



Gem and Jewellery Trade Update

April - July 2021

*World Economic Outlook by IMF –
Key Feature*

GJEPC Statistics Department (Data and Analytics Unit)



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Key Highlights

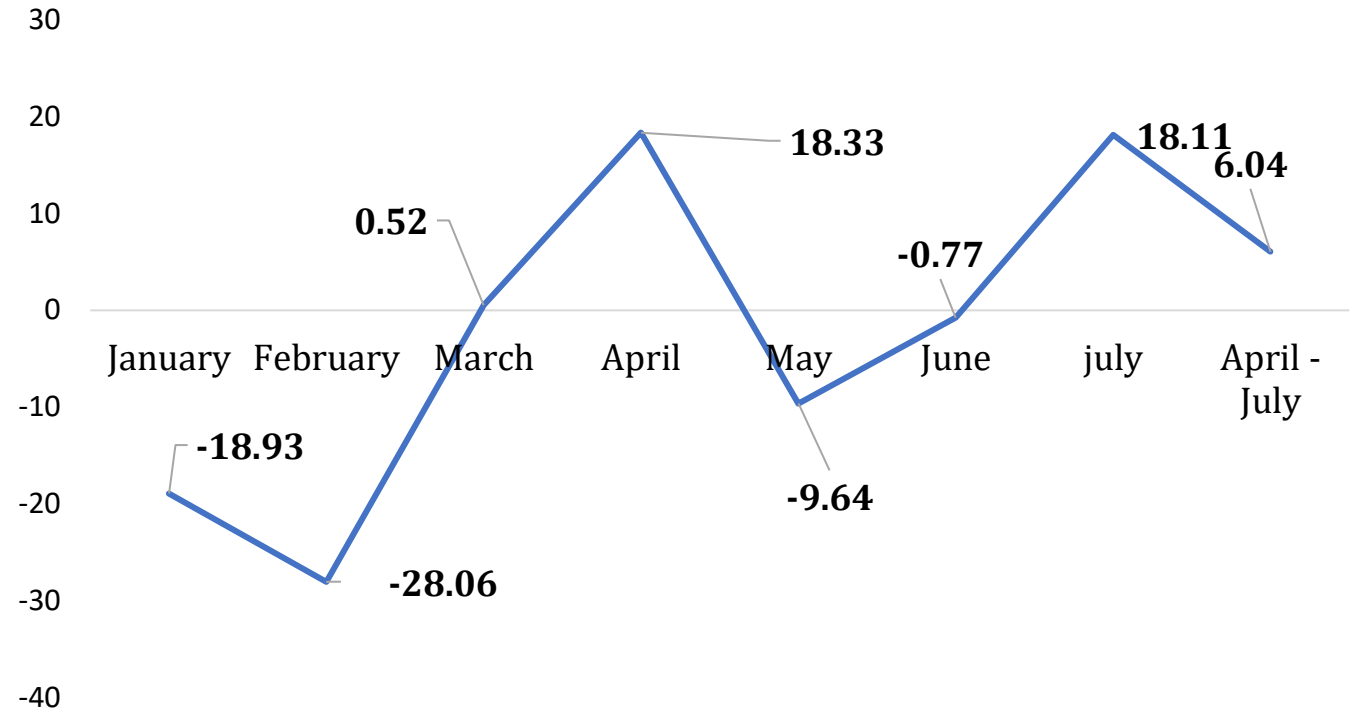
- ➔ During April – July 2021, G&J exports increased by 6.04% to US\$ 12.55 billion as compared to pre-covid levels of exports of US\$ 11.84 billion registered during April - July 2019 reflecting that the exports are intact amid second wave of covid-19. G&J exports rose by 223.87 % during April –July 2021 as compared to US\$ 3.88 billion recorded during same period last year .
- ➔ During April – July 2021, Cut and Polished Diamonds (27.08%) , Silver Jewellery (166.03%) , Platinum jewellery (167.70%) , Studded gold Jewellery (60.38%) and polished lab grown diamonds (204.96) witnessed a positive export growth while the exports of plain gold jewellery (-70.93 %), Coloured Gemstones (-17.17%) recorded a negative export growth rate w.r.t April-July 2019.
- ➔ Imports of rough diamonds, rough lab grown diamonds and silver bar registered a positive import growth in April - July 2021 as compared to import levels registered in April - July 2019. It indicates continued production activities pertaining to making polished diamonds, lab grown diamonds and silver jewellery amid the second wave of covid-19 in India.
- ➔ Gross exports from all the regions have recovered as exports recorded in April - July 2021 are even more than the exports recorded in April – July 2019 i.e. pre-covid level
- ➔ Exports from SEZ have witnessed a rise from almost all the SEZs in April – July 2021 as compared to April -July 2019 . Overall, there is a decline of (-)37.02% in exports to US\$2125.85 million from US\$3375.70 million in April – July 2019.
- ➔ We are hopeful that with the continued recovery in global markets , rise in disposable income , forthcoming festive season at domestic and international levels , scheduled trade shows would result in further enlargement of exports in the coming months .
- ➔ The Indian Economy is projected to expand by 9.5 % in 2021 and 8.5 % in 2022 according to IMF's World Economic Outlook Report published in July 2021.

Gem & Jewellery Gross Exports January to July 2021

6.04% growth
over April –
July 2019

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	2.89	0.04	3.42
May	3.21	1.04	2.90
June	2.89	1.43	2.86
July	2.85	1.37	3.37
Apr - July	11.84	3.87	12.55
Jan to July	22.25	11.78	21.32

Figure – 1 Gem and Jewellery Exports Growth (in %) April -June 2021 over April- June 2019 (pre-covid-level)



Source : GJEPC Analysis

Notes: (p) = Provisional,

Gross exports means inclusive of return consignments, Figs from Aircargo Delhi January to April-July 2021 and Hyderabad Air Cargi July 2021 are not available and hence not included .

G&J exports stood at US\$ 12.55 billion in April – July 2021; higher than the pre-covid level of exports of US\$ 11.84 billion recorded in April – July 2019 - indicating exports are intact amid Covid-19 II Wave

Gem & Jewellery Imports January to July 2021

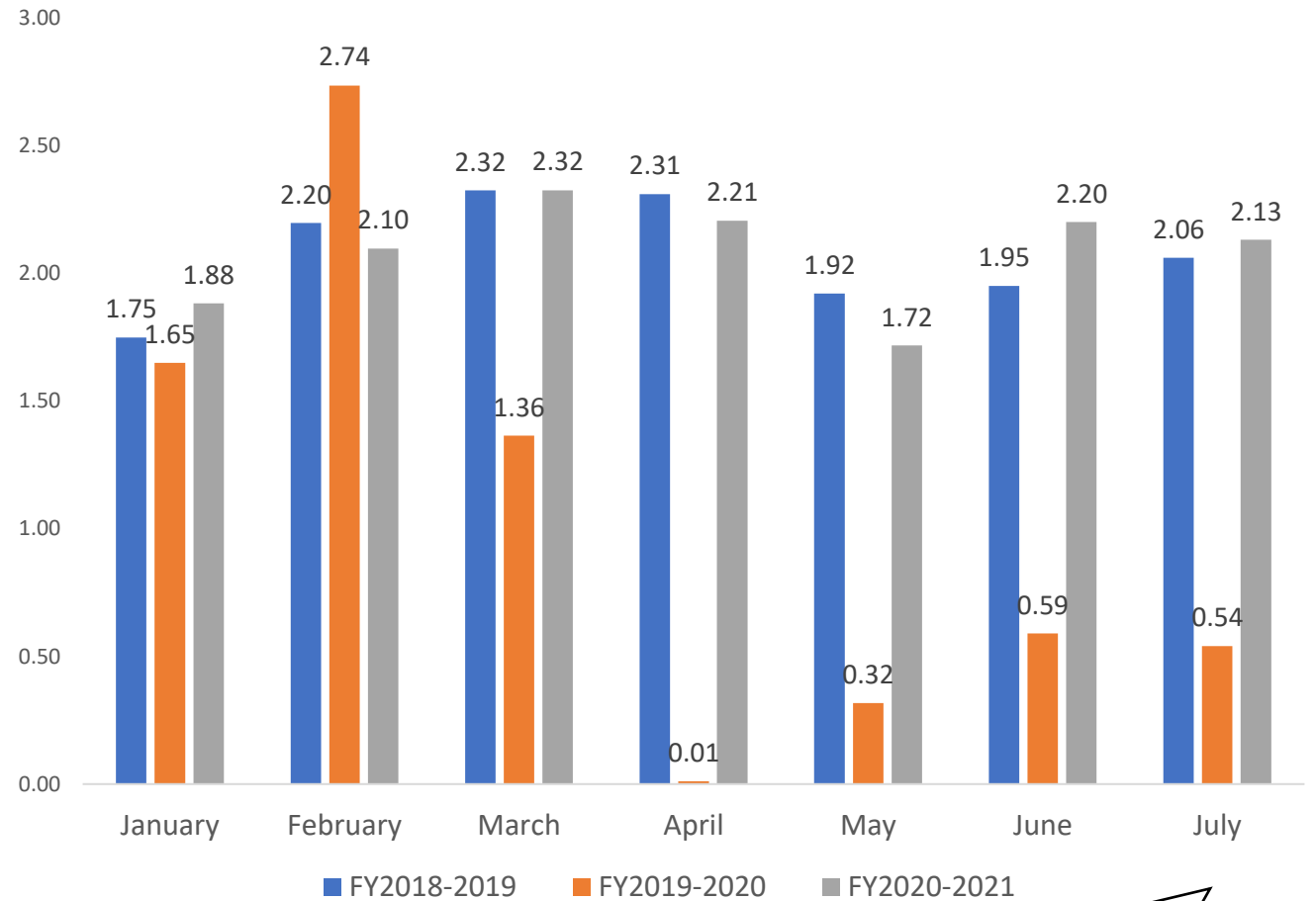
Months	Gross Imports	Gross Imports	Gross Imports
	FY2018-2019	FY2019-2020	FY2020-2021
	US\$ Billion	US\$ Billion	US\$ Billion
January	1.75	1.65	1.88
February	2.20	2.74	2.10
March	2.32	1.36	2.32
Jan to March	6.27	5.75	6.30
Months	FY2019-2020	FY2020-2021	FY2021-2022
April	2.31	0.01	2.21
May	1.92	0.32	1.72
June	1.95	0.59	2.20
July	2.06	0.54	2.13
Apr - July	8.24	1.46	8.25
Jan to July	14.51	7.21	14.56

Source : GJEPC Analysis

Notes: (p) = Provisional.

Figs for Gold Bar from MMTC April to July 2021 and Figs for Gold Bar from SBI, April & July 2021 & BOI & UBI July 2021 are not included as not available.

Imports (US\$ Billion)



G&J imports stood at US\$8.25 billion in April -July2021; almost at par with the pre-covid level of imports US\$ 8.24 billion recorded in April - July2019, indicating continued production activities in G&J sector.

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

Commodities	April - July 2019	April - July 2020	April- July 2021 (P)	% Growth/Decline 2019/2021
	(US\$mn)	(US\$mn)	(US\$mn)	(Y-o-Y)
Cut & Pol Diamonds	6,706.03	2,720.12	8,522.34	27.08
Pol. Lab Grown Syn. Diamonds	120.90	77.74	368.72	204.96
Coloured Gemstones	104.00	31.50	86.14	-17.17
Pol. Synthetic Stone	0.07	0.07	0.21	211.21
Gold Jewellery	3,924.61	357.43	2,415.33	-38.46
Plain Gold Jewellery	2,954.12	117.75	858.83	-70.93
Studded Gold Jewellery	970.48	239.68	1,556.50	60.38
Silver Jewellery	316.89	508.92	843.04	166.03
Platinum Jewellery	2.63	1.24	7.05	167.7
Imitation Jewellery	5.25	3.39	12.58	139.45
Articles of Gold, Silver & others	188.45	57.38	15.75	-91.64
Others	466.41	117.24	278.77	-40.23
Gross Exports	11835.25	3875.04	12549.92	6.04
Return Consignment	2,437.73	760.42	2,362.09	-3.10
Net Exports	9,397.52	3,114.62	10,187.83	8.41

April - July 2021 exports growth in comparison with April - July 2019 :

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


- Cut & Polished Diamonds(+27.08%)
- Polished LGD (+204.96%)
- Studded gold jewellery (+60.38%)
- Silver Jewellery (+ 166.03%)
- Platinum Jewellery (+167.70)

Exports growth declined of :

Plain Gold Jewellery (-70.93%)
Coloured Gemstones (-17.17%)

Commodity-wise G&J Imports - April - July 2021

Products	April - July 2019	April - July 2020	April - July 2021 (p)	% growth /decline 2019/2021
	US\$ Mill	US \$ Mill	US\$ Mill	(y-o-y)
Rough Diamonds	4,506.54	712.75	6,205.95	37.71
Rgh Lab Grown Diamonds	94.13	58.09	365.96	288.76
Rough Coloured Gemstones	85.47	8.40	76.56	-10.43
Rough Synthetic Stone	0.60	0.13	0.94	56.61
Raw Pearls	7.01	0.08	0.16	-97.73
Gold Bar	2,741.01	48.18	511.68	-81.33
Silver Bar	11.70	4.96	22.09	88.82
Platinum Bar	49.27	35.07	22.88	-53.57
Sub - Total	7,495.74	867.67	7,206.21	-3.86
Imports of Cut & Pol. Diamonds	392.60	504.04	467.65	19.12
Pol. Lab Grown Diamonds	26.19	10.36	13.52	-48.36
Col. Gemstones	196.73	45.47	369.63	87.88
Pol. Synthetic Stone	4.34	0.29	1.76	-59.44
Pearls worked	2.55	0.48	0.50	-80.44
Gold Jewellery	96.90	27.72	135.72	40.07
Silver Jewellery	20.92	3.66	10.92	-47.82
Imitation Jewellery	0.46	0.26	1.06	130.24
Others	2.42	1.27	41.74	1622.22
Sub - Total	743.12	593.55	1,042.50	40.29
Gross Imports	8238.85	1461.22	8,248.71	0.12



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

While, gold bar for export purpose has witnessed a steep decline reflecting contracted production and exports of gold jewellery and especially of the plain gold jewellery.

Source : GJEPC. Analysis

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

GJEPC Region-wise Growth/Decline in Gross Exports



Region	Gross Exports (April - July 2019)	Gross Exports (April - July 2020)	Gross Exports (April - July 2021)	% of Growth / Decline 2019/2021 (Y-o-Y)
	US\$ Million	US\$ Million	US\$ Million	
Western Region	8152.65	2463.78	10082.83	23.68
Southern Region	2479.92	51.09	408.28	-83.54
Rajasthan Region	238.12	100.09	271.21	13.89
Gujarat Region	613.55	1236.31	1458.67	137.74
Northern Region	114.60	13.32	54.13	-52.77
Eastern Region	236.40	10.45	274.80	16.24
Total	11835.25	3875.04	12549.93	6.04

Source : GJEPC Statistics Dept. Analysis

Figs from Aircargo Delhi April -July 2021 and Hyderabad Air Cargo July 2021 are not included as yet to receive from the customs.

Gross exports from all the regions ,barring the Northern and Southern region, have recovered as exports recorded in April - July 2021 are even more than the exports recorded in April - July 2019 i.e. during the pre-covid level .

Gem & Jewellery Port-wise Gross Exports : SEZ



SEZs	April – July 2019 US\$ Million	April – July 2020 US\$ Million	April – July 2021 US\$ Million	% of Growth / Decline 2021 w.r.t 2019 (Y-o-Y)
Seepz	608.28	208.26	1,051.66	72.89
Surat SEZ	326.05	468.27	840.79	157.87
Jaipur SEZ	65.57	36.53	86.59	32.05
Delhi SEZ	114.60	13.32	54.13	-52.77
Kolkata SEZ	17.71	2.29	34.03	92.12
Visakhapatnam SEZ	3.39	1.36	3.26	-4.02
Hyderabad SEZ	3.47	0.00	0.00	-100
Chennai SEZ	0.86	0.16	0.35	-59.1
Cochin SEZ	2235.76	22.45	55.05	-97.54
Total	3375.70	752.63	2,125.85	-37.02

Source : GJEPC Statistics Dept. Analysis

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

Exports from SEZ have witnessed a rise from almost all the SEZs in April – July 2021 as compared to April – July 2019. Overall, there is a decline of (-)37.02% in exports to US\$2125.85 million in April-July 2021 from US\$3375.70 million recorded in April-July 2019.

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



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

Growth Drivers

- **Cut and Polished Diamonds (27.08% rise)** - Continued recovery in key export markets like USA ,China and Hong Kong ,restocking of inventory ,etc have been the major reasons for the positive export growth of diamonds .
- **Studded Gold Jewellery (60.38% rise)** - Studded gold jewellery exports have recorded considerable export growth of 60% in the month of July 2021 in continuation of the last months trends .
- **Silver Jewellery (166.03% rise)** - The positive export growth is majorly on account of the silver jewellery studded with diamonds and shift in preferences of consumers in international markets from expensive precious metals gold base jewellery to relatively lower priced other precious metal base i.e., silver .

Growth Obstructors

- **Plain gold Jewellery (-70.93%)** - Cancellation of trade shows - Hong Kong and JCK , travel restrictions in middle east region ,etc are few of the reasons for the sluggish export growth of the products . However, flagship promotional fairs – IIJS Premiere and IGJS being organised by the GJEPC in the coming months may result in bounce back of plain gold jewellery exports from the country.
- **Colored Gem Stones (-17.17%)** - Although there has been a decline in exports of coloured gemstones during April –July 2021 ,its exports have shown a positive growth in July 2021 in comparison to July 2019. Completion of the export orders received during the rough gemstones show organised by the GJEPC in March 2021 , direct purchase of coloured gemstones by importers from Indian manufacturers (as trade shows are not happening which are key platforms for buying and selling coloured gemstones) and restocking of inventory levels to match the surge in demand of the commodity have been the growth drivers of CGS exports from the country in July 2021 .



Growth drivers of G&J exports amid Covid-19 Second Wave

- Export growth is majorly attributed to the renewed consumer sentiments especially in USA with the recent announcement of Covid -19 Stimulus Package of US\$ 1.9 trillion to speed up the United States' recovery from the economic and health effects of the Covid-19 pandemic and ongoing recession .
- We are hopeful that with the continued recovery in global markets , rise in disposable income , forthcoming festive season at domestic and international levels , scheduled trade shows would result in further enlargement of exports in the coming months .



Key Featured Slides...

**World Economic Outlook
by International Monetary Fund (IMF)**

World Economic Outlook by International Monetary Fund (IMF)

1. According to the flagship report of IMF - '**World Economic Outlook**' released on 27th July 2021, the global economy is projected to expand by (+) 6 % in 2021. The 2021 forecast is unchanged from April 2021 but there are offsetting revisions across advanced economies and emerging market and developing economies reflecting differences in pandemic developments and policy shifts.

2. Projected Growth in Advanced Economies is (+) 5.6 % and EMDEs (+) 6.3 % in 2021

Advanced Economies are projected to expand by (+)5.6 % in 2021 which includes the USA (+ 7 %), Japan (+2.8 %), the United Kingdom (+ 7 %), Germany (+3.6 %), France (+5.8%), Italy (+4.9 %), and Spain (+6.2 %) . The group of **emerging markets and developing economies (EMDEs)** is projected to expand by +6.3% in 2021.

3. India is expected to record a growth of 9.5 % in 2021 and 8.5 % in 2022 .

4. Projected Growth in Global Trade is (+) 9.7 % in 2021 and (+) 7 % in 2022

Global trade volumes are projected to expand by 9.7 per cent in 2021, before moderating to 7 % in 2022. The merchandise trade recovery is set to broaden after being initially concentrated in pandemic-related purchases, consumer durables, and medical equipment. However, the services trade is expected to recover more slowly consistent with subdued cross-border travel until virus transmission declines to low levels everywhere.

Overview of the World Economic Outlook Projections (% change)

Particulars	2019	2020	Projections	
			2021f	2022f
World Output	2.8	-3.2	6	4.9
Advanced Economies	1.6	-4.6	5.6	4.4
USA	2.2	-3.5	7	4.9
Euro Area	1.3	-6.5	4.6	4.3
Germany	0.6	-4.8	3.6	4.1
France	1.8	-8	5.8	4.2
Italy	0.3	-8.9	4.9	4.2
Spain	2	-10.8	6.2	5.8
Japan	0	-4.7	2.8	3
UK	1.4	-9.8	7	4.8
Canada	1.9	-5.3	6.3	4.5
Other Advanced Economies*	1.9	-2	4.9	3.6
Emerging Market and Developing Economies	3.7	-2.1	6.3	5.2
Emerging and Developing Asia	5.4	-0.9	7.5	6.4
China	6	2.3	8.1	5.7
India**	4	-7.3	9.5	8.5
ASEAN-5***	4.9	-3.4	4.3	6.3
Emerging and Developing Europe	2.5	-2	4.9	3.6
Russia	2	-3	4.4	3.1
Latin America and the Caribbean	0.1	-7	5.8	3.2
Brazil	1.4	-4.1	5.3	1.9
Mexico	-0.2	-8.3	6.3	4.2
Middle East and Central Asia	1.4	-2.6	4	3.7
Saudi Arabia	0.3	-4.1	2.4	4.8
Sub-Saharan Africa	3.2	-1.8	3.4	4.1
Nigeria	2.2	-1.8	2.5	2.6
South Africa	0.2	-7	4	2.2
World Trade Volume# (Goods & Services)	0.9	-8.3	9.7	7

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) f = forecast

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