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# How Does The Market Price Diamonds

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## How Does The Market Price Diamonds?

There are as many ways to price diamonds as there are market makers. However the following are a few of the pricing guidelines and channels of distribution the jewelry industry uses:

- A few formulas are applied to the original price of the rough diamond by the diamond sight-holder (company who purchases the rough diamond from De Beers), in order to determine the final selling price of the polished diamond to the: diamond dealers, jewelry manufactures, diamond wholesalers, diamond brokers, and jewelry retailers.
- In order to identify the fair market value for a fine important polished diamond, an independent company must first certify the polished diamond's quality grades: color, cut, clarity, carat weight.
- The Sight-holder determines their selling price by adding the cost of the rough diamond, cutting cost, financial carrying cost, and profit to the polished diamond.
- The cutter take the diamond to the market in the Diamond Dealer's Club and makes a market called the Primary Market. This is the price level we Make A Market at by offering diamonds for sale direct to the public through these channels.
- The diamonds may change hands between dealers several times at this point finally being directed to: diamond wholesalers, jewelry manufactures, and jewelry retailers. If the diamond does not reach the retailers at this point, additional profits are added at each turnover until the retailer obtains the diamond.
- Having finally reached the retailer, the diamond's cost is magnified by a large percent, Gross Profit, to cover the retailer's cost of doing business.
- The percentage mark ups on fine large diamonds through the inefficient distribution channels result in very large dollar amounts. contact info wonderjewelers .....put here