

THE MARKET BECOMES TIGHTER

*Eitan Gul sees
a shrinking field of
participants among
the suppliers
of diamonds*



Eitan Gul, CEO

Eitan Gul, Managing Director of the Pforzheim-based diamond specialist, is observing a market shakeout on the supplier side, as he explains in an interview with GZ

How have prices developed in 2021?

Eitan Gul: Depending on the category, prices for diamonds have risen, in some cases strongly - as I predicted at the beginning of the year. Fine goods in particular have become more expensive. However, I see a stabilization at the end of the year at the higher level reached

To what extent does the drop in synthetic prices affect the diamond market?

De Beers has done a good job setting the benchmark with Lightbox at \$800 per carat selling price. Synthetic diamonds are flooding the market in ever-increasing quantities, with steadily declining costs and, as a result, falling prices. Meanwhile, as intended by the diamond group, the synthetic market has separated from that for mined stones. The two segments no longer have anything to do with each other. De Beers has thus succeeded in making synthetics uninteresting for the Natural Diamond jewelry market.

What about fakes of real stones or admixtures?

Five to six years ago, when test equipment was not yet so common, synthetics were still frequently mixed in, especially for small goods. These batches went mainly to India, China, Thailand and Turkey. Generally, since 2016, we test all stones thoroughly for synthetic admixtures with the latest testing technology. This also applies to certified stones and their certificates, as counterfeits have already been detected on the market in this area. This means that our customers can be 100 percent sure that they are getting the right goods. The doubtless origin of diamonds is becoming more and more important, i.e. the traceability back to the cutters - and soon also to the mine. All our partners are RJC-certified and signatories with De Beers and Alrosa. In this chain, no one can afford to act improperly or they're out of business. As demands for transparency increase, the club of suppliers promising safe sources is also getting smaller. Because bringing the fifth C to life, which stands for "confidence," requires massive invest-

investments in technology, software and manpower. Compliance, working according to strict guidelines, also costs money.

How important is liquidity?

Here, too, the vendor field is thinning out. Thanks to our large inventory, we already act as a diamond exchange for our customers;

„Da die Ansprüche an die Transparenz steigen, wird der Club der Anbieter, die sichere Quellen versprechen, kleiner.“

we can deliver everything within 24 hours. Our prices are transparent and allow reasonable margins.

What advice do you have for jewelers and manufacturers?

Look carefully where the goods come from. Because ultimately, they all have to answer to their customers about the sources of the stones. Top jewelers and luxury brands already pay attention to the origin, documented by certified chains.

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