

De Beers forecasts diamond prices to increase next year

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By the end of 2012, De Beers will have produced about 27 million carats of diamonds, down 14 percent from 2011 and the lowest volume since 2009, *Bloomberg reported*. Philippe Mellier, CEO of De Beers, said roughly the same amount will be produced in 2013, adding that diamond prices will increase next year.

“The supply is going to be constrained next year so we have an opportunity for further price growth in 2013,” Mellier was quoted as saying. “We are now focusing a lot of our effort to try to see where to mine, when to mine so that we can produce the right diamonds and the right quantity to suit the market.” The growing demand for diamonds in China will push prices up as miners struggle to keep pace with growing consumption in emerging economies. The demand from China and India accounted for about 20 percent of the global demand this year. It will increase to 28 percent in 2016, according to a recent Anglo American report.

“The US market, the biggest consumer of diamonds, will expand 3 percent to 4 percent next year, while China will grow at about 10 percent. Indian demand will expand at a minimum of 5 percent after a disappointing 2012 when demand was flat,” said Mellier.

To learn more about the business prospects in China's diamond jewellery market, watch the [JNA Online Conference](#) titled "A New Era in the Diamond Industry."



De Beers Group CEO Philippe Mellier



