

The Price and Setting of Platinum Jewelry

Today at work I did some price checking. You might be surprised at what is said here. I picked out a ring shank which is about 2.25mm wide at the top and a heavier than usual 6 prong setting.

A while back before platinum prices went up so much and the "spot price" for platinum was \$700 the prices were a lot different. Now, today with a spot price of \$1187 per ounce. The spot price is for pure platinum metal, as traded and bought on metals markets. This price changes and with it also change the costs of platinum jewelry parts.

At the old \$700 price, the 2.25mm shank would run about \$450 and at today's price about \$650. The prong setting was at about \$205 and today is \$306.

That comes to a combination of shank and setting of \$956! Today, some jewelers realize the price is getting so high for platinum that they are not putting the same mark-up on platinum they did last year.

There is competition from jewelers who are still selling(perhaps foolishly) at the old prices and higher prices discourage customers. Today, at where I work we would not mark-up the platinum as much as we did a year ago.

The total price for the shank and setting mentioned would be sold for about \$800. This is for the parts and no labor included.

To assemble the ring, size and set the stone would run about \$150. I don't know if your ring requires more work than assembly of the head to the shank, sizing and stone setting. That added work could account for the labor charged. Then again, if only "putting together" the labor seems high to me.

Perhaps the cost is balanced out with the lower price for the head. I don't know what is going on with the jeweler with whom you are dealing.

All in all, the platinum prices are not out of line, but the head is too low unless very light weight. The labor seems too high. Totals are not that far off from the price charged you.

Then again, there is not a real excuse for charging more than the original estimate unless you had been informed that parts are going to cost much more due to rising platinum prices. Perhaps the jeweler is sticking to original head costs and making up the difference in labor, who knows. In any regard, sight unseen, the price total is not far off what I quoted. Keep in mind I picked a fairly medium heavy shank and a heavier than usual head. I might be comparing apples and oranges here and that should be kept in mind.

The trade-in price for your old ring is not that far off, either. This is true IF you were told you were getting the "scrap" price and not trading in a usable ring. Scrap rates vary from refiner to refiner but according to today's platinum prices, we would likely offer about \$110 for the old setting as scrap metal.

Sure, we would get more than that from the refiner but once overhead including refining costs, a profit and the fact the ring might sit around a while until we had enough metal to send to the refiner, the price quoted is not out of line. At first, I thought the price too low. I visited some refiner sites today and double checked.

If you were to sell your ring directly to the refiner, certainly you would get more the platinum content. The problem is, refiners often require minimum amounts of metal to be accepted for refining and one ring is not enough.

This is the final part of the answer. I will summarize by saying, the labor seems too high unless more work than assembly, sizing and setting is needed. The head seems too low unless quite light weight. The value offered for scrap (if that was the agreement!) is not far off at all.

I know it seems very low compared to new materials from the supply house. That is a fact of metal accepted as scrap and not as a usable item of jewelry. The broken prong is not your responsibility. The jeweler has little excuse for not informing you of the much higher finished price than estimated or quoted.

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About the Author

Victor Epan is the owner of <http://www.JewelryGift.biz>, a huge online jewelry retailer featuring the largest and best selection of jewelry including personalizable items...