



From left: A 110-carat red spinel from Tajikistan; Vietnam has recently produced fine spinels in saturated cobalt blue and light purple

Photo credit: Dr Michael Krzemnicki, Swiss Gemmological Institute SSEF

## Bold, beautiful and affordable

The coloured gemstone industry is starting to regain its lustre as the global economic picture starts to thaw, industry observers told *JNA*.

The environment remains fragile however, hampered by weak consumer sentiment and an economic recovery that is more gradual than expected.

“Without a doubt, the entire gem industry has been severely affected by the economic downturn, including the coloured gemstone market. The US economy is still fragile, so any luxury item, coloured gems included, is a serious purchase,” said Gary Roskin, host of the *Roskin Gem News Report* and an adjunct instructor of gemmology at The Fashion Institute of Technology in New York City.

Gemstone specialist Evan Caplan of California-based Omi Gems noted that the mid-range segment had been particularly hard-hit by the recession.

“Yes, the economy is a little slow, but we are doing fine,” said Mr Caplan. “I am optimistic about our future and the future of the industry as a whole. We have been through downturns before – maybe not as extreme as the current one – and I am sure we will experience them again; but remember, we have always survived.”

Amee Phillips, a Malaysia-based jewellery designer and entrepreneur, noted that it was the low end of the market that has borne the brunt of the recession.

“The market outlook is upbeat, and I expect sales to grow progressively through this year and next as confidence returns in the economy,” said Ms Phillips of Amee Philips Exclusive Jewellery.

### Survival of the fittest

Many gemstone dealers, particularly those in the US, had gone into survival mode in 2009 as consumer spending slowed.

“Gem dealers were taking offers less than cost just to pay bills, making certain that they would still be open for business once the economy recovers. Now, in 2010, with the economy starting to turn around, gem dealers are once again selling for profit; but it is still a buyer’s market,” Mr Roskin said. “US coloured gem dealers would be happy to see Asian and European buyers since American buyers are still very cautious.”

Signs pointing to a strengthening in customer demand coupled with more robust growth from China and India have prompted members of the

trade to sound notes of cautious optimism in the coming months. Many of them, in fact, are pinning their hopes on the “new classics” – unique, rare and eye-catching gemstones that can hold their own against the market’s perennial favourites: rubies, emeralds and sapphires.

### Seeing red

Demand for all kinds of red gemstones including spinel, rubellite, red tourmaline and fire opal will remain strong over the long-term, said Kerstin Hendess, publicist of high-end gemstone supplier W. Constantin Wild & Co of Germany.

“It is a matter of fashion and probably of taste as well in difficult times. After a decade of bright glamour in both economy and fashion, the market is going for what is classic and decent,” Ms Hendess said. “Red has always been a very classic colour although it is very eye-catching.”

Spinel, in particular, is fast becoming a favourite of jewellers and designers because of its beauty and availability, said Dr Michael Krzemnicki, director of the Basel-based Swiss Gemmological Institute SSEF.

“Generally, spinels are not treated because they have little or minimal fractures and heating



has usually no positive effect on visual appearance. This makes spinel a very natural product," Dr Krzemnicki said.

Ms Hendess described spinel as "the better ruby."

"For a long time, spinel was regarded as an ersatz or a substitute for the classic ruby. In the last few years however, this beautiful stone has finally gotten the esteem it deserves," she said. "It is red. It is rare. It is very hard. It shows a wide range of colour shade. It is much nicer than a ruby, which is hardly absolutely clear, because spinel is mostly clear and without inclusions."

Spinel is a wonderful gemstone which has unfortunately lived in the shadow of ruby and sapphire, the traditional red and blue favourites respectively, Ms Phillips added. "When spinel is pinkish, it looks like tourmaline which is a much cheaper alternative," she said. "The way to get spinel the recognition it fully deserves is to change the buyers' perception of this gemstone."

#### Enchanting gemstones

In addition to spinel, demand for lesser-known gemstones such as blue and yellow topazes, agate, amethyst and peridot has been gaining momentum in recent years, said Armando Antonio of Chizpas Jewelry of the Philippines.

"These gemstones are beautiful and more affordable than the classic gems," said Antonio Atienza Jr, president of Philippine jewellery company, Goldenas Inc. "Consumers are also going for materials such as chocolate pearls. They want something different, affordable and head-turning."



W. Constantin Wild & Co's neon pink, pear-shaped topazes, weighing a total of 67 carats, and a 33-carat cushion-cut solitaire from the mines of Ouro Preto in Brazil

Mr Roskin said colour and affordability would likely be the deciding factors for gemstone buyers in the coming months, and their shopping lists might include lapis, chrysoprase, rose quartz, onyx, agates and other chalcedonies, Peruvian opal, Mexican and Brazilian fire opal, turquoise and pearls.

"Big and bold seems to be the style, and yet buyers are cautious. You can get big, bold and affordability with all of these," he explained.

Jadeite, perceived as "old fashioned" in the past, is also making a comeback, added Ms Phillips. "Even the younger generation is into jadeite now," she said. "Modern carving techniques and more creative designs have made it trendier."

Green gemstones have been among the most coveted items worldwide and will probably remain so since they look perfect with every skin colour and complexion, Ms Hendess added.

Purple will still be hot, along with pink, blue and chocolate, Mr Roskin pointed out. "But I have a feeling that bold will be in; so look for the vivid primary colours to make a strong charge this Summer and Fall," he said. "As for the bold colours, I think if the economy starts to turn around, people will be less

subtle and start wearing happy, bold colours."

#### Collector's market

One segment with deep pockets is the collector's market, said Mr Caplan, noting that rare and unique gemstones will always be in demand.

"It could be any type of material such as fine alexandrites, Paraiba tourmalines from Brazil, rubies, sapphires including padparadschas, emeralds, tourmalines and imperial topaz," he said, pointing out that prices per carat are largely determined by the gemstone's quality, size and rarity.

"So the rarer, larger and finer in colour, clarity and cut the stones are, the more expensive they can be. Taking those factors into consideration, the prices can vary dramatically," said the gemstone specialist.

Brazilian Paraiba of superior quality could fetch as much as US\$20,000 to US\$50,000 per carat, said Mr Caplan, noting that fine alexandrite from Brazil could be in the same range for larger sizes. Imperial topaz that shows a lot of red could cost US\$3,000 to US\$8,000 per carat, he continued.

"Please note that these prices are for exceptional pieces, both in size and quality, and that the rarity is a given factor," Mr Caplan said. **JNA**

