

High Prices Deterring Transactions

The Mumbai diamond market is slowing down – as it usually does at this time of year, with Valentine’s Day demand beginning to drive demand for the year in February. However, right now, prices have shot up to levels that many buyers find untenable and as a result, many transactions that would normally have taken place, have been put off. These high prices are a direct result of high rough prices.

There are supply shortages in almost all categories of polished goods and industry watchers say this may persist for the next six months or so. As a consequence, pricing uncertainty is also likely to continue for a good while yet.

Market data as of 10/01/10

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	↔	↑ 1%-2%	Good demand for +\$100 whites. Fair demand for \$150-\$300 OWTTL.
-0.02 (+2-6.5)	GOOD	↔	SHORTAGE	↔	↑ 1%-2%	Good demand for -\$350 whites. Fair demand for \$150-\$300 OWTTL.
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 OWTTL. Most required sieve is +8.
0.08-0.14 (+11-14)	GOOD	↔	SHORTAGE	↔	↑ 2%-3%	Very good demand for -\$400 whites. Good demand for +\$600 whites.
0.15-0.17 (+14-15.5)	GOOD	↔	SHORTAGE	↔	↑ 2%-3%	Very good demand for -\$400 whites. Good demand for +\$650 whites.
0.18-0.22	FAIR	↔	SHORTAGE	↔	↔	Fair demand for +\$650 whites.
0.23-0.29	FAIR	↔	SHORTAGE	↔	↔	Fair demand for +\$750 whites.
0.30	GOOD	↔	SHORTAGE	↔	↔	Good demand for I2/I3&VS+/J+.
0.50	GOOD	↑	SHORTAGE	↔	↑ 1%-2%	Good demand for I1+/J+.
0.75	GOOD	↔	SHORTAGE	↔	↑ 1%-2%	Good demand for VS+& I2-I3/ J+. Shortages for +0.80 cts.
1.00	VERYGOOD	↔	SHORTAGE	↔	↑ 2%-3%	Very good demand for VS+/ J+. Good demand for SI-I2/K+.

2.00	GOOD	↔	SHORTAGE	↔	↑ 1%-2%	Good demand for VS2+/ J+.
+3.00	FAIR	↔	FAIR	↔	↔	Fair demand for 3.00cts VS2+/ 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**.