

Shining bright

Jewellery specialist **Rachael Taylor** runs the rule over the most famous of all minerals and how to ethically source the very best, as well as digging deeper into varieties, colours and shrewd investments

If historians are to be believed, the trading of gemstones began in India as early as the 4th century BC. Back then, rivers and streams were littered with loose diamonds, just waiting to be scooped up. This is a particularly charming view when contrasted with the deep drilling, blasting and crushing it now takes to mine rough diamonds from the world’s most prolific sources in South Africa, Australia, Canada and Russia. Regardless of how brutal their extraction, diamonds are in demand today like no other gemstone – and the relentless study of this brilliant gem has made the buying process a complex one.

The first thing you need to know is that incremental differences, of the type not identifiable to the naked human eye, can make for large shifts in price. There is no such thing as a standard price for a 1ct diamond. “If one diamond is a D and the

other is an E – a very minute difference – the difference in price can be 40%,” said Brandon de Bruin, Group Sales Executive at Gem Diamonds – which own the world’s most valuable diamond mine (on a price-per-carat basis) in Lesotho, a high-altitude, landlocked kingdom encircled by South Africa.

The letters de Bruin references relate to the colour grade of a diamond. D is at the top of the scale, representing a colourless diamond (the most expensive type), and the scale will go all the way down to Z. At the bottom of the alphabet, diamonds appear yellow – although this is proving to be a market of its own, with De Beers reporting that large, top-quality diamonds of low colour grades are becoming popular as a cheaper alternative to pricey yellow diamonds.

The colour of a diamond is just one of the Four Cs that will define your diamond purchase.

The remaining triumvirate is made up of clarity, cut and carat; measuring how included (visible marks in the stone) a diamond is, how well the facets have been cut to ensure a fiery sparkle, and how weighty the piece is.

While there are no standard prices for stones of the same carat weight, diamonds with a similar set of Four Cs will be on a par, and most diamonds now are graded, meaning they have been sent to a laboratory to be judged as to where they fit on these scales. This system was introduced by the Gemmological Institute of America (GIA) in the 1950s and while it is still considered the top lab, others have emerged including the American Gem Society (AGS), the European Gemological Laboratory (EGL) and the International Gemological Institute (IGI).

Not all labs are equal, however, and as diamond grading is still done by eye – and therefore by opinion – different labs can throw up alternate grades for stones. So beware of overgrading that can lead to inflated prices. Should you be uncertain of the certificate you are shown, ask to have the diamond tested at an alternative lab for a second opinion.

If you are willing to pay for the best, the magic combination to ask for is: D FL Excellent, plus the carat size of your choice. This will get you a colourless, flawless stone with an excellent cut. If, however, you are looking to save on the final cost, dialling down the clarity while keeping the colour and cut as high as you can afford will ensure a hypnotic sparkle, because most inclusions cannot be seen by the naked eye. Even the blemishes of an SI2 diamond (slightly included – seven grades down from flawless) won’t be obvious without a microscope.

While grading has introduced a standardisation of global prices, each market has its own quirks. Many of the world’s diamonds flow through the Middle East at some

point and Dubai is one of the top three diamond trading hubs (the others are India and Antwerp). It can make it a great place to find a deal, but the region also has a bad reputation as a gateway for illicit stones, so ask for assurances about where the diamond started.

The Asian market is large, and ever-expanding, although salespeople are not always qualified so be sure to get a certified stone. Local Australian diamonds are found in champagne and cognac shades, as well as the famous pink diamonds from the Argyle mine.

The rise of internet diamond retailers has made it easier than ever to find exactly what you are looking for from anywhere in the world based on the Four Cs. Specialist sites, such as Blue Nile (bluenile.com) and 77 Diamonds (77diamonds.com), have handy slider tools that allow you watch the price change as you toggle the Four Cs. It has also made it cheaper to buy diamonds, with 77 Diamonds managing director Tobias Kormind estimating that you can save up to 70% on the cost of a diamond by buying from



his online store rather than a jeweller on London’s Bond Street.

Alternatively, auction houses are a great place to pick up diamonds, with savings to be found when pre-owned jewellery comes under the gavel. It is also where the world’s largest and most valuable diamonds are traded, with Christies, Sotheby’s, Bonhams and Philips the best houses to try.

The top diamonds sold at auction last year included The Oppenheimer, a 14.62ct emerald-cut

Above: US\$20 million Argyle pink diamond jewellery by Middle East luxury jeweller, Dhamani Below: Aerial view of the Diavik Diamond Mine Left: A polished diamond from the Diavik Mine, of which Rio Tinto owns 60 per cent

blue diamond that sold at Christie’s Geneva in May for US\$57.5 million, and The Unique Pink, a 15.38ct pear-shaped pink diamond sold at Sotheby’s Geneva in the same month for US\$31.5 million. Another

important diamond to make an appearance on the auction circuit last year was the Lesedi La Rona, a 1,109ct rough diamond – the second-largest gem-quality rough ever found. While it failed to find a buyer with deep enough pockets during a sale at Sotheby’s London (it’s pre-sale estimate was US\$70 million), William Lamb, chief executive of the miner that found it, Lucara Diamond Corp, says his unorthodox choice of bringing a rough diamond to auction was an attempt to create an alternative investment market for uncut ►





FAIRS AND EXHIBITIONS
JCK lasvegas.jckonline.com
Vicenzaoro vicenzaoro.com
Hong Kong International Jewellery Show
m.hktdc.com/fair/hkjewellery
MidEast Watch & Jewellery Show mideastjewellery.com



Top left: Polished Diavik Mine diamonds **Left: A De Beers Master Diamonds 1888 Collection 12.23ct white diamond** **Bottom left: Rough diamonds sourced by De Beers for its Making Of Talisman Collection** **Below: Forevermark diamond**



diamonds. Usually these rough gems are traded behind closed doors at invite-only tenders. For such historic stones, the origin and mining story will be widely promoted, making them easy to trace. For smaller diamonds, however, the supply chain becomes murkier. To avoid buying stones that have been traded from war-torn countries (although these so-called blood diamonds account for just a single percent of the world market),



make sure a diamond complies with the Kimberley Process (kimberleyprocess.com), an organisation set up to battle this black market.

Unfortunately, this does not guarantee that a diamond has been responsibly mined, but it does assure it has not come from a blacklisted

source. For more solid peace of mind, pay a premium to buy from a producer that can clearly demonstrate the journey of its diamonds from mine to market. For example, the provenance of Rio Tinto's Canadian and Australian diamonds is guaranteed by its externally audited Chain of Custody system, and are sold with a certificate of authenticity. ■

WHITE COAT DIAMONDS

For those who like their assets clean and green, lab-grown diamonds provide a real stone (not synthetic) that is optically identical to mined diamonds, and can be graded by the GIA. They currently account for 1% of global rough-diamond sales, yet a Morgan Stanley report suggests that with ever-expanding companies such as American Grown Diamonds, SCIODiamond, MiaDonna, Ada Diamonds and The Diamond Foundry this may increase to 15% by 2020. The industry has attracted investment from Twitter founder, Evan Williams, and Facebook co-founder, Andrew McCollum. Leonardo DiCaprio has also invested, declaring that "real diamonds without the human and environmental toll of mining".

"People insist they do not want a diamond because they are questionable to the ethics and the cultural values they convey," says Martin Roscheisen, creator of San Francisco-based The Diamond Foundry.

"These same people are now happy to receive a cultivated diamond."