

## De Beers: Asia's middle class to fuel demand for diamonds

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Asia's middle-class consumers are poised to account for a bigger share in the global demand for diamond jewellery, thanks to their increasing affluence and growing interest in diamonds, according to De Beers Group CEO Philippe Mellier. Developing markets like China, India and Indonesia are anticipated to further drive industry growth in the coming years, Mellier added.

In a talk with *JNA*, Mellier shares De Beers' business strategy in 2015 and how the company envisions making its diamond jewellery brand the biggest in the industry.

**JNA:** China is a major growth driver in the global jewellery industry. What are your prospects for this market in 2015?

**Philippe Mellier:** We are seeing changes; the market is maturing. It was new to diamonds 10 years ago but now the demand is growing mainly in tier-one and tier-two cities. We see a huge opportunity to further develop the business in China. The market is far from reaching its full potential, which is very good for us.

We are now effectively penetrating tier-three and tier-four cities; there is still a lot to cover and it is a work in progress. We are also counting on the growth of China's middle-class consumers who use their disposable income to purchase diamonds. The potential for this market segment is very high. The growth of these middle-income buyers translates to a bigger customer base for us. The same pattern is evident in India and Indonesia. The Indian market is transitioning from gold jewellery to diamond jewellery while more Indonesian consumers are buying diamonds. After China and India, Indonesia could be the next engine for growth in the global diamond market.