



PRESS RELEASE

Satisfactory half-year balance of the Jewellery and Watch Industry, 2nd quarter 2023 weaker

The German Federal Association for Jewellery, Watches, Silverware and Related Industry (BVSU) publishes its statistics for the second quarter of 2023. Imports and exports continue to run at a high level, but the figures fall compared to the same quarter last year.

Pforzheim, 16.08.2023. The German jewellery and watch industry is able to maintain the momentum of the successful year 2022 throughout the 1st half of 2023. The figures for the 2nd quarter of 2023 are slightly weaker than in the previous year. New records are not expected, the market is moving sideways.

In the jewellery industry, exports show a decline after an extremely good 1st quarter. At 668.8 million euros, it is 12.6% below the 2nd quarter of the previous year. Comparing the overall figures for the first half of the year, exports in the jewellery industry are almost at the same level, at 1.416 billion euros in 2023 compared with 1.423 billion euros in 2022.

The watch industry recorded a slight decrease in exports from 417.2 million euros in Q2 2022 to 411.4 million euros in Q2 this year. Expressed as a ratio, it is about 1.4%. In a half-year comparison, 2023 is still 0.4% stronger at 803.2 million euros than 1H 2022 at 799.8 million euros. What is particularly striking is that the strong figures are driven in particular by a sharp increase in exports of watch parts and subcontracted products. Clocks and watch movements are weaker in comparison.

In the import of finished goods and supplier products, industry and trade already acted more cautiously in Q1 and this trend is continuing. Imports of jewellery amounted to 519.6 million euros in Q2 2023. Compared to the same period last year (552.3 million euros), this represents a decrease of 5.9%. In a half-year comparison, jewellery imports fall from 1.05 billion euros in 2022 to 995.8 million euros in 2023, a decrease of 4.7%.

In the case of watches and watch parts, a slight year-on-year increase was still recorded in Q1. In Q2 2023, imports of 572.8 million euros were down 5.4% from 605.3 million euros in the same quarter last year. In the half-year balance, 2023 is 2.0% weaker at 1.13 billion euros than the

first half of 2022 at 1.15 billion euros. The slight decline can be manifested in particular in wrist-watches and large watches, while imports of vendor parts and movements are rising.

For the German jewellery and watch retail sector, the months of Q2 were weaker than in the extremely positive previous year. Adjusted for inflation, retailers saw sales fall by 10.6% in April compared with April 2022, while in May sales were down 7.6% year-on-year. June was then almost identical to June 2022 at +0.1%.

Overall, the German jewellery and watch industry can be satisfied with its business performance in the first half of the year. After the catch-up performance in 2022, consolidation was foreseeable. The fact that we are still at the level of 2022 after the first half of the year is due to a strong 1st quarter. The decline forecast by BVSU took shape in the 2nd quarter, but can still be seen as positive based on the high level of figures.

Looking at the general economic mood and the order situation in the jewellery and watch industry, no new records are expected for the second half of the year. After the covid pandemic, consumers want to enjoy life and are investing their leisure budgets, which have shrunk due to inflation, in travel, events and gastronomy. Nevertheless, our industry need not fear. We look forward to a challenging but promising second half of 2023.

German Federal Association for Jewellery, Watches, Silverware and Related Industry

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The German Federal Association for Jewellery, Watches, Silverware and Related Industry (BVSU) was founded in Pforzheim in 1947. As a lobby group for over 170 predominantly medium-sized member companies, BVSU represents the interests of its members at a national, European and international level. BVSU is a member of the Federation of German Industries (BDI). It is responsible for coordinating the federal associations of the German jewellery and silverware industry. In this capacity it is also integrated in global efforts of the World Jewellery Confederation, CIBJO. BVSU represents the interests of the German watch and clock industry at a European level as a member of the European watchmaking associations EUROTemptus and CPHE. BVSU is a member of the Responsible Jewellery Council (RJC) and the Watch & Jewellery Initiative 2030.