

UK market weakens as gold demand drops 7% in Q1

According to the World Gold Council (WGC) figures, European and UK markets for gold demand in jewellery in Q1 have contracted, with UK gold demand down seven per cent. The decline was described as a 'new low' for the UK, owing to difficult market conditions and the continued shift towards lower carat gold, silver and non-precious materials.



The UK's total consumer demand for gold jewellery hit 2.7 tonnes in Q1, a seven per cent year-on-year decline, while the value of UK gold demand totalled US \$141 million (£92.3m), down 10 per cent compared to Q1 2012. ■

US demand for gold jewellery rises 6% in Q1 2013

U.S. demand for gold jewellery has risen six per cent in the first quarter of 2013, the first time it has risen since 2005, according to the World Gold Council's recent Gold Demand Trends report.

The report attributes the demand jump to the decline in the gold price, as well as the continued improvement in the U.S. economy.

Mass-market retailers "re-introduced their gold offerings at key price points in recognition of solid underlying demand," the report said.



In addition, the report noted that many consumers now view gold through a "quasi-investment lens, with a focus on 'heirloom' pieces that can be gifted and passed on."

Worldwide gold jewellery demand was up 12 percent in the first quarter over the year before, the report said, driven mainly by demand from China and India. ■

Survey reports 17% growth in U.S. silver production

U.S. mines yielded 92,000 kilograms (2,957,868 troy ounces) of silver in February, a 17 per cent increase compared with 78,700 kilograms (2,530,263 troy ounces) produced in February 2012, the U.S. Geological Survey reported in its Mineral Industry Surveys.



The Silver State of Nevada was the largest producer during that time period at a combined 36,300 kg (1,167,072 ozs), while other states reported a combined 146,000 kg (4,694,009 ozs) of output. The other states include Alaska, Arizona, California, Colorado, Idaho, Missouri, Montana, New Mexico, South Dakota, and Utah. ■

Documentary series on 13 jewellery houses to be released

French Connection Films, Quasar Multimedia and Current Affairs Hambrook Communications are releasing the 'Masters of Dreams', a four-part documentary series that goes behind-the-scenes with 13 of the world's most legendary jewellery houses.



From France, Italy, South Africa, to the UK and the Americas,

the series takes viewers on a magical trip around the world to get an exclusive, inside look at the inspiration, design and creation of today's most magnificent jewels.

The 13 jewellery brands featured in the series include: Boucheron, Buccellati, Bulgari, Chaumet, Chopard, Damiani, De Beers Jewellery, Forevermark, Graff Diamonds, H. Stern, John Hardy, Stephen Webster and Verdura, with exclusive interviews from the original founders, innovative designers, and brand ambassadors.

The special edition set of 'Masters of Dreams' includes two DVDs (with four episodes, bilingual in French & English) and an exclusive 24-page booklet with photos and profiles of the 13 jewellers. ■

China gold imports to keep growing

Chinese gold imports are likely to swell further after more than doubling to an all-time high in March as retail consumers pounced when prices plunged to a two-year low in April.



China is the world's second largest buyer after India, and in both countries the steep fall in international gold prices in April unleashed years of pent up

demand for coins, bars and jewellery. That will help bolster prices for the metal, which has been abandoned by funds in other parts of the world in the wake of its historic fall. ■

Dubai Precious Metals Conference concludes successfully

The second edition of Dubai Precious Metals Conference (DPMC) which concluded successfully explored the theme of 'Enhancing the Global Precious Metals Supply Chain' through presentations and panel debates from renowned industry specialists. The conference was organized by Dubai Multi Commodities Centre (DMCC)

Said Gautam Sashittal, chief operating officer, DMCC, "The second edition of the Dubai Precious Metals Conference brought together over 350 delegates from 28 countries, a 40 per cent increase from last year's conference."



From price outlooks to responsible sourcing, from global economic outlook and inflation to risk management and derivatives, every aspect of the global precious metals supply chain was explored during the two-day sessions.

DPMC 2013 also featured a special address by Andy Smith, acclaimed gold specialist, on Gold and the Great Inflation. ■

JC Penney's 1Q sales falls 16%, loss jumps to \$348mn

JC Penney Company Inc. reported that its sales plummeted 16.4 percent year on year to US \$2.64 billion for the first fiscal quarter that ended on May 4th. Same-store sales dropped 16.6 percent. The retailer



reported a loss of US \$348 million or US \$1.58 per share compared with a loss of US \$163 million or 75 cents per share one year ago.

The company began to reverse a major restructuring program during the quarter for which it incurred US \$72 million in management transition charges. JC Penney took a home office and stores charge of US \$28 million, store fixtures charge of US \$28 million and management transition charge of US \$16 million. ■

Average silver prices could decline to \$24/oz this year

New York-based commodities research consultants, CPM Group, forecast that silver prices will weaken further this year, "weighed down primarily by the increased price sensibility among investors."



"Prices could potentially decline as low as US \$24 during the year," CPM warned in its Silver Yearbook 2013.

Prices averaged US\$31.17 last year, down 11.7 per cent from the record nominal annual average high of US \$35.29 in 2011. "Investors were interested in owning silver, but were only willing to buy more when prices softened. When prices rose they stepped away from making fresh purchases and often sold into the price rally," said CPM.

Investment demand rose 32.1 per cent to 122.5 million ounces in 2013. The amount of silver investors bought on a net basis in 2012 was the sixth highest level on record. ■

Global spotlight on Myanmar's jewellery industry

The international demand for gems and jewellery is growing in spite of the slowing growth in developed countries, and mid-range consumers increasingly purchase medium-priced products from newly growing hubs while traditional producers face the challenges of global competitiveness.



Myanmar's approach to the international market during the last decade is to attend gems fairs in China, Thailand, Sri Lanka, Singapore and Hong Kong to show the country's quality jade, ruby, sapphire and pearl, as well as to attract foreign traders to the sector.

As a result the local industry has garnered international attention exporting finished products, while promoting of the Made in Myanmar jewellery brand.

The Myanmar government is also engaged as it moves to establish tax-free zones and 1-stop services centers to process raw gems and to export finished tax-free products. ■

Jewellery heist at Cannes Festival

Chopard, which has been the official partner of the Festival de Cannes for 15 years, was the victim of a \$1 million jewel heist at the festival recently. Pieces meant to be loaned to celebrities walking the red carpet were stolen from a room safe.



The value of the stolen jewels was about \$1.4 million. The theft occurred at the Suite Novotel Cannes Centre.

Hotel employees are being questioned because authorities suspect it was an inside job.

Chopard had debuted its 2013 Red Carpet jewellery collection at the recent Baselworld fair in Switzerland. ■

Dubai retailer unveils gold iPhone

Luxury smartphone retailer Givori recently launched its new 2013 collection, which included an Italian handcrafted, 19 k gold iPhone which retails at AED45,000 (US \$12,251) and is adorned with alligator skin, diamonds and gemstones.



As part of Givori's Charlotte Spring/Summer 2013 Collection it has signed an agreement with Dubai's Damas Jewellery to sell the upmarket iPhone in Damas Les Exclusives boutiques across the Gulf.

Customised and 100 percent hand-crafted in Italy, the Charlotte iPhones retail for AED 45,000 and is limited to 50 individually numbered pieces worldwide. ■

Survey: Consumers prefer brick-and-mortar stores to online

More than two-thirds of American prefer to shop in brick-and-mortar stores than online, according to a new survey conducted on behalf of Synqera, which provides technology to retail stores.

Some 67 percent of consumers said they prefer the store experience to the online one, the company found.

"All the handwringing over the supposed demise of the physical retail store and challenges like showrooming overshadows one important fact: people still love to shop in stores," added the company blog. "Otherwise, why would technology brands like Apple be so aggressive in making their physical retail space an experience, while others like Microsoft and Samsung push pop-up stores?"

The survey also found:

- Nearly three-quarters of respondents said waiting in the checkout line their least favorite aspect of in store shopping.
- Some 76 percent would find the checkout process more enjoyable if they received personalized coupons at checkout. ■