

## Rocks On: Opal's essence continues to delight

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The popularity and value of opals come largely from the gemstone's play of color, shown here in a variety of opals from Australia and New South Wales. (Photo: Copyright GIA. Reprinted by permission.)

New York--With an appearance that long inspired cultures to believe in its supernatural abilities and powers, the opal's value comes not only from the range of colors it displays but also the increasing rarity of high-quality stones.

Opals are the product of seasonal rains that drench the dry ground in an arid place, such as Australia's outback. The water soaks in and penetrates deep, carrying silica with it. Then, the water evaporates during a dry spell, leaving silica deposits behind to form opals.

Even though all opals are formed through this same process, the resulting stones are unique.

No two opals look the same, and the play of color for each precious opal is different, giving them wide-ranging appeal. (There are two main types of opal--while common opal has a milky, dull color, precious opal displays the range of color that is so valued.)

"In Lightning Ridge black opal, people tend to like the combination of blues and greens, which have been the most popular with us," said Niveet Nagpal, designer and president of Omi Privé. "But with true collectors looking for special pieces, if the opal displays more red flashes, these are the most sought after and valuable."

Opal's recently returning popularity with consumers also can be attributed to a greater number of designers using the stones in more of their pieces, bringing high-quality opals in front of consumers again and driving demand.

"Opal is re-entering the popular market and, where they were once using a little bit lower-quality (stones) at one point, they have delved into the finer goods over the last few years," said Matt Hopkins of Hopkins Opal.

### The rush slows

Today's supplies of opal come mostly from Australia, Mexico, and the United States, though Hopkins said that supply is constrained in Australia at the moment as companies realize that there's more money to be made in mining other natural resources in that country, such as industrial metals.

"There's been a lack of producing areas for more than a decade," he said, but noted that the increased demand for opals means that miners likely will return to prospecting for the gem once they realize that there is consistent consumer demand.

Hopkins said he sees a "glimmer of hope" in a few places in Australia. (He declined giving specifics as these locations--provided they start producing--will become a source for his company.) "The one decent supply we're seeing is boulder opals in medium to high quality, which are still being cut and coming out."

He adds that the only type of opal that perhaps isn't seeing a major climb in demand is the commercial opal that is sourced for mass market, lower-end jewelry that has less play of color. "People don't really have that much interest in that anymore."

Overall, Hopkins said he sees opal demand outstripping supply in both the U.S. and Asia, noting that there is a renewed interest in colored gems in general as consumers see high-quality large gemstones as investment pieces.

This makes sourcing high-quality opals difficult. Many dealers that Hopkins knows still are working off old stock, though replenishing that at the same price they did even a few years ago is much harder.

Jonathan Farnsworth of Parlé Designs reiterated what Hopkins is seeing in the market, noting that the hardest to source currently are high-quality black and crystal opals, as well as opal doublets, which Farnsworth attributed to labor costs that had gotten too high to validate production.

He said there is plenty of Ethiopian opal in the market, which is helping to create demand for opals as a whole as more consumers are seeing them. He also said that he feels that production will begin picking up as trends drive demand.

“It’s a little cyclical, because as demand increases, more production should increase as well, especially as oil prices drop and it becomes easier for miners to mine. Then the supply will be there to further feed and grow demand,” he said.

### A price hike

Like many of the rarest gems, the price of the highest quality opals have been rising slightly over the past few years, though Hopkins notes that fine black opal always has been, and continues to be, fairly expensive.

Intense red-orange fire opal from Mexico also is extremely rare and highly valued, with its strong play of color, with price and supply following the similar patterns as the other types of high quality stones.

Though the best fire opal generally sells for less than high-quality precious opal, fire opal pieces with exceptional color will go for more than specimens of precious opal with a less-than-stellar play of color.

Even though prices are climbing steadily at the high end, it’s the mid-range-quality opals--falling between \$150 and \$700 per carat at wholesale--where the upswing is the greatest, Hopkins said, a trend that he expects to continue for the next couple of years.

Hopkins said that he is seeing opal prices increase along all points in the supply chain, including “field prices,” which refers to the price of the opal when sold from the miners directly to the field buyers, which have gone up some 20 percent over the last year.

### Designer’s delight

Much of opal’s value, and its appeal, is the stone’s ability to show so many different colors from every angle as it diffracts light. That’s why opals normally are cut into cabochons rather than being faceted; it enhances the color play.

From a design perspective, the gem’s color show gives jewelry-makers the ability to pair opals with a variety of other gemstones, bringing out different colors depending on the gem with which the opal is set.

“Pairing opals with multiple colored gemstones and even different metals can contrast with or emphasize specific colors found within the opal,” Nagpal said.

This is also one of the reasons that designer Penny Preville told *National Jeweler* that she loves to work with opals.

Not only do the stones come in her favorite color, blue, but the different speckles of color that come out means that it works well with many other stones that she may want to use, as well as any metal.

She said she has noticed that her customers currently want the dark blue opals the most.

“I see opals as becoming more of a staple and, in a way, becoming their own category of sorts. It’ll be interesting to see where it goes because there’s so much more that designers can do with it. I definitely think that opal has a long life ahead of it,” Preville said.