



Buyers inspect the lots at the 50<sup>th</sup> Paspaley South Sea Pearl Auction

# Pearl dealer sees lustrous future in Asia

A family enterprise founded in 1952, Japan-based Anmol Gems Ltd is known for its extensive selection of gem-quality pearls. One of the company's most recent acquisitions was the most valuable pearl at the 50<sup>th</sup> Paspaley South Sea Pearl Auction. Anmol Gems Director Shekhar Shah shares his thoughts on his company's business strategy and insights on the global pearl market.

**Q: Demand and prices for Australian South Sea pearls have improved considerably in 2013. What do you believe are the key reasons for this improvement?**

**Shekhar Shah:** I believe prices are on the rise more from supply-related pressures than demand. Australian South Sea pearl producers have drastically reduced production, resulting in a shortage in certain types of goods. The upward trend in pearl prices will continue for a significant number of years. On the demand side, historically, it has been North America and Europe that have been the major markets for Australian South Sea pearls. Although we see a slight improvement in demand from these markets, it is newer markets in Asia that have been driving demand and prices higher over the past year or so.

**Q: The production of high-quality pearls has decreased in recent years at the producer level. Has this been felt within the trade?**

**Shah:** This phenomenon is definitely being felt within the trade. It has been increasingly difficult to find high-quality pearls, not only in exceptionally large sizes and round shapes but in all sizes and shapes like drops and baroques. Our customers, some of whom rely heavily on us for sourcing their high-quality pearls, have also felt it.

**Q: Which types of goods are most in demand and how does this vary between markets?**

**Shah:** Although different markets require different types of goods, the biggest thing we have seen over the past couple of years is that customers are putting a bigger emphasis on lustre. We have found it a lot easier to move high-lustre goods, compared to low-lustre goods, regardless of the difference in price. Due to the economic crisis, especially in Europe over the past few years, we have seen better demand for goods at a lower price point than in the past. The emphasis on lustre has been clear as customers prefer to buy high-lustre goods in smaller sizes and in shapes other than rounds, than to buy round pearls of low quality and lustre.

**Q: You purchased the highest priced pearl in the 50<sup>th</sup> Paspaley South Sea Pearl Auction. You also purchased some important strands made by Paspaley at the 2009 Dubai Pearl Tender. Do you buy these items for existing orders or as stock items?**

**Shah:** We are a pearl wholesaler among hundreds of other pearl wholesalers. Unlike many of the other companies in the industry that have been in this business for generations, people only know of Anmol Gems Ltd as a pearl company since the past decade or so. Our challenge, as a relatively new entrant, has been and will continue to be to differentiate ourselves from the other dealers in the business. One way in which we do this is by acquiring large single pearls and pearl strands that are extremely rare. This is a strategy that has paid off nicely for us as today, I can proudly say that Anmol Gems is a company that most people in the pearl industry know of, and rely upon for their sourcing of high-quality and one-of-a-kind rare pieces.

For inquiries with Anmol Gems Ltd, email [info@aglpearls.com](mailto:info@aglpearls.com). **JNA**