



February 10, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,242.80	+\$3.80	\$1283.10	\$1,210.50	\$1273.50

Gold prices were marginally higher on Monday, due to some safe-haven demand and a small technical rebound following Friday's strong losses that pushed prices to a three-week low. April gold closed up \$6.90 an ounce at \$1,241.50 an ounce and spot gold ended the day at \$1238.70 per ounce.

Greek Prime minister, Alexis Tsipras, recently said that "it is the irrevocable decision of our government to honour the mandate of the Greek people and negotiate an end to the European Union's austerity."

His statement was seen as a message to the Troika that he won't back down on his election promises and that there would be little chance for compromise with other Eurozone countries.

Gold prices rallied on concerns that a standoff between the new Greek government and its creditors may worsen, with German Chancellor Angela Merkel signalling little willingness to compromise over bailout conditions.

German leaders said they won't extend more assistance to Greece without strings attached, and the impasse risks leaving Europe's most-indebted state without funding by the end of this month, when the current bailout expires. Greece will seek about 10 billion euros (\$11.3 billion) in short-term financing to stave off the cash crunch, according to a government official who asked not to be identified.

According to the U.K. Royal Mint demand for gold coins from Greek individuals has increased as

investors search for a safe haven from the country's political turmoil.

"There has been a noticeable increase in demand in this last quarter," Lisa Elward, head of bullion sales at the Royal Mint, said in an e-mail to Bloomberg News. "We tend to see an upsurge in sales at times of political and financial uncertainty."

Greek investors are turning to gold with the nation heading toward a standoff with creditors over its international bailout program, fuelling speculation that it may break its membership with the euro. The Royal Mint declined to provide exact sales figures for the gold coins, known as Sovereigns.



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

© 2013 all rights reserved.

Information contained herein has been obtained from sources believed to be reliable, but its accuracy cannot be guaranteed. Any opinions expressed herein reflect judgements at this date and are subject to change without notice.