

US Jewelry Prices Drift Lower in Second Quarter

(Source from: IDEX online)

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(IDEX Online Research) – Both retail prices and suppliers' prices for fine jewelry and watches in the US market slipped lower in the second quarter of 2015, when compared to the same three-month period a year ago as well as when compared to the first quarter of 2015. For more than a year and a half, jewelry prices have softened.

The Jewelry Producer Price Index (JPPI) averaged 199.2 in the second quarter, down 0.3 percent from an average of 199.8 in the first quarter. The JPPI is an index that represents a broad sample of jewelry suppliers' prices; the percentage change is the number on which to focus. On a year-to-year basis, JPPI was down by a very modest 0.1 in the second quarter. While jewelry commodity prices have fallen, they have been offset by rising labor costs and unfavorable currency exchange rates.

The Jewelry Consumer Price Index (JCPI) averaged 158.6 in the second quarter, down 1 percent from an average of 160.3 in the first quarter. Like the JPPI, the JCPI is an index that represents a broad sample of retail jewelry prices in the US market. On a year-to-year basis, the JCPI was down 2.3 percent in the second quarter, reflecting more price-based promotions and greater levels of discounting in jewelry stores.

The graph below compares jewelry supplier prices (red line) with jewelry retail prices (blue line) since the beginning of 2014. Prices bounced around in 2014, settled down in early 2015, but were more volatile late in the second quarter of 2015.

