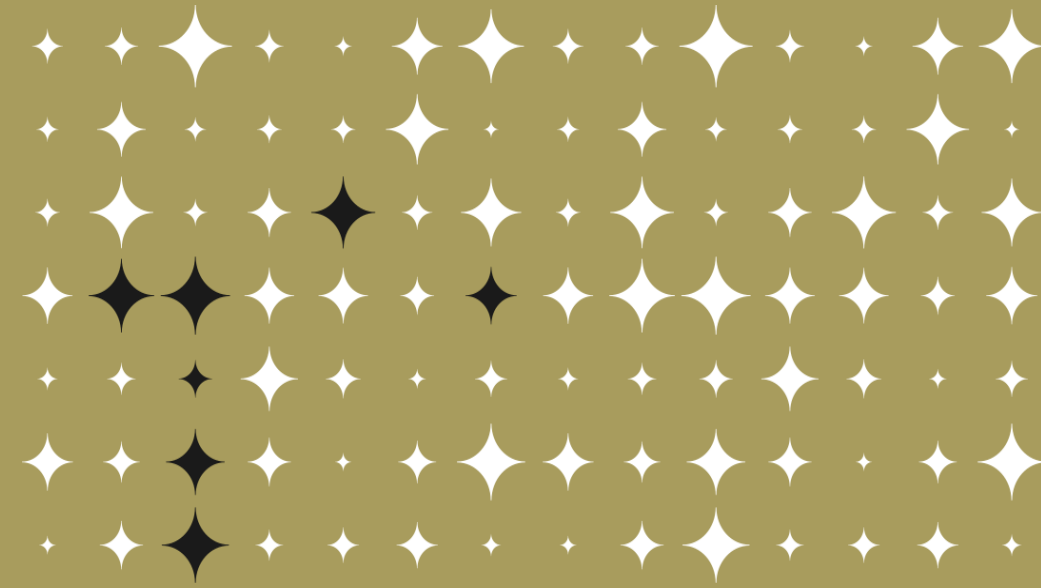




Gem and Jewellery Trade Update

April - September 2023



GJEPC Statistics & Trade Research Department (Data and Analytics Unit)

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Gem and Jewellery Trade Update: April – August 2023



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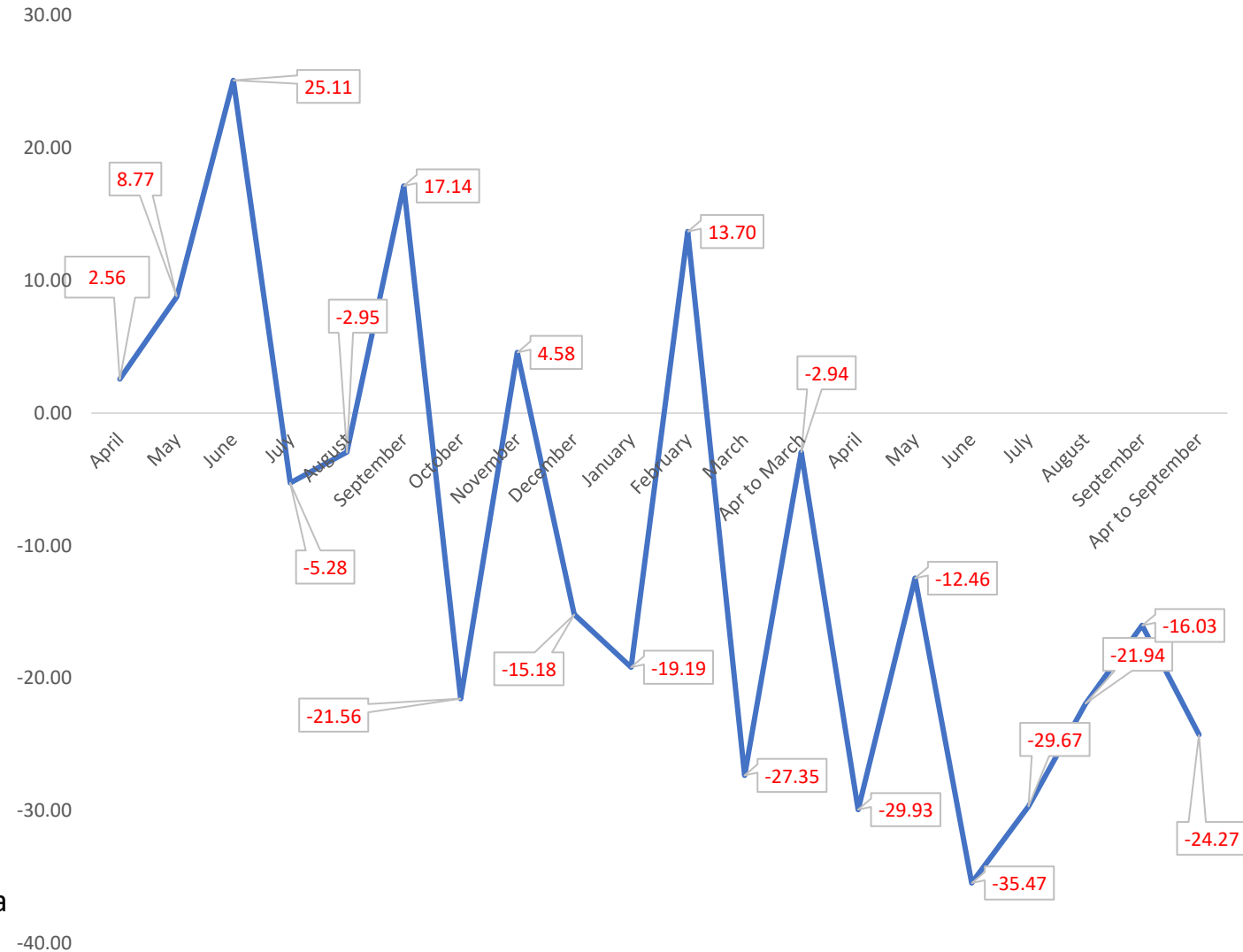
Key Highlights

- G&J exports decreased by (-) 24.27% to US\$ 15.67 billion in April – September 2023 from US\$ 20.69 billion registered in April –September 2022 (As per DGCIS&S).
- Exports of Cut & Polished Diamonds (-28.76%), Polished LGD (-26.28%), Studded Gold Jewellery (-25.78%), Silver Jewellery (-65.65) witnessed a negative growth rate in April – September 2023 (y-o-y) and Coloured Gemstones (29.39%), Plain Gold Jewellery (5.49%), Platinum Jewellery (303.94%) witnessed a positive growth rate in April – September 2023 (y-oy)
- Gross exports of gem and jewellery exports from all regions except Rajasthan & Cochin region have recorded negative growth in April – September 2023 (y-o-y).
- Exports there is a decline of (-) 31.04% in exports from SEZ to US\$ 2717.22 million in April – September 2023 from US\$ 3940.32 million recorded in April – September 2022. Exports from Jaipur & Cochin SEZs have increased in April – September 2023 compared to April – September 2022 while exports from SEEPZ, Surat Delhi, Kolkata, Visakhapatnam and Chennai have declined in the same period.
- Gem and Jewellery exports to all top 10 countries have registered a decline except UAE & Switzerland during April-September 2023 as compared to April – September 2022.

Gem and Jewellery Gross Exports (P)

Exports declined by (-) 24.27% Y-o-Y in April – September 2023 to US\$ 15.67 bn as compared to US\$ 20.69 bn in April-September 2022

Months	Gross Exports FY 2021- 2022 US\$ Billion	Gross Exports FY 2022-2023 US\$ Billion	% Growth/ decline (Y-o-Y)
Apr to March	39.24	38.08	-2.94
Month	Gross Exports FY 2022- 2023 US\$ Billion	Gross Exports FY 2023-2024 US\$ Billion	% Growth/ decline (Y-o-Y)
April	3.48	2.44	-29.93
May	3.24	2.84	-12.46
June	3.55	2.29	-35.47
July	3.29	2.32	-29.67
August	3.33	2.60	-21.94
September	3.79	3.19	-16.03
April-September	20.69	15.67	-24.27

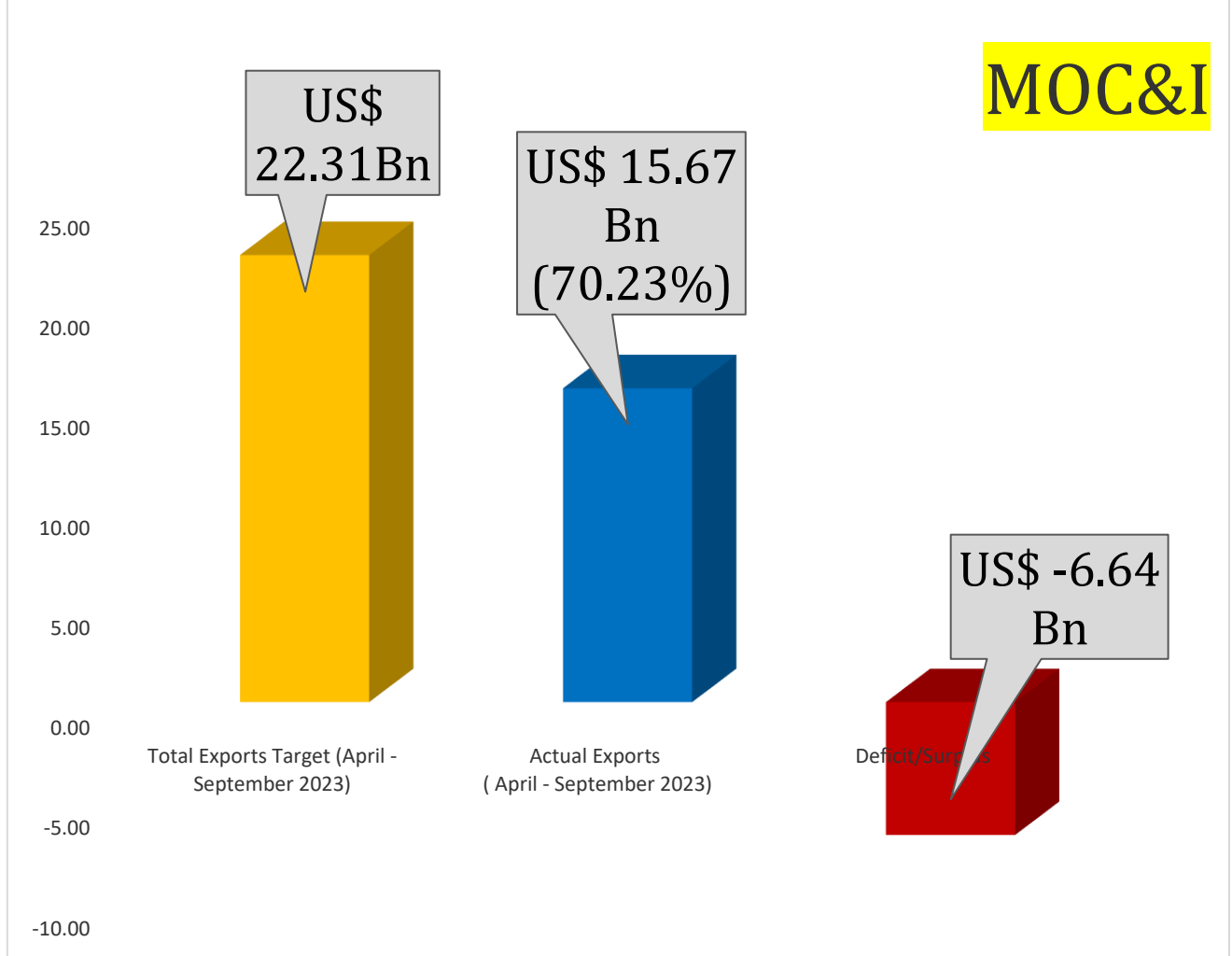
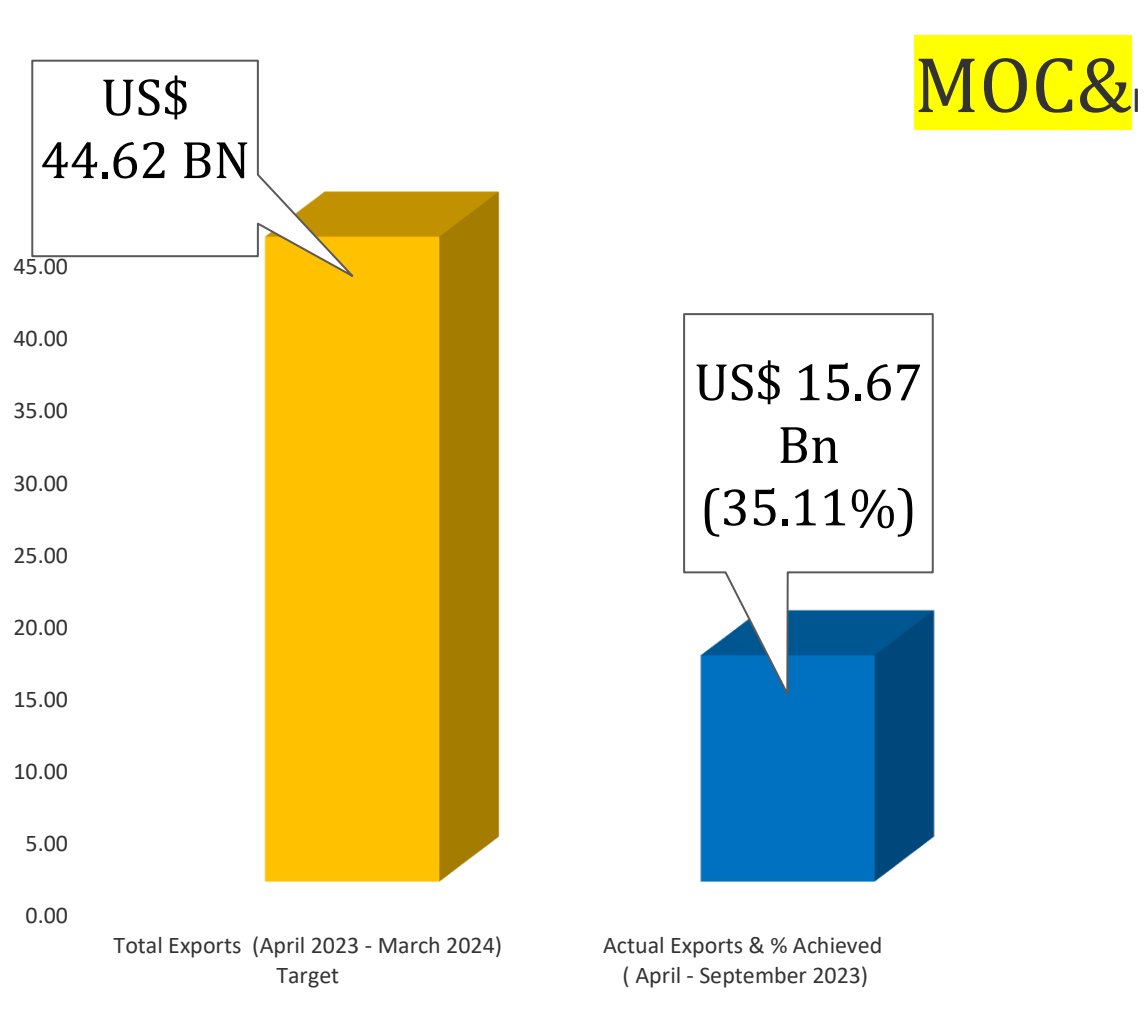


Source : GJEPC Research Division based on DGCIS data & July 2023 data as per MOC&I Press release and August data as per Council

Export Targets & Actual Exports: April – September 2023

50% of the export target to achieve in April – September 2023 as per MoC&I

In April – September 2023 (-) US\$ 6.64 billion of export deficit has been recorded



Source : GJEPC Research Division based on DGCIS data & July 2023 data as per MOC & I PR

**Commodity-wise G&J Exports- April – September 2023
in comparison with April – September 2022 (P)**

Commodities	April – September 2022	April – September 2023	% Growth/ decline
	(US\$mn)	(US\$mn)	(Y-o-Y)
Cut & Pol Diamonds	12215.47	8702.23	-28.76
Pol. Lab Grown Diamonds	943.64	695.61	-26.28
Coloured Gemstones	209.27	270.78	29.39
Pol. Synthetic Stone	3.87	2.20	-43.02
Worked Pearls	1.36	3.71	172.66
Gold Jewellery(Plain & Studded)	4899.58	4284.69	-12.55
Plain Gold Jewellery	2072.95	2186.82	5.49
Studded Gold Jewellery	2826.63	2097.88	-25.78
Silver Jewellery	1738.27	597.15	-65.65
Platinum Jewellery	19.35	78.18	303.94
Imitation Jewellery	29.77	33.87	13.78
Articles of Gold, Silver & others	21.33	25.77	20.81
Others	433.57	537.08	23.87
Gross Exports	20515.47	15231.27	-25.76
Return Consignment	4,249.80	3,350.62	-21.16
Net Exports	16,265.67	11,880.66	-26.96

April – September 2023 exports growth in comparison with April – September 2022.

All key G&J commodities have witnessed positive export growth

- Coloured Gemstones (29.39%)
- Platinum Jewellery (303.94%)
- Plain Gold Jewellery (5.49%)

Exports growth declined of :

- Cut & Polished Diamonds(-28.76)
- Polished LGD (- 26.28%)
- Studded gold jewellery (-25.78%)
- Silver Jewellery (-65.65%)

Source : GJEPC Research Division , Notes : (P) stands for provisional Gross Exports pertains to inclusive of return consignments , *Figures from Delhi Aircargo August-September 2023 are not included as yet to receive from the Customs*, Net Exports pertains to exclusive of return consignments. Delhi Aircargo April to July data as per DGCI&S

GJEPC Region-wise Growth/Decline in Gross Exports



Region	Gross Exports (April – September 2022)	Gross Exports (April – September 2023)	% of Growth / Decline
	US\$ Million	US\$ Million	
Western Region	15365.08	11582.27	-24.62
Southern Region	876.82	532.90	-39.22
Rajasthan Region	557.39	653.34	17.21
Gujarat Region	2703.10	1278.69	-52.7
Northern Region	423.34	560.01	32.28
Eastern Region	589.73	624.07	5.82
Total	20515.47	15231.27	-25.76

Source : GJEPC Research Division , Notes : (P) stands for provisional Gross Exports pertains to inclusive of return consignments , *Figures from Delhi Aircargo August-September 2023 are not included as yet to receive from the Customs*, Net Exports pertains to exclusive of return consignments. Delhi Aircargo April to July data as per DGCI&S

Gross exports from Rajasthan, Northern & Eastern region have recorded positive export growth in April – September 2023 over the exports recorded in April – September 2022. The remaining all regions have witnessed negative export growth in April - September 2023.

Gem & Jewellery Port-wise Gross Exports : SEZ



SEZ	April – September 2022	April – September 2023	% of Growth / Decline
Seepz	1,762.23	1,572.60	-10.76
Surat SEZ	1,812.33	624.74	-65.53
Jaipur SEZ	151.07	179.68	18.94
Delhi SEZ	125.87	264.42	110.07
Kolkata SEZ	71.01	57.58	-18.91
Cochin SEZ	9.09	11.19	23.14
Visakhapatnam SEZ	7.89	6.21	-21.24
Chennai SEZ	0.84	0.80	-4.99
Total	3,940.32	2,717.22	-31.04

Source : GJEPC Research Division based on GJEPC data

Overall, there is a decline of (-) 31.04% in exports from SEZ to US\$ 2717.22 million in April – September 2023 from US\$ 3940.32 million recorded in April – September 2022.

Exports from Jaipur & Cochin SEZs have increased in April – September 2023 compared to April – September 2022 while exports from SEEPZ, Surat Delhi, Kolkata, Visakhapatnam and Chennai have declined in the same period.

Top 10 Export Destinations for G&J products : April – September 2023(p)



Rank	Countries	(April – September 2022)	(April – September t 2023)	% growth
		US\$million	US\$million	(y-o-y)
1	U.S.A	7,296.71	5,079.85	-30.38
2	Hongkong	4,566.29	3,331.93	-27.03
3	U.A.E	2,979.20	3,059.46	2.69
4	Belgium	1,141.58	1,005.59	-11.91
5	Israel	717.54	469.11	-34.62
6	Thailand	674.03	323.96	-51.94
7	Singapore	877.46	314.51	-64.16
8	United Kingdom	348.79	283.73	-18.65
9	Switzerland	250.12	255.81	2.27
10	Japan	172.23	131.19	-23.83
11	China RP	64.26	54.19	-15.67
12	Others	1,427.26	921.94	-35.4
Total		20515.47	15231.27	-25.76

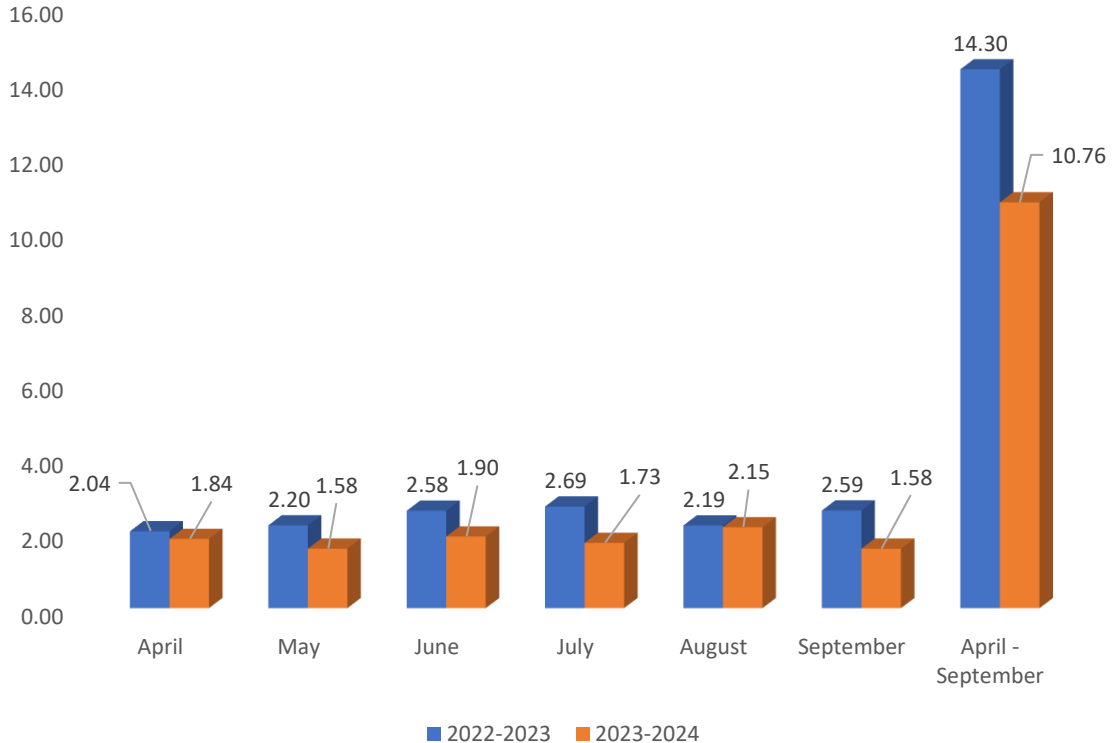
Source : GJEPC Research Division based on GJEPC data

Gem and Jewellery exports to all top 10 export destinations have recorded a negative growth except UAE and Switzerland during April – September 2023 as compared to April – September 2022.

Gem & Jewellery Imports For export purpose – (P) – April – September 2023

Months	Gross Imports FY 2022- 2023 US\$ Billion	Gross Imports FY 2023-2024 US\$ Billion
April	2.04	1.84
May	2.20	1.58
June	2.58	1.90
July	2.69	1.73
August	2.19	2.15
September	2.59	1.58
April - September	14.30	10.76

Imports for export purpose (US\$ Billion)



G&J imports stood at US\$ 10.76 billion in April – September 2023 as against US\$ 14.30 billion recorded in April – September 2022, indicating fall in the production activities.

Source : GJEPC Research Division based on Nominated agencies data which has been received partial

Commodity-wise G&J Imports – April – September 2023



Commodities	April – September 2022	April – September 2023	% growth /decline
	US\$ Mill	US\$ Mill	(y-o-y)
Rough Diamonds	9421.45	7,461.00	-20.81
Rgh Lab Grown Diamonds	719.59	534.52	-25.72
Rough Coloured Gemstones	226.40	226.06	-0.15
Rough Synthetic Stone	1.89	2.38	25.96
Raw Pearls	5.89	9.54	62.04
Gold Bar	1336.58	1,168.27	-12.59
Silver Bar	26.46	26.92	1.75
Platinum Bar	83.20	36.49	-56.14
Sub - Total	11,821.46	9,465.18	-19.93
Imports of Cut & Pol. Diamonds	732.81	779.35	6.35
Pol. Lab Grown Diamonds	56.30	65.18	15.78
Col. Gemstones	1454.56	62.63	-95.69
Pol. Synthetic Stone	4.26	4.04	-5.09
Pearls worked	5.16	3.49	-32.42
Gold Jewellery	147.52	311.66	111.26
Silver Jewellery	67.89	53.34	-21.43
Imitation Jewellery	0.86	1.36	58.39
Others	4.98	18.68	275.00
Sub - Total	2,474.34	1,299.73	-47.47
Gross Imports	14,295.80	10,764.91	-24.70

Imports of various gem and jewellery commodities majorly of the rough nature viz. rough RD & LGD, CGS, Silver Bar, Platinum Bar witnessed a negative growth in April – August 2023 (y-o-y) indicating reduced production operations.



Key Featured Slides...

World Economic Outlook by

International Monetary Fund (IMF)

World Economic Outlook by IMF , October 2023

1. Projected Global Economy Growth: (+) 3% in 2023 and 2.9% in 2024

- According to the flagship report of IMF - 'World Economic Outlook: Navigating Global Divergences' released in October 2023, the global economy is projected to grow by (+) 3% in 2023. (Refer Table). The global recovery on account of two major event, namely, COVID-19 pandemic and Russia-Ukraine geopolitical war, has been slow. The global economic growth is forecasted downwards mainly due to the long-term consequences of the pandemic, the geopolitical conflict between Russia and Ukraine, and increasing geoeconomic fragmentation. Other factors are cyclical in nature like, the effects of monetary policy tightening undertaken to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events.
- For the advanced economies, the report projects a slowdown from 2.6% in 2022 to 1.8% in 2023 and 2.2% in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Global growth forecast of 3.1% over the medium term is the lowest in decades and the possibility of countries to attain higher standards of living is weak.

2. Projected Growth in Advanced Economies is (+) 1.5% and EMDEs (+) 4% in 2023.

- **Advanced Economies** are projected to expand by (+) 1.5 % in 2023 which includes the USA (+ 2.1 %), Japan (+ 2.0%), the United Kingdom (+ 0.5 %), Germany (- 0.5 %), France (+1 %), Italy (+0.7), and Spain (+2.5 %).
- The group of **emerging markets and developing economies (EMDEs)** is projected to expand by +4 % in 2023.

3. Projected Growth in Global Trade is (+) 0.9 % in 2023 and (+) 3.5 % in 2024.

- Global trade is expected to grow marginally by 0.9 % in 2023 and 3.5 % in 2024 and mainly reflects the path of global demand. Other key factors are shifts in composition towards domestic services, lagged effects of dollar appreciation which slows trade owing to the widespread invoicing of products in dollars, and rising trade barriers. In 2022, countries imposed almost 3,000 new restrictions on trade, up from fewer than 1,000 in 2019.

Trends in major economies in comparison to IMF, WEO, July 2022 forecasts

- **USA** - USA is expected to see a growth rate of 2.1% in 2023 and 1.5% in 2024, with these figures revised upward by 0.3% and 0.5% respectively compared with July 2023 WEO Update projections. This upward revision is attributed to strong business investment and robust consumption growth, driven by a tight labor market and expansionary government fiscal policy, but growth is anticipated to slow in the latter half of 2023 and in 2024 due to factors such as slowing wage growth, reduced pandemic-related savings, and tight monetary policy by the Federal Reserve.
- **UK** – Growth in UK is expected to decline from 4.1% in 2022 to 0.5% in 2023, with a 0.1% upward revision in 2024 owing to tightening of monetary policies to address persistent inflation and the ongoing effects of the terms-of-trade shock resulting from elevated energy prices.
- **India** – India's growth is expected to stay robust, at 6.3% in both 2023 and 2024, with a 0.2% upward revision for 2023 due to stronger-than-anticipated consumption in the April-June period.
- **China** – China is projecting a growth at 5.0% in 2023 and 4.2% in 2024. The revision is a result of a reduced forecast for China, with a 0.2% downward adjustment for 2023 and a 0.3% decrease for 2024, owing to the property market crisis in China, which has led to decreased investment.
- **Europe** - Emerging and developing Europe is expected to experience growth of 2.4% in 2023, before declining to 2.2% in 2024. In the case of Russia, the forecast anticipates growth to increase from -2.1% in 2022 to 2.2% in 2023. This growth is attributed to significant fiscal stimulus, robust investment, and resilient consumption, all within the context of a tight labor market.
- **Latin America and Caribbean** – The decline in Latin America and the Caribbean's growth in 2023 is due to the normalization of growth, tighter policies, a weaker external environment, and lower commodity prices. The upward revision for 2023 in Brazil is attributed to stronger-than-expected growth, driven by robust agriculture and services, along with fiscal stimulus. Similarly, in Mexico due to post-pandemic recovery and spillovers from US demand, economic growth is projected at 3.2%.

Indian economy is expected to record a growth of 6.3 % in 2023 as against 6.1 % predicted in WEO, July 2023.

→The IMF has revised its GDP growth projection for India for the financial year 2023-24 to 6.3%, a 20-basis point increase from July 2023. Also, in 2024-25, GDP growth is forecasted at 6.3%.

India's consumer inflation for the fiscal year is estimated at 5.5%.

→This revision is due to stronger-than-expected consumption during the April-June period.

→The IMF's 2023-24 growth forecast for India is now the same as what the World Bank had projected in its India Development Update on October 3.

→Some factors affecting growth could be resurging inflation, geopolitical tensions and trade and fiscal deficit.

Major observations of the report

- Risks to the global outlook are now more balanced due to the resolution of US debt ceiling tensions and decisive actions by Swiss and US authorities to contain financial instability.
- The likelihood of a severe economic downturn has decreased, but overall risks to global growth still lean toward the downside.
- China's property sector crisis could worsen, with potential global repercussions, especially for commodity-exporting countries.
- The global recovery from COVID-19 and Russia's invasion of Ukraine is slow and uneven, with economic activity below pre-pandemic levels, particularly in emerging markets.
- Several factors hinder progress, including the risk of a deepening real estate crisis in China, heightened commodity price volatility linked to geopolitical tensions and climate change, and persistently high inflation.
- Many countries have eroded fiscal buffers, with high debt levels, rising funding costs, slower growth, and fiscal resources unable to meet growing demands, making them more vulnerable to crises.
- Despite monetary policy tightening, financial conditions have eased in numerous countries, raising the potential for abrupt risk repricing, particularly impacting emerging markets, appreciating the US dollar, causing capital outflows, and increasing borrowing costs and debt distress.

Overview of the World Economic Outlook Projection (% change)

Particulars	2022	Projections	
		2023f	2024f
World Output	6	3.2	2.7
Advanced Economies	5.2	2.4	1.1
USA	5.7	1.6	1
Euro Area	5.2	3.1	0.5
Germany	2.6	1.5	-0.3
France	6.8	2.5	0.7
Italy ²	6.6	3.2	-0.2
Spain	5.1	4.3	1.2
Japan	1.7	1.7	1.6
UK ²	7.4	3.6	0.3
Canada	4.5	3.3	1.5
Other Advanced Economies ³	5.3	2.8	2.3
Emerging Market and Developing Economies	6.6	3.7	3.7
Emerging and Developing Asia	7.2	4.4	4.9
China	8.1	3.2	4.4
India ⁴	8.7	6.8	6.1
ASEAN-5 ⁵	3.4	5.3	4.9
Emerging and Developing Europe	6.8	0	0.6
Russia	4.7	-3.4	-2.3
Latin America and the Caribbean	6.9	3.5	1.7
Brazil	4.6	2.8	1
Mexico	4.8	2.1	1.2
Middle East and Central Asia	4.5	5	3.6
Saudi Arabia	3.2	7.6	3.7
Sub-Saharan Africa	4.7	3.6	3.7
Nigeria	3.6	3.2	3
South Africa	4.9	2.1	1.1
World Trade Volume# (Goods & Services)	10.1	4.3	2.5

Source: IMF staff estimates. Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during July 25, 2023–August 22, 2023. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook. 1Difference based on rounded figures for the current, July 2023 WEO Update, and April 2023 WEO forecasts. 2See the country-specific notes for Italy and the United Kingdom in the "Country Notes" section of the Statistical Appendix. 3Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries. 4For India, data and forecasts are presented on a fiscal year basis, and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year. 5Indonesia, Malaysia, the Philippines, Singapore, and Thailand. f = forecast Analysis By: GJEPC Statistics & Trade Research Department

Thanks

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August 2023