



February 2, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,278.80	-\$4.30	\$1291.40	\$1,208.50	\$1246.50

Gold prices surged higher on Friday as the global financial markets adjust to U.S. monetary policy expectations and geopolitical uncertainty. Spot gold ended the day at \$1283.10 per ounce up \$25 an ounce on the day.

The price of the yellow metal rebounded from a sharp decline on Thursday, as investors turned to the safe haven of the precious metal after some disappointing economic from the U.S. showed a disappointing gross domestic product (GDP) growth for the fourth quarter.

According to the U.S. Commerce Department, U.S. GDP climbed 2.6% in the fourth quarter following the 5.0% jump seen in the third quarter. Economists anticipated GDP to increase by a somewhat more substantial 3.2% during the quarter.

On Wednesday, gold ended lower at \$1,254.60 an ounce, down \$31.30 or 2.4%, after some upbeat economic data showed first-time claims for unemployment benefits in the U.S. declined more than expected while Eurozone economic confidence rose to a six-month high.

Holdings of SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, increased to 758.37 tons on Friday, from its previous close of 752.70 tons.

The dollar index, which tracks the U.S. unit against six major currencies, traded at 94.85 on Friday, up

from its previous close of 94.68 late Thursday.

The euro trended lower against the dollar at \$1.1294 on Friday, as compared to its previous close of \$1.1320.

Iran is stopping mutual settlements in dollars with foreign countries and agreements on bilateral swap in new currencies will be signed in the near future, the Central Bank of Iran (CBI) has said.

"In trade exchanges with foreign countries, Iran uses other currencies, including Chinese yuan, euro, Turkish lira, Russian ruble and South Korean won," Gholamali Kamyab, CBI deputy head, told the Tasnim state news agency.

He added that Iran is considering the possibility of signing bilateral monetary agreements with several countries on the use of other currencies.



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

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