



# *Gem and Jewellery Trade Update*

*April - July 2022*

*World Economic Outlook by IMF –  
Key Feature*

*GJEPC Statistics Department (Data and Analytics Unit)*

# Contents

## Gem and Jewellery Trade Update : April – July 2022



S.No.	Particulars	Slide No.
1.	Key Highlights	3
2.	Export and Import Performance	4-5
3.	Commodity-wise Exports	6
4.	Commodity-wise Imports	7
5.	Region-wise Net Exports Performance	8
6.	Port -Wise SEZ Net Exports	9
7.	Top 10 Export Destinations for G&J products	10
8.	Key observations and trends – G&J Exports	11-12
9.	Key Featured slides – World Economic Outlook by IMF	13-16

## Key Highlights

- ➔ During April – July 2022, G&J exports increased by 5.63% to US\$ 13.37 billion as compared to exports of US\$ 12.66 billion registered during April - July 2021.
- ➔ During April - July 2022, Polished Lab Grown Diamonds(69.84%), Coloured Gemstones (37.37%) Platinum jewellery (43.91%), Plain Gold Jewellery (22.98), Studded gold Jewellery (21.27%) and Silver Jewellery 23.80% witnessed a positive export growth rate as compared to April – July 2021, while exports of Cut & Polished Diamonds (-2.76%) recorded a negative growth w.r.t April –July 2021
- ➔ Imports of gold bar and silver bar have witnessed a negative import growth in April – July 2022 over April – July 2021. It indicates towards restrictions in the supply of raw materials for manufacturing of finished gems and jewellery commodities due to Russia – Ukraine conflict
- ➔ Gross exports from all regions have recorded positive export growth in April – July 2022 over the exports recorded in April – July 2021.
- ➔ Exports from SEEPZ , Jaipur, Delhi, Chennai & Visakhapatnam SEZs have witnessed a rise in April – July 2022 as compared to April – July 2021. Overall, there is a growth of (+) 13.73% in exports to US\$ 2417.77 million in April – July 2022 from US\$ 2125.85 million recorded in April – July 2021
- ➔ Among the top 10 export destinations, Gem and Jewellery exports to Hongkong, Netherland & UK have recorded negative growths of (-) 13.70%, 10.91% & 4.06% % respectively during April – July 2022 as compared to April – July 2021. While, gem and jewellery exports to other destinations such as U.S.A, U.A.E, Belgium, Israel , Thailand, Singapore, and Switzerland have shown a rise during the stated time period.
- ➔ The positive export growth in July 2022 can be majorly attributed to strong consumer demand in key export destinations , upcoming trade shows – JCK June 2022 & IJS Premiere 2022 , pro –industry policies of the government , and GJEPC’s efforts and initiatives
- ➔ The Indian Economy is projected to expand by 7.4 % in 2022 and 6.1 % in 2023 according to IMF’s World Economic Outlook published in July 2022 .

## Gem & Jewellery Gross Exports

Months	Gross Exports	Gross Exports
	FY 2020-2021	FY 2021-2022
	US\$ Billion	US\$ Billion
January	2.69	3.34
February	2.70	3.17
March	3.52	3.70
<b>Jan to March</b>	8.91	10.21
Months	FY 2021- 2022	FY 2022-2023
April	3.45	3.43
May	2.94	3.38
June	2.89	3.43
July	3.38	3.13
<b>Apr to July</b>	12.66	13.37

Source : GJEPC Analysis

Notes: (p) = Provisional, . Figures from Bangalore Aircargo June 2022 and Delhi Aircargo July 2022 are not included as yet to receive from the Customs, Net Exports pertains to exclusive of return consignments,

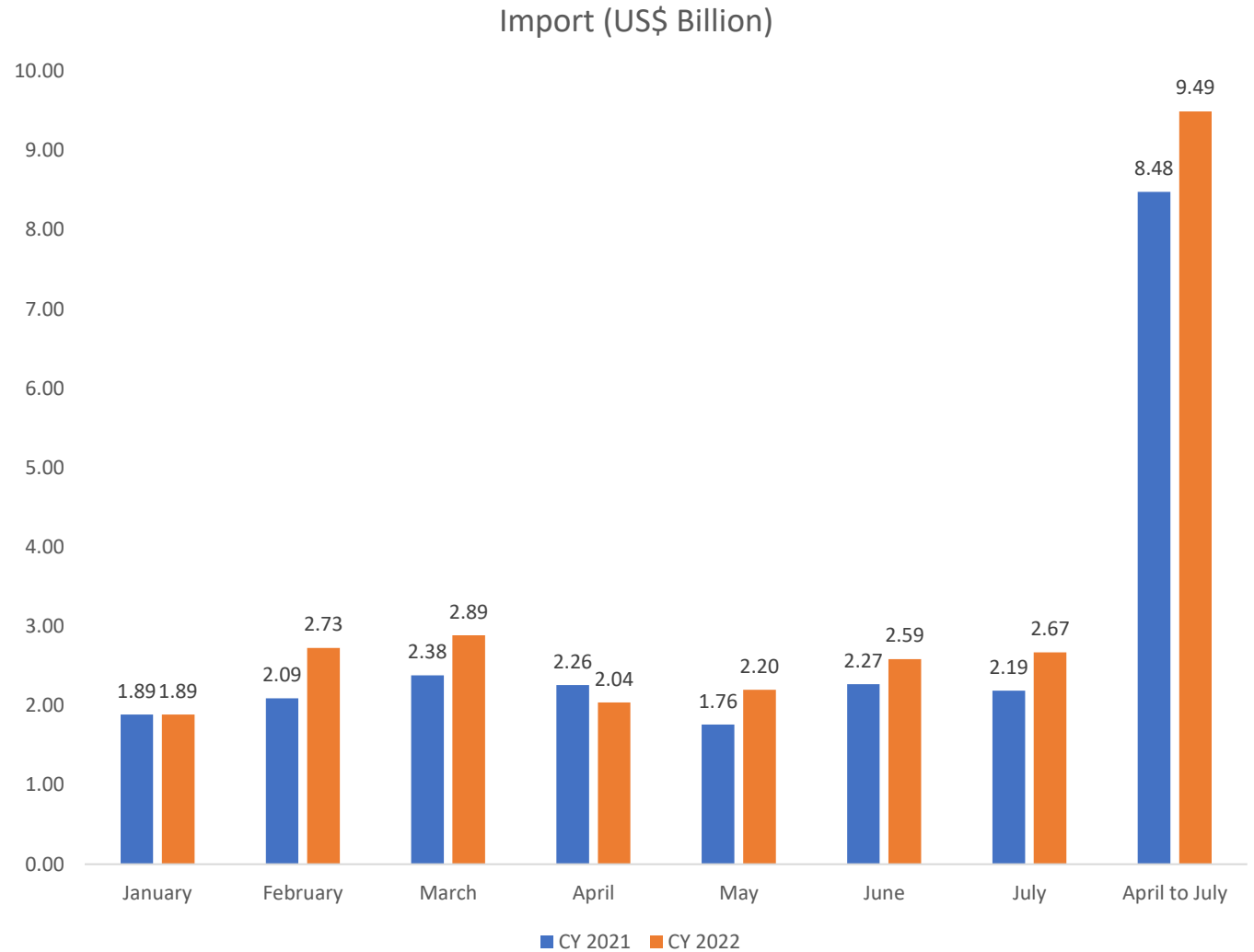
Gem and Jewellery Exports Growth : Jan - July 2022 over Jan - July 2021



G&J exports stood at US\$ 13.37 billion in April to July 2022 ; exceeding the export level of US\$ 12.66 billion recorded in April - July 2021 -indicating exports are intact amid geopolitical crisis in Ukraine .

# Gem & Jewellery Imports January 2022 to July 2022

Months	Gross Imports	Gross Imports
	FY 2021-2021	FY 2021-2022
	US\$ Billion	US\$ Billion
January	1.89	1.89
February	2.09	2.73
March	2.38	2.89
<b>Jan to March</b>	<b>6.36</b>	<b>7.50</b>
Months	FY 2021- 2022	FY 2022-2022
April	2.26	2.04
May	1.76	2.20
June	2.27	2.59
July	2.19	2.67
<b>April to July</b>	<b>8.48</b>	<b>9.49</b>



G&J imports stood at US\$ 9.49 billion in April – July 2022 as against US\$ 8.48 billion recorded in April – July 2021, indicating recovery in supply of raw materials in G&J sector which had dipped slightly on account of Russia –Ukraine conflict

## Commodity wise G&J Exports- April - July 2022 in comparison with April - July 2021

Commodities	April -July 2021	April - July 2022	% Growth/ decline
	(US\$mn)	(US\$mn)	(Y-o-Y)
Cut & Pol Diamonds	8433.54	8200.78	-2.76
Pol. Lab Grown Diamonds	366.65	622.73	69.84
Coloured Gemstones	87.99	120.88	37.37
Pol. Synthetic Stone	1.30	2.70	108.50
Worked Pearls	0.63	0.89	40.65
Gold Jewellery	2557.90	3120.35	21.99
Plain Gold Jewellery	1074.67	1321.68	22.98
Studded Gold Jewellery	1483.22	1798.66	21.27
Silver Jewellery	854.39	1057.70	23.80
Platinum Jewellery	7.29	10.49	43.91
Imitation Jewellery	20.52	22.68	10.53
Articles of Gold, Silver & others	17.44	13.33	-23.54
Others	307.91	195.38	-36.55
<b>Gross Exports</b>	<b>12655.55</b>	<b>13367.91</b>	<b>5.63</b>
Return Consignment	2,397.80	3,024.17	26.12
<b>Net Exports</b>	<b>10,257.75</b>	<b>10,343.74</b>	<b>0.84</b>

**April - July 2022 exports growth in comparison with April - July 2021 :**

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

- Polished LGD (+69.84 %)
- Coloured Gemstones (+37.37%)
- Studded gold jewellery (+21.27%)
- Plain Gold Jewellery (22.98%)
- Silver Jewellery (23.80%)
- Platinum Jewellery (+43.91%)

**Exports growth declined of :**

- Cut & Polished Diamonds(-2.76%)

Source : GJEPC Analysis , Notes : (P) stands for provisional Gross Exports pertains to inclusive of return consignments , Figures from Bangalore Aircargo June 2022 and Delhi Aircargo July 2022 are not included as yet to receive from the Customs, Net Exports pertains to exclusive of return consignments

## Commodity-wise G&J Imports – April – July 2022

Commodities	April - July 2021	April - July 2022	% growth /decline
	US\$ Mill	US\$ Mill	(y-o-y)
Rough Diamonds	6219.12	6,503.36	4.57
Rgh Lab Grown Diamonds	366.08	496.38	35.59
Rough Coloured Gemstones	76.59	163.26	113.15
Rough Synthetic Stone	1.74	1.36	-21.65
Raw Pearls	1.52	4.99	227.78
Gold Bar	772.58	658.21	-14.80
Silver Bar	22.72	18.76	-17.45
Platinum Bar	53.23	69.32	30.23
<b>Sub - Total</b>	<b>7,513.59</b>	<b>7,915.64</b>	<b>5.35</b>
Imports of Cut & Pol. Diamonds	470.66	485.07	3.06
Pol. Lab Grown Diamonds	10.86	31.15	186.91
Col. Gemstones	370.01	914.27	147.10
Pol. Synthetic Stone	2.67	2.94	10.15
Pearls worked	0.85	3.18	276.18
Gold Jewellery	92.45	97.16	5.09
Silver Jewellery	11.28	42.22	274.41
Imitation Jewellery	2.07	0.59	-71.71
Others	4.51	2.37	-47.48
<b>Sub - Total</b>	<b>965.34</b>	<b>1,578.95</b>	<b>63.56</b>
<b>Gross Imports</b>	<b>8,478.93</b>	<b>9,494.58</b>	<b>11.98</b>

Source : GJEPC. Analysis

Notes: (p) = Provisional Figs. Figs for Gold Bar from SBI and Union Bank of India July 2022 is not included



Imports of gold bar and silver bar have witnessed a negative import growth in April – July 2022 over April - July 2021. It indicates towards restrictions in supply of raw materials for manufacturing of finished gems and jewellery commodities due to Russia – Ukraine conflict

## GJEPC Region-wise Growth/Decline in Gross Exports



Region	Gross Exports (April - July 2021)	Gross Exports (April to July 2022)	% of Growth / Decline
	US\$ Million	US\$ Million	
Western Region	10005.35	10117.89	1.12
Southern Region	421.94	562.82	33.39
Rajasthan Region	271.21	339.25	25.09
Gujarat Region	1458.67	1629.91	11.74
Northern Region	223.57	332.44	48.7
Eastern Region	274.80	385.61	40.32
<b>Total</b>	<b>12655.55</b>	<b>13367.91</b>	<b>5.63</b>

Source : GJEPC Statistics Dept. Analysis .

Notes : (P) stands for provisional Gross Exports pertains to inclusive of return consignments , *Figures from Bangalore Aircargo June 2022 and Delhi Aircargo July 2022 are not included as yet to receive from the Customs,*

Gross exports from all regions have recorded positive export growth in April - July 2022 over the exports recorded in April - July 2021.



## Gem & Jewellery Port-wise Gross Exports : SEZ



SEZ	April - July 2021	April - July 2022	% of Growth / Decline
Seepz	1,051.66	1,086.43	3.31
Surat SEZ	840.79	1,098.04	30.6
Jaipur SEZ	86.59	99.95	15.43
Delhi SEZ	54.13	77.75	43.65
Kolkata SEZ	34.03	43.88	28.96
Visakhapatnam SEZ	3.26	4.78	46.7
Chennai SEZ	0.35	0.57	61.23
Cochin SEZ	55.05	6.37	-88.42
Total	2125.85	2,417.77	13.73

Source : GJEPC Statistics Dept. Analysis

Exports from SEEPZ , Jaipur, Delhi, Chennai & Visakhapatnam SEZs have witnessed a rise in April – July 2022 as compared to April – July 2021. Overall, there is a growth of (+) 13.73% in exports to US\$ 2417.77 million in April - July2022 from US\$ 2125.85 million recorded in April – July 2021

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

Rank	Countries	(April - July 2021)	(April to July 2022)	% growth
		US\$million	US\$million	(y-o-y)
1	U.S.A	4,908.93	4,934.95	<b>0.53</b>
2	Hongkong	3,430.04	2,960.18	<b>-13.7</b>
3	U.A.E	1,603.67	1,832.72	<b>14.28</b>
4	Belgium	413.51	762.31	<b>84.35</b>
5	Israel	499.52	503.91	<b>0.88</b>
6	Thailand	303.59	423.08	<b>39.36</b>
7	Singapore	243.88	325.97	<b>33.66</b>
8	Netherland	246.41	219.54	<b>-10.91</b>
9	United Kingdom	212.46	203.84	<b>-4.06</b>
10	Switzerland	74.75	187.56	<b>150.92</b>
11	Others	718.79	1,013.85	<b>41.05</b>
Total		<b>12655.55</b>	<b>13367.91</b>	<b>5.63</b>

Source : GJEPC Statistics Dept. Analysis . *Figures from Bangalore Aircargo June 2022 and Delhi Aircargo July 2022 are not included as yet to receive from the Customs*

## Key Observations and trends – G&J Exports (April – July 2022)



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

### Growth Drivers

- **Studded Gold Jewellery (21.27 % rise)** - Strong demand in key export destinations , continued positive growth in US Jewellery retail sales and resumption of various Trade shows /fairs – IIJS Premiere 2022 , JCK , Hong Kong show ,IGJS USA ,etc.
- **Colored Gem Stones ( 37.37 % rise )** Increase in preference towards of coloured gemstones jewellery worldwide post pandemic , ease in procuring rough coloured gemstones and robust demand of all kinds of gemstones namely Ruby , Sapphires and Emeralds
- **Plain gold Jewellery (+ 22.98 %)** – The positive growth in plain gold jewellery exports can be attributed to recovery of exports in the Middle East region especially UAE on account of India –UAE CEPA agreement, positive consumer sentiments due to IIJS Premiere 2022 and limited impact of sanctions on Russian gold on Indian supply .
- **Silver Jewellery (+23.80%)** – The positive export growth of silver jewellery is majorly on account of , increase in silver physical demand , volatility in gold prices , and elevated inflationary pressures

### Growth Obstructors

- **Cut and Polished Diamonds (-2.76 %)** - The negative export growth could be attributed to factors such as the war in Ukraine , increasingly inflationary economic environment, along with ongoing outbreaks of Covid-19 in China and Hong Kong



## **Growth Drivers of G&J exports**

- Positive growth in US Jewellery retail sales ,robust demand in key export destinations , improved consumer sentiments due to key G&J trade shows by GJEPC – IIJS Premiere 2022 ,IIJS Tritiya, IGJS Dubai , continued support from the government, signing of free trade agreements with major economies , efforts and initiatives by GJEPC and launch of the India International Bullion centre (IIBX) to tackle diminishing shortage of raw materials i.e. gold are expected to increase exports further in the new financial year .
- However , higher-than-expected inflation worldwide , economic slowdown in China due to stringent COVID- 19 outbreaks and lockdowns ,rise in import duty on gold and lingering supply chain issues due to the Russia –Ukraine war will restrain the growth of the gems and jewellery sector



**Key Featured Slides...**

**World Economic Outlook by**

**International Monetary Fund (IMF)**

## World Economic Outlook by IMF , July 2022

**1.** According to the flagship report of IMF - 'World Economic Outlook' released on 27th July 2022, the global economy is projected to grow by (+) 3.2 % in 2022. (Table) . The recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize.

### **2. Projected Growth in Advanced Economies is (+) 2.5 % and EMDEs (+) 3.6 % in 2022.**

- Advanced Economies are projected to expand by (+) 2.5 % in 2022 which includes the USA (+ 2.3 %), Japan (+ 1.7%), the United Kingdom (+ 3.2 %), Germany (+1.2 %), France (+2.3 %), Italy (+3.0%), and Spain (+4 %).
- The group of emerging markets and developing economies (EMDEs) is projected to expand by +3.6 % in 2022.

### **3. Indian economy is expected to record a growth of 7.4 % in 2022 as against 8.2 % predicted in WEO, January 2022 .**

### **4. Projected Growth in Global Trade is (+) 4.1 % in 2022 and (+) 3.2 % in 2023..**

Global trade is expected to grow by 4.1 % in 2022 and 3.2 % in 2023 and will slow by more than previously expected due to decline in global demand and supply chain problems . The dollar's appreciation in 2022 also will contribute to the slowdown in the world trade growth considering the dollar's dominant role in trade invoicing as well as negative financial balance sheet effects on demand and imports in countries with dollar-denominated liabilities

## Growth trends in major economies – July 2022 in comparison to April 2022, IMF WEO, forecasts

**USA** – The forecast for the economy has been revised downwards owing to weaker-than-expected growth in the first two quarters of 2022, with significantly less momentum in private consumption, in part reflecting the erosion of household purchasing power and the expected impact of a steeper tightening in monetary policy

**Europe** - Growth in the euro area is also revised down due to spill overs from the war in Ukraine as well as the assumption of tighter financial conditions, with the European Central Bank ending net asset purchases and raising rates in July 2022 for the first time since 2011. In a number of European economies, NextGenerationEU funds are supporting economic activity

**India** –The outlook for India has been revised downward majorly due to less favourable external conditions and more rapid policy tightening

**Emerging & Developing Europe** – The Real GDP for emerging & developing Europe is expected to contract due to stronger-than-expected Russian export growth in 2022 and the recently announced additional sanctions on Russia in 2023.

**Latin America and the Caribbean – The region** has also seen an upward revision in 2022 as a result of a more robust recovery in the large economies (Brazil, Mexico, Colombia, Chile)

**Middle East and Central Asia and Sub-Saharan Africa** - The outlooks for countries in the Middle East and Central Asia and sub-Saharan Africa remain on an average unchanged or positive, reflecting the effects of elevated fossil fuel and metal prices for some commodity-exporting countries

## Overview of the World Economic Outlook Projection (% change)

Particulars	2021	Projections	
		2022f	2023f
World Output	6.1	3.2	2.9
<b>Advanced Economies</b>	<b>5.2</b>	<b>2.5</b>	<b>1.4</b>
USA	5.7	2.3	1
Euro Area	5.4	2.6	1.2
Germany	2.9	1.2	0.8
France	6.8	2.3	1
Italy	6.6	3	0.7
Spain	5.1	4	2
Japan	1.7	1.7	1.7
UK	7.4	3.2	0.5
Canada	4.5	3.4	1.8
Other Advanced Economies*	5.1	2.9	2.7
<b>Emerging Market and Developing Economies</b>	<b>6.8</b>	<b>3.6</b>	<b>3.9</b>
<b>Emerging and Developing Asia</b>	<b>7.3</b>	<b>4.6</b>	<b>5</b>
China	8.1	3.3	4.6
India**	8.7	7.4	6.1
ASEAN-5***	3.4	5.3	5.1
<b>Emerging and Developing Europe</b>	<b>6.7</b>	<b>-1.4</b>	<b>0.9</b>
Russia	4.7	-6	-3.5
<b>Latin America and the Caribbean</b>	<b>6.9</b>	<b>3</b>	<b>2</b>
Brazil	4.6	1.7	1.1
Mexico	4.8	2.4	1.2
<b>Middle East and Central Asia</b>	<b>5.8</b>	<b>4.8</b>	<b>3.5</b>
Saudi Arabia	3.2	7.6	3.7
<b>Sub-Saharan Africa</b>	<b>4.6</b>	<b>3.8</b>	<b>4</b>
Nigeria	3.6	3.4	3.2
South Africa	4.9	2.3	1.4
<b>World Trade Volume# ( Goods &amp; Services)</b>	<b>10.1</b>	<b>4.1</b>	<b>3.2</b>

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)



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