

# Rand Refinery Daily Gold Update



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Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,215.90	+\$2,40	\$1,197.60	\$1,206.50	\$957.50

On Thursday, the Euro extended the decline from earlier this week, with the EUR/USD hitting an intraday low of 1.2780, while the USD/JPY remained relatively firm and above the 85 level.

The European Central Bank published their monthly report in which the central bank lowered their 2011 GDP growth forecast to 1.4 percent from 1.5 percent. The ECB went onto add that growth in the third quarter is likely to be "better than expected," while noting that the euro economy will expand at a "moderate, uneven" pace.

Reports this week say investor demand for physical gold remains good, and may become better, which is working to keep a price floor under the gold market. And, according to the latest trade data released by the Forward Markets Commission (FMC) for the fortnight 16th July 2010 till 31st July, the volume of bullion traded on the Indian commodity market increased by 123.8% from the corresponding period last year.

Comex gold futures prices pushed higher on Thursday and closed near the session high after U.S. jobless claims data came in higher than expected. The number of applications for first-time claims for state unemployment benefits rose by 2,000 to a seasonally adjusted 484,000 for the week ending Aug. 8, while the tally for the week before was revised higher to 482,000 from 479,000. Wall Street analysts were looking for new claims to retreat to 465,000.

Most global equities continued their declines

yesterday, and gold traded higher as investors moved to perceived safe-haven assets, including the U.S. dollar, U.S. Treasuries and gold. The rebound in the U.S. dollar this week has capped the upward momentum in gold. December gold was up \$17.10 an ounce at \$1,216.30/oz and spot gold traded up by \$16.30 at \$1,214.50/oz during the US session.

Gold extended gains in Asian trade today and spot gold was trading at \$1215.00/oz at 12.00 noon Singapore while gold for December delivery was at \$1,216.75/oz on the Comex division of Nymex. Spot gold traded at \$1215/oz in early morning trade London.



**About the author:** David Levenstein is an independent precious metals market commentator with more than 30 years experience.

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