



Gem and Jewellery Trade Update

April 2021 – January 2022

*World Economic Outlook by IMF –
Key Feature*

GJEPC Statistics Department (Data and Analytics Unit)

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Gem and Jewellery Trade Update : April 2021- January 2022



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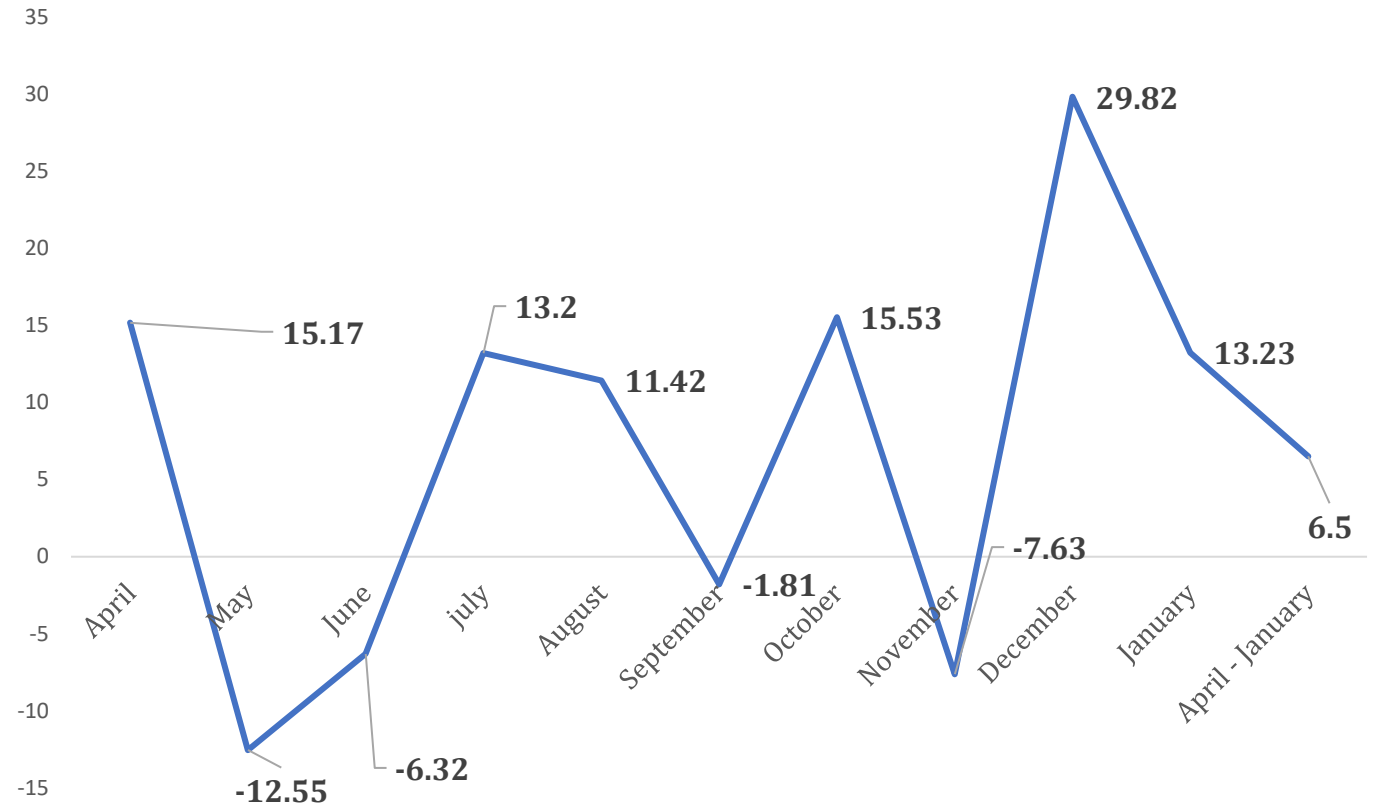
Key Highlights

- During April 2021– January 2022, G&J exports increased by 6.50 % to US\$ 32.37 billion as compared to pre –covid levels of exports of US\$ 30.40 billion registered during April 2019 - January 2020. G&J exports rose by 69.13% during April 2021 – January 2022 as compared to US\$ 19.14 billion recorded during same period last year .
- During April 2021 – January 2022, Cut and Polished Diamonds (22.94%) , Silver Jewellery (81.05 %) , Platinum jewellery (192.90%) , Studded gold Jewellery (55.78 %) and polished lab grown diamonds (193.48%) witnessed a positive export growth while the exports of plain gold jewellery (-55.95 %), Coloured Gemstones (-11.23 %) recorded a negative export growth rate as compared to April 2019 – January 2020.
- Imports of rough diamonds, rough lab grown diamonds and silver bar registered a positive import growth in April 2021 - January 2022 as compared to import levels registered in April 2019 – January 2020. 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 2021 - January 2022 are even more than the exports recorded in April 2019 – January 2020 i.e. pre-covid level
- Exports from SEEPZ , Surat , Jaipur & Kolkata SEZs have witnessed a rise in April 2021- January 2022 as compared to pre-covid level i.e in April 2019 – January 2020 . Overall, there is a decline of (-)33.40% in exports to US\$ 5830.38 million in April 2021 – January 2022 from US\$ 8754.61 million recorded in April 2019 – January 2020.
- Among the top 10 export destination , Gem and Jewellery exports to UAE has witnessed the highest fall of (-) 41.50 % followed by Belgium (-) 15.81 % , Japan (-)12.20 % , and Hong Kong (-) 3.06 % during April 2021 – January 2022 as compared to April 2019 – January 2020. 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 export growth in January 2022 is majorly on account of continued positive growth in key export destinations such as USA , Asia & Europe , increased jewellery demand due to Valentine’s day , Chinese New year , upcoming domestic and international trade shows -IIJS Signature 2022 ,GJEPC efforts & initiatives and pro-industry announcements . The third wave of Covid-19 hit India in the latter half of December 2021 that led to complete/partial lockdowns in different states in India that had an impact on the G&J manufacturing .
- The Indian Economy is projected to expand by 9 % in 2022 and 7.1 % in 2023 according to IMF’s World Economic Outlook published in January 2022 .

Gem & Jewellery Gross Exports April 2021 to January 2022

Months	Gross Exports	Gross Exports	Gross Exports
	FY2019-2020	FY2020-2021	FY2021-2022
	US\$ Billion	US\$ Billion	US\$ Billion
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	3.05
January	2.90	2.65	3.28
April to January	30.40	19.14	32.37

**Gem and Jewellery Exports Growth : Apr 2021 - Jan 2022
over Apr 2019 - Jan 2020 (pre-covid-level)**



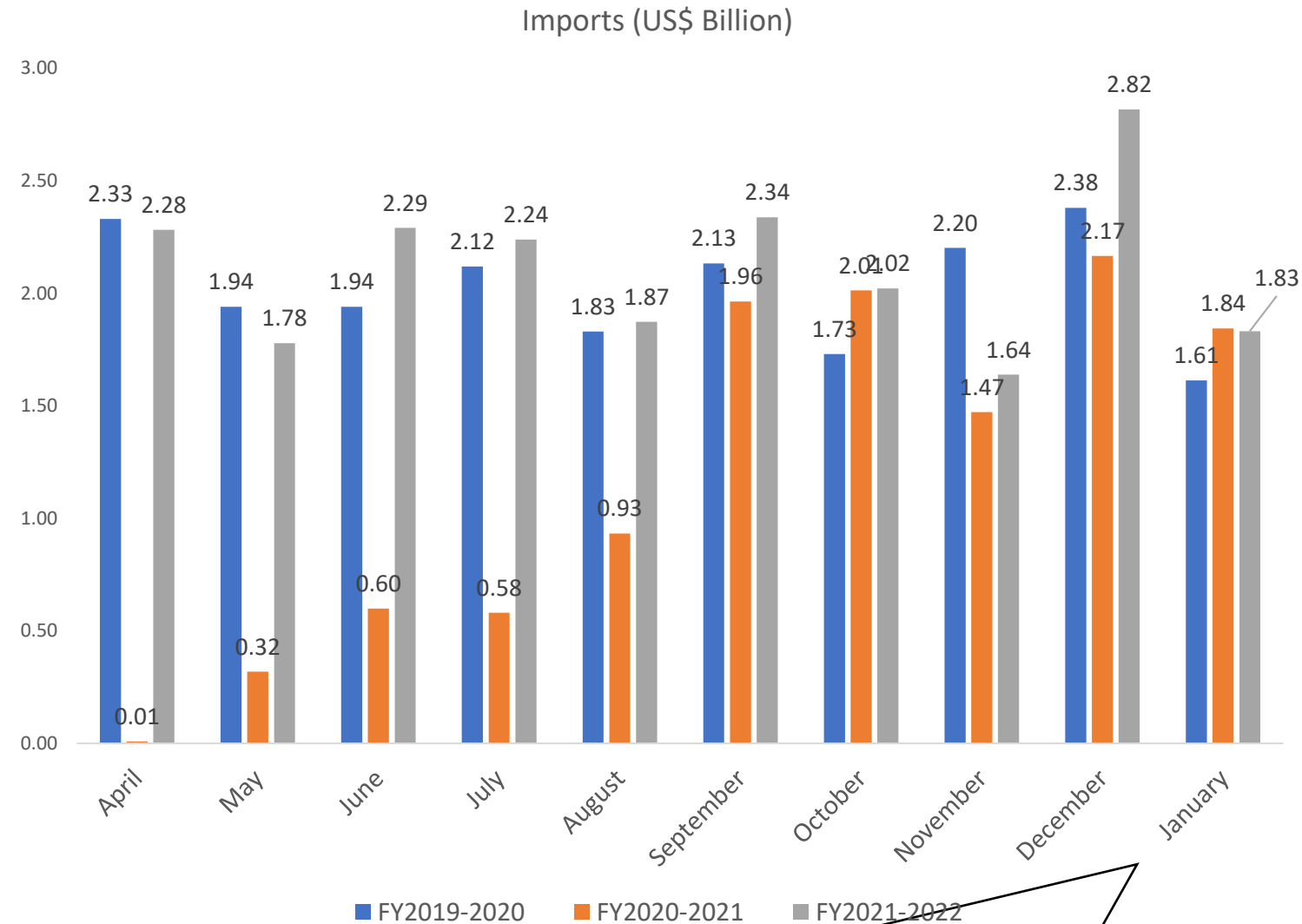
6.50% growth over April 2021 – January 2022

G&J exports stood at US\$ 32.37 billion in April 2021 – January 2022; higher than the pre-covid level of exports of US\$ 30.40 billion recorded in April 2019 – January 2020 recording a growth of 6.50% during the said period.

Source : GJEPC Analysis
Notes: (p) = Provisional, Figures doesn't include data from Delhi Aircargo Nov 2021 to Jan 2022, Gross exports means inclusive of return consignments,

Gem & Jewellery Imports April 2021 to January 2022

Months	Gross Imports	Gross Imports	Gross Imports
	FY2019-2020	FY2020-2021	FY2021-2022
	US\$ Billion	US\$ Billion	US\$ Billion
April	2.33	0.01	2.28
May	1.94	0.32	1.78
June	1.94	0.60	2.29
July	2.12	0.58	2.24
August	1.83	0.93	1.87
September	2.13	1.96	2.34
October	1.73	2.01	2.02
November	2.20	1.47	1.64
December	2.38	2.17	2.82
January	1.61	1.84	1.83
Apr to January	20.22	11.90	21.11



G&J imports stood at US\$ 21.11 billion in April 2021 – January 2022; higher than the pre-covid level of imports US\$ 20.22 billion recorded in April 2019 – January 2020, indicating continued production activities in G&J sector.

Source : GJEPC Analysis

Notes: (p) = Provisional Figs for Gold Bar from MMTC October to January 2022 and Figs for Gold Bar from SBI & DIL January 2022 are not included as not available.

**Commodity wise G&J Exports- April 2021 – January 2022
in comparison with Pre-Covid level April 2019 – January 2020**

Commodities	April 2019- January 2020	April 2020 – January 2021	April 2021 – January 2022 (p)	% Growth/Decline 2019/2021
	(US\$mn)	(US\$mn)	(US\$mn)	(Y-o-Y)
Cut & Pol Diamonds	16315.37	12,420.06	20,057.49	22.94
Pol. Lab Grown Syn. Diamonds	356.13	491.53	1,045.17	193.48
Coloured Gemstones	289.55	143.17	257.04	-11.23
Pol. Synthetic Stone	0.78	0.65	3.21	313.56
Gold Jewellery	10138.38	3,562.28	7,680.96	-24.24
Plain Gold Jewellery	7261.00	1,493.62	3,198.47	-55.95
Studded Gold Jewellery	2877.39	2,068.67	4,482.49	55.78
Silver Jewellery	1210.87	1,766.97	2,192.26	81.05
Platinum Jewellery	8.37	13.26	24.50	192.9
Imitation Jewellery	42.70	30.99	55.58	30.17
Articles of Gold, Silver & others	386.08	76.19	45.73	-88.15
Others	1,650.68	636.40	1,011.62	-38.72
Gross Exports	30398.91	19141.49	32373.57	6.50
Return Consignment	5,541.93	3,485.10	5,881.99	6.14
Net Exports	24,856.98	15,656.39	26,491.58	6.58

April 2021 – January 2022 exports growth in comparison with April 2019 – January 2020 :

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

- Cut & Polished Diamonds(+22.94%)
- Polished LGD (+193.48%)
- Studded gold jewellery (+55.78 %)
- Silver Jewellery (+ 81.05 %)
- Platinum Jewellery (+192.90)

Exports growth declined of :

Plain Gold Jewellery (-55.95 %)
Coloured Gemstones (-11.23%)

Commodity-wise G&J Imports - April 2021 - January 2022



Products	April 2019 - January 2020	April 2020 - January 2021	April 2021 - January 2022 (p)	% growth /decline 2019/2021
	US\$ Mill	US \$ Mill	US\$ Mill	(y-o-y)
Rough Diamonds	10,921.34	8043.33	14,833.65	35.82
Rgh Lab Grown Diamonds	293.13	453.18	1,014.81	246.20
Rough Coloured Gemstones	219.33	112.91	283.53	29.27
Rough Synthetic Stone	3.12	1.54	3.93	25.86
Raw Pearls	10.15	0.80	5.23	-48.46
Gold Bar	6,497.27	941.86	1,964.41	-69.77
Silver Bar	29.74	30.82	377.65	1169.85
Platinum Bar	132.27	139.66	95.53	-27.78
Sub - Total	18106.36	9724.10	18,578.74	2.61
Imports of Cut & Pol. Diamonds	1,224.23	1628.05	1,102.37	-9.95
Pol. Lab Grown Diamonds	86.47	34.52	36.20	-58.14
Col. Gemstones	482.86	326.13	1,101.91	128.20
Pol. Synthetic Stone	12.00	3.89	8.81	-26.59
Pearls worked	6.06	1.79	3.35	-44.68
Gold Jewellery	234.36	157.66	217.98	-6.99
Silver Jewellery	54.12	19.30	53.10	-1.90
Imitation Jewellery	1.46	1.55	3.70	152.40
Others	9.63	6.41	8.30	-13.83
Sub - Total	2,111.21	2,179.30	2,535.71	20.11
Gross Imports	20217.57	11903.40	21,114.45	4.44

Imports of commodities - rough diamonds, rough lab grown diamonds, silver bar have witnessed a positive import growth in April 2021 - January 2022 over April 2019 - January 2020. It indicates towards the continued manufacturing activities in diamonds sector.

Source : GJEP. Analysis

Notes: (p) = Provisional Figs for Gold Bar from MMTC October to January 2022 and Figs for Gold Bar from SBI & DII January 2022 are not included as not available.

GJEPC Region-wise Growth/Decline in Gross Exports



Region	Gross Exports (April 2019 – January 2020)	Gross Exports (April 2020 – January 2021)	Gross Exports (April 2021 – January 2022)	% of Growth / Decline 2019/2021 (Y-o-Y)
	US\$ Million	US\$ Million	US\$ Million	
Western Region	20234.83	14219.83	24973.35	23.42
Southern Region	5812.19	470.31	1335.99	-77.01
Rajasthan Region	639.92	432.67	790.91	23.6
Gujarat Region	1886.57	3002.76	3591.34	90.36
Northern Region	1314.97	736.12	873.24	-33.59
Eastern Region	510.43	279.80	808.73	58.44
Total	30398.91	19141.50	32373.57	6.5

Source : GJEPC Statistics Dept. Analysis

Figures doesn't include data from Delhi Aircargo November to January 2022

Gross exports from all the regions ,barring the Southern and Northern region, have recorded positive exports growth during April 2021- January 2022 over the exports recorded in April 2019 – January 2020 i.e. during the pre-covid level .

Gem & Jewellery Port-wise Gross Exports : SEZ



SEZs	April 2019 – January 2020 US\$ Million	April 2020 – January 2021 US\$ Million	April 2021 – January 2022 US\$ Million	% of Growth / Decline 2021 w.r.t 2019 (Y-o-Y)
Seepz	1887.93	1,637.57	3,017.22	59.82
Surat SEZ	1168.88	1,627.93	2,175.40	86.11
Jaipur SEZ	174.59	146.53	225.96	29.42
Delhi SEZ	298.28	144.52	240.85	-19.25
Kolkata SEZ	43.43	54.21	93.64	115.61
Visakhapatnam SEZ	12.40	18.49	9.58	-22.75
Hyderabad SEZ	3.47	0.00	0.00	-100
Chennai SEZ	1.58	0.70	1.16	-26.56
Cochin SEZ	5164.05	58.15	66.56	-98.71
Total	8754.61	3688.11	5,830.38	-33.4

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 2021 – January 2022 as compared to April 2019 – January 2020. Overall, there is a decline of (-)33.4 % in exports to US\$ 5830.38 million in April 2021 – January 2022 from US\$ 8754.61 million recorded in April 2019 – January 2020 majorly on account of decline in exports from Cochin SEZ

Top 10 Export Destinations for G&J products : April 2021 –January 2022 (p)



Rank	Countries	April 2019 to January 2020	April 2020 to January 2021	April 2021 to January 2022	% growth /decline 2019/2021
		US\$million	US\$million	US\$million	(y-o-y)
1	U.S.A	8,246.02	6,697.54	12,216.77	48.15
2	Hongkong	8,041.88	6,452.08	7,795.84	-3.06
3	U.A.E	7,951.78	2,029.50	4,652.03	-41.5
4	Belgium	1,618.50	950.79	1,362.66	-15.81
5	Israel	760.61	646.44	1,233.08	62.12
6	Thailand	534.97	454.25	909.03	69.92
7	Singapore	526.43	242.04	666.50	26.61
8	Netherland	269.98	12.90	591.93	119.25
9	United Kingdom	391.55	276.98	582.06	48.65
10	Japan	334.04	236.02	293.28	-12.2
11	Others	1,723.16	1,142.96	2,070.38	20.15
Total		30,398.91	19,141.50	32,373.56	6.5

Source : GJEPC Statistics Dept. Analysis

Figures doesn't include data from Delhi Aircargo November 2021 to January 2022

Key Observations and trends – G&J Exports (April 2021 – January 2022)



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

Growth Drivers

- **Cut and Polished Diamonds (22.94 % rise)** -The positive export growth is majorly due to increased rough diamond production , online spending on diamond jewellery , higher realization due to diamond prices appreciation and continued strong retail demand for diamond jewellery in USA ,China ,Hong Kong ,Japan & Belgium .The commodity's exports was marked by some uncertainty due to spread of Omicron variant which led to fresh restrictions on retail market .
- **Studded Gold Jewellery (55.78 % rise)** - Continued strong demand in USA and China due to Valentine's day & Chinese New year, rise in gold investment demand, and GJEPC efforts/initiatives in organising various trade shows/fairs/VBSMs during last few months
- **Silver Jewellery (81.05 % rise)** - • Silver jewellery exports continue to register positive growth with improving consumer sentiment , increase in silver physical demand and expected easing of Covid-19 . Ongoing macroeconomic uncertainties , and elevated inflationary pressures should encourage retail investors to seek physical silver for wealth preservation , and rise in jewellery sales

Growth Obstructors

- **Plain gold Jewellery (- 55.95 %)** -Imposition of complete/partial lockdowns in various states in India with the onset of 3rd wave of Covid-19 in India, volatility in gold prices and subdued demand in WANA region ,decline in wholesale & retail demand accounted for the negative export growth of the commodity during the period. However, plain gold jewellery exports is expected to revive with the signing of the India -UAE Free Trade Agreement, upcoming trade shows -IIJS Signature 2022 ,continued government support in terms of resolution of policy issues & GJEPC's efforts/initiatives .
- **Colored Gem Stones (-11.23 %)** – Lingering operational issues pertaining to delay in export orders ,non-availability of flights , postponement of key physical shows for sourcing gemstones i.e. Hong Kong , and decline mining operations



Positive drivers of G&J exports

- The export growth in January 2022 is majorly on account of continued positive growth in key export destinations such as USA , Asia & Europe , increased jewellery demand due to Valentine's day , Chinese New year , upcoming domestic and international trade shows -IJS Signature 2022 ,GJEPC efforts & initiatives and pro-industry announcements . The third wave of Covid-19 hit India in the latter half of December 2021 that led to complete/partial lockdowns in different states in India that had an impact on the G&J manufacturing .February
- Easing of covid-19 restrictions on account of waning of covid-19 cases , upcoming domestic & international shows , signing of FTAs with key economies (UAE) , Union Budget 2022-23 announcement of duty reduction on cut and polished diamonds and other pro - industry measures is expected to boost the gems and jewellery exports further in the current financial year .



Key Featured Slides...

World Economic Outlook by

International Monetary Fund (IMF)

World Economic Outlook by IMF , January 2022

1. According to the flagship report of IMF - 'World Economic Outlook' released on 25th January 2022, the global economy is projected to expand by (+) 4.4 % in 2022. (Table). Anticipated changes in mobility restrictions, border closures, and health impacts from spread of the Omicron variant are the key factors for weak economic growth in 2022.

2. Projected Growth in Advanced Economies is (+) 3.9 % and EMDEs (+) 4.8 % in 2022.

- Advanced Economies are projected to expand by (+) 3.9 % in 2022 which includes the USA (+ 4 %), Japan (+ 3.3 %), the United Kingdom (+ 4.7 %), Germany (+3.8 %), France (+3.5 %), Italy (+3.8 %), and Spain (+5.8 %).
- The group of emerging markets and developing economies (EMDEs) is projected to expand by +4.8 % in 2022.

3. India is expected to record a growth of 9 % in 2022 as against 8.5 % predicted in WEO, October 2021.

4. Projected Growth in Global Trade is (+) 6 % in 2022 and (+) 4.9 % in 2023.

Global trade volumes are projected to expand by 6 per cent in 2022, before moderating to 4.9 % in 2023. The global trade is expected to moderate in 2022 and 2023 in line with overall pace of expansion assuming that the pandemic eases over 2022, supply chain problems are expected to abate later in the year. The accompanying moderation in global goods demand will also help reduce imbalances. Cross border services trade particularly tourism is expected to remain subdued

Overview of the World Economic Outlook Projection (% change)

Particulars	2020	2021	Projections	
			2022f	2023f
World Output	-3.1	5.9	4.4	3.8
Advanced Economies	-4.5	5	3.9	2.6
USA	-3.4	5.6	4	2.6
Euro Area	-6.4	5.2	3.9	2.5
Germany	-4.6	2.7	3.8	2.5
France	-8	6.7	3.5	1.8
Italy	-8.9	6.2	3.8	2.2
Spain	-10.8	4.9	5.8	3.8
Japan	-4.5	1.6	3.3	1.8
UK	-9.4	7.2	4.7	2.3
Canada	-5.2	4.7	4.1	2.8
Other Advanced Economies*	-1.9	4.7	3.6	2.9
Emerging Market and Developing Economies	-2	6.5	4.8	4.7
Emerging and Developing Asia	-0.9	7.2	5.9	5.8
China	2.3	8.1	4.8	5.2
India**	-7.3	9	9	7.1
ASEAN-5***	-3.4	3.1	5.6	6
Emerging and Developing Europe	-1.8	6.5	3.5	2.9
Russia	-2.7	4.5	2.8	2.1
Latin America and the Caribbean	-6.9	6.8	2.4	2.6
Brazil	-3.9	4.7	0.3	1.6
Mexico	-8.2	5.3	2.8	2.7
Middle East and Central Asia	-2.8	4.2	4.3	3.6
Saudi Arabia	-4.1	2.9	4.8	2.8
Sub-Saharan Africa	-1.7	4	3.7	4
Nigeria	-1.8	3	2.7	2.7
South Africa	-6.4	4.6	1.9	1.4
World Trade Volume# (Goods & Services)	-8.2	9.3	6	4.9

Source : IMF Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during December 10, 2021–January 7, 2022. Economies are listed on the basis of economic size. Source: IMF, *Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries **For India, data and forecasts are presented on a fiscal year basis, and GDP from 2011 onward is based on GDP at market prices with the fiscal year 2011/12 as a base year. *** Indonesia, Malaysia, Philippines, Thailand, Vietnam. # Simple average of growth rates for export and import volumes (goods and services)

Growth trends in major economies – January 2022 in comparison to October, IMF WEO,2021 forecasts

USA – Revised assumption removing the Build Back Better Fiscal Policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply chain disruptions have contributed to a downgrade in growth forecasts for the United States in comparison to October, WEO,2021 estimations.

Canada - Weaker data outturns toward the end of 2021 and anticipated softer external demand for 2022 (related to the US revision) are the major factors for the downward revision in growth forecasts as against October, WEO,2021

Euro Area -Prolonged supply constraints and COVID disruptions produced a less severe decline in growth forecasts for the region. Mobility restrictions imposed toward the end of 2021 are expected to drag on growth in the euro area in early 2022.

UK - In the United Kingdom, disruptions related to Omicron and supply constraints (particularly in labor and energy markets) led to downward revision in growth forecast to 4.7 % in 2022

India – The economy is expected to record a growth of 9 % and 7.1 % in 2022 and 2023 respectively on account of expected improvements to credit growth and subsequent investment and consumption building on better than anticipated performance of the financial sector.

Germany – The exposure of the country to supply chain shocks led to a downgrade in growth forecasts

China – In China, disruption in the housing sector coupled with lower investment in real estate has led to the start of a broader slowdown. Private consumption is likely to be lower than anticipated on account of a strict zero-COVID strategy leading to recurrent mobility restrictions and deteriorating prospects for construction sector employment

Brazil - The growth outlook has also weakened in Brazil, where the fight against inflation has prompted a strong monetary policy response, which is expected to weigh on domestic demand.

Mexico – Rising inflation continues to be a concern in the economy suppressing growth. In addition, the US downgrade brings with it the prospect of weaker-than-expected external demand for Mexico in 2022.

Russia - The forecast is marginally marked down because of a weak harvest and a worse-than-expected third wave.

South Africa - South Africa's growth forecast is downgraded in light of a softer-than-expected second half in 2021 and a weaker outlook for investment as business sentiment remains subdued.

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Thanks