

Press Release: Diamond Prices Firm Amid Market Optimism



RAPAPORT PRESS RELEASE, December 7, 2021, Las Vegas... Polished diamond prices rose in November amid steady demand and shortages of larger sizes. Dealers were busy filling US orders for retail jewelers as the holiday season got off to a strong start. The improving Chinese market helped buoy smaller certified goods.

The RapNet Diamond Index (RAPI™) for 1-carat polished diamonds rose 0.9% during the month and was up 14% year on year as of December 1.

RapNet Diamond Index (RAPI™)			
	November	Year to date Jan. 1 to Dec. 1	Year on year Dec. 1, 2020, to Dec. 1, 2021
RAPI 0.30 ct.	0.4%	-2.0%	-1.6%
RAPI 0.50 ct.	0.5%	-0.4%	0.4%
RAPI 1 ct.	0.9%	11.4%	14.0%
RAPI 3 ct.	4.8%	12.9%	15.8%

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Jewelry outperformed most product categories at the start of the holiday period. Thanksgiving weekend sales were up 78% compared to last year, according to

Mastercard SpendingPulse. Overall e-commerce sales slid 1.4%, reported Adobe, as many consumers started their holiday shopping earlier this year.

The strong retail performance lifted sentiment in the diamond trade. Dealers were looking for inventory to fill ongoing orders and also because they expect the positive momentum to continue into the first half of 2022. However, higher prices made it difficult for dealers to buy and restock at reasonable profit margins.

Polished inventory levels increased as Indian manufacturers shipped large volumes before the Diwali break. The country's polished exports rose 45% year on year to \$2.56 billion in October. While the number of diamonds on RapNet jumped sharply in recent months, the spike consisted mainly of 0.30- to 0.40-carat goods. 1-carat and larger are in short supply.

Rough trading remains robust. Manufacturers are raising production again after Diwali to provide goods for the first quarter, when jewelers typically replenish inventory they've sold during the holidays. Rough prices are firm; they have increased approximately 20% so far in 2021, according to Rapaport estimates.

The diamond market is optimistic for the next few months despite concerns about the Covid-19 Omicron variant and the effects of inflation on US consumer spending. The trade begins the final month of the year with the supply-demand dynamic working in its favor.

Rapaport Media Contacts: media@diamonds.net
US: Sherri Hendricks +1-702-893-9400
International: Avital Engelberg +1-718-521-4976
Mumbai: Prashant Bhojani +91-97694-66855

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

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 121 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.