

# Rand Refinery Daily Gold Update

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09 July, 2010

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,198.00	-\$6.10	\$1,210.30	\$1,235.00	\$914.75

Bullion dealers in India reported a slackening for physical gold on Thursday afternoon as prices recovered to trade above \$1,200 an ounce. Traders have been stocking the yellow metal for the upcoming festivals, when demand for bullion goes up. India, which accounts for more than 20 percent of global demand, will celebrate the Hindu festival of Raksha Bandhan on Aug 24, and Janmashami and Ganesh Chaturthi in September.

Both the ECB and BoE left rates unchanged as widely expected. In the post meeting press conference, Trichet said that the current interest rates are "appropriate" and inflation expectations in Eurozone remained well "anchored".

The euro was 0.3 percent higher at 1.2678 as of 1:36 p.m. in London, and climbed 0.8 percent to 111.76 yen.

The IMF raised its forecast of global growth from April's projection of 4.2% to 4.6%. The IMF report stated that "The new forecasts hinge on implementation of policies to rebuild confidence and stability, particularly in the euro area." Though, it also warned that "recent turbulence in financial markets - reflecting a drop in confidence about fiscal sustainability, policy responses, and future growth prospects - has cast a cloud over the outlook."

Crude oil Crude oil climbed a second day as U.S. jobless claims fell and inventories tumbled after Hurricane Alex disrupted production and deliveries in the Gulf of Mexico. Crude for August delivery rose \$1.53, or 2.1 percent, to \$75.60 a barrel at 9:55 a.m.

on the New York Mercantile Exchange. Prices reached \$75.88, the highest intraday level since June 30. Brent crude for August delivery climbed \$1.42, or 1.9 percent, to \$74.93 a barrel on the London-based ICE Futures Europe exchange.

Gold futures for August delivery fell \$6.20, or 0.5 percent, to \$1,192.70 an ounce at 9:47 a.m. on the Comex in New York. Earlier, the price fluctuated between gains and losses after climbing as much as 0.8 percent.

Today, gold prices recovered slightly in Asia, tracking the higher prices of crude. Dealers also commented that they were noticing some buying from investors. Spot gold was trading at \$ 1198.81 an ounce at 12.00 noon Singapore while the price in India at noon time was up 218 rupees at Rs 56004/oz. In early morning trade, gold for immediate delivery in was trading at \$1198 at 9:30 am London time.



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

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