



DUBAI GOLD & JEWELLERY GROUP

## Gold Conference ends on a high note

Over 400 delegates and 11 speakers attended the 7<sup>th</sup> edition of the conference

**Eighth Dubai City of Gold Conference to be held in association with the 16<sup>th</sup> Dubai International Jewellery Week on 23<sup>rd</sup> April 2011**

**Dubai, UAE; May 03, 2010:** The Seventh Dubai City of Gold Conference ended on a high note with the industry looking forward to benefit from gold's re-emergence as a safe haven and a most sought after option by investors worldwide. Despite the challenges of high prices and changing consumer preferences, industry experts expect a modest recovery in gold jewellery sales.

Talking about the powerful influence of youth and demands of modern consumers in shaping the marketing strategies for jewellery, Bijou Kurien, President and Chief Executive, Lifestyle Division, Reliance Retail said: "Today's youth have more discretionary spending power and it is important for us to consider their aspirations and desire for fashion and design in jewellery. Modern consumers are increasingly demanding transparency in pricing and quality, unique designs and customisation. These factors should be considered in jewellery marketing strategies and there should be more stress on product and design innovation. Jewellery has remained as the product of desire for women across centuries. This legacy is our responsibility to continue."

Addressing delegates at the conference, Paul Walker, CEO of GFMS Ltd, said 2010 will remain positive as long as zero to negative real short term interest rates continue in all major currencies and concerns over sovereign debt and inflation remains. Longer-term, gold price vulnerability is rising due to investment's exceptionally high share of demand and the increasing size of investors' near-market bullion stocks.

"Investors will remain the principal driver of prices this year, with a breach of US\$1,300 in the second half still a possibility, although probability has fallen," Paul said speaking of gold prices for 2010. "In the short term, prices could retrace from current levels; the mid \$1,000s are a possible low over the next three months, with prices most likely to be eventually pushed up again by bargain hunting and stock replenishment. Supply is expected to rise fairly strongly in 2010, with growth in mine production, and, from a very low base, official sector sales, the latter is also expected to be concentrated in the second half. Scrap supply has fallen year-to-date but should recover in the latter part of 2010 basis higher price conditions. These will also mean that there is only a moderate recovery in fabrication demand for the calendar year as a whole."

He added that imbalances in the market suggest that at some point the gold price will have to retreat. Nevertheless, this is most unlikely to occur on a secular basis in 2010 and potentially not until well into 2011 given current economic conditions, which in an underlying sense still favour gold investment.

B. S. Nagesh, Vice Chairman, Shopper's Stop Ltd, India emphasized the importance of following and understanding the consumers closely and mentioned that the same consumer might pick up a pair of boxer shorts for USD 10, household items for USD 1000 and probably a high-end jewellery set for USD 100,000. And so it's the responsibility of retailers to understand this and not ignore or make assumptions about today's consumers. He further mentioned that the utmost loyalty that brands and retailers can expect from consumers today is 30-40%.

A highlight of global gold and diamond jewellery financing was covered by Victor van der Kwast, Global CEO, ABN AMRO Diamond & Jewellery Group in his presentation. Victor said, "Change is inevitable and that is important for everyone to realize and adapt into their business models. Also don't forget too soon the lessons learnt in the economic crisis of 2009."

Others speakers at the 7<sup>th</sup> Dubai City of Gold Conference included Stewart Murray, Chief Executive of London Bullion Market Association (LBMA); Walter de Wet, Head of Commodities Research, Standard Bank Plc; Chandu Siroya, Vice Chairman of Dubai Gold and Jewellery Group ; Michael Mesaric, CEO of Valcambi SA; Raymond Key, Global Head of Metals, Deutsche Bank; Yogaani Bhatia, Country Head, UAE, World Gold Council; Kiranjit Singh, Director and Head of Synovate Business Consulting, Malaysia; and Sandeep Kulhalli, Vice President-Retail & Marketing-Tanishq Titan Industries Ltd, India

Dubai Multi Commodities Centre Authority was the presenting sponsor of the conference and World Gold Council, Standard Bank, Kaloti Jewellery and Al Ghaith DMCC were the key supporters of the event. ScotiaMocatta was a support sponsor.

At the successful conclusion of the event, Dubai Gold and Jewellery Group announced that the next edition of the event will be held side by side the 16th Dubai International Jewellery Week (DIJW) on April 23, 2011.

"In synergy with Dubai International Jewellery Week's initiatives in promoting the industry, we are delighted to announce that the eighth edition of the Dubai City of Gold Conference will be held in conjunction with DIJW. This will give the local, regional and international jewellery experts and retailers a broader chance to enjoy both the events and benefit from wider networking opportunities," commented Amit Dhamani, Secretary and Board of Director, Dubai Gold & Jewellery Group.

Dubai International Jewellery Week reflects on Dubai's status as 'City of Gold' which Dubai Gold and Jewellery Group have strived to establish over the years. The event provides the perfect platform for global and regional manufacturers to meet buyers from the Gulf, North Africa, India and beyond.

**For more information, please contact: Iris PR, Dubai, UAE. E-mail: [business@irispr.net](mailto:business@irispr.net).**

#### **About Dubai Gold & Jewellery Group**

Formed with the support of the Dubai Department of Economic Development in 1996, The Dubai Gold & Jewellery Group (DGJG) is a trade group for the Dubai jewellery industry with around 800 members representing all sectors of the trade, including bullion, manufacturing, wholesale & retail. The Group has since then evolved into a

prestigious trade body committed to developing and sustaining Dubai's status as the 'City of Gold' and 'The Jewellery Destination of the World'.

DGJG works closely with Dubai Municipality to ensure that Dubai maintains its standards of providing quality jewellery to its consumers. The Group helps maintain standard gold retail price to ensure customer confidence. Internationally, the Group gives its members an opportunity to exhibit their products through the 'Dubai Pavilion' which is hosted in leading international jewellery exhibitions. It also organizes the City of Gold Conference which has brought international attention on Dubai's positioning as the City of Gold. DGJG further represents the interests of the trade through liaising with government organizations. Its Board of Directors includes representations from Dubai Customs, Dubai Central Labs (Dubai Municipality), Dubai Events and Promotions Establishment which is part of the Department of Economic Development, and World Gold Council.