



Tanzanite Price History

Whilst one is presented with an array of information about the history of Tanzanite or indeed where to purchase Tanzanite on the internet it is very difficult to find a single and concise historical guide pertaining to the price history of the stone.

In addition it is not currently possible to obtain a universally accepted price guide for Tanzanite, as in the example of Diamonds where one can use The Rappaport Diamond Guide (although this is beginning to be implemented by the Tanzanite Authority) .

This article will thus attempt to offer a concise historical price evaluation of Tanzanite since its discovery. The earliest records about the price of Tanzanite come from the records of Eldot & Company and Willi Haubert of New York. However these refer to the pricing of the stone in its rough form, and also provide some information pertaining to its cost when set in jewellery. However the first recorded price for the stone that I have been able to find (in an early Time Magazine Article) refers to the stone as selling at a around \$400 per carat for the finest grades. Of course this however refers to the retail rather than the trade or wholesale price.

Since Tanzanite was exclusively marketed by Tiffany & Co during the 1970's it is no surprise that the stone was only available to a very select few and that the price remained low without the necessary consumer demand to drive prices upwards.

When Tiffany & Co relinquished this right in the 1980's; the demand for the stone rose along too with its price.

Indeed, demand for the stone rose substantially during the 1980's, to an extent where demand actually outstripped supply (a factor still at play today). As such, prices skyrocketed, and this is supported by data from the time which shows that in 1985 before the larger deposits of Tanzanite were discovered; AAA Grade Tanzanite could cost anywhere between \$1000 to \$2000 per carat.

In the late 1980s larger deposits of Tanzanite were discovered which increased the availability of the finest material (which still only equates to approximately 1% of all output), and this coupled with increased and more efficient distribution of the stone from the cutting markets of Germany to the retail market of the US led the stone to reach an even higher level of popularity among the gem trade.

Relentless mining of the stone, led to an eventual drop in its price and subsequent action by the Tanzanian government tried to stem this by closing some of the Tanzanite mines. This had the desired effects, and prices began to rise once again; with prices in 1998 ranging from \$310-\$400 for the top grade.

Towards the end of the 1990's Tanzanite had established itself as the most popular selling gemstone in the world outselling all coloured stones except for sapphires, emeralds, and rubies (although today it is outselling diamonds in some parts of the world). Indeed prices rose by around \$200 per carat from 1998



to 2005 which saw the finest material fetching approximately \$600 per carat.

An important development in 2001 saw the Tanzanian Government allow AFGEM to buy a lease to the Block C Mine. The company that owns the rights to mine the lion's share of tanzanite rough now TanzaniteOne took a page from the De Beers playbook, by creating a strict control over the supply of Tanzanite. Using a 'Sight holder' distribution strategy, prices have been driven further upwards, fuelled mainly by the extensive marketing of the company. Indeed between 2002 and 2005 prices tripled according to the Chinese Media.

Recently prices have continued to rise with wholesale prices of the top 1% of material fetching anything from \$600 to \$1200 per carat. For example Sapphex in Australia charges \$1200 AUD per carat for the finest quality Tanzanite, and Tanzanite International charge a staggering \$2500 per carat. Stores in Malaysia are also charging in excess of \$2000 per carat for AAA grade Tanzanite, with many boutiques at airports such as Johannesburg in South Africa also charging \$2500 per carat.

A spokesman from The Tanzanite Authority, which has helped increase the popularity of the stone within Australia and with the European Markets, said that it was very difficult to ascertain exactly what the price of Tanzanite would be in the future, with many expecting the price to reach anywhere from \$10,000 to \$15,000 per carat during the next decade. What is for certain however is that supply is finite, and the demand for the stone continues to rise, as developing markets such as India and China continue to drive demand upwards.