



January 9, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,212.10	+\$3.20	\$1204.00	\$1,206.50	\$1226.00

Gold prices were marginally lower on Thursday with subdued trading amid a firmer U.S. dollar. U.S equities rebounded after the sell-off earlier in the week. February gold closed down \$1.70 an ounce at \$1,209.00 an ounce and spot gold ended the day at \$1,208.90 per ounce.

Gold climbed to a three-week high of \$1,222.40 earlier this week as global equities fell on concerns about Greece. However, equities have regained some strength due to some positive U.S. data and a halt, for now, to the slide in oil prices.

The greenback continued to gain against most other major currencies especially the euro and Swiss Franc.

In the U.S., initial jobless claims dropped by 4000 to 294,000 in the week ended January 3, higher than expectations of 290,000.

The FOMC minutes for the December meeting showed little change regarding policy and that the Federal Reserve members remained confident about the growth and employment outlook. They also expect inflation to return to the 2% target gradually. Whilst noting concerns over a further moderation in global growth, the central bank did not sound too worried about contagion. Policymakers viewed lower energy prices as a net positive for US growth and employment, while the impact on headline inflation should be transitory.

The BoE left the Bank Rate unchanged at 0.50% and held the asset purchase target at GBP 375 billion as widely expected. Only a brief statement was released

and the focus will turn to the minutes to be published on January 21.

Recent weaker than expected economic data added to speculation that BoE would keep rates at the current record low throughout 2015.

Unemployment in the Eurozone was unchanged at 11.5% in November. German unemployment dropped by 27,000 in December, better than expectations of a decline of 6,000. Unemployment rate also improved to 6.5%.

In Switzerland, foreign currency reserves increased to CHF 495.1 billion in December, hitting a record high.

Holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell by 0.42% to 704.83 tons on Wednesday, their lowest since late 2008.



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

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