



LETTER FROM ACTING PRESIDENT

Contact: secretariat@wfdb.com

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Dear Friends,

The summer is here and there is reason for optimism and for concern. First the good news.

The world diamond industry is slowly getting back on its feet. Diamond bourses are returning to activity around the world, with limitations and restrictions brought on by the Coronavirus crisis. Antwerp, the leading rough trading center, opened its bourses in May, as did Ramat Gan. Most recently Dubai and New York reopened and Mumbai returned with limited capacity.

The retail markets in China and the United States are also showing encouraging signs of recovery. Chow Tai Fook, Forevermark and Tiffany's reported strong sales in China, with shoppers returning to the stores faster than anticipated. In the US, retail sales in May were up 18% from the previous month, the largest monthly jump ever. As the US economy opens up more fully I'm sure we'll see a rise in bridal demand.

The reason for concern is that the Coronavirus is not going away. In China, the US, Israel and around the world we are seeing a surge in infection rates, a possible "second wave". This may bring back restrictions and with them, a setback to economic activity.

So as we celebrate the beautiful weather of the summer months, we continue to be vigilant and cautious, both in our personal behavior and in our business decisions. Fortunately our industry has proved that it is resilient, with excellent members, sturdy foundations and strong institutions.

The World Federation of Diamond Bourses is one such institution. Formed 70 years ago to look out for the collective interests of the industry, we continue to act to support the industry, especially during this very trying period.

A few thoughts on transparency

We were recently informed that the Rapaport price list would be published weekly again, only two months after he announced that it would be published monthly. At that time Martin Rapaport seemed to adopt a certain measure of transparency. In an interview with JCK at that time he said that going monthly would "give the industry an opportunity to breathe and...time to interact with us."

He also said that he would establish an advisory board to provide ideas and input. In the JCK interview he said that this board will be very valuable. "Anytime we're off the mark, with these percentages, they'll ring our bell... It won't just be the Rapaport team doing these price lists, but we will have a better interaction with the community."

These statements were directed to the public and seemed to me to be a "moral commitment" on his part, resulting from the reasoning that the interaction with the community is valuable and important.

However, just two months later, Rapaport totally reversed his decision. He will again publish his price list weekly, and he will not establish an advisory board, the same board he called "valuable". The same board he said will form "better interaction with the community".

In an interview in JCK last week, after he claimed that RapNet had recovered, Rapaport now said that the advisory board was a problem.

The WFDB have always called for better transparency. We believe that the interaction with the community is extremely important and we call upon him to continue in line with his previous statements and establish the valuable interaction with the community.

Stay safe and healthy,



Yoram Dvash
Acting President