

JEWELRY **Fiona Druckenmiller**

JEWELRY AND GEMSTONES have always led double lives: They are a kind of currency, particularly in times of political or economic turmoil (witness the rising value of precious metals, diamonds, and rare gems today), and they are the most sentimental of treasures, given as gifts of love or cherished as family heirlooms. Fiona Druckenmiller,



a major collector for 20 years, understands jewelry from both perspectives. As the wife of hedge-fund mogul Stanley Druckenmiller, she has the resources to buy important pieces, yet she favors whimsical, vintage designs. Her discerning eye for quality and keen sense of individuality have also drawn her to strong investment pieces, and her collection has grown deep enough that she was able to open a jewelry and collectibles boutique, F.D., on New York's Upper East Side last fall. When Druckenmiller, 49, recently discussed collecting at her Upper East Side apartment, she proved she also understands how to wear jewelry well: just a few pieces that stand out, yet do not overpower. On this summer day, that meant a pink-diamond ring and a Van Cleef & Arpels vintage charm bracelet with four sets of colorful gemstone lovebirds. —JILL NEWMAN

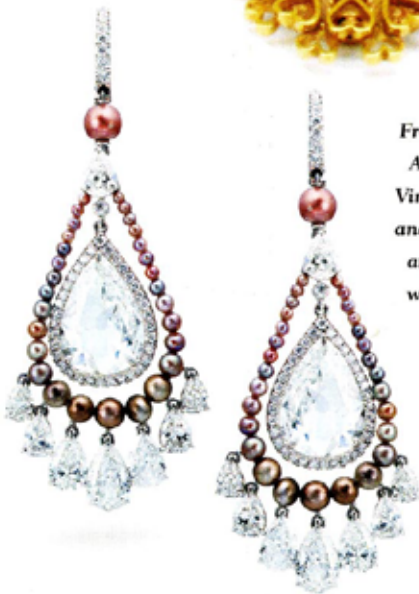
EMOTIONS AND INTELLECT

In jewelry, there are short-term and long-term investors, similar to the stock market. Long-term investors—which is what most individuals and collectors are—typically plan to keep pieces in the family and pass them down to children and grandchildren, or even donate them to museums. Short-term investors want their assets to be more liquid, and they aren't emotionally attached.

For the short term, one of the best liquid investments are round, high-quality diamonds like a DIF diamond. Golconda diamonds, which are type IIA, are also good because they are rare and have a soft, watery look, as opposed to today's newly cut diamonds, which have a sharpness. But they are so valuable, they don't trade regularly. Burmese rubies and Kashmir sapphires that are good size and quality have been very good investments, in part because they are so rare. They have appreciated a lot in the last 18 months.



Fiona Druckenmiller's jewelry collection includes this emerald-and-ruby-bead ring by Hemmerle.



From top: Van Cleef & Arpels Zip necklace, Viren Bhagat diamond-and-pearl earrings, and an Art Deco bracelet with turquoise, onyx, and diamonds.



Vintage pieces tend to be less liquid, but every piece is unique, so there are many exceptions. A great signed vintage piece, for example, can be more liquid than stones if it has more unique and exceptional qualities. And iconic vintage jewelry is also a good investment, like the Cartier panther and Tutti Frutti collections, and Van Cleef & Arpels' Zip necklace, invisibly set pieces, and ballerinas. Among the new designers, certain pieces from Hemmerle, Viren Bhagat, and JAR are good investments because of their workmanship and limited numbers, and the fact that each piece is one of a kind.

MAKE IT PERSONAL

Whatever the motivation for buying, jewelry should reflect something about the collector, because jewelry is a lifestyle purchase. Years ago, women dressed up more and saved special jewelry for the evening. Today, a lot of women who buy and collect jewelry want to wear it by day. Thirty years ago, women wanted pearls and a diamond tennis bracelet. Today, luxury isn't having what Mrs. Smith has; it is having what nobody else has.

Initially, I was more weighted to the emotional aspect of jewelry, because I didn't know as much, but in the past 10 years I shifted from buying vintage pieces worn primarily in the evening to vintage designs for daytime, because I want to enjoy my jewelry. I also started buying some new pieces from Viren Bhagat. I tend to prefer pieces with a sense of whimsy or romance. There is something about the workmanship that goes beyond what you call the specs of these vintage pieces; you don't find that kind of workmanship easily today. I also prefer one-off or very limited-edition pieces. If I see a beautiful 30-carat diamond, it may be a great investment, but it doesn't suit my lifestyle, so I wouldn't purchase it.

FIRST BIG PURCHASE

About 10 years ago, I bought myself a 5-carat old cushion-cut Golconda pink-diamond ring. It is a simple ring set in rose gold, and I paid in the low six figures. I wear it often on my right ring finger. There is just something about this stone that sings to me. It is like a talisman; when I wear it, I just feel special and safe—like it is my private secret.

MOST TREASURED PIECE

There are many pieces I would never want to part with, but paramount would be gifts that I received from loved ones, like the old-mine, round diamond earrings [about 9 carats each] my husband gave me for my 47th birthday. I was at a beautiful lunch with my husband and sisters, and these earrings were a surprise, and it was a magical moment. You can't separate the circumstances of a gift and who gave it to you from the object. I wear these earrings often, and they make me feel good, because I remember the moment. □