

Rapaport Press Release: Diamond Market Worsens in September

10/12/2023

1 ct. RAPI down 5.2% amid slow retail sales.

LAS VEGAS--(BUSINESS WIRE)-- Diamond prices fell further in September as retail sales weakened amid competition from synthetics. Polished inventories were still high relative to sales expectations, despite lower production.

The RapNet Diamond Index (RAPI™) for 1-carat diamonds fell 5.2%, making it the worst month for that category since the peak of the Covid-19 downturn in March 2020. The 0.30-carat RAPI dropped 3.5%, while the index for 0.50-carat goods slid 7.1% and 3-carat diamonds declined 2.5%.

The RAPI only reflects D to H colors and IF to VS2 clarities. Prices for 1-carat, D-L, SI1-SI2 items on RapNet fell 6.8% during September.

Fancy shapes lost value at a slower pace than rounds, with marquises showing the best price performance and cushions the worst.

RapNet Diamond Index (RAPI™)				
	Index	September	Year to Date Jan. 1, 2023, to Oct. 1, 2023	Year on Year Oct. 1, 2022, to Oct. 1, 2023
RAPI 0.30 ct.	1,423	-3.5%	-4.0%	-5.8%
RAPI 0.50 ct.	1,939	-7.1%	-27.4%	-31.6%
RAPI 1 ct.	6,067	-5.2%	-19.5%	-25.9%
RAPI 3 ct.	22,173	-2.5%	-10.7%	-15.3%

US sales were sluggish ahead of the holiday season. Chinese shoppers were reluctant to splurge on diamonds with the economy under pressure. Mainland buyers made few purchases at the Jewellery & Gem World Hong Kong show, in line with the trade's low expectations. The Jewish festivals also impacted activity in key trading centers. The industry offered its support to Israel in early October amid the country's war with Hamas.

The rough market was uncertain. India's trade bodies called to pause rough-diamond imports from October 15 to December 15 in an effort to reduce inventories and stabilize prices. The industry will likely feel the effects in one or two months.

De Beers' September sales totaled just \$200 million. The miner said it would provide "full flexibility" at the final two sights of 2023 and suspended its online rough auctions for the rest of the year.

Probable restrictions on Russian diamonds prompted manufacturers to offload polished sourced from that country. De Beers' Tracr platform and Sarine Technologies are jointly creating a system that would let Group of Seven (G7) countries view diamonds' full provenance at customs, making it easier for officers to reject Russian goods.

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