



KULSEN & HENNIG Nature's Brilliant Colours

Newsletter No. 5

11/2010

In this Edition:

Kulsen & Hennig News

The End of the Year 2010

Dominik Kulsen - a member of the Diamond and Precious Stones Bourse Idar-Oberstein

From Our Collection: a Fancy Vivid Orange Yellow Pear Shape Diamond

This Year, a Gift to India

All about Natural Coloured Diamonds

Rio Tinto Invests in the Development of the Argyle Diamond Mine

Recommended Reading

Pink Diamond Shatters Records at Auction

Gemmology Corner

Diamond Shapes: The Cushion Cut

Kulsen & Hennig News

Dear Customers, Dear Readers, Dear Friends!

As the end of the year draws near, we would like to take this opportunity to thank you for your loyalty and trust. This year has shown an overall increase in the demand for Natural Fancy Coloured Diamonds, and not only for rare and precious coloured diamonds, but also for those that are more affordable.

We are also thrilled with the growing interest you have shown in our newsletters!

We wish you all much success for these last weeks of work and hope that the holiday season that follows will be a happy one for all!

The Kulsen & Hennig Team



Dominik Kulsen has become a member of the Diamond and Precious Stones Bourse Idar-Oberstein

Dominik Kulsen, founder and director of Dominik Kulsen SA in Switzerland and partner in the Kulsen & Hennig company, became a member of the Diamond and Precious Stones Bourse located in Idar-Oberstein, Germany in August 2010. Through this membership, he has obtained the WFDB mark for both companies, a distinction that demonstrates affiliation with the World Federation of Diamond Bourses. To learn more about the World Federation of Diamond Bourses,...



[click here.](#)

From Our Collection: a Fancy Vivid Orange Yellow Pear Shape Diamond

In order to best describe the intensity of a diamond's colour, the GIA developed the "Fancy Vivid" grading. This grading corresponds to a more intense colour saturation than "Fancy Intense".

Today, we are pleased to present our customers with a diamond that has obtained this rare distinction from the GIA.

We are of course available to provide any further information that you may require about this stone.

Mail info@kulsen-hennig.com
Telephone 0049 (0)30 400 55 93 0



[View GIA certificate](#)

This Year, a Gift to India

Instead of sending holiday cards or presents to our customers this year, we have decided to make a yearend donation to the [Arunachala Rising Sun](#) Association. This association, based in Switzerland, lends its support to the Regenboog India Foundation, a dynamic team of volunteers working in the south of India. With the money collected by the Swiss association, five schools offering evening classes for children have been opened. The Indian association is currently developing a mobile medical assistance system in the remote Jawadhu Hills region of southern India. Last spring, Madhan Mohan, the Director of the [Regenboog India Foundation](#), received official recognition for his commitment to helping others.



All about Natural Coloured Diamonds

Rio Tinto invests USD 803 million in the Development of its Argyle Mine

On September 14, 2010, the Rio Tinto mining group announced its USD 803 million investment to complete the underground development, started in 2005, of the Argyle diamond mine which will ensure its continued activity. Following a transition from the current open pit operation, the underground activity should be operational in 2013. According to the press release, the project will extend the life of the mine until at least 2019.



[Read more...](#)

Recommended Reading

One of our favourite books on coloured diamonds is Eden Rachminov's book, entitled "The Fancy Color Diamond Book".

The book's cutting edge content, both commercial and technical, as well as its particularly elegant appearance make it the perfect holiday gift.

To find out why we have recommended this book so heartily and how you can find it, ...



[read more...](#)

Pink Diamond Shatters Records at Auction

On November 16th, a pink diamond, exceptional in both its size and clarity, was sold during Sotheby's Magnificent Jewels auction in Geneva, Switzerland. The diamond sold for USD 46 158 674,- (equivalent to EUR 33 997 200,-), the highest price ever attained at auction for a diamond or jewel. Nevertheless, the world record for the highest price per carat is still held by the 5 carat *The Vivid Pink* sold in December 2009 for USD 10,8 million (as we informed you at the time).

The diamond's clarity is graded VVS2, meaning that it is nearly flawless, which is extremely rare for a pink diamond. The new owner of the 24.78 ct Fancy Intense Pink Diamond (as graded by the GIA), is the London jeweller Laurence Graff, who, in 2008, also bought the *Wittelsbach-Graff* blue diamond.



Photo: Sotheby's

Gemmology Corner

Diamond Shapes: The Cushion Cut

We will begin our series on the main shapes of Natural Fancy Coloured Diamonds with the Cushion Cut. In future newsletters, we will alternate articles from our "Diamond Colours" series with articles on various diamond shapes. The Cushion Cut is often used for Natural Fancy Coloured Diamonds of relatively large size. Why does this shape lend itself so well to Natural Fancy Coloured Diamonds and why is it often referred to as the forerunner of modern diamond shapes?



[Read more...](#)

You will receive our next newsletter, the Inhorgenta edition, in February 2011. Earlier editions of our newsletter may be found in our [newsletter archive](#).

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Dominik Kulsen – A Member of the Diamond and Precious Stones Bourse Idar-Oberstein

The Diamond and Precious Stones Bourse Idar-Oberstein – a Member of the World Federation The Idar-Oberstein Bourse opened in 1974 and, in 1975, became a member of the World Federation of Diamond Bourses which today has 29 member bourses world-wide. All the members of the Diamond and Precious Stones Bourse Idar-Oberstein have access to the other bourses.



The History of the World Federation of Diamond Bourses

The World Federation of Diamond Bourses (WFDB) was founded in 1947 as a body that would unite diamond exchanges. The new organisation quickly reached its objective of establishing common practices for the bourses trading in precious stones and the 1st World Diamond Congress was held in Antwerp in July 1947 during the inaugural meeting of the WFDB.

During the 34th World Diamond Congress in Moscow in 2010, Avi Paz of Israel was re-elected as president of the World Federation of Diamond Bourses. The South Korean Diamond Exchange was accepted as the newest WFDB member. It was also decided that representatives of governments of diamond producing countries would be accepted as members.



The WFDB Mark – A Mark of Confidence

Approved members of WFDB-affiliated diamond exchanges can use this mark to confirm that they abide by the World Federation Code of Principles.

The World Federation's Code of Principles (WFCOP) presents a set of best business practices which addresses ethical issues such as conflict diamonds, child labour, or health conditions in the work place, as well as more technical subjects including high pressure, high temperature (HPHT) treatments, fracture filling, laser drilling, synthetic diamonds, and the removal of laser inscriptions from a girdle. The member's registration number is visible on the WFDB mark.



WFDB Milestones:

1975, World Diamond Congress in Amsterdam, The Netherlands – The WFDB and the International Diamond Manufacturers Association work together to regulate diamond grading standards. To this end, a commission, known as the International Diamond Council, is appointed to create a set of international rules, working methods, and nomenclature.

1978, World Diamond Congress in Ramat Gan, Israel – The new system is presented and approved as the "IDC International Rules for Grading Diamonds".



IDC Rule Book



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Rio Tinto Invests in the Development of the Argyle Mine

USD 803 Million are Invested in the Mine's Underground Project

The Argyle Diamond Mine in Western Australia is the largest producer of brown diamonds, known commercially as Champagne and Cognac Coloured Diamonds, in the world.

Less than 0.1 percent of the diamonds mined at Argyle are pink diamonds, whose rarity ensures both high demand and premium prices. Despite this low production volume, 90 percent of the world's pink diamonds come from the Argyle mine, which also produces colourless diamonds.

According to [Rio Tinto Diamonds and Minerals'](#) chief executive Harry Kenyon-Slaney, "The project was slowed in 2009 due to the global financial crisis but the diamond market continues to recover and long-term industry fundamentals remain healthy ... Argyle is well positioned to capture the new demand."

In fact, this is good news for Kulsen & Hennig customers, as a large proportion of our champagne and pink coloured diamonds come from the [Argyle mine](#).



Portal to underground exploration level



Low-profile ore excavation equipment



Green-grey lamproite ore.
Background and ground: red-dish country rock mudstone



AK1 Open Pit Mine
Photos: Anne and George Bosshart



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Recommended Reading

The Fancy Color Diamond Book

The author, Eden Rachminov, speaking of his book:
"The uniqueness of this book is that it provides in-depth commercial, as well as technical information about fancy color diamonds, and diamonds in general, written in a user-friendly manner. It is meant to assist in closing any fancy color diamond deal. It is especially useful for the experienced diamantaire but no doubt would it be of interest to the private diamond high-end consumer."

Why we recommend this book:

In addition to the wonderful aesthetic quality of the photographs, this book provides clear and practical information, including colour grading cards that present at a glance the spectrum of hues for each diamond colour. A value scale ranging from "affordable" to "extremely expensive" proves to be very practical in comparing different coloured diamonds according to their market value.

Whether you are a jeweller, goldsmith, designer or buyer, Eden Rachminov's book will help you better understand fancy coloured diamonds and better answer your customers' questions on the subject.

Sales proceeds will be donated to Save the Children International www.savethechildren.net



The Fancy Color Diamond Book
Facts & Secrets of Trading in Rarities
by Eden Rachminov
1st edition, December 2009

Sources:

Online, using a PayPal-Account:
<http://www.diamondodyssey.org/>

Or directly, by contacting:
Rachminov Diamonds 1891
Ramat Gan, Israel.

Contact:
Mrs. Netta E'dan-Harel
netta@fancycolor.net

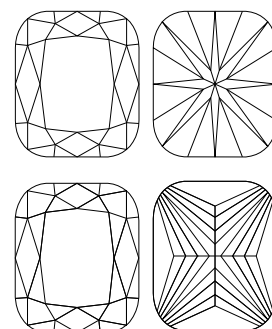


Gemmology Corner

Diamond Shapes: The Cushion Cut

Although less conventional than the round brilliant shape, the cushion cut has a classic look and old world charm about it that works particularly well for Natural Fancy Coloured Diamonds. The cushion cut is a square or rectangular shape with rounded corners and sides and, like the round brilliant shape, features 58 facets.

With its 8 star facets, 8 upper main facets, and 16 upper girdle facets, the distribution of the facets in a cushion cut often resembles those of a round brilliant shape. The number of facets of the culet can vary from 20 to 28.



Other Names

In GIA diamond reports, this shape is referred to as "Cushion Modified Brilliant". In HRD diamond reports, they are called "Cushion". It is also known as the pillow cut, for its shape, or candlelight diamond because the cut was designed to be most brilliant in the light given off by candles, before the invention of electric lights.

The Shape's History

The history of this shape is present in the modern version of the cushion cut. This shape combines the precision of a modern oval shape diamond with the volume and old-fashion charm of the *Old Mine* cut, the forerunner of the modern round brilliant shape.

The Old Mine cut has a square or rectangular shape with rounded corners and sides, a steep crown and pavilion, a relatively small table, a thick girdle and a large flat culet which is distinctly visible from the table. As with other old fashion diamond shapes, the proportions of the cushion cut come from the crystal's natural octahedral shape. In fact, traditionally, diamonds have always been cut as to avoid any unnecessary loss in weight of such an expensive material. They were cleaved along the growth planes and then cut and polished. Since the properties of light refraction were not well known at the time, less importance was given to the cut of the diamond than is the case today.

The current cushion cut was developed over three different stages:

Single Cut: Table Cut



Double Cut: English Square Cut



Triple Cut: Old Mine





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Newsletter No. 5

11/2010

Distinctive Characteristics of Coloured Diamonds

The colour intensity of a Natural Fancy Coloured Diamond can be emphasized by additional depth. For this reason, the cushion cut, with its deeper and more ample proportions, is a perfect shape for Fancy Natural Coloured Diamonds.

A Fancy Yellow cushion cut diamond would most probably be certified as only Fancy Light Yellow were it to have a round brilliant shape. For this reason, it is harder to find large round yellow diamonds on the market, whereas yellow cushion cut diamonds are more plentiful. This also explains why the cushion cut is used for large diamonds, as there is less waste than there would be with a round shape, for example, as the ample shape echoes that of the rough diamond.

Famous Cushion Cut Diamonds

The Allnatt Diamond

This diamond is known by the name of its former owner, the entrepreneur and collector, Alfred Ernest Allnatt. The stone originally weighed 102.07 ct., but was re-cut to its current weight of 101.29 ct. in the 1990s. The diamond's colour intensity was upgraded as a result of being re-cut, and went from Fancy Intense Yellow to Fancy Vivid Yellow, as certified in the GIA report issued in 2000.



The Tiffany Yellow Diamond

Weighing 128.54 ct, this is one of the largest yellow diamonds ever discovered. Its cushion cut was enhanced with ninety facets to maximize the diamond's brilliance.



What to Consider when Buying

Generally speaking, a length/width ration of 1.25 to 1.3 most closely matches the "original" cushion cut. The proportions of cushion cut diamonds today, however, vary widely and are less standardised than for other shapes. This is why much is left to personal taste: the proportions should be those that the buyer finds most pleasing. Many shapes and sizes are available, ranging from squares to long rectangles with variations in the size of the tables, the depth of the stones, and number of facets.

Cushion Cuts from our Collection



1.00 ct SI1 Fancy Intense Yellow (GIA)



1.15 ct SI Medium Champagne C4