



Gem and Jewellery Trade Update

April 2021 – February 2022

*Global Economic Perspectives by
World Bank – Key Feature*

GJEPC Statistics Department (Data and Analytics Unit)

Contents



Gem and Jewellery Trade Update : April 2021- February 2022

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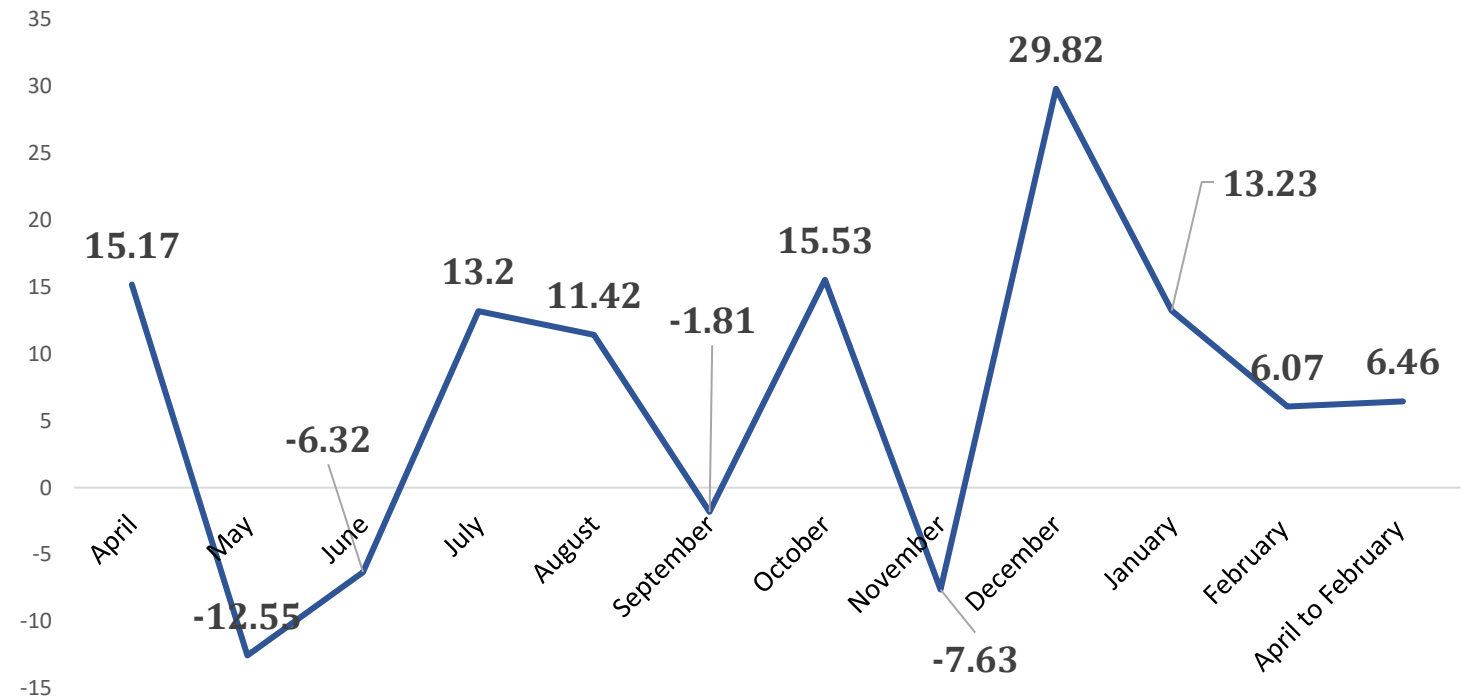
Key Highlights

- ➔ During April 2021– February 2022, G&J exports increased by 6.46 % to US\$ 35.48 billion as compared to pre –covid levels of exports of US\$ 33.33 billion registered during April 2019 - February 2020. G&J exports rose by 62.78 % during April 2021 – February 2022 as compared to US\$ 21.80 billion recorded during same period last year .
- ➔ During April 2021 – February 2022, Cut and Polished Diamonds (24.51%) , Silver Jewellery (70.05 %) , Platinum jewellery (172.40%) , Studded gold Jewellery (53.34 %) and polished lab grown diamonds (197.86%) witnessed a positive export growth while the exports of plain gold jewellery (-57.84 %), Coloured Gemstones (-7.15 %) recorded a negative export growth rate as compared to April 2019 – February 2020.
- ➔ Imports of rough diamonds, rough lab grown diamonds and silver bar registered a positive import growth in April 2021 - February 2022 as compared to import levels registered in April 2019 – February 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 - February 2022 are even more than the exports recorded in April 2019 – February 2020 i.e. pre-covid level
- ➔ Exports from SEEPZ , Surat , Jaipur & Kolkata SEZs have witnessed a rise in April 2021- February 2022 as compared to pre-covid level i.e in April 2019 – February 2020 . Overall, there is a decline of (-)35.42% in exports to US\$ 6400.01 million in April 2021 – February 2022 from US\$ 9910.44 million recorded in April 2019 – February 2020.
- ➔ Among the top 10 export destination , Gem and Jewellery exports to UAE has witnessed the highest fall of (-) 44.97 % followed by Japan (-) 12.49 %, Belgium (-)9.72 %, and Hong Kong (-) 0.62 % during April 2021 – February 2022 as compared to April 2019 – February 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 positive export growth in the month of February 2022 can be majorly attributed to the revival of business and consumer sentiments due to the IIJS Signature 2022 show , increased consumer spending , continued re-opening of the economy , strong demand in pan India as well as in other countries such as UAE, UK, US, Canada and Singapore and sustained increase in online sales of G&J underscoring the significant nature of the shift to digital
- ➔ India is expected to record a firm growth of 8.7 % in 2022 as against 7.5 % predicted in Global Economic Perspectives, June 2021.

Gem & Jewellery Gross Exports April 2021 to February 2022

6.46 % growth over April 2021 – February 2022

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



G&J exports stood at US\$ 35.48 billion in April 2021 – February 2022; higher than the pre-covid level of exports of US\$ 33.33 billion recorded in April 2019 – February 2020 recording a growth of 6.46% during the said period.

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
February	2.93	3.11	6.07
April to February	33.33	35.48	6.46

Source : GJEPC Analysis

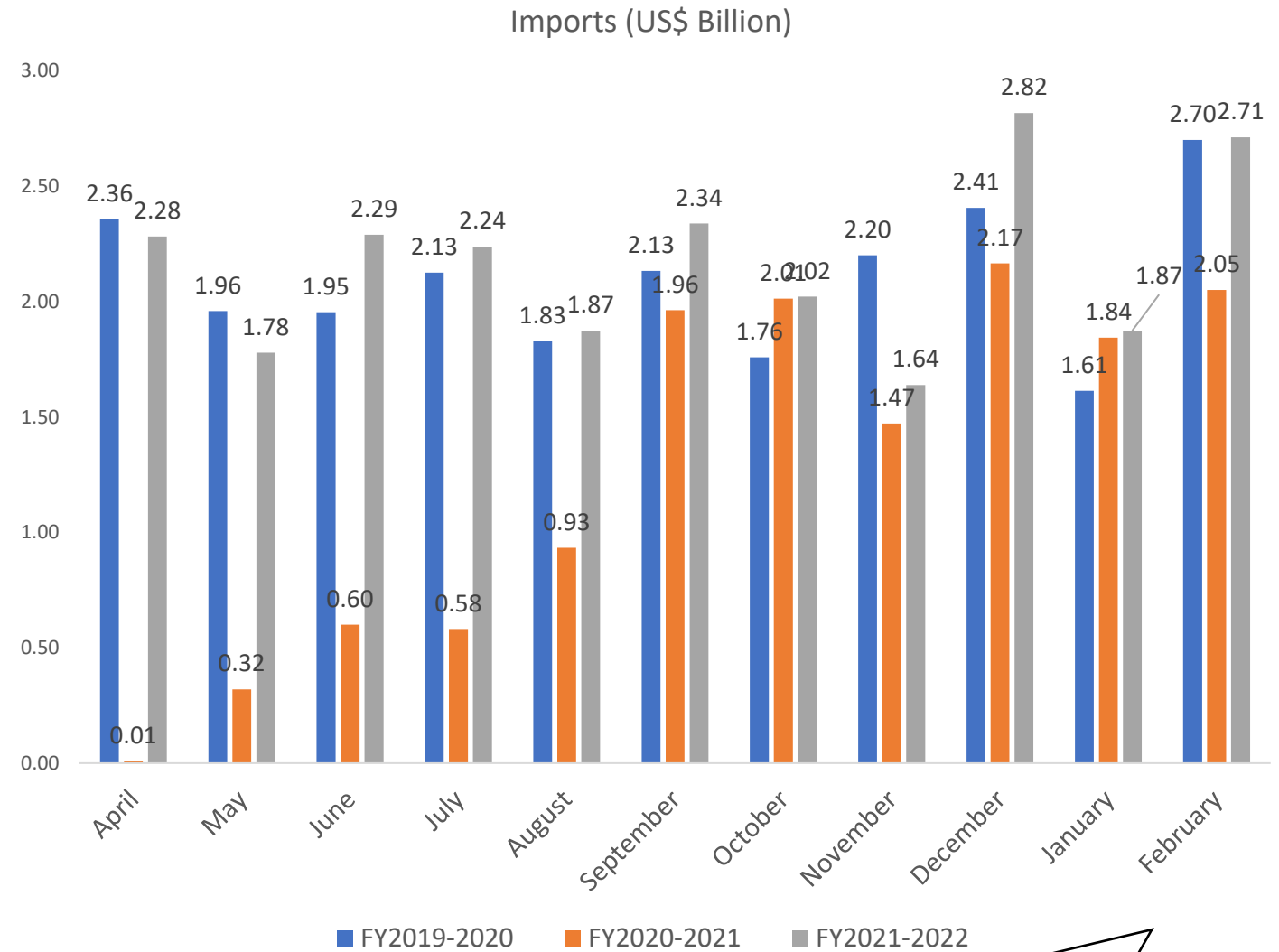
Notes: (p) = Provisional, Figures doesn't include data from Delhi Aircargo
Nov 2021 to Feb 2022 , Gross exports means inclusive of return consignments,

Gem & Jewellery Imports April 2021 to February 2022

Months	Gross Imports	Gross Imports	Gross Imports
	FY2019-2020	FY2020-2021	FY2021-2022
	US\$ Billion	US\$ Billion	US\$ Billion
April	2.36	0.01	2.28
May	1.96	0.32	1.78
June	1.95	0.60	2.29
July	2.13	0.58	2.24
August	1.83	0.93	1.87
September	2.13	1.96	2.34
October	1.76	2.01	2.02
November	2.20	1.47	1.64
December	2.41	2.17	2.82
January	1.61	1.84	1.87
February	2.70	2.05	2.71
Apr to February	23.04	13.95	23.87

Source : GJEPC Analysis

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



G&J imports stood at US\$ 23.87 billion in April 2021 – February 2022; higher than the pre-covid level of imports US\$ 23.04 billion recorded in April 2019 – February 2020, indicating continued production activities in G&J sector.

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

Commodities	April 2019- February 2020	April 2020 – February 2021	April 2021 – February 2022 (p)	% Growth/Decline 2019/2021
	(US\$mn)	(US\$mn)	(US\$mn)	(Y-o-Y)
Cut & Pol Diamonds	17698.8	14153.83	22036.19	24.51
Pol. Lab Grown Syn. Diamonds	393.18	550.23	1171.12	197.86
Coloured Gemstones	306.88	161.81	284.92	-7.15
Pol. Synthetic Stone	0.83	0.71	3.46	314.74
Gold Jewellery	11312.17	4077.29	8279.3	-26.81
Plain Gold Jewellery	8154.75	1727.97	3437.76	-57.84
Studded Gold Jewellery	3157.41	2349.32	4841.54	53.34
Silver Jewellery	1443.88	2016.63	2455.36	70.05
Platinum Jewellery	9.68	14.95	26.36	172.40
Imitation Jewellery	44.48	33.35	58.08	30.60
Articles of Gold, Silver & others	388.2	78.21	48.12	-87.60
Others	1733.09	712.11	1120.86	-35.33
Gross Exports	33331.19	21799.12	35483.77	6.46
Return Consignment	6184.1	4022.94	6596.29	6.67
Net Exports	27147.09	17776.18	28887.48	6.41

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

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

- Cut & Polished Diamonds(+24.51%)
- Polished LGD (+197.86 %)
- Studded gold jewellery (+53.34 %)
- Silver Jewellery (+ 70.05 %)
- Platinum Jewellery (+172.40)

Exports growth declined of :

Plain Gold Jewellery (-57.84 %)
Coloured Gemstones (-7.15 %)

Commodity-wise G&J Imports – April 2021 – February 2022



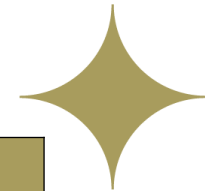
Products	April 2019 - February 2020	April 2020 - February 2021	April 2021 - February 2022 (p)	% growth /decline 2019/2021
	US\$ Mill	US \$ Mill	US\$ Mill	(y-o-y)
Rough Diamonds	12,388.94	9511.84	16,895.66	36.38
Rgh Lab Grown Diamonds	318.60	537.16	1,169.72	267.14
Rough Coloured Gemstones	238.50	130.48	307.09	28.76
Rough Synthetic Stone	3.51	1.72	4.11	17.12
Raw Pearls	10.60	1.16	5.74	-45.88
Gold Bar	7,462.83	1081.47	2,141.64	-71.30
Silver Bar	39.58	33.73	381.53	863.97
Platinum Bar	144.96	158.44	102.03	-29.61
Sub - Total	20607.52	11456.01	21007.52	1.94
Imports of Cut & Pol. Diamonds	1,473.45	1849.51	1,216.77	-17.42
Pol. Lab Grown Diamonds	92.51	36.00	41.11	-55.56
Col. Gemstones	513.64	395.48	1,271.14	147.47
Pol. Synthetic Stone	12.78	5.03	9.54	-25.34
Pearls worked	6.27	2.16	3.66	-41.52
Gold Jewellery	266.48	179.62	247.06	-7.29
Silver Jewellery	61.24	21.14	59.67	-2.55
Imitation Jewellery	1.55	1.77	3.88	149.29
Others	6.58	6.99	9.02	37.19
Sub - Total	2,434.50	2,497.69	2,861.86	17.55
Gross Imports	23042.02	13953.70	23,869.38	3.59

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

Source : GJEPC. Analysis

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

GJEPC Region-wise Growth/Decline in Gross Exports



Region	Gross Exports (April 2019 – February 2020)	Gross Exports (April 2020 – February 2021)	Gross Exports (April 2021 – February 2022)	% of Growth / Decline 2019/2021 (Y-o-Y)
	US\$ Million	US\$ Million	US\$ Million	
Western Region	21999.40	16261.98	27409.48	24.59
Southern Region	6606.20	638.49	1438.68	-78.22
Rajasthan Region	695.68	487.39	867.57	24.71
Gujarat Region	2131.90	3335.97	3984.15	86.88
Northern Region	1351.18	749.86	894.75	-33.78
Eastern Region	546.81	325.44	889.15	62.61
Total	33331.18	21799.12	35483.77	6.46

Source : GJEPC Statistics Dept. Analysis

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

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

Gem & Jewellery Port-wise Gross Exports : SEZ



SEZs	April 2019 – February 2020 US\$ Million	April 2020 – February 2021 US\$ Million	April 2021 – February 2022 US\$ Million	% of Growth / Decline 2021 w.r.t 2019 (Y-o-Y)
Seepz	2057.67	1,839.20	3,256.38	58.26
Surat SEZ	1389.79	1,869.36	2,448.83	76.2
Jaipur SEZ	192.02	165.23	249.32	29.84
Delhi SEZ	334.48	158.25	262.36	-21.56
Kolkata SEZ	48.20	59.70	103.40	114.5
Visakhapatnam SEZ	13.71	18.99	10.34	-24.58
Hyderabad SEZ	3.47	0.00	0.00	-100
Chennai SEZ	1.77	0.81	1.40	-20.98
Cochin SEZ	5869.32	122.52	67.98	-98.84
Total	9910.44	4234.08	6,400.01	-35.42

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 – February 2022 as compared to April 2019 – February 2020. Overall, there is a decline of (-)35.42 % in exports to US\$ 6400.01 million in April 2021 – February 2022 from US\$ 9910.44 million recorded in April 2019 – February 2020 majorly on account of decline in exports from Cochin SEZ

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

Rank	Countries	April 2019 to February 2020	April 2020 to February 2021	April 2021 to February 2022	% growth /decline 2019/2021
		US\$million	US\$million	US\$million	(y-o-y)
1	U.S.A	8,713.71	7,612.76	13,274.67	52.34
2	Hongkong	8,568.47	7,161.38	8,515.13	-0.62
3	U.A.E	9,259.03	2,487.99	5,095.49	-44.97
4	Belgium	1,789.88	1,059.40	1,615.91	-9.72
5	Israel	883.86	744.63	1,335.12	51.06
6	Thailand	599.81	546.64	1,027.22	71.26
7	Singapore	567.13	276.89	727.46	28.27
8	United Kingdom	426.93	299.24	639.13	49.70
9	Netherland	278.56	65.95	603.54	116.66
10	Japan	370.62	279.48	324.35	-12.49
11	Others	1,873.17	1,264.75	2,325.74	24.16
Total		33,331.18	21,799.12	35,483.77	6.46

Source : GJEPC Statistics Dept. Analysis

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



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

Growth Drivers

- **Cut and Polished Diamonds (24.51 % rise)** -The positive export growth is majorly due to restocking of raw materials after a successful holiday seasons across all key markets, spending on luxury goods and jewellery , growth in savings from lower spending on experiential luxury such as tourism and sustained rise in jewellery demand in USA and Asia . However, growth potential for rough diamonds production is restrained with a structural decline in global rough diamond capacity which has been heightened further with the ongoing Ukraine crisis with a number of sanctions on selected Russian banks .This will impact the trading/import of rough diamonds from the country and disruption of manufacturing process in India as importers will not be able to make payments in Russia
- **Studded Gold Jewellery (53.34 % rise)** - Strong demand in USA and China,, strong gold jewellery sales in IIJS Signature 2022 , and GJEPC efforts/initiatives in organising various trade shows/fairs/VBSMs during last few months
- **Silver Jewellery (70.05 % rise)** – Silver jewellery exports continue to register positive growth with improving consumer sentiment, increase in silver physical demand and expected easing of Covid-19 . The decline in GDP growth for several major economies with rising financial market volatility , and elevated inflationary pressures , improving economic conditions and positive price expectations is expected to lead to a rise in silver jewellery exports

Growth Obstructors

- **Plain gold Jewellery (- 57.84 %)** -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, strong sales in IIJS Signature 2022 ,continued government support in terms of resolution of policy issues & GJEPC's efforts/initiatives .
- **Colored Gem Stones (-7.15 %)** –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 in mining operations . However, high value jewellery , diamonds and gemstone market is set to grow in 2022 in key destinations especially Asia continuing a trend from last year buoyed by a new generation of digital savvy buyers .



Positive drivers of G&J exports

- The positive export growth in the month of February 2022 can be majorly attributed to the revival of business and consumer sentiments due to the IIJS Signature 2022 show , increased consumer spending , continued re-opening of the economy , strong demand in pan India as well as in other countries such as UAE, UK, US, Canada and Singapore and sustained increase in online sales of G&J underscoring the significant nature of the shift to digital
- There is likely to be pent up demand and revenge buying as the third wave subsides as a large number of wedding buying had been pushed back due to rising cases . The subsequent opening of economic activities with the decline in covid cases , easing of restrictions , continued GJEPC efforts/initiatives to boost exports , negotiation of major free trade agreements with key economies (Israel ,Australia ,UK ,Canada ,& EU among others) and other pro-industry measures is expected to enhance gems and jewellery exports in the future . .



Key Featured Slides...

Global Economic Perspectives by

World Bank

Global Economic Perspectives by World Bank , January 2022

1. According to World Bank's Flagship report- 'Global Economic Perspectives 2021' released on 12th January 2022 , the global economy is projected to expand by (+) 4.1 % in 2022 from 5.5 % in 2021 reflecting continued COVID-19 flare-ups, diminished fiscal support, and lingering supply bottlenecks

2. Projected Growth in Advanced Economies is (+) 3.8 % and EMDEs (+) 4.6 % in 2022

- Advanced Economies are projected to expand by (+) 3.8 % in 2022 which includes the USA (+ 3.7 %), Japan (+ 2.9 %), and Euro area (+4.2 %).
- The group of emerging market and developing economies (EMDEs) is projected to expand by +4.6 % in 2022.
- India is expected to record a firm growth of 8.7 % in 2022 as against 7.5 % predicted in Global Economic Perspectives, June 2021.

3. India is expected to record a firm growth of 8.7 % in 2022 as against 7.5 % predicted in Global Economic Perspectives, June 2021.

4. Projected Growth in Global Trade is (+) 5.8 % in 2022 and (+) 4.7 % in 2023

Global trade is projected to grow by an average of 5.8 % in 2022 and 4.7 % in 2023 . Services trade is like to remain subdued with restrictions on International travel but may gradually recover on account of improvements in international mobility as vaccination proceeds . The risks to the global trade outlook in near term includes worsening supply bottlenecks due to Omicron -driven pandemic surge and in the longer term rising protectionism .

Overview of the Global Economic Perspectives Projections (Real GDP** % change from previous year)

Particulars	2019	2020	2021e	2022 f	2023 f
World Output	2.6	-3.4	5.5	4.1	3.2
Advanced Economies	1.7	-4.6	5	3.8	2.3
USA	2.3	-3.4	5.6	3.7	2.6
Euro Area	1.6	-6.4	5.2	4.2	2.1
Japan	-0.2	-4.5	1.7	2.9	1.2
Emergent Market and Developing Economies	3.8	-1.7	6.3	4.6	4.4
East Asia and Pacific	5.8	1.2	7.1	5.1	5.2
China	6	2.2	8	5.1	5.3
Indonesia	5	-2.1	3.7	5.2	5.1
Thailand	2.3	-6.1	1	3.9	4.3
Europe and Central Asia	2.7	-2	5.8	3	2.9
Russian federation	2	-3	4.3	2.4	1.8
Turkey	0.9	1.8	9.5	2	3
Latin America and Caribbean	0.8	-6.4	6.7	2.6	2.7
Brazil	1.2	-3.9	4.9	1.4	2.7
Mexico	-0.2	-8.2	5.7	3	2.2
Middle East and North Africa	0.9	-4	3.1	4.4	3.4
Saudi Arabia	0.3	-4.1	2.4	4.9	2.3
South Asia	4.4	-5.2	7	7.6	6
India *	4	-7.3	8.3	8.7	6.8
Bangladesh	8.2	3.5	5	6.4	6.9
Sub-Saharan Africa	2.5	-2.2	3.5	3.6	3.8
South Africa	0.1	-6.4	4.6	2.1	1.5
Nigeria	2.2	-1.8	2.4	2.5	2.8

Source: World Bank, *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 ** Headline aggregate growth rates are calculated using GDP weights at average 2010-19 prices and market exchange rates. The aggregate growth rates may differ from the previously published numbers that were calculated using GDP weights at average 2010 prices and market exchange rates. Data for Afghanistan and Lebanon are excluded. f = forecast e = Estimated

Regional Outlook

- **Advanced economies** –The growth in advanced economies is forecasted to decelerate from 5 % in 2021 to 3.8 % in 2022 with the unwinding of pent -up demand partly cushions withdrawal of fiscal policy support . Despite the slowdown, the projected pace of expansion will be sufficient to return aggregate advanced-economy output to its pre- pandemic trend in 2023 and thus complete its cyclical recovery. A solid rebound is projected for investment, based on sustained aggregate demand and broadly favourable financing conditions.
- **South Asia** – The growth in South Asia is projected to expand by 7.6 percent in 2022, accelerating from 7.0 percent the previous year, as COVID-19 vaccination progresses, and contact-intensive sectors recover. Despite two years of robust growth, the projected rate of per capita income catch-up with advanced economies for 2021-23 has slowed and is only about half the rate of catch-up achieved in the decade prior to the pandemic. A resurgence of the pandemic, especially with the emergence of Omicron along with inflationary pressures requiring more monetary policy tightening than is assumed in the baseline, and a sudden tightening of financing conditions exacerbated by the re-emergence of stress in the financial sector.
- **India** – According to the World Bank , Indian economy is expected to expand by 8.3 % in fiscal year 2021/22 unchanged from last June’s forecast as recovery is yet to become broad based . The economy may benefit from resumption of contact intensive services and ongoing but narrowing monetary and fiscal policy support . In FY2022/23 and FY2023/24 growth has been upgraded, to 8.7 and 6.8 percent respectively, reflecting an improving investment outlook with private investment, particularly manufacturing, benefiting from the Production-Linked Incentive (PLI) Scheme, and increase in infrastructure investment. The growth outlook is also supported by ongoing structural reforms, a better than-expected financial sector recovery, and measures to resolve financial sector challenges despite ongoing risks.
- **East Asia and Pacific region** – The region is projected to contract to 5.1 % in 2022 from 7.1 % in 2021 fuelled by downward growth projections of China amid tighter regulations and diminished support from exports .However , region is expected to accelerate to 5 % in 2022 on account of release of pent up demand and accelerated covid -19 vaccinations . The projected recovery in tourism dependent economies will not be sufficient to return output to its 2019 levels during forecast period . The downside risks to the outlook include recurrent mobility restrictions in the context of pandemic resurgence and incomplete vaccinations, heightened financial stress, and disruptions from natural disasters.

Regional Outlook

- **Europe and Central Asia** –Growth in Europe and Central Asia is estimated to grow by 3 % in 2022 as domestic demand stabilizes , and 2.9 % in 2023 with waning of external demand and softening of commodity prices . The weaker growth outlook is on account of recurrent COVID-19 flareups, a faster-than-expected withdrawal of macroeconomic policy support, and sharp increases in policy uncertainty and geopolitical tensions. Key risks to the regional outlook include a further resurgence of the pandemic, financial stress, less supportive external conditions than expected, and an additional rise in policy uncertainty or escalation in geopolitical tensions.
- **Latin America and Caribbean** –The world Bank states that the regional growth is projected to contract to 2.6 % in 2022 and 2.7 % in 2023, reflecting sluggish labour market improvement, tighter macroeconomic policy, softer external demand, and a fading boost from last year's rise in commodity prices . The downside risks to the forecast include renewed surges in COVID-19 cases; financial stress; disruptions related to natural disasters, including weather events linked to climate change; and, in the longer term, failure to implement productivity-enhancing and other needed reforms.
- **Middle East and North Africa** – The growth in the Middle East and North Africa is forecasted to expand to 4.4 % from 3.1 % in 2021 on account of tapering oil production cuts and increase in vaccinations . Growth prospects are uneven across the region . Renewed COVID-19 outbreaks, social unrest, high debt in some economies, delays in structural reforms and governance setbacks could further subdue growth in the region .
- **Sub-Saharan African countries** - Sub-Saharan Africa (SSA) region is estimated to expand to 3.7 % in 2022 from 3.6 % in 2021 majorly due to renewed emergence of covid-19 infections and low vaccination rates in the region . The fading tailwinds from commodity prices, the unwinding of policy support, and a shift to austerity in some countries to tackle rising debt levels could slow growth.

For any queries , you may contact :

Ms. Rashmi Arora, Assistant Director, Economist at rashmi.arora@gjepcindia.com contact no. 7045331319 and

Mr. Animesh Sharma, Senior Research Executive at Animesh.sharma@gjepcindia.com , contact no. 8826684731

Mr. Alfred Cyril , Manager Statistics at cyril@gjepcindia.com , contact no . 9987753817

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March 2022

Thanks