

Rosy future

High in demand and low in supply, pink diamonds make for a great investment, writes **Panna Munyal**



Estimated to command more than 10 times the price of their colourless counterparts, pink diamonds are pretty, precious and highly priced, and this all comes down to one overarching feature: scarcity.

“Even within the rarefied category of coloured diamonds, pink diamonds are extraordinarily rare,” says David Bennett, worldwide chairman of Sotheby’s international jewellery division. “To give you an idea, of all the diamonds submitted for testing at the Gemological Institute of America each year, fewer than 0.02 per cent are predominantly pink. As such, the finest examples have achieved some of the highest prices in the jewellery category at auction.”

Paul Zimmisky, an independent diamond analyst based in New York, adds: “If you are going to invest in a diamond, a nice pink is the way to go. The world’s primary source of pink diamonds, the Argyle mine in Australia, will be ceasing production by 2020 as its economic resource has been exhausted. This will keep supply limited and prices high.” Cases in point: the flawless fancy vivid Pink Star, which, at Dh261

million, became the most expensive diamond to ever sell at auction in April last year; the Dh169.5m fancy intense Graff Pink described by jeweller Laurence Graff as the most fabulous diamond he has seen in his career; and the Fancy Light Pink by Harry Winston, which sold for Dh47m.

As with all diamonds, colour, cut, clarity and number of carats greatly influence rate and resale value. Of these four factors, colour takes top honours when it comes to a pink stone. The trick is in the description: pink diamonds range from light to fancy, intense and finally vivid, which is the highest grade. Bennett reveals: “It is more and more important for collectors to make sure they have certificates for diamonds, and in particular a report from the GIA, because ultimately, the colour grading that the organisation gives is the most important.”

Hue is so crucial in this niche market that it’s even recommended that collectors sacrifice clarity and size for a better colour quality. One reason for this could be the tricky and sometimes subjective process required to identify precise shades. Stephen Wetherall, CEO





SET TO SHINE

Left, the 19.07-carat light pink Le Grand Mazarin sold at auction for Dh53 million. Opposite page, the 14.93-carat vivid Pink Promise set in a ring

the stone's cut was not maximising its colour. The challenge in recutting the stone was to improve the colour grade, without losing too much material. We ended up cutting away about half a carat more than I had planned, but we achieved the vivid grade, which probably added about 25 per cent to its value."

Loose stones, too, are a worthy investment. Last month, Lucapa recovered from its prolific Lulo mine in Angola, a 1.9-carat pink stone alongside other rough diamonds. "While this is not the largest pink diamond recovered at Lulo – we have found a 39-carat light fancy pink in the past – we consider it to be in the top colour range. That is, the best diamond to be polished from this stone has the potential to be vivid in colour," explains Wetherall.

He sheds light on the process behind getting the stones from mine to market, and what collectors should look into before purchasing a coloured stone. "To clean diamonds with internal dirt, dirt in cracks or harsh colour stains, we use a deep boiling technique. This involves placing the diamonds in a tantalum container, sealed in a special mix of chemicals and putting them in an oven at high temperatures for up to 12 hours. The acid vapours penetrate the inclusions and cracks and clean the diamond properly. This process is commonly used for white diamonds. However, for coloured diamonds, this process has been known to lighten the intensity and, generally, a less harsh acid and shorter cleaning process is used, or the stones are placed in ultrasonic baths."

The four Cs and cleaning tactics aside, when it comes to choosing a pink diamond, experts also recommend looking out for the provenance of the stone and the profile of the jeweller, if you're buying a ready piece. The value goes up, explains Bennett, "if the mount or setting bear the signature of an important jeweller, such as Graff, Harry Winston or Cartier. And, of course, if a stone or jewel have an interesting historical, noble or royal provenance, this often adds to their appeal for collectors."

David Warren, international senior director of Christie's jewellery department, cites the example of Le Grand Mazarin, which comes from India's famed Golconda mine. At 19.07 carats, the light pink diamond is by no means the most extraordinary in the colour or size departments, yet it sold at an auction last November for a little more than Dh53m. "Le Grand Mazarin has the most extraordinary historical provenance," says Warren. "The stone belonged to seven kings and queens of France [including Louis XIV]. Its story goes back to Cardinal Mazarin, known to have been a collector of the very finest diamonds, and on his death, it passed into the possession of the French royal family and was part of several crowns until the late 18th century, when the stone was bought by Boucheron. Plus, the Golconda mine stopped production over 200 years ago – so these stones represent a real treasure hunt," he adds.

Once the stones have made their way to market, collectors and the experts who guide them can and must consider as many of these details before signing on the dotted line. And to all this, Bennett adds a final tenet. "Always buy something you like. You will get pleasure from owning a diamond that has personal appeal for you. And if you like it, there's a good chance that others will too, should you one day decide to sell."

of Australia's mining company Lucapa Diamond, explains: "Estimating the exact shade of a coloured diamond is not that straightforward, even for an expert, let alone a normal consumer. Not everyone sees the same intensity of colour, and pink diamonds regularly have a second colour. For instance, you could have a brownish pink or an orangey pink. Generally, two-colour pinks are sold for less than single-colour pinks. Clarity, which in a white diamond is very important, tends to be less so in a fancy coloured diamond with a very strong colour. There is also a large price difference between a fancy vivid and a fancy intense pink diamond."

This would explain the high value of a flawless fancy vivid, such as the Pink Star. The Pink Promise ring, meanwhile, sold for Dh7.8m per carat in large part because it was enhanced from an intense to a vivid colour grade. Diamontheer Stephen Silver, who undertook the risky responsibility of recutting the stone, explains the thought process behind "improving" the diamond to increase its worth. "When I first examined the Pink Promise, I could see that



STEPHEN SILVER FINE JEWELLERY; 2017 CHRISTIE'S IMAGES LIMITED (2); LUCAPA DIAMOND COMPANY

IN THE PINK

Top, Le Grand Mazarin, which was mined from Golconda in India, was owned by seven kings and queens of France. Above, a rough pink diamond found in the mines of Lucapa