



Diamond Manufacturers Make a Killing on ICEX

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SURAT: The world's first ever diamonds derivative exchange operated by the Sebi-regulated [Indian Commodity Exchange](#) (Icex) seems to have been paying rich dividends to diamond manufacturers in the world's largest diamond cutting and polishing sector and the investors as well.

The polished diamonds traded on Icex has witnessed spike in retail buying from across the country, where manufacturers from Mumbai and Surat participated in the delivery of goods. The total traded quantity in February this year of 1 carat diamond since launch was valued at Rs 327.35 crore.

Talking to TOI, regional chairman of Gems and [Jewellery Export Promotion Council](#) (GJEPC), Dinesh Navadiya said, "The diamond trading on Icex is largely benefiting the small players in the industry. The small traders have started getting more value of their diamonds as they don't have to depend on international agencies for diamond pricing. Moreover, the trading will safeguard diamantaires from securing bank finance through loan against contracts."

Navadiya added, "The diamond futures has opened a new front for the industry in terms of investment market."

Icex stated that the 0.5 CT diamond contract clocked a total traded value of Rs 20.18 crore in the same period.

"Total traded quantity in February of 1 CT diamond since launch was 10,24,783 cents valued at Rs

327.35 crore while that of 0.5 CT was 1,36,632 cents valued at Rs 20.18 crore," Icx said in a statement.

The exchange also said that it has successfully completed both 1 CT diamond and 0.5 CT diamond futures contracts settlements on February 5.

In the February month expiry, 5,315 cents of 1 CT diamond and 2,777 cents of 0.5 CT diamond were delivered from Surat.

Icx has tied up with the International Institute of Diamond Grading and Research (IIDGR), a 100% subsidiary of global major [De Beers](#) based in Surat for grading and packing of the diamonds.

Commenting on the settlement cycle, Sanjit Prasad, managing director and CEO, Icx, said, "During the February 2018 expiry, we have seen a convergence of spot and futures price, one of the important features of derivatives market."