Dg Daily Gold Update 2013

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Gold	Today	Change	Week Ago	Month Ago	Year Ago
	$1,264.60	+$4.50	$1286.90	$1,193.60	$1253.00

Gold prices retreated on Tuesday on news that the Greek government had dropped calls for a write-off of its foreign debt crimping demand for safe-haven investors and in turn sparking a rally in stock markets. April gold closed down $12.90 an ounce at $1,264.10 an ounce and spot gold ended the day at $1260.10 per ounce.

In an interview with The Financial Times, Greek Finance Minister, Yanis Varoufakis, unveiled a proposal for swapping the nation's towering debt for growth bonds.

Fresh inflows were seen into gold-backed exchange-traded funds on Monday, with holdings of the largest, New York-listed SPDR Gold Shares, climbing to their highest since October at 24.65 million ounces.

Chinese banks are among those in talks to take part in the replacement for the century-old gold fixing benchmark.

There's a "more diverse pool" of participants, including from China, interested in being part of the LBMA Gold Price, Ruth Crowell, chief executive of the London Bullion Market Association, said in a statement Monday. The LBMA declined to comment on the number and names of those in talks for the new mechanism that will start in March.

No Chinese companies have ever directly participated in the 95-year old price-setting ritual that takes place twice daily by phone between four banks. ICE Benchmark Administration was chosen in November to run the replacement, after silver, platinum and palladium ditched daily fixings last year. Chinese gold demand has more than doubled since 2009.

Societe Generale SA, Bank of Nova Scotia, HSBC Holdings Plc and Barclays Plc currently conduct the fixings used by miners to central banks to trade and value metal.

China overtook India as the largest bullion buyer in 2013 and according to the World Gold Council, Chinese demand will expand by at least 20% by the end of 2017 amid rising wealth. About two-thirds of gold jewellery, bars and coins were purchased in Asia in 2013, according to the council.

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