

GEMSTONES¹

(Data in million dollars unless otherwise noted)

Domestic Production and Use: The combined value of U.S. natural and synthetic gemstone output in 2018 was an estimated \$53 million, a 18% decrease compared with that of 2017. Domestic gemstone production included agate, beryl, coral, diamond, garnet, jade, jasper, opal, pearl, quartz, sapphire, shell, topaz, tourmaline, turquoise, and many other gem materials. In decreasing order of production value, Arizona, Oregon, Nevada, California, Montana, Maine, Arkansas, Colorado, Utah, Idaho, Tennessee, North Carolina, and New York produced 95% of U.S. natural gemstones. Synthetic gemstones were manufactured by four firms in North Carolina, California, South Carolina, and Arizona, in decreasing order of production value. Major gemstone uses were carvings, gem and mineral collections, and jewelry. The apparent consumption in the table below is much lower than the actual consumption because the value of exports includes the value of reexports.

Salient Statistics—United States:	2014	2015	2016	2017	2018^e
Production: ²					
Natural ³	9.5	8.5	11.7	9.2	10
Laboratory-created (synthetic)	51.0	55.1	54.9	55.1	43
Imports for consumption	26,400	25,100	25,200	25,100	28,000
Exports, including reexports ⁴	21,300	18,500	19,500	21,100	23,000
Consumption, apparent ⁵	5,160	6,660	5,770	4,060	5,100
Price	Variable, depending on size, type, and quality				
Employment, mine, number ^e	1,100	1,100	1,120	1,120	1,120
Net import reliance ⁶ as a percentage of apparent consumption	99	99	99	99	99

Recycling: Gemstones are often recycled by being resold as estate jewelry, reset, or recut, but this report does not account for those stones.

Import Sources (2014–17 by value): India, 35%; Israel, 35%; Belgium, 15%; South Africa, 4%; and other, 11%. Diamond imports accounted for 91% of the total value of gem imports.

Tariff:	Item	Number	Normal Trade Relations 12–31–18
	Coral and similar materials, unworked	0508.00.0000	Free.
	Imitation gemstones	3926.90.4000	2.8% ad val.
	Pearls, imitation, not strung	7018.10.1000	4.0% ad val.
	Pearls, imitation, glass beads	7018.10.2000	Free.
	Pearls, natural	7101.10.0000	Free.
	Pearls, cultured	7101.21.0000	Free.
	Diamonds, unworked or sawn	7102.31.0000	Free.
	Diamonds, ½ carat or less	7102.39.0010	Free.
	Diamonds, cut, more than ½ carat	7102.39.0050	Free.
	Other nondiamond gemstones, unworked	7103.10.2000	Free.
	Other nondiamond gemstones, uncut	7103.10.4000	10.5% ad val.
	Rubies, cut	7103.91.0010	Free.
	Sapphires, cut	7103.91.0020	Free.
	Emeralds, cut	7103.91.0030	Free.
	Other nondiamond gemstones, cut	7103.99.1000	Free.
	Other nondiamond gemstones, worked	7103.99.5000	10.5% ad val.
	Synthetic gemstones, cut but not set	7104.90.1000	Free.
	Synthetic gemstones, other	7104.90.5000	6.4% ad val.

Depletion Allowance: 14% (Domestic and foreign).

Government Stockpile: None.

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Events, Trends, and Issues: In 2018, U.S. imports for consumption for gem-quality diamonds were estimated to be about \$26 billion, which was a 13% increase compared with \$22.7 billion in 2017. U.S. imports for consumption for natural, nondiamond gemstones was estimated to be about \$2.0 billion, which was a 14% decrease compared with \$2.30 billion in 2017. U.S. synthetic gemstone production decreased by 22% compared with that in 2017. Decreases in U.S. synthetic gemstone production were because the only U.S. cubic zirconia producer stopped producing at its U.S. production facility in November 2017.

The United States accounted for more than 35% of the world's diamond consumption and was once again the fastest-growing market in terms of consumer demand. The United States is expected to continue to dominate global gemstone demand. Demand also increased in China, but growth in the other main markets declined.

During the first half of 2018, worldwide rough diamond sales to cutting centers were higher than during the same period in 2017. Total world diamond production during 2018 fell slightly from 2017 levels, owing to a suspension of operations at a mine in Russia and reduced production in Canada. Production is expected to continue to decline, and new projects and expansions will not replace the output lost from closing mines. By 2025, several large mines are expected to reach the end of their mine life, and only a few new projects are in the pipeline.

World Gem Diamond Mine Production and Reserves:

	Mine production ⁷		Reserves ⁸
	2017	2018 ^e	
United States	(9)	(9)	World reserves of diamond-bearing deposits are substantial. No reserves data are available for other gemstones.
Angola	8,500	8,500	
Australia	343	340	
Botswana	16,000	16,000	
Brazil	255	250	
Canada	23,200	23,000	
China	230	230	
Congo (Kinshasa)	3,780	3,700	
Guinea	145	140	
Lesotho	1,130	1,100	
Namibia	1,950	1,900	
Russia	23,800	23,000	
Sierra Leone	231	230	
South Africa	7,750	7,700	
Tanzania	260	260	
Zimbabwe	251	250	
Other countries	<u>277</u>	<u>480</u>	
World total (rounded)	88,100	87,000	

World Resources: Most diamond-bearing ore bodies have a diamond content that ranges from less than 1 carat per ton to about 6 carats per ton of ore. The major gem diamond reserves are in southern Africa, Australia, Canada, and Russia.

Substitutes: Glass, plastics, and other materials are substituted for natural gemstones. Synthetic gemstones (manufactured materials that have the same chemical and physical properties as gemstones) are common substitutes. Simulants (materials that appear to be gems but differ in chemical and physical characteristics) also are frequently substituted for natural gemstones.

^eEstimated.

¹Excludes industrial diamond and industrial garnet. See Diamond (Industrial) and Garnet (Industrial).

²Estimated minimum production.

³Includes production of freshwater shell.

⁴Reexports account for between 67% and 92% of the totals.

⁵Defined as production (natural and synthetic) + imports – exports (including reexports).

⁶Defined as imports – exports (including reexports).

⁷Data in thousands of carats of gem diamond.

⁸See Appendix C for resource and reserve definitions and information concerning data sources.

⁹Less than ½ unit.