



January 21, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,300.50	+\$6.30	\$1230.2	\$1,197.50	\$1247.75

Gold prices pushed higher on Tuesday trading within a hair of the \$1,300-an-ounce level. The price of spot gold hit an intra-day high of \$1298.30 an ounce just before mid-day New York time. February gold closed up \$14.70 an ounce at \$1,291.50 an ounce and spot gold ended the day at \$1,294.20 per ounce.

Once again, economists at the International Monetary Fund IMF have lowered their global growth projection for 2015 to 3.5% and that of 2016 to 3.7% from their previous forecast of 3.8% and 4.0%.

IMF chief economists said that "new factors supporting growth, lower oil prices, but also depreciation of euro and yen, are more than offset by persistent negative forces, including the lingering legacies of the crisis and lower potential growth in many countries."

The IMF also urged advanced economies to maintain accommodative monetary policies or "through other means".

US growth for 2015 was revised upwards from 3.1% to 3.6%. For Eurozone, growth forecast was lowered from 1.4% to 1.2%. And, in Japan growth forecast was also lowered by 0.2% to 0.6% in 2015.

Last week saw a the biggest jump in holdings in the dozens of gold-backed ETFs listed around the globe since October 2012 as retail and institutional investors increased their exposure to gold prompted by the currency turmoil, copper's collapse, a stock market correction and plummeting oil prices.

New inflows of 22 tons saw total holdings increase to

a total of 1,621.9 tons. At the start of the year holdings declined to a low of 1,595.6 tons – levels last seen April 2009.

SPDR Gold Shares – the world's largest gold ETF holding more than 40% of the total – enjoyed net additions of 23.3 tons in just two days.

On the Thursday and Friday following the Swiss central bank announcement investors snapped up 23.3 tons in GLD pushing – an indication of just how much investors were spooked by the latest central bank shenanigans.



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

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