-9400
International: Avital Engelberg +1-718-521-4976

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, with daily listings of over \$8 billion; and Rapaport Trading and Auction Services, the world's largest recycler of diamonds. Additional information is available

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