



Gem and Jewellery Trade Update

April - December 2021

*Asian Development Outlook by ADB
– Key Feature*

GJEPC Statistics Department (Data and Analytics Unit)

Contents

Gem and Jewellery Trade Update : April- December 2021



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Key Highlights

- ➔ During April – December 2021, G&J exports increased by 5.76 % to US\$ 29.08 billion as compared to pre –covid levels of exports of US\$ 27.50 billion registered during April - December 2019 . G&J exports rose by 76.40 % during April – December 2021 as compared to US\$ 16.49 billion recorded during same period last year .
- ➔ During April – December 2021, Cut and Polished Diamonds (22.78%) , Silver Jewellery (93.92 %) , Platinum jewellery (254.12%) , Studded gold Jewellery (56.18 %) and polished lab grown diamonds (195.84%) witnessed a positive export growth while the exports of plain gold jewellery (-57.47 %), Coloured Gemstones (-10.03 %) recorded a negative export growth rate w.r.t April-December 2019.
- ➔ Imports of rough diamonds, rough lab grown diamonds and silver bar registered a positive import growth in April - December 2021 as compared to import levels registered in April – December 2019. It indicates continued production activities pertaining to making polished diamonds, lab grown diamonds and silver jewellery.
- ➔ Gross exports from all the regions , barring Northern and Southern region , have recovered as exports recorded in April - December 2021 are even more than the exports recorded in April – December 2019 i.e. pre-covid level
- ➔ Exports from SEEPZ , Surat , Jaipur & Kolkata SEZs have witnessed a rise in April – December 2021 as compared to pre-covid level i.e in April – December 2019 . Overall, there is a decline of (-)34 % in exports to US\$ 5228.87 million in April-December 2021 from US\$ 7922.29 million recorded in April-December 2019.
- ➔ Among the top 10 export destination , Gem and Jewellery exports to UAE has witnessed the highest fall of (-) 45.26 % followed by Belgium (-) 15.39 % , Japan (-)11.61 % , and Hong Kong (-) 4.12 % during April- December 2021 as compared to April-December 2019. While, gem and jewellery exports to other destinations such as USA , Israel ,Thailand ,Singapore ,UK and Netherland have shown a rise during the stated time period.
- ➔ The positive export growth in December 2021 is majorly on account of robust holiday season ,fulfilment of export orders during the physical shows /VBMSs , continued strong consumer and business sentiments in key markets such as USA , Europe especially China ahead of the upcoming Chinese New year on 1st February
- ➔ The Indian Economy is projected to expand by 9.7 % in 2021 and 7.5 % in 2022 according to ADB’s Asian Development Outlook Report .

Gem & Jewellery Gross Exports January to December 2021

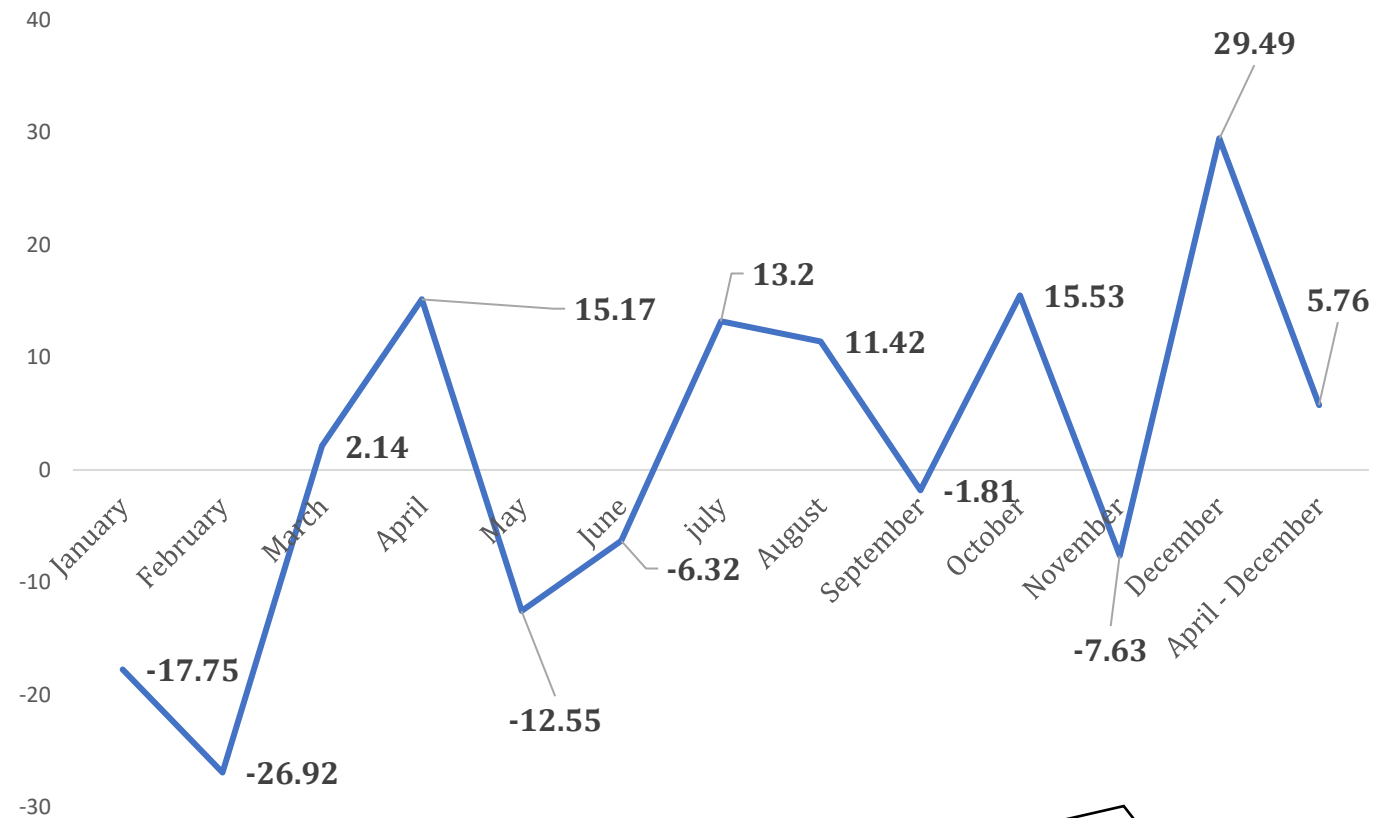
Months	Gross Exports	Gross Exports	Gross Exports
	FY2018-2019	FY2019-2020	FY2020-2021
	US\$ Billion	US\$ Billion	US\$ Billion
January	3.27	2.97	2.65
February	3.69	2.97	2.66
March	3.44	1.97	3.46
Jan to March	10.41	7.91	8.77
Months	FY2019-2020	FY2020-2021	FY2021-2022
April	3.00	0.04	3.45
May	3.36	1.06	2.94
June	3.09	1.65	2.89
July	3.05	1.51	3.45
August	3.05	1.78	3.40
September	3.42	2.51	3.36
October	3.61	2.93	4.17
November	2.58	2.50	2.38
December	2.35	2.51	3.04
Apr to December	27.50	16.49	29.08
Jan to December	37.91	24.39	37.86

Source : GJEPC Analysis

Notes: (p) = Provisional, Figures doesn't include data from Delhi Aircargo Nov & Dec 2021, Gross exports means inclusive of return consignments,

5.76% growth over April – December 2019

Gem and Jewellery Exports Growth : Jan - Dec 2021 over Jan - Dec 2019 (pre-covid-level)



G&J exports stood at US\$ 29.08 billion in April – December 2021; higher than the pre-covid level of exports of US\$ 27.50 billion recorded in April – December 2019 recording a growth of 5.76% during the said period.

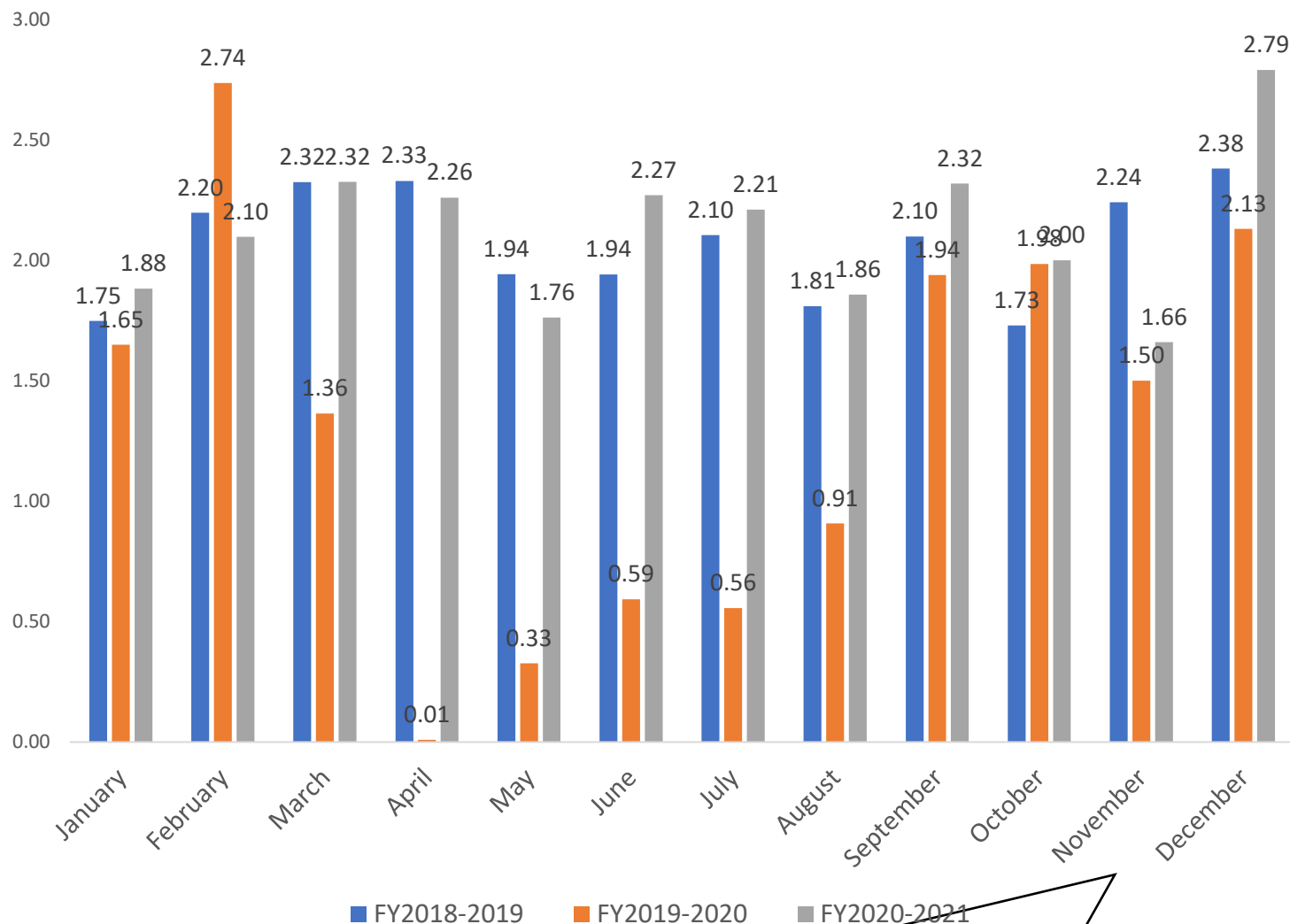
Gem & Jewellery Imports January to December 2021

Months	Gross Imports	Gross Imports	Gross Imports
	FY2018-2019	FY2019-2020	FY2020-2021
	US\$ Billion	US\$ Billion	US\$ Billion
January	1.75	1.65	1.88
February	2.20	2.74	2.10
March	2.32	1.36	2.32
Jan to March	6.27	5.75	6.30
Months	FY2019-2020	FY2020-2021	FY2021-2022
April	2.33	0.01	2.26
May	1.94	0.33	1.76
June	1.94	0.59	2.27
July	2.10	0.56	2.21
August	1.81	0.91	1.86
September	2.10	1.94	2.32
October	1.73	1.98	2.00
November	2.24	1.50	1.66
December	2.38	2.13	2.79
Apr to December	18.58	9.95	19.13
Jan to December	24.85	15.70	25.44

Source : GJEPC Analysis

Notes: (p) = Provisional Figs for Gold Bar from MMTC April to December 2021 and Figs for Gold Bar from Bank of India, SBI & UBI December 2021 are not included as not available.

Imports (US\$ Billion)



G&J imports stood at US\$ 19.13 billion in April – December 2021; higher than the pre-covid level of imports US\$ 18.58 billion recorded in April – December 2019, indicating continued production activities in G&J sector.

Commodity wise G&J Exports- April – December 2021 in comparison with Pre-Covid level April – December 2019

Commodities	April – December 2019	April – December 2020	April – December 2021 (p)	% Growth/Decline 2019/2021
	(US\$mn)	(US\$mn)	(US\$mn)	(Y-o-Y)
Cut & Pol Diamonds	14666.23	10633.11	18007.24	22.78
Pol. Lab Grown Syn. Diamonds	312.04	419.76	923.13	195.84
Coloured Gemstones	247.34	123.82	222.52	-10.03
Pol. Synthetic Stone	0.74	0.57	3.04	312.05
Gold Jewellery	9270.94	3065.88	6915.21	-25.41
Plain Gold Jewellery	6655.84	1293.15	2830.84	-57.47
Studded Gold Jewellery	2615.09	1772.73	4084.37	56.18
Silver Jewellery	1013.56	1532.90	1965.51	93.92
Platinum Jewellery	6.38	11.37	22.58	254.12
Imitation Jewellery	40.69	28.72	52.54	29.14
Articles of Gold, Silver & others	368.81	73.70	42.75	-88.41
Others	1,574.13	597.80	929.48	-40.95
Gross Exports	27500.85	16487.64	29084.00	5.76
Return Consignment	5,133.45	3,024.62	5,379.50	4.79
Net Exports	22,367.40	13,463.02	23,704.50	5.98

April – December 2021 exports growth in comparison with April – December 2019 :

All key G&J commodities have witnessed a positive export growth

- Cut & Polished Diamonds(+22.78%)
- Polished LGD (+195.84%)
- Studded gold jewellery (+56.18 %)
- Silver Jewellery (+ 93.92 %)
- Platinum Jewellery (+254.12)

Exports growth declined of :

Plain Gold Jewellery (-57.47 %)
Coloured Gemstones (-10.03%)

Commodity-wise G&J Imports – April – December 2021



Products	April – December 2019	April – December 2020	April – December 2021 (p)	% growth /decline 2019/2021
	US\$ Mill	US \$ Mill	US\$ Mill	(y-o-y)
Rough Diamonds	10,158.25	6782.33	13,610.78	33.99
Rgh Lab Grown Diamonds	250.70	366.71	861.48	243.63
Rough Coloured Gemstones	194.29	83.95	245.06	26.13
Rough Synthetic Stone	3.02	0.81	2.91	-3.68
Raw Pearls	9.98	0.68	4.80	-51.92
Gold Bar	5,951.69	703.69	1,718.42	-71.13
Silver Bar	28.04	24.71	372.56	1228.90
Platinum Bar	119.77	124.11	90.75	-24.22
Sub - Total	16,715.74	8087.00	16,906.76	1.14
Imports of Cut & Pol. Diamonds	1,063.94	1425.19	1,015.65	-4.54
Pol. Lab Grown Diamonds	73.99	31.55	26.35	-64.39
Col. Gemstones	438.24	237.91	916.61	109.16
Pol. Synthetic Stone	11.34	3.24	7.96	-29.78
Pearls worked	5.57	1.73	3.01	-46.00
Gold Jewellery	216.24	138.02	202.25	-6.47
Silver Jewellery	46.01	16.45	38.93	-15.40
Imitation Jewellery	1.25	1.27	3.53	181.35
Others	8.27	5.29	7.93	-4.18
Sub - Total	1,864.86	1,860.65	2,222.22	19.16
Gross Imports	18580.59	9947.66	19,128.98	2.95

Imports of commodities - rough diamonds, rough lab grown diamonds, silver bar have witnessed a positive import growth in April – December 2021 over April – December 2019. It indicates towards the continued manufacturing activities in diamonds sector.

Source : GJEPC. Analysis

Notes: (p) = Provisional Figs for Gold Bar from MMTC April to December 2021 and Figs for Gold Bar from BOI, SBI & UBI December 2021 are not included as not available.

GJEPC Region-wise Growth/Decline in Gross Exports



Region	Gross Exports (April – December 2019)	Gross Exports (April – December 2020)	Gross Exports (April – December 2021)	% of Growth / Decline 2019/2021 (Y-o-Y)
	US\$ Million	US\$ Million	US\$ Million	
Western Region	18236.81	12149.65	22467.93	23.20
Southern Region	5313.53	359.73	1161.73	-78.14
Rajasthan Region	551.78	378.80	704.11	27.61
Gujarat Region	1652.62	2653.92	3239.51	96.02
Northern Region	1282.50	722.17	792.93	-38.17
Eastern Region	463.60	223.37	717.78	54.83
Total	27500.83	16487.64	29083.99	5.76

Source : GJEPC Statistics Dept. Analysis

Figures doesn't include data from Delhi Aircargo November & December 2021

Gross exports from all the regions ,barring the Southern and Northern region, have recorded positive exports growth during April – December 2021 over the exports recorded in April – December 2019 i.e. during the pre-covid level .

Gem & Jewellery Port-wise Gross Exports : SEZ



SEZs	April – December 2019 US\$ Million	April – December 2020 US\$ Million	April – December 2021 US\$ Million	% of Growth / Decline 2021 w.r.t 2019 (Y-o-Y)
Seepz	1721.45	1,425.40	2,766.50	60.71
Surat SEZ	978.70	1,394.33	1,936.49	97.86
Jaipur SEZ	153.69	129.11	206.19	34.16
Delhi SEZ	265.80	130.57	160.54	-39.6
Kolkata SEZ	38.16	43.87	84.09	120.37
Visakhapatnam SEZ	11.34	17.95	8.80	-22.34
Hyderabad SEZ	3.47	0.00	0.00	-100
Chennai SEZ	1.44	0.49	1.02	-28.69
Cochin SEZ	4748.24	56.59	65.22	-98.63
Total	7922.29	3198.31	5,228.87	-34

Source : GJEPC Statistics Dept. Analysis

In April 2020 due to complete lock down, exports from SEZs were not recorded

Exports from SEEPZ , Surat , Jaipur & Kolkata SEZs have witnessed a rise in April – December 2021 as compared to April – December 2019. Overall, there is a decline of (-)34 % in exports to US\$ 5228.87 million in April-December 2021 from US\$ 7922.29 million recorded in April-December 2019 majorly on account of decline in exports from Cochin SEZ

Top 10 Export Destinations for G&J products : April-December 2021 (p)

Rank	Countries	April to December 2019	April to December 2020	April to December 2021	% growth /decline 2019/2021
		US\$million	US\$million	US\$million	(y-o-y)
1	U.S.A	7,052.93	5,729.82	11,006.13	56.05
2	Hongkong	7,421.67	5,694.22	7,115.68	-4.12
3	U.A.E	7,512.57	1,648.43	4,112.53	-45.26
4	Belgium	1,393.01	792.41	1,178.67	-15.39
5	Israel	670.51	542.56	1,131.05	68.69
6	Thailand	476.22	393.88	753.61	58.25
7	Singapore	481.87	201.04	599.84	24.48
8	United Kingdom	359.53	256.98	533.73	48.45
9	Netherland	269.00	11.6	530.83	97.34
10	Japan	293.41	196.78	259.33	-11.61
11	Others	1,570.13	1,019.92	1,862.58	18.63
Total		27,500.85	16,487.64	29,084.00	5.76

Source : GJEPC Statistics Dept. Analysis

Figures doesn't include data from Delhi Aircargo November & December 2021

Key Observations and trends – G&J Exports (April-December 2021)



Factors which have driven/obstructed exports of the following key commodities are briefly described here below

Growth Drivers

- **Cut and Polished Diamonds (22.78 % rise)** - Positive worldwide growth trends in the diamond and jewellery industries including USA and China and continued recovery in consumer demand over the key holiday period are the major factors that led to a positive export growth of the commodity .
- **Studded Gold Jewellery (56.18 % rise)** - Strong festive sales in key export destinations , weddings and social events scheduled in the first half of the month have led to a positive export growth of the commodity .
- **Silver Jewellery (93.92 % rise)** - The positive business and consumer sentiments , renewed demand of finished gems and jewellery products on account of holiday season and studded silver jewellery (diamonds) exports through Surat SEZ are some of the reasons for the positive export growth of silver jewellery .

Growth Obstructors

- **Plain gold Jewellery (- 57.47 %)** -Volatility in domestic gold prices , renewed restrictions in key markets on account of concerns around the new Omicron variant , low retail demand due to end of year holidays and lack of weddings are some of the factors that may have led to the negative export growth of the commodity . However , government's continued support the industry with the exemptions in hallmarking of gold jewellery and artefacts meant for domestic business to business exhibitions is expected to boost gold jewellery exports in the new year .
- **Colored Gem Stones (-10.03 %)** - Lack of physical shows such as Hong Kong due to renewed restrictions in travel amidst concerns over Omicron variant and disruptions in supply chain of rough coloured gemstones and semi-precious stones from Brazil and Africa .



Positive drivers of G&J exports

- The positive export growth in December 2021 is majorly on account of robust holiday season, fulfilment of export orders during the physical shows /VBSMs, continued strong consumer and business sentiments in key markets such as USA, Europe especially China ahead of the upcoming Chinese New year on 1st February
- We understand that the short term outlook is marred by an uncertainty about economic prospects in the first half of the new year especially with spread of Covid-19's Omicron variant that could lead to fresh restrictions and complete /partial lockdowns in both domestic and international market



Key Featured Slides...

Asian Development Outlook by

Asian Development Bank (ADB)

Asian Development Outlook, December 2021

1. According to the flagship report of Asian Development Bank - 'Asian Development Outlook – Supplement', the Asian Economy is projected to expand by (+) 7 % in 2021 and (+) 5.3 % in 2022 (Table). This is majorly due to the recent emergence of highly mutated virus variants and a global rise in infections. There has been a resurgence in regional trade with developing Asia's merchandise exports continuing to strengthen, outpacing expansion in global trade. However, tourism has yet to recover as continued outbreaks and restrictions curtailed international travel.

2. Projected Growth : South Asia (+8.6 %) , East Asia (+7.5 %) , South East Asia (+ 3 %) , Central Asia (+) 4.7 % and Pacific (- 0.6 %) in 2021

- South Asian Economies are projected to expand by (+) 8.6 % in 2021
- East Asian Economies are projected to expand by 7.5 % in 2021 which include Hong Kong (+6.4 %), China (+8%), and the Republic of Korea (+ 4 %) (Table)
- South East Asian Economies are projected to expand by 3 % in 2021 which includes Indonesia (+ 3.5 %), Malaysia (+3.8 %) , Singapore (+ 6.9%), Thailand (+1 %), and Vietnam (+2 %)
- The group of Central Asian Economies is projected to expand by (+) 4.7 % in 2021

3. India is expected to record a growth of 9.7 % in 2021 and 7.5 % in 2022 .

India GDP Outlook

- Indian economy is expected to grow by 9.7 % in 2021 as against 10 % forecasted in ADB Outlook September 2021 majorly on account of slower growth in manufacturing sector caused by supply chain issues that are affecting industry .
- The country registered a strong 20.1 % growth rebound in Q1 of fiscal year which was followed in Q2 by growth moderation to 8.4 % marginally below expectations as chip shortage hindered the production and sales of the automobiles and electronic goods .
- However , GDP growth remained strong driven by growth in private consumption at 8.6 % and in investment at 17.2 % . Growth was comprehensive on the supply side driven by strong expansion in services especially public administration and defence and mining . The Agricultural sector remained resilient at 4.5 % while the manufacturing growth moderated to 5.5 % . Supply chain factors such as chip shortages and rising semiconductor prices is expected to suppress economic growth as reflected in the double digit contraction in motor vehicle sales in October and in e-way bills in November 2021.
- Thus , Indian economy ,notwithstanding the slowdown towards the end of Q2 , is expected to rebound strongly in FY 2021 by 9.7 % in 2021 and grow moderately by 7.5 % in 2022 as domestic demand normalises . Decline in covid -cases in 2021 and government's initiatives to vaccinate the population with at least one dose are some other positive developments that can push economic growth in the country further in coming year .

GDP Growth Rate ,% per year , (% change)

Particulars	2020	Projections	
		2021	2022
Major advanced economies	-4.6	4.8	4
USA	-3.4	5.5	3.0
Euro Area	-6.5	4.8	4.5
Japan	-4.7	2.1	2.9
Developing Asia	-0.1	7	5.3
Central Asia	-1.9	4.7	4.4
Kazakhstan	-2.6	3.7	3.9
East Asia	1.8	7.5	5
Hong Kong, China	-6.1	6.4	3.4
People's Republic of China	2.3	8	5.3
Republic of Korea	-0.9	4	3.1
Taipei, China	3.1	6.2	3
South Asia	-5.6	8.6	7
India	-7.3	9.7	7.5
South East Asia	-4	3	5.1
Indonesia	-2.1	3.5	5
Malaysia	-5.6	3.8	5.9
Philippines	-9.6	5.1	6
Singapore	-5.4	6.9	4.1
Thailand	-6.1	1	4
Vietnam	2.9	2	6.5
The Pacific	-5.3	-0.6	4.7

Source: Asian Development Bank ADO = Asian Development Outlook, ADOS = ADO Supplement, GDP = gross domestic product, NIEs = newly industrialized economies of Hong Kong, China; the Republic of Korea; Singapore; and Taipei, China. **Note:** Developing Asia refers to the 46 members of the Asian Development Bank listed below. Central Asia comprises Armenia, Azerbaijan, Georgia, Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan. East Asia comprises Hong Kong, China; Mongolia; the People's Republic of China; the Republic of Korea; and Taipei, China. South Asia comprises Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. Southeast Asia comprises Brunei Darussalam, Cambodia, Indonesia, the Lao People's Democratic Republic, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Timor-Leste, and Viet Nam. The Pacific comprises the Cook Islands, the Federated States of Micronesia, Fiji, Kiribati, the Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.

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Thanks