

## Mumbai Market Has Eye on Hong Kong Show

There are many overseas and domestic buyers in the market and there is a clear demand for goods, but transactions have been slowed considerably due to the differences in asking and offering prices. The 5-7% increase in the price of rough diamonds at the February De Beers Diamond Trading Company (DTC) sight is the main factor in sellers' insistence on higher polished prices.

While production has increased slightly over December 2009 levels, shortages of goods continue and are expected to continue into the foreseeable future. The Indian industry is unlikely to even consider increasing production to full capacity any time before June this year. Meanwhile, the market is closely watching developments leading up to the March Hong Kong show. If sellers can make higher prices stick at the show, global polished prices are sure to go up as a result.

### Market data as of 25/02/10

SIZE / CTS. (SIEVE )	Current Demand	Demand In 2 Weeks	Current Availability	Availability In 2 Weeks	Price Change In 2 Weeks	Comments
-0.01 (-2)	GOOD	↑	SHORTAGE	↔	↑ 2%-3%	Very good demand for \$100-\$350 whites. Fair demand for \$150-\$300 OWTTLCL.
-0.02 (+2-6.5)	GOOD	↑	SHORTAGE	↔	↑ 2%-3%	Good demand for -\$350 whites. Fair demand for \$150-\$300 OWTTLCL.
0.03-0.07 (+6.5-11)	VERYGOOD	↔	SHORTAGE	↔	↑ 2%-3%	Very good demand for -\$300 whites. Good demand for +\$300 whites. Fair demand for \$150-\$300 OWTTLCL. Most required sieve is +8.
0.08-0.14 (+11-14)	GOOD	↑	SHORTAGE	↔	↑ 2%-3%	Very good demand for -\$400 whites. Good demand for +\$500 whites.
0.15-0.17 (+14-15.5)	GOOD	↑	SHORTAGE	↔	↑ 2%-3%	Very good demand for -\$450 whites. Good demand for +\$550 whites.
0.18-0.22	FAIR	↔	SHORTAGE	↔	↑ 2%-3%	Fair demand for +\$600 whites.
0.23-0.29	GOOD	↔	SHORTAGE	↔	↑ 2%-3%	Good demand for +\$700 whites. Fair demand for I1/I2/J+.
0.30	GOOD	↔	SHORTAGE	↔	↑ 2%-3%	Good demand for I2/I3&VS+/J+.
0.50	VERYGOOD	↔	SHORTAGE	↔	↑ 2%-3%	Very good demand for SI+/J+. Good demand for I1-I3/J+.
0.75	GOOD	↔	SHORTAGE	↔	↑ 2%-3%	Good demand for VS+& I1-I3/ J+. Shortages for +0.80 cts.
1.00	VERYGOOD	↔	SHORTAGE	↔	↑ 3%-5%	Very good demand for VS+/ K+. Good demand for SI-I2/K+. Shortages for Premium sizes.

2.00	GOOD	↑	SHORTAGE	↔	↑ 2%-3%	Good demand for VS2+/ G-J. Fair demand for SI/G-K.
+3.00	GOOD	↔	FAIR	↔	↑ 2%-3%	Good demand for +3.00cts VVS-VS/ G-J.

Key: ↑ ↔ ↓ Indicates change in status (increase, no change, decrease). Colored arrows indicate whether the change (or none) means goods will be easily **Available**, in **Fair** availability, or in **Shortage**.