

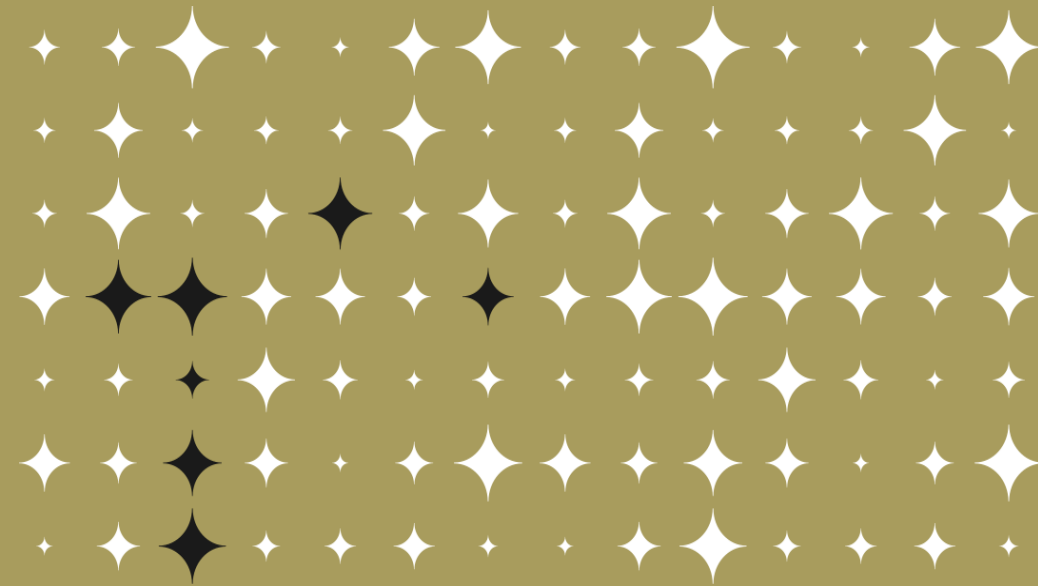


Gem and Jewellery Trade Update

FY2019-2020

&

Lockdown/Partial Lockdown



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Key Highlights

FY2020

- ➔ Gem and Jewellery gross exports during the FY2020 declined .by (-)10.19% to US\$35.53 billion as compared to US\$39.56 billion in FY2019.

Complete/Partial Lockdown – April/May 2020

- ➔ Exports were recorded at a peak low of (-)99% in the month of April 2020 coinciding with the time period of lockdown period, while during the partial lockdown started from April 2020 end, exports have started recovering but at a very slow pace.
- ➔ In value terms , GJ exports declined by (-) 84% to US\$572 million during April-May 2020 as compared to US\$3.51 billion during April-May 2019.
- ➔ Exports of all commodities and to all the countries have witnessed a deep decline ranging from (-)80% to (-)90% during April-May 2020.

Next challenge on the way...

- ➔ Rising tension with China is on the way which may further escalate the challenges for GJ exports and overall businesses as China combined with HK comprise of around 28% share in India's total exports of Gem and Jewellery.

Month-wise Gem & Jewellery Export Performance FY2020 /Full & Partial Lock down



MONTHS	Gross Exports FY2019 US\$bn	Gross Exports FY2020 US\$bn	% Growth /Decline (Y- o-Y)
April	3.13	3.00	-4.35
May	3.73	3.36	-10.05
June	3.46	3.09	-10.72
July	3.19	3.05	-4.44
August	3.31	3.05	-8.02
September	3.55	3.42	-3.67
October	3.62	3.61	-0.33
November	2.75	2.68	-2.5
December	2.49	2.44	-1.89
January	3.27	2.97	-9.17
February	3.69	2.97	-19.37
March	3.37	1.90	-43.62
April-March	39.56	35.53	-10.19
April 2020	0.24	0.00	-99.27
May 2020	3.27	0.572	-82.54
April to May 2020	3.51	0.572	-83.68

Pre-Covid-19

Exports were declining on an average by (-)5 % y-o-y

Due to Covid-19

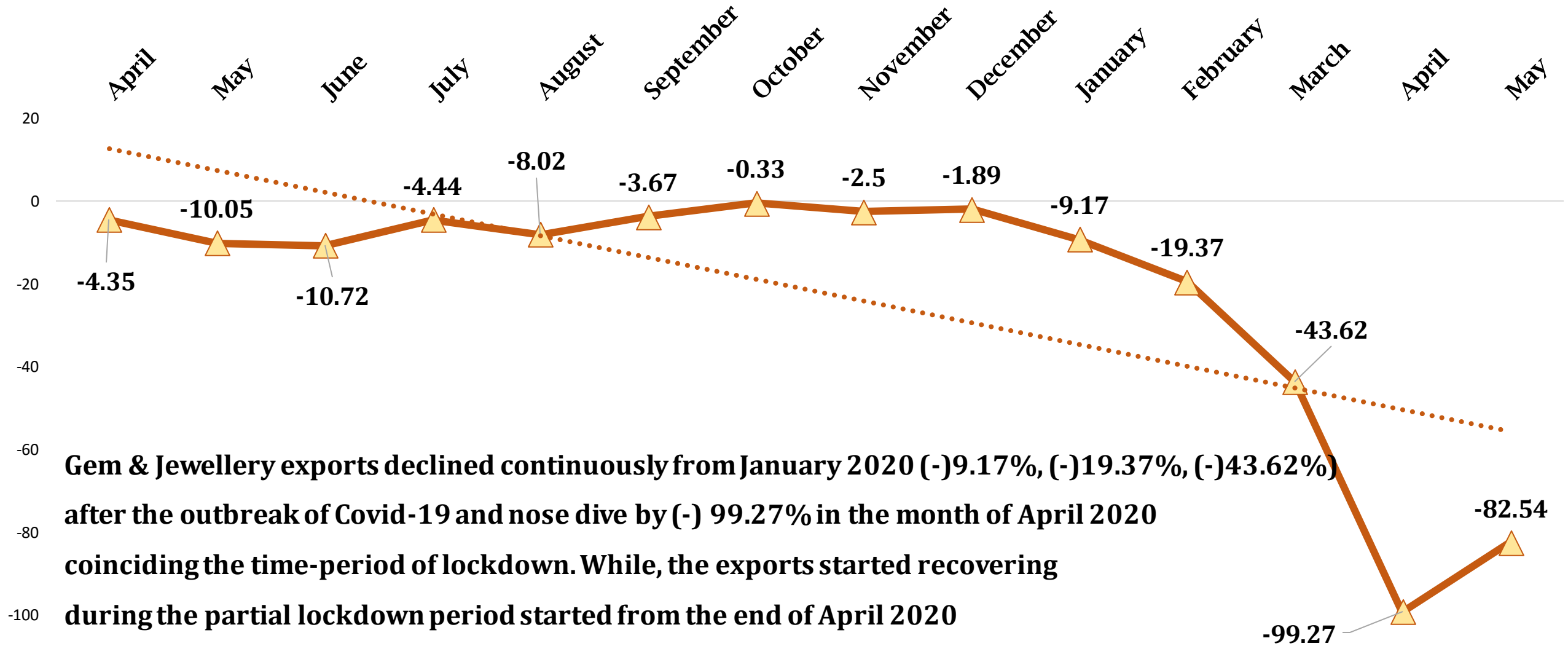
Exports declined by (-) 10.19% in FY2020

Full/Partial Lockdown

Exports declined by (-)84% to US\$572 million

Month-wise Gem & Jewellery Export Trends % growth (y-o-y)

FY2019-2020 and Full/Partial Lockdown

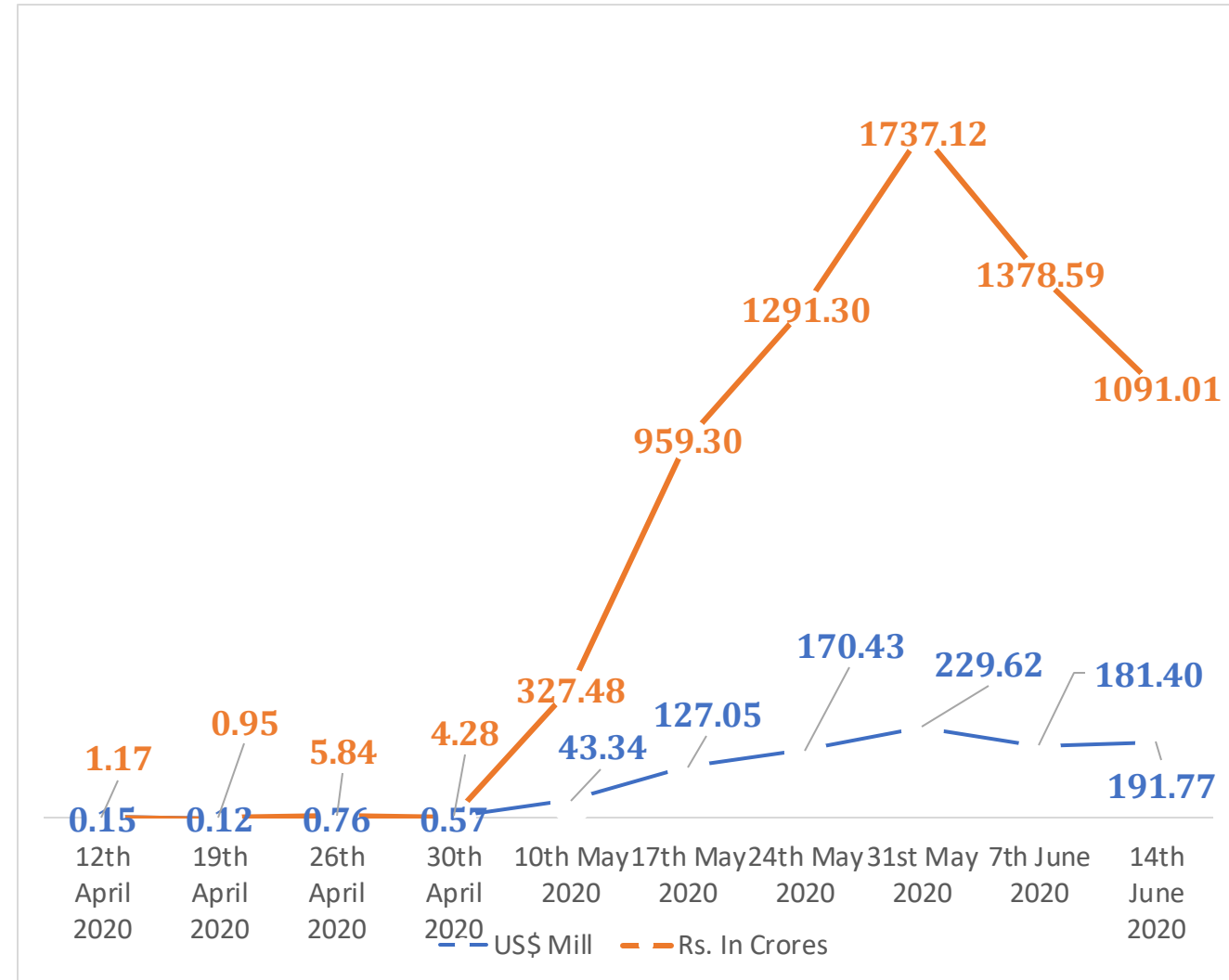


Gem & Jewellery Exports during Full/Partial Lockdown : April-May 2020



Recent Status on Weekly Basis...

Weeks	US\$ Million	INR Crore
12 th April	0.15	1.17
19 th April	0.12	0.95
26 th April	0.76	5.84
30 th April	0.57	4.28
10 th May	43.34	327.48
17 th May	127.05	959.30
24 th May	170.43	1291.30
31 st May	229.62	1737.12
7 th June	181.40	1378.59
14 th June	191.77	1091.01
Total	945.21	6797.04



Rising exports can be seen after the partial lockdown...

Country wise exports in India's Top 10 export destinations ...



FY2019-2020 (Pre-lockdown Scenario)

Rank	Countries	Apr-Mar 2019 US\$million	Apr-Mar 2020 US\$million	% growth (y-o-y)
1	HK	11,112.24	9473.56	-14.75
2	UAE	10,404.70	9457.51	-9.10
3	USA	10,479.12	9155.69	-12.63
4	Belgium	1803.23	1898.52	5.28
5	Israel	1006.60	910.71	-9.53
6	Turkey	364.86	635.90	74.29
7	Thailand	593.57	629.25	6.01
8	Singapore	662.66	608.04	-8.24
9	UK	729.97	442.87	-39.33
10	Japan	405.65	390.89	-3.64

Source : GJEPC Statistics Dept. Analysis

During FY 2020, decline in exports have witnessed in HK, UAE, USA, Israel, Singapore, UK, Japan reflecting the impact of outbreak of Covid-19

April - May 2020 (Full/Partial Lockdown Scenario)

Rank	Countries	Apr-May 2019 US\$million	Apr-May 2020 US\$million	% growth (y-o-y)
1	HK	1,494.58	358.1	-76.04
2	USA	1,814.89	113.9	-93.72
3	UAE	1,753.55	32.2	-98.17
4	Belgium	353.83	24.9	-92.96
5	Thailand	116.53	8.9	-92.40
6	Japan	65.98	8.05	-87.81
7	UK	69.14	3.98	-94.25
8	Switzerland	58.61	3.66	-93.76
9	France	16.40	3.32	-79.76
10	Israel	154.95	3.12	-97.99

Source : GJEPC Statistics Dept. Analysis Data for the month of April and May 2020 is partial

This is due to Covid-19 , exports to all the countries have drastically declined by (-)70% to (-)99%. It's a historically weak performance



Commodity-wise Gem and Jewellery Exports :FY2020

Commodities	FY2019 (US\$mn)	FY2020 (US\$mn)	% Growth/decline (Y-o-Y)
Cut & Pol Diamonds	23,811.71	18,659.89	-21.64
Pol. Lab Grown Syn. Diamonds	220.27	413.39	87.67
Coloured Gemstones	396.28	320.82	-19.04
Gold Jewellery	11,781.20	11,992.57	1.79
Silver Jewellery	832.07	1686.72	102.71
Platinum Jewellery	8.97	10.12	12.82
Imitation Jewellery	67.33	59.88	-11.06
Articles of Gold, Silver & others	137.64	390.11	183.43
Others	2307.46	1997.12	-13.45
Gross Exports	39562.93	35530.62	-10.19
Return Consignment	8753.74	6522.7	-25.49
Net Exports	30809.20	29007.92	-5.85

Decline in Exports

- CPD (-) 21.64%
- CGS (-) 19.04%
- Imitation Jewellery (-)11.06%

Causes
Rise in import duty, imposition of IGST, lack of liquidity, customs procedural issues ,outbreak of Covid-19 etc.

Rise in Exports

- Silver Jewellery (+) 102.71%
- LGD (+) 87.67%

Causes
Relatively cheaper
More varieties and design available
Demand of laser finished products and good orders from the European market
LGD demand is growing and increasing trend is observed in DTA & SEZ both

Source : GJEPC Statistics Dept. Analysis

Commodity-wise Gem and Jewellery Imports : FY2020



Products	Apr – March 2019	Apr – March 2020(p)	% growth (y-o-y)
	US\$ Mill	US\$ Mill	
Rough Diamonds	15142.41	12681.65	-16.25
Rgh Lab Grown Diamonds	135.77	324.04	138.66
Rough Coloured Gemstones	350.76	250.10	-28.70
Rough Synthetic Stone	9.39	3.59	-61.78
Raw Pearls	8.17	11.27	38.04
Gold Bar	7544.23	7821.17	3.67
Silver Bar	38.88	37.43	-3.71
Platinum Bar	62.14	158.78	155.53
Sub – Total	23291.75	21288.03	-8.60
Imports of Cut & Pol. Diamonds	1326.29	1712.54	29.12
Pol. Lab Grown Diamonds	93.07	98.07	5.37
Col. Gemstones	394.48	527.72	33.78
Pol. Synthetic Stone	24.02	13.19	-45.09
Pearls worked	8.86	6.46	-27.13
Gold Jewellery	282.20	290.36	2.89
Silver Jewellery	57.23	66.67	16.49
Imitation Jewellery	1.71	1.66	-2.91
Others	5.63	10.91	93.98
Sub - Total	2193.49	2727.58	24.35
Gross Imports	25485.24	24015.61	-5.77

G&J Negative imports growth is attributed to decline in imports of Rough Diamonds (-)16.25% and Rough Coloured Gem Stones (-)28.7% which is an indicator of reduced exports/production of CPD/CGS in the country.



Commodity wise Exports- April -May 2020

Commodities	Apr - May 2019	Apr - May 2020 (P)	% growth/decline (Y-o-Y)
Cut & Pol Diamonds	1867.65	389.07	-79.17
Gold Jew	1135.90	83.84	-92.62
Silver Jew	88.01	85.63	-2.70
Col Gemstones	58.52	3.83	-93.46
Pol. Lab Grown Diamonds	35.64	3.62	-89.84
Imitation Jew	10.76	1.48	-86.25
Platinum Jew	0.37	0.12	-67.57
Articles of Gold, Silver & others	42.71	0.62	-98.54
Others	266.47	3.97	-98.51
Gross Exports	3506.03	572.18	-83.68
Return Consignment	506.78	123.12	-75.70
Net Exports	2999.25	449.06	-85.02

Exports of all commodities declined over the range of 70% to 90% during the period April-May 2020

owing to Complete /partial lockdown in all major export destinations of the country.

Source : Statistics Dept. GJEPC

Notes : (P) stands for provisional Gross Exports pertains to inclusive of return consignments

Net Exports pertains to exclusive of return consignments

Commodity wise Imports – April –May 2020



Products	Apr 2019- May 2019	Apr 2020 - May 2020 (p)	% growth/decline
	US\$ Mill	US\$ Mill	(y-o-y)
	US\$ Mill	US\$ Mill	US\$ Mill
Rough Diamonds	1339.44	80.64	-93.98%
Rgh Lab Grown Diamonds	25.04	2.93	-88.30%
Rough Coloured Gemstones	47.34	0.31	-99.35%
Rough Synthetic Stone	0.16	0.02	-86.32
Raw Pearls	1.64	0	-100
Gold Bar	155.15	2.20	-98.58%
Silver Bar	3.00	0.47	-84.33%
Platinum Bar	11.21	10.72	-4.37%
Sub - Total	1582.98	97.29	-93.85
Imports of Cut & Pol. Diamonds	139.34	107.85	-22.6
Pol. Lab Grown Diamonds	8.94	0.75	-91.56%
Col. Gemstones	97.12	5.40	-94.44%
Pol. Synthetic Stone	2.34	0.03	-98.75
Pearls worked	0.53	0.08	-84.59
Gold Jewellery	21.62	3.79	-82.47%
Silver Jewellery	6.26	0.91	-85.52
Imitation Jewellery	0.15	0.04	-71.18
Others	0.89	0.27	-69.6
Sub - Total	277.19	119.12	-57.03
Gross Imports	1860.17	216.41	-88.37

Gem and Jewellery imports declined by (-) 88% to US\$216 million from US\$1860 million in April-May 2019.

Due to lockdown situation demand and supply are choked at the domestic and international level.

Source : Statistics Dept. GJEPC

Notes : (P) stands for provisional Gross Exports pertains to inclusive of return consignments

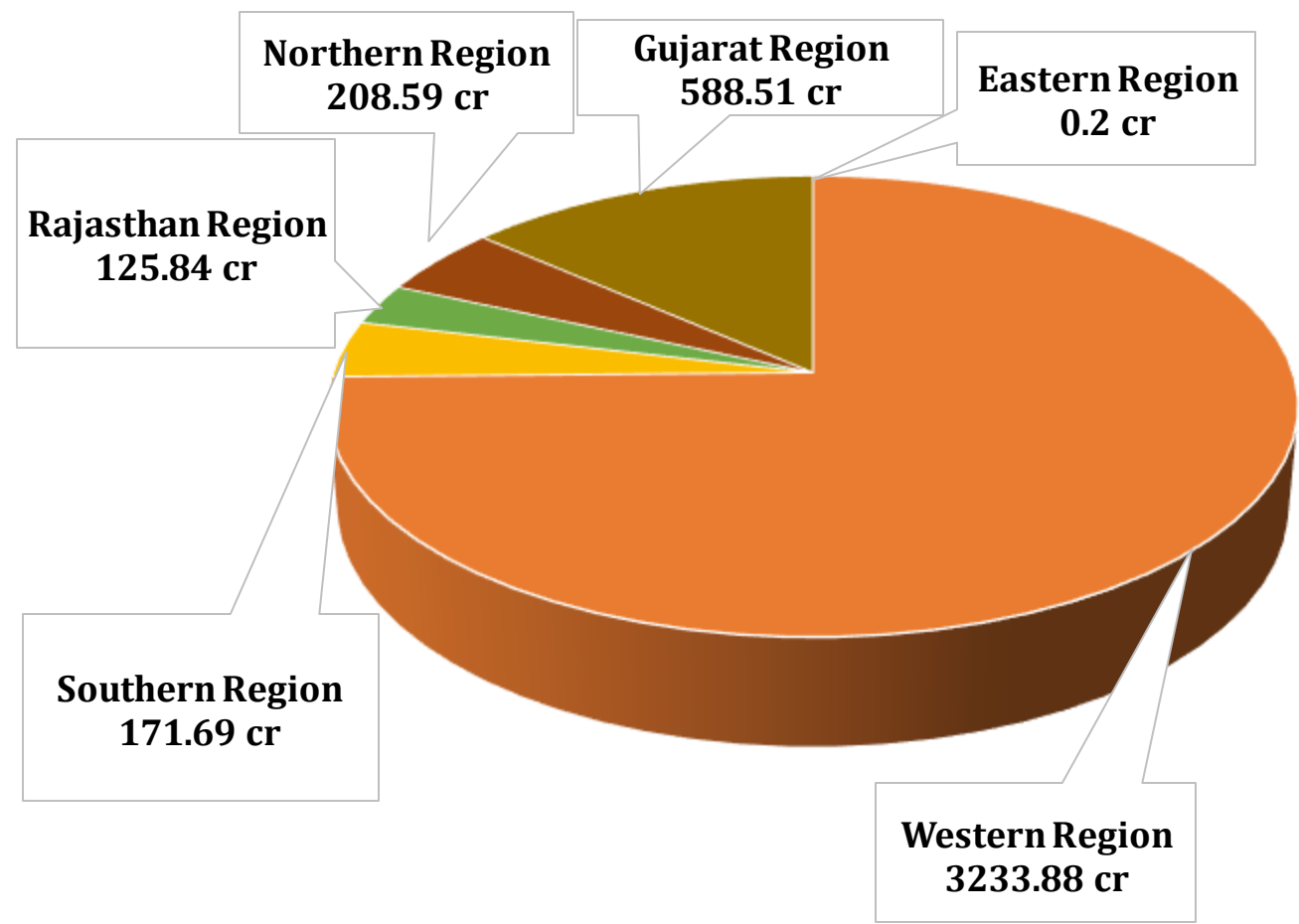
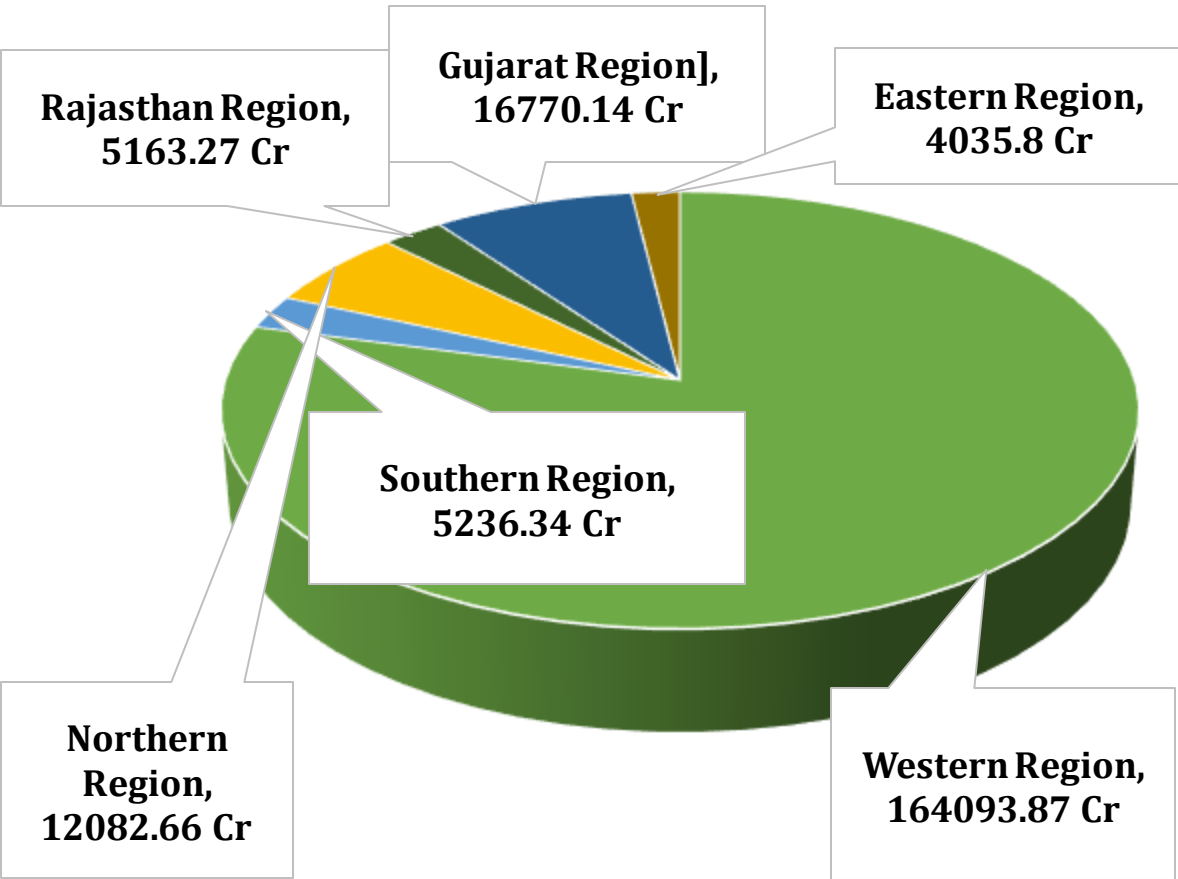
Net Exports pertains to exclusive of return consignments

GJEPC Region-wise Gem and Jewellery Gross Exports : FY2019-2020 and Full/Partial Lockdown



FY2019-2020 (April 2019 - March 2020)

Full/Partial Lock Down : April-May 2020



Source : GJEPC Statistics Dept. Analysis Excluding Cochin SEZ Data

Another challenge is on way...

...Rising tensions with China



Hong Kong and China are significant export partners for India's Gem & Jewellery Sector

CPD, Polished LGD, Silver Jewellery and CGS are the major export commodities to HK & China

Particulars (Based on FY2019 data)	Amount (US\$billion) / % share
India's Total Exports of Gem & Jewellery	39.75
India Export to Hongkong & China	11.28
HK & China % share in India's GJ Exports	28.38%
Rank as India's export partner	1 st

Commodities (Based on FY2019 data)	India's Exports to World US\$ Million	India's Exports to HK & China US\$ Million	%Share
CPD	23817.49	9553.17	40.11
Polished LGD	224.55	123.99	55.22
Gold Jewellery	11919.76	751.48	6.30
Silver Jewellery	837.26	345.31	41.24
CGS	397.88	194.8	48.96
Others	2560.73	312.74	12.21
Total	39757.1	11281.49	28.38

Source : GJEPC Statistics Dept. Analysis

Source : GJEPC Statistics Dept. Analysis

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30th June 2020

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