



January 28, 2015

| Gold | Today | Change | Week Ago | Month Ago | Year Ago |
|------|------------|---------|-----------|------------|-----------|
| | \$1,286.90 | -\$5.20 | \$1300.50 | \$1,194.00 | \$1253.50 |

Gold prices were boosted by safe-haven buying interest on Tuesday as the U.S. stock market dropped sharply following some downbeat quarterly earnings reports. The weaker U.S. dollar was also a positive for gold prices. February gold closed up \$13.80 an ounce at \$1,293.10 an ounce and spot gold ended the day at \$1,292.10 per ounce.

The Dow Jones industrial average dropped by almost 400 points in late morning trading after disappointing earnings reports and a surprise drop in orders for long-lasting goods.

The Dow was off 357 points, or 2% to 17,321 as of 10:42 a.m. Eastern time on Tuesday and at one point slid as much as 390 points.

The U.S. Commerce Department reported that orders for long-lasting manufactured goods fell 3.4% in December following a 2.1% decline in November.

Switzerland's gold exports to India touched 17.1 billion Swiss francs (over Rs 1.2 lakh crore) during the 11-month period from January till November end in 2014, according to Swiss government.

During November imports of gold bullion were more than 2.9 billion Swiss francs (around Rs 20,000 crore).

More than 457 kilograms of gold was exported from Switzerland to India during January-November 2014 period. At the end of November 2014, India remained the biggest destination for gold exports

from Switzerland.

The Swiss government started publishing trade data monthly from 2014 and included information on trade partners. Data on imports and exports of gold, silver and coins was available on a quarterly basis, but data by trade partner was not available.

Demand for gold bullion has remained robust in top consumer China due to the upcoming Lunar New Year holiday, traders and dealers said.

Premiums in Shanghai were \$2-\$3 an ounce on Monday and last week. Local prices were as high as \$7 above the global benchmark earlier this month.

Premiums generally tend to be higher early in the year due to the Lunar New Year, when gold is bought widely in China for gifts. The holiday falls in February this year.



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

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