

GEMFIELDS

The Rise of the Ruby

Rubies enjoy rising popularity among jewellery designers, collectors and investors



Image captions: *Gemfields' rough Mozambican rubies and Fabergé Dalliance GemAddict featuring 32 trapeze-shaped Mozambican rubies on a background of Mozambican rubies.*

London, 9 July 2019

Growing demand, price and supply for the 'king of gems'

At last month's ruby auction by Gemfields – the world's largest responsibly sourced coloured gemstone supplier – the company saw prices for the 'king of gems' hit a new all-time price-per-carat record. But this came as no surprise to Gemfields, who had observed demand, price and supply rising consistently year on year for the Mozambican gemstone.

In 2018, Gemfields enjoyed a record year in auction revenues and achieved an all-time record for the highest revenues achieved from one auction at last June's sale of high-quality rubies. Gemfields' 12 auctions of Mozambican rubies – the first in June 2014 – have netted the company a total of USD 512.6 million in aggregate revenues. With well over 90% of the product on offer being sold at each auction – and 98% sold in December 2018 – it's clear that there's an enthusiastic demand for rubies.

Where white diamonds once dominated, rubies are on the rise

High-fashion jewellers across the world are starting to replace colourless diamonds with rich red rubies. Appearing on the red carpet and starring in jewellery advertising campaigns, the rubies now dominating the market have been honed to perfection through a variety of cutting and polishing processes.

Coloured gemstones have been front and centre in recent collections from luxury brands like Cartier (with its recent 'Coloratura' high jewellery collection), Van Cleef & Arpels (with its 'Treasures of Rubies' collection) and

Dior (with its new ‘Gem Dior’ collection, featuring a range of coloured gemstones, including rubies, pink sapphires and emeralds).

Having observed an increased interest in pieces that feature Gemfields’ Mozambican rubies, Fabergé – an iconic name with an exceptional heritage – recently added a heart-shaped Mozambican ruby hidden inside an egg-shaped locket pendant to its Imperial fine jewellery collection, and their arresting Dalliance GemAddict-Ruby timepiece features 32 trapeze-shaped Mozambican rubies. Josina von dem Bussche-Kessel, global sales director at Fabergé, explains: “We have seen a rise in demand for rubies, with our younger customers, in particular, wishing to look beyond diamonds, because of the sumptuousness of coloured gemstones. There’s no doubt that many of our most well-informed clients are investing in coloured gems, because of the appreciation in their value in recent years.”

Outperforming the wider jewellery market

Knight Frank’s latest *Luxury Investment Index* placed a spotlight on coloured gemstones, and found them to be outperforming the wider jewellery market and becoming increasingly popular with investors and collectors worldwide.

Andrew Shirley, head of luxury research at Knight Frank, commented: “The interesting story here is that coloured gemstones are outperforming the wider jewellery market, with some significant sales taking place already in 2019.”

Rubies have achieved record prices per carat in recent years, with prices tripling in the decade between 2006 and 2016, when they hit a record US\$1.2m.

Auction World Records per carat	Ruby	Colourless diamond
Carats	15.04 carats	76.02 carats
Price (USD)	18,000,000	30,060,000
USD/price per carat	1,196,809	282,485
Auction house	Christie’s	Christie’s
Location	Hong Kong	Geneva
Date	1 Dec 2015	13 Nov 2012

The biggest cutting and trading markets for rubies are Thailand, Sri Lanka and India, while the largest consumer markets are China, the US and India. Gemfields is seeing a surge in demand for Mozambican rubies from Asian markets – particularly China, where there is a traditional fondness for the ruby’s vibrant red colour, which also represents luck, happiness, beauty, vitality, success and good fortune.

International jewellery specialist Joanna Hardy, author of the book *Ruby* (Thames & Hudson, 2017), commented: “High quality gemstones are extremely rare in nature, and no coloured gemstone fuels passion more than the ruby. Place a ruby in front of any man or woman and there will be an instant response. Alongside the many emperors, empresses, kings and queens who have worn rubies, style icons and Hollywood royalty are seen wearing ruby pieces, catapulting this vibrant red gem further into the global spotlight.”

Just this summer, HM The Queen wore a priceless ruby and diamond tiara and ruby and diamond necklace to the State Dinner held for President Trump at Buckingham Palace.

Consistency and reliability of ruby supply driving change

Elena Basaglia, gemmologist for Gemfields, explains: “As a result of our productive mining processes, we are now able to sell stable and consistent parcels of gemstones, enabling jewellers to create large jewellery collections featuring rubies which boast uniformity in terms of quality, colour and clarity. This is a game-changer, enabling luxury jewellery houses to create collections with artistically complex jewellery designs of high value, appealing to consumers and discerning investors. Both the consistency and reliability of supply is unprecedented and making big changes to the industry.” She adds: “Responsible sourcing is also increasing in importance these days: many consumers now demand to know where their products have come from and coloured gemstones are no different.”

Gemfields’ pioneering approach to responsible sourcing leaves a lasting positive impact in the places where these gemstones originate. Gemfields believes that coloured gemstones should be mined and marketed by championing three key values: transparency, legitimacy and integrity. In practice, this means contributing to national economies, creating projects to benefit local communities in the areas of health, education and livelihoods, undertaking conservation efforts and implementing industry-leading policies and practices across operations. To date, 23% of Gemfields’ revenue from ruby sales has been directed towards such endeavours, with over 1% consistently directed towards community projects in collaboration with the communities themselves.

Gemfields’ CEO Sean Gilbertson summarises: “Demand for Mozambican rubies is at an all-time high. The industry now has growing confidence in a consistent and reliable supply of rubies. There is also a growing understanding of a gemstone’s origin and how gemstones can be responsibly mined to have a positive impact on the countries of source; Gemfields’ Mozambican rubies are the market leader in this regard.”

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ABOUT GEMFIELDS

Gemfields is a world-leading supplier of responsibly sourced coloured gemstones.

Gemfields is the operator and 75% owner of both the Kagem emerald mine in Zambia (believed to be the world's single largest producing emerald mine) and Montepuez ruby mine in Mozambique (one of the most significant recently discovered ruby deposits in the world), as well as having bulk sampling licences in Ethiopia, amongst other countries.

Gemfields aims to operate in a way that contributes positively to national economies, taking a leading role in modernising the coloured gemstone sector and building lasting, sustainable livelihoods for the communities around the mines. Gemfields believes that coloured gemstones should be mined and marketed by championing three key values: legitimacy, transparency and integrity.

Gemfields has developed a proprietary grading system and a pioneering auction and trading platform to provide a consistent supply of coloured gemstones to the global jewellery market.

Fabergé – an iconic brand with an exceptional heritage – is a member of the Gemfields Group. This partnership enables Gemfields to improve its market position and image and to raise consumer awareness of responsibly sourced coloured gemstones, through the beauty of Fabergé's designs and craftsmanship.

Gemfields' responsibly sourced gemstones are the preferred choice for showpieces created by many world-renowned luxury houses and cutting-edge designers.

Gemfields: [Gemfields.com](https://www.gemfields.com) | [Investors](#) | [Instagram](#) | [Facebook](#) | [Twitter](#) | [YouTube](#)

Fabergé: [Fabergé.com](https://www.faberge.com) | [Instagram](#) | [Facebook](#) | [Twitter](#) | [YouTube](#)

Kagem Mining: [LinkedIn](#)

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