

# Mozambique

## rubies gaining favour in the gemstone world

Faced with a dwindling supply of Burmese rubies in the marketplace, gemstone buyers are paying increased attention to gem-quality rubies from Mozambique, according to GRS GemResearch Swisslab AG.

Strong auction results at Gemfields' Singapore sale, held from June 16 to 22, for higher-end rough ruby from Mozambique's Montepuez deposit underscores Mozambique ruby's swift ascent. Revenues hit \$29.3 million with an average realised price of \$617 per carat. A total of 47,451 carats were sold from the 72,208 carats offered. Gemfields said these results opened doors to further educate the market on the rarity and value of Montepuez gems.

In an exclusive interview with *JNA*, GRS founder and CEO Dr. Adolf Peretti discussed how Mozambique ruby's distinctive appeal is progressively gathering a vibrant response in the market.

### ***JNA: How would you compare Mozambique ruby from its Burmese counterpart?***

**Dr. Adolf Peretti:** Most Burmese rubies are heat-treated while a majority of Mozambique rubies are free from thermal enhancement. This is an important aspect because many Mozambique rubies show no cracks and are transparent enough to be faceted into gem-quality goods. Burmese rubies fall into two categories: Rubies from Mogok and Mong Hsu, of which, the latter currently dominates the market. Mong Hsu stones often display blue colour zoning and require heat treatment.

*Dr. Adolf Peretti at a seminar on Pigeon's Blood rubies from Mozambique and Burma sponsored by GRS GemResearch Swisslab AG at the June Hong Kong Fair*



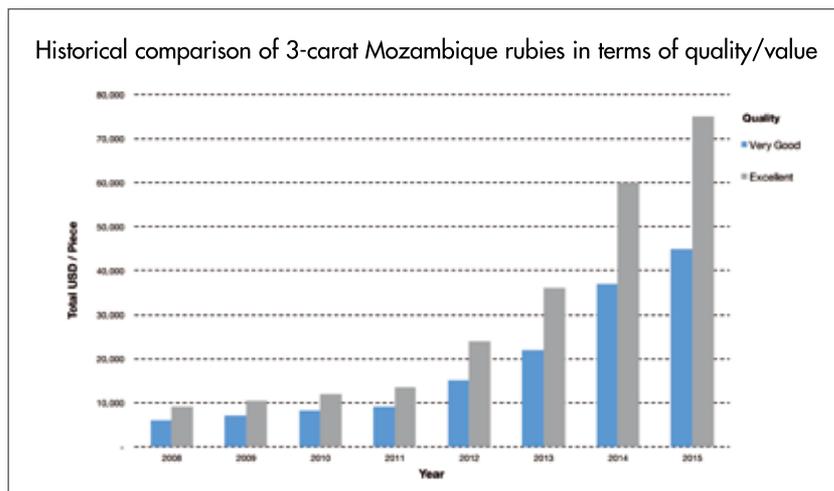
*A 3.04-carat Pigeon's Blood Burmese ruby (left) in comparison with a 3.01-carat Pigeon's Blood Mozambique ruby. Photo taken by Philip Hahn courtesy of Gerhard Hahn GmbH*

From a geological standpoint, rubies from both Burma and Mozambique may reveal high concentrations of chromium, a major contributor to their vividly saturated red colour. After cutting, both Burmese and Mozambique rubies are presented in similar carat sizes. Their colour and face-up appearance make some Mozambique goods indistinguishable from their Burmese counterparts. We can also divide Mozambique rubies into two distinct groups. One group is highly reactive to ultraviolet light with intense red fluorescence similar to that observed with Burmese gems. The second group shows no strong reaction to UV light. The latter type has a much higher concentration of iron than Burmese rubies. Due to their extreme brilliance and transparency, especially with the fluorescent Mozambique variety, they bear a striking resemblance to Burmese rubies with regards to colour. Only a very sophisticated eye may detect the difference.

### ***JNA: To what do you attribute the intense interest in Mozambique ruby?***

**Dr. Peretti:** Looking at the demand for and quality of both Mogok and Mozambique rubies helps explain the unique niche that Mozambique ruby has carved out for itself. Unheated Mogok rubies seldom appear in the market. Therefore, their origin garners huge public interest with a high premium placed on them. Origin, however, does not automatically guarantee quality. Most Burmese stones in the marketplace are, in fact, heated as a necessary means to enhance their beauty. Unheated





Source: GRS GemResearch Swisslab AG

\*Wholesale values in Hong Kong and Bangkok of unheated Mozambique rubies with 'Pigeon's Blood' colour of two different qualities – very good and excellent (top gem). The values are based on GRS' internal statistics of indicated insurance values during the testing process. The prices are an approximate indication for the purpose of demonstrating price evolution and may vary.

top-quality Burmese rubies may fetch record-setting prices at auctions. But when individuals attempt to acquire such a stone, chances are high that no one has it, or if it is available, it becomes inaccessible due to the price. Mozambique rubies do not yet reflect an origin premium in their price. As to quality, they can appear remarkably similar to Burmese rubies and yet are available as unheated. Burmese rubies' rarity has reached a stage where it has become challenging to deal with them in the open market. Most of the action now occurs at international auctions. For example, if a buyer tries to acquire an unheated 10-carat Burmese ruby without cracks at a jewellery show, he will have enormous difficulty finding it. If he should locate one, he'll face a huge premium on the price just for its origin. Conversely, he may find a dozen of Mozambique rubies that are over 10 carats with equal colour to the Burmese gems, but he should expect to pay five to 10 times higher for Burmese goods of similar size and quality. Facing a scarcity of high-quality ruby alternatives, Mozambique rubies will move fast. Another key reason for Mozambique ruby's growing popularity is the near-impossibility of acquiring sets of unheated Burmese ruby to make necklaces – normally requiring 20 to 30 graduating rubies plus a centre stone of over 5 carats. Assembling a matching suite of unheated vivid red Mozambique ruby suitable for jewellery sets is likewise not an easy feat, but is still theoretically possible.

**JNA: What does the future hold for Mozambique ruby in the gemstone trade?**

**Dr. Peretti:** Thanks to Gemfields' ongoing mining operations in Mozambique, there is a robust supply of Mozambique ruby. The spectacular appeal of

these rubies makes them ideal for creating elegant necklaces rivaling anything seen at auction. There is now a tremendous opportunity for prestigious brands to create bespoke pieces using Mozambique ruby. Top global houses could market their proprietary designs featuring Mozambique rubies at the centre of their promotional campaigns during jewellery shows. Finally, Mozambique rubies' innate beauty and colour will be the ultimate allure for customers, surpassing origin as a condition of quality. The responsibility of large-scale miners, however, extends far

beyond production numbers and auction results. The emerging trend of end-users focusing more on ethical products whose mine-to-market journey is verified will become a greater factor for future promotions. It is vital for Mozambique's gemstone producers to face head-on these ethical issues by ensuring that local residents benefit from their region's natural resources, participating in the value-added chain and restoring mining sites to their original state once they are fully depleted. These key measures will ensure a bright future for Mozambique rubies. Of course, Burmese ruby miners face the same challenge. Sooner or later, they will have to develop a similar ethical stance. If they are not able or willing to do so, ultimately their appeal and prestige might wane, allowing Mozambique rubies to replace their Burmese counterparts. **JNA**



Dr. Peretti inspecting a rough gemstone in Mogok, Burma