TABLE OF CONTENTS
Tucson 14 Gem Sales Spotty
Gem Prices Overview
Chang’s Trip To Land of Colombian Emeralds
“Pink Star” Diamond Sale Collapses
Tucson Gem Show History
Burma Gemstone News
International Gemstone News
Retail Gemstone Price Trends (1975-2013)
Notable Quote

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Tucson 14 Gem Sales Spotty by Robert Genis
The Tucson Gem Shows remain the largest in the world. It’s estimated the show brings in over $100 million to Tucson. This is the “Woodstock” of gem shows.

Like last year, on the high end, the show is dominated by Far Easterners. Asian buyers, primarily Chinese, but also Indian buyers, who represented Chinese money, were out in full force on the first day of the shows at AGTA and GJX. Literally, the rows were 3-4 deep and just getting to a booth to see the gemstones was a daunting task. By the second day, the crowds had thinned out and traffic became more normal. Some gem dealers were happy and had great shows. Others were not as happy, but feel like they have to come to Tucson despite average sales.

It has now become a major trend that retail independent jewelers do not attend these shows anymore. This is a sign of a really weak economy. Why buy stones they may not sell, when they can call a wholesaler and get stones on memorandum at no expense as needs arise throughout the year?

Burma ruby was really rare at the shows, but we did see a great deal of Mozambique ruby. For speculators, these goods are about 1/2 the price of the Burma material. As a general rule, these African stones do not fluoresce like their Burma counterparts.

Gem Prices Overview
Throughout 2013, top quality gems kept rising on lower than normal volume. We are again increasing our Gemstone Price Trends (see page 7) for all gems unheated or not treated from Burma. That includes Burma ruby, Burma sapphire and Burma spinel. Prices are insane for these goods in Burma. Dealers either pay these new prices or go home empty handed. So far, the world market has absorbed these new prices, especially the Far East and Europe. The US market has been more resistant. We know certain Burmese gemstones have been resold into the Burmese market after spending a long time in the American collector market. How unbelievable is that? Although not a full blown trend yet, it certainly bears watching if prices continue escalating in Burma.

Asian collectors, despite a weakening economy, are still the world’s dominant collector of these stones. Of course, their first choice is jade. They also love colored diamonds and Burma gemstones. Untreated Colombian emeralds keep climbing to new highs. Some collectors are arguing these goods are now relatively inexpensive compared to Burma ruby.

White diamonds declined for the second year. When precious metals are weak, you can bet white diamonds are too. The same factors drive both markets. Due to new auction records and decreasing supply, we are increasing our Fancy intense Pink Diamond Chart 20%. Insiders say these goods are up 30%, but we are being conservative here.

Finally, Tanzanite remains low on the collector market radar.

Summary
The high end gem market was strong in 2013. These Burma goods have been going up for as long as many of us can remember. Prices continue to escalate despite lower volume and the fact the Shanghai Stock market has been down since 2009. Will 2014 be the same? Perhaps the uneven sales of the Tucson Gem Shows are telling us to be cautious?
My Trip to the Land of Colombian Emerald
by Clayton Chang

This is the second article by Clayton. He brings a unique perspective to traveling and gem collecting. ED

After Chinatown in San Francisco, I moved on to my South American tour. I flew from San Francisco to Dallas/Fort Worth to La Paz, Bolivia. It was one long day. The airport in La Paz is 14,000 fee; that in itself made it interesting.

Bolivia is starting to expand its tourism industry. We all know, cocaine is one of their biggest cash crops. What is not known is mining is their biggest legal export. Bolivia sits on 50% of the lithium in the world. Politically, Bolivia is stable and mining and farming are their main exports. They produce great coffee, fruits and vegetables. Bolivia wants western multinationals to invest in their country, but many fear the lack of human rights as detrimental. Bolivia has gemstones, but not high enough quality to be of interest to collectors. We met some Yatiri (witch doctors) that offered their fortune-telling services. In their rituals, they used painted stones, minerals, gemstones and carved art pieces. I was surprised to see everyone eating rice in Bolivia. As an Asian American, I thought it was strictly an Asian thing!

We were supposed to go to Copacabana, but the roads were closed due to a strike. Locals protested the building of this road because it would put the ferry people out of work. Instead we drove on the most dangerous road in the world, often called the death road. This road connects Bolivia to the Amazon jungle.

Colombia
Our tour moved on after six days to Bogota. We discovered Bogota was originally called “Bacata” by the Indigenous Indians. In 1717, it was New Granada under control of the Viceroyalty of Peru. New Granada included Colombia, Panama, Ecuador and Venezuela. We toured Bogota with it’s colonial past. This included La Candelaria, the old city of Bogota. Many students I met in Colombia have studied in the USA as exchange students. They felt the American universities were the best in the world.

We visited the Gold Museum. It was amazing because what was on display was only the remaining 5-10% that had not been looted by the Spanish. Even that was amazing. The emeralds were beautiful but crudely cut. Emerald was a part of everyday life of the Indian people. We continued to the salt mine Cathedral in Zapaquirra. During colonial days, salt was a valuable mineral. Salt mines were treated like gold mines. This is where the expression, worth their weight in salt comes from.

We moved on to Medellin for a few days. We learned a great deal about Pablo Escobar, the famous drug lord. I could write a book about him, but understand a movie will be coming out soon. I do not believe he ever trafficked in gemstones. The Government that fought him represented the gem establishment.

Our final stop was Cartagena. The beach areas are nice, but Hawaii (my home) still has some of the finest. I spent a great deal of time in the emerald shops. Many of the shops will tell you their emeralds are not fracture filled, oiled or treated in any way. (Since 99% of all emeralds are treated, do not believe these shop owners, please. ED). I have never seen so many emeralds in one place. With my limited knowledge of gemstone grading, I see how different color, tone and cut affected pricing. Prices seemed fair for the quality. The quality and quantity is a dealers dream, but only buy here if you are extremely knowledgeable. I also walked through an emerald and jewelry making workshop. There was also a fascinating mini-museum in Cartagena. They display the Petra, a large matrix emerald. It was beautiful!

You can check it out on youtube here: http://www.youtube.com/watch?v=dxq0-04CS8

In sum, what I learned about Colombia, its people and of course, emeralds was unforgettable. Next time, I bring home a Colombian woman or Colombian emerald. However, I think the Colombian emerald would be cheaper to maintain. Finally, may I never smoke another Colombian cigar again because they are great.

Pink Star Diamond Sale Collapses
by Robert Genis

In November, 2013, at Sotheby’s Geneva, a 59.60, internally flawless, fancy vivid pink diamond sold for over $83 million to diamond cutter Isaac Wolf. The pre-sale estimate was $61 million. He named the oval stone the “Pink Dream.” Many of these high end buyers prefer to remain anonymous, so Isaac Wolf’s proclamation was unusual. This was a record for any gemstone ever sold at auction. He competed against three others for the gem in bidding that lasted about five minutes. The sale was followed by cheers and applause.

The diamond was discovered by DeBeers in South Africa in 1999 and was a 132.5 carat rough. It was cut by the Steinmetz Diamond Company over a twenty month period and was formerly known as the “Steinmetz Pink.” A team of eight cut the stone to its present size. In 2003, it was shown publicly in Monaco and was displayed at the Smithsonian Institute as part of its “Splendor of Diamonds” exhibit. The Pink Star was sold privately in 2007.

So, just another speculator trying to play in this stratospheric field? Well, turns out, Wolf never paid for the diamond. We understand this is rare but does happen. Sotheby’s had to buy back the diamond for $60 million because it had guaranteed that price to the
original seller of the diamond. In it’s annual report, Sotheby’s said the fancy vivid pink diamond is now part of its inventory valued at approximately $72 million. Wolf said he was representing a group of investors and considered the diamond to be worth about $150 million, based on current prices for fancy vivid pink diamonds of similar quality. For whatever reason, some of the investors must have pulled out of the deal.

Patrick McClumont, Sotheby’s CEO, said “We are currently in discussions with the buyer while also considering other alternatives. In the meantime, we are comfortable with our valuation and see real value in owning the diamond at this price.” Should be fascinating to see what eventually happens to the rock. Doubt Wolf will remain in the diamond business after this fiasco, where your word is your bond.

As for Sotheby’s, Billionaire hedge fund manager Daniel Loeb is mounting a proxy fight with the goal of winning three board seats after the auction house’s promise to return $450 million to shareholders failed to appease activist investors. When it rains, it often pours.

**Tucson Gem Show History**

*Mine Tales: Dedicated volunteers started gem, mineral show in the mid-'50s*

**Arizona Daily Star**  
**February 3 and 10, 2014**  
**By William Ascarza**

Modern mineral collecting has its roots in the 16th century. Georgius Agricola (1494-1555), a German scientist and father of mineralogy and mineral collecting, published “De Re Metallica,” a treatise on mining, and “De Natura Fossilium,” considered the earliest mineralogy textbook. At the time, minerals were called fossils and mineralogy was in its infancy. By the end of the 18th century, prominent mineral collections were found in Europe and the United States, mainly among the moneyed class. Thomas Barton (1730-1780) and his sons William Barton (1754-1817) and Benjamin Smith Barton (1766-1815) collected North American minerals, including specimens of tin. Barton is credited with having taught Meriwether Lewis (of the Lewis and Clark expedition) proper nomenclature and identification of mineral specimens. Founded in 1792, the Chemical Society of Philadelphia was one of the earliest groups devoted to the study of mineralogy in the United States. During the 19th century, mineral collecting became more widespread in the United States, including in the Arizona Territory, with spectacular copper minerals acquired in Bisbee by Dr. James Douglas and Ben Williams, both Phelps, Dodge & Co. affiliates. William Phipps Blake (1826-1910), territorial mineralogist for Arizona and compiler of the first independent list of minerals found in the Arizona Territory, in 1909, and Arthur L. Flagg (1883-1961), a mining engineer and Arizona Department of Mineral Resources museum curator, ensured Arizona would lay a strong foundation for mineral collecting in the 20th century that would culminate in a greater interest, appreciation and participation among the masses.

After World War II, there was a surge in mineral collecting and mineral shows as returning servicemen sought out a hobby. In December 1946, a group of rockhounds in Tucson formed what became the Tucson Gem & Mineral Society. Organized field trips and lectures followed, featuring speakers such as Dr. John Anthony, a University of Arizona mineralogy professor who would go on to co-author “Mineralogy of Arizona,” and Dr. Harvey H. Nininger, renowned meteorite collector. Early founders of the Tucson Gem & Mineral Show included Dan Caudle and Clayton Gibson, who along with their wives and a group of devoted volunteers, were responsible for planning and putting on the first Tucson Gem & Mineral Show March 19-20, 1955, at Helen Keeling Elementary School. The first show boasted free admission and included 1,500 visitors and at least nine dealers. Richard Bideaux and Gene Schlepp, later prominent Tucson mineral dealers, would win several ribbons for their mineral displays.

The next year, the show was moved to a Quonset hut at the Pima County Fair and Rodeo Grounds on South Sixth Avenue, where it stayed until 1972. Factors that helped the show grow included the leadership of the Tucson Gem & Mineral Society, Arizona’s vast mineral wealth and abundant mining localities coupled with the accessibility of exquisite mineral specimens from all over the Southwest, proximity to Mexico — a proven tourist destination — and our mild winter climate. By 1960, the show had more than 25 dealers and 3,500 visitors who paid a 25-cent admission fee. Smithsonian Institution gem and mineral curator Paul Desautels accepted show chairman Clayton Gibson’s invitation to bring displays and participate in the 1961 Tucson show, resulting in a landmark change in how future shows were organized.

Paul Desautels’ presence at the 1961 Tucson Gem & Mineral Show was the Smithsonian Institution’s first involvement in an event sponsored by the Tucson Gem & Mineral Society. It also marked the beginning of mineral displays at the show with the Smithsonian’s theme “Uncommon Gemstones and Mineral Crystals.” Desautels gave the first of many talks that he and other authorities in the field of mineralogy would give at future shows. The talk focused on “Crystal Growth and Its Irregularities and Mineral Crystals.” Future talks included those of Peter Embrey, mineralogical curator of the British Museum, who in
1970 was the first international invitee to the Tucson Gem & Mineral Show. Ole Petersen from the University of Copenhagen gave a presentation on “Minerals From Ilimaussaq, Greenland,” in 1974. Satellite shows are presentations apart from the main Tucson Gem & Mineral Show. The earliest satellite show was at the Holiday Inn South (now Howard Johnson at Starr Pass Boulevard) in 1961. Lacking a sponsor, it was made up of 13 wholesale dealers. However, its success ensured the participation of future promoters.

As the 1960s progressed, the Tucson Gem & Mineral Show attracted more international attention and participants. By 1966, the first formal TGMS Show Committee was formed. It continues to run the show today. In 1964, the first show theme — Southwest — appeared, followed by themes such as World Famous, Peridot and Dioptase. The '70s ushered in the Mineralogical Record (1970), which would become a renowned journal for the serious mineral collector. That year, Tucson city officials formally referred to the annual event as “The Show.”

By 1972, the new Tucson Convention Center hosted the show, and it has remained there ever since. That same year, the “Tucson Ring” meteorite on loan from the Smithsonian was displayed at the show. Another noteworthy event occurred in 1976 with the establishment of the first formal “micromount” symposium at the show. First chaired by Neal Yedlin, a well-known micromounter and mineral collector, the event today includes lectures, trade, giveaway mineral specimens and mineral viewing under a microscope. Through the decades, the show continues to bring attractions from around the world, including purple adamite specimens from the Ojuela Mine in Mexico (1982), dark-colored tourmalines from Pakistan (1984), native silver from Kongsberg, Norway (1994), and the Rose of Itatiaia from the Jonas Mine in Brazil (2000), to name a few. In 1986, the Tucson Gem & Mineral Society invited fossil dealers to participate in the show for the first time.

Today, the Tucson Gem & Mineral show is the largest of its kind in the country. More than 40 satellite shows, consisting of several thousand vendors, have a multimillion-dollar impact on the local economy. The shows begin in late January and last through the culmination of the big show at the Tucson Convention Center.

This year marks the 60th Tucson Gem & Mineral Show, with the theme “Sixty Years of Diamonds, Gems, Silver and Gold.”

**Burma News**

Local miners in Mandalay Division’s ‘Ruby Land’ town of Mogok may soon get access to more gems.

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**DVB**

**January 23, 2014**

The Myanmar Gems and Jewelry Entrepreneurs Association plans to allocate small-scale mining plots to locals to promote gem trade in the area.

“We are looking to allocate more small-scale plots for local miners”, said Tun Hla Aung, Deputy-Secretary of Myanmar Gems and Jewelry Entrepreneurs Association. “Members of the public who cannot afford to invest large sums of money, to allow them to work freely at the mines, looking to redevelop the gem market in the region.”

Rubies from the mines, many now being extracted by large mining companies in joint ventures with the government, are mainly sold overseas. After the government allocated some small plots for local miners in 2012, the local gem market improved slightly but not as much as expected.

“Small-scale mining plots, operated mostly manually without heavy machinery, are becoming rare – which led to a decline in ruby production”, said Hla Aung, Patron of Myanmar Gems and Jewelry Entrepreneurs Association. “When the supply is low, the buyers are inconvenienced, which leaves the market dry.”

In 2012, the government allocated over 400 small-time plots, mainly for local miners, with three-year contracts. This new plan will hopefully help kick-start the gem trade in the region.

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**Burma Army Deployed to Guard 20-Ton Jade Stone**

**The Irrawaddy**

**By Saw Yan Naing**

**February 18, 2014**

Government troops have been deployed to protect a 20-ton raw jade stone that was found in Hpakan, a mining area west of the Kachin State capital that is known for possessing some of the world’s best jade. Security has been tightened by soldiers and the police in Hpakan town, after the giant stone was discovered some 24 kilometers away in Wei Kan village on Feb. 9 by a small-scale miner, Aung Naing Win.

“As far as we know, the stone is 18 feet [5.5 meters] long,” said Shwe Thein, chairman of a branch of the National League for Democracy (NLD) in Hpakan. “Soon afterward, troops under the Light Infantry Division 101 were deployed.”

He said the army had since prevented small-scale miners and hand-pickers from searching for other stones nearby. “No one can access the area where the stone was found,” he said.

Some local jade miners said the stone was estimated to weigh as much as 37 tons, with half the stone remaining buried underground.

Yin Htwe, a resident in Hpakan town and a member of the local NLD branch, said small-scale miners claimed
the raw stone was as big as a Mitsubishi Pajero truck. “The stone is now fully guarded by the army. We don’t know for sure how much it will be worth,” he said. “We heard officials from the mining ministry will come see the stone.”

Burmese produce the vast majority of the world’s jade, and the Burmese gemstone is of the highest quality. Most is sourced from Hpakant, 350 kilometers north of Mandalay, in the conflict-torn mountains of Kachin State.

The jade is often smuggled over the border to China through unregulated trade, without ever being taxed. A July 2013 report by the Ash Center for Democratic Governance and Innovation at Harvard University in the United States put the sale of Burmese jade at as high as US$8 billion in 2011.

The government and the Kachin Independence Army (KIA), a rebel group, controlled the jade mining industry in Hpakant between a ceasefire deal in 1994 and 2011, when fighting between both sides resumed. That year the government suspended large-scale mining operations in the area. Small-scale miners and hand-pickers moved in illegally to try their luck.

Most jade mining companies that operated in Hpakant were run by Chinese businessmen and Burmese cronies. One of the biggest players in the industry was the Union of Myanmar Economic Holdings Ltd (UMEHL), a Burmese military-run conglomerate that dominates many sectors of the country’s economy.

An official at the Ministry of Mining said he was not familiar with the case of the 20-ton jade stone in Kachin State and recommended contacting the ministry’s gems department. The gems department could not immediately be reached for comment.

Jewelers demand new gems law
Myanmar Times
By Su Phyo Win and Bridget Di Certo
March 10, 2014

Jewelers said that a limitation on exports of raw and polished precious stones to sales at government-run emporiums and selected markets was strangling the sector.

“We go to the [government-run] exhibitions and only display our products there, but we want to secure bigger contracts for mass production and export,” said Daw Thet Thet Khaing, owner of local jeweler, Golden Palace and Forever Gems. “Our consumers are spreading all over the world, so it would be better to export our jewels to the place where they can easily buy our products.

“There is no direct export for any kinds of gemstones – raw or polished – allowed,” she said, adding that other ministries are adapting their export policies in order to promote local businesses.

Currently, jewelers are only able to sell their wares to Myanmar residents and to foreign citizens who attend government-sponsored emporiums, which are held no more than three times a year. Buyers at the emporiums are primarily interested in raw stones.

“They then do the value-added work in their own countries and sell the stones for many times the purchase price,” said Daw Thet Thet Khaing. “It really causes a lot of suffering for jewelers in our country.”

Daw Thet Thet Khaing, chairperson of Golden Sun Cooperative Ltd jewelers, said that because access to the marketplace is limited, gem dealers are yielding little profit.

“Just selling raw stones at the emporium is like we are taking a risk ourselves because of the little profit [on raw stones],” she said.

In 1995 the Myanmar Gemstone Law and bylaw were promulgated, providing for Myanmar nationals to excavate, produce and sell gemstones on the local and international market, but stricter regulations were soon put in place in an effort to curb rampant smuggling. Nevertheless, experts said that such rules did little to stop the problem, while further exacerbating illegal trade problems by limiting export channels so severely.

Estimates show that Myanmar produces up to 90 percent of the world’s rubies, with its best quality products, often described as “pigeon-blood” gems, fetching higher prices than diamonds at some international auctions.

Figures from the 2011-2012 fiscal year recorded 43,185 tons of jade and 13,398 million carats of precious stones were recorded through official export channels. Government representatives were unable to provide data to The Myanmar Times on the monetary value of these exports or how much was recouped in tax.

Currently, there is a 30 percent commercial tax on all gem exports payable to the government and 10% retail tax at emporiums. While this figure is low compared to other precious natural commodities such as wood, which is taxed at 100%, jewelers say the tax is prohibitive to establishing a lucrative export market.

Daw Mar Lar Myint, general manager of Zeyar Arrman, Gems, Jade Home Craft Production, said liberalizing the export market could help defeat illegal trade of precious stones.

“We are in Sagaing Region, and it mostly seems that illegal gem trade is occurring on the China-Shweli border,” she said. “It the government allowed export, and kept tight restrictions at the borders, there will not be as much of an illegal gems trade.”

The largely unregulated border trade areas are riddled with merchants who smuggle raw jade and gems to countries such as China, Thailand and India, who refine then sell finished goods to international markets.

“Thailand is very famous for polished rubies and
sapphires. China is famous for jade and India is very famous for diamonds. This success is related to their government policies,” said Daw Thet Thet Khang of Golden Palace and Forever Gems. “Sanctions [on Myanmar] are lifted and the market is opening up, but we can’t open our door and go outside. Internal barriers are larger than external ones.”

She said barriers were not only legislative, but political. A lack of support to develop the sector with increased training and institutions supporting polishing and production in-country meant the sector was suffering.

“To get our products to a world class standard we need market access, technology, financing and technical assistance, as well as capacity building,” she said.

“To develop SMEs [small and medium-sized enterprises] we need to build institutions to fulfill the needs to develop our industry or we will leave.”

U Maung Maung San, owner of Maung Maung San Gems and Jewelry Co Ltd, said local players have repeatedly asked the government to revise the regulations, but to no avail.

“We have requested to change the policies made by the Ministry of Mining many times, but it’s still unchanged,” he said. “They just allowed exporting wares but not the stones. They said that preventing the export of precious jewels to other countries helps stop illegal activity.”

U Win Htein, director general at the Department of Mines, said the government has been debating amendments to the 1995 Myanmar Gemstones Law and associated policies for over a year and welcomes feedback from jeweler associations, though he did not indicate if and when rules would be revised.

“The law mentions that the country’s resources are not allowed to go outside the country and are restricted to production and consumption for Myanmar nationals,” U Win Htein said of the purpose of the export limitation.

As far back as 2006, President U Thein Sein, then-chairperson of the Leading Committee for Development of Myanmar Gems Industries, voiced his desire to see a developed finished gem industry in Myanmar.

U Tun Hla Aung, joint secretary general of the Myanmar Gems & Jewelry Entrepreneurs’ Association, said the 30pc commercial tax was prohibitive to the sector. At government-run emporiums and at the airport the tax for retail sales is only 10%.

**International Gem News**

**Panama launches diamond exchange for bling-loving Latin America**

**Financial Times**

**March 19, 2014**

**By Jude Webber**

Latin America is getting a new financial market. But forget frenzied open-outcry pit trading or the dizzying blur of numbers on screens. In the new bourse, due to open in Panama this year, deals worth millions of dollars will be sealed with a solemn handshake and the Hebrew phrase “Mazal u’ Bracha” – “luck and blessing”.

Welcome to the hallowed world of diamond dealing. Panama is this week formally launching a $200m Panama Gem and Jewelry Center that will also house the Panama Diamond Exchange (PDE) – a market expected to help the $8bn fine jewelry retail business in Latin America grow to more than $10bn by 2017. The PDE, which is expected to start trading before the end of the year in Latin America’s fastest-growing economy, is the 29th such market worldwide.

But it is the first in a bling-loving region that is home to a fast-growing middle class, luxury set and which also has an established tradition as a producer of colored gemstones, such as emeralds from Colombia.

“Latin America is a jewelry market of great potential that, to date, has never fulfilled its promise,” said Eli Izhakoff, honorary president of the World Federation of Diamond Bourses, the World Diamond Council and the World Jewelry Confederation.

A lack of a diamond exchange in the region has meant that Latin American buyers typically had to travel to the US or Europe, or to buy second-hand at a premium, Mr. Izhakoff told the Financial Times in emailed responses to questions.

Diamonds will be flown in from places such as New York, Antwerp, Tel Aviv, Dubai, Hong Kong and Mumbai, says Erez Akerman, PDE president.

Exchange members – who are carefully vetted, must provide personal guarantees and adhere to a strict code of conduct – will scrutinize the rough or polished stones under neutral lights in the high-security trading center before deals can be concluded.

The idea is that the PDE will become a hub for the region billed as the world’s most untapped jewelry market.

“The retail value of the fine jewelry business in Latin America is about $8bn and given current growth rates, it is fair to state that it will be worth in excess of $10bn by 2017. The wholesale value will be in the region of about $5bn,” said Mr. Izhakoff.

Latin America has more than 11,500 jewelry shops and there are more than 320 mining companies and nearly 750 wholesalers of diamonds, precious stones and jewelry in the region, added Mr. Akerman.

The Gem and Jewelry Center will enjoy a tax-free regime and hopes to capitalize on Panama’s strategic location and status as a commercial and financial hub that is home to one of the world’s major shipping lanes. It aims to attract some 200 Latin American companies and another 200 international businesses – including from the US, Israel, India, China and Russia – spurring direct and indirect income for Panama of more than $3bn a year by 2020, Mr. Izhakoff says.

“In terms of luxury consumption, the Latin American market is forecast to see growth of 14 per cent [a year],” Mr. Akerman concludes. “To put that into perspective, it is just slightly below Asia’s growth rate of 16.5 per cent.”
Retail Gemstone Trends (1975-2013)
These charts are indications only and should be used to decipher the general price trends of a particular market. They are price per carat indications for GIA graded diamonds and AGL graded colored gemstones only, for standard shapes with ideal parameters. Prices represent high ranges encountered in US markets. Most stones will be offered at a discount to these charts. The only true price is what a knowledgeable seller and buyer agree to as a transaction price. No guarantees are made and no liabilities are assumed as to the accuracy or validity of these prices. Copyright 2014 by NGC. Reproduction is strictly prohibited.
Forget Unnao, villagers in Mandla get lucky, find precious gemstones everywhere
India Today Online New Delhi, January 28, 2014

Despite the hype the seer in Daundia Khera village of Unnao district in Uttar Pradesh created with his gold dream a few months ago, not a speck of the precious metal was found. But Mandla in Madhya Pradesh is different.

According to a report in The Times of India, life in this tribal-dominated district has practically come to a halt since last fortnight. Farmers have stopped tilling land and laborers under MNREGS are not interested in their daily work. The reason is the sudden discovery of precious stones here. Villagers everywhere are digging earth and sifting soil to make money.

With jewelers from many corners of the country stationing themselves here and willing to pay handsome price, the gem hunt has turned into a 24x7 obsession in neighboring villages as well. According to the news report, buyers, mostly jewelers from Nagpur, Delhi, Jaipur and Noida, are willing to pay anything between Rs.1,800 to Rs.2,500 per gram for the find.

The stones were first discovered near the ruins of Taragarh fort, once inhabited by Gondwana rulers, and tribals would sell them for a pittance. But now they are being found everywhere within 40 km radius. Locals have termed the phenomenon as a gift from Tara Devi, their guardian deity, who had prophesied such a phenomenon long ago. No one wants to do anything else in this area. In Talwada village, over 2,000 men, women and children are involved in the exercise. In places, farmers have rented out their fields for Rs.10,000 a month to interested parties. The tenants are free to carry out digging and keep the treasure if they find any. The report quoted Jabalpur divisional commissioner Deepak Khandekar as saying, "A fossil-rich pocket, Mandla could have layers of gemstones lying undisturbed so far." Khandekar has called for an expert team from Bhopal to visit the cluster and identify the stones.

A landmark novel by Nobel-laureate Pearl S Buck is based in the Madhya Pradesh town and titled Mandala. Written in 1970, the book takes readers on a breathtaking journey to India as the country is transitioning to independence with a story of love, the clashing of cultures, and mysticism.

**Notable Quote**

“Diamond buyers and consumers are looking for something different and unique, while investors have been enticed by the long-term returns these goods offer. As a result, more dealers have entered niche areas such as the colored diamond market. Estimates suggest that prices of the more scarce items such as pink, fancy intense vivid yellow, and fancy blue diamonds rose by more than 30 percent in 2013, while lower quality yellows increased by about 10 percent. Fueling perceptions about the market, large special, colored diamonds broke numerous records on the auction circuit. No market is completely bubble resistant. However, veterans in the colored diamond space note that growing dealer demand and a growing pool of wealthy consumers for these goods, coupled with their rarity of supply, will ensure that prices continue to rise in the near and long term.”

Rapaport
January 3, 2014

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