



March 4, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,206.50	+\$3.00	\$1210.80	\$1,264.60	\$1339.50

Gold prices were marginally lower on Tuesday in what was a relatively quiet trading day. April gold closed down \$4.80 an ounce at \$1,203.40 an ounce and spot gold ended the day at \$1203.50 per ounce.

The Reserve Bank of Australia (RBA) maintained the cash rate at 2.25%. The central bank noted that "having eased monetary policy at the previous meeting, it was appropriate to hold interest rates steady for the time being". However, it also noted in the statement that "further easing of policy may be appropriate over the period ahead". And, the board will assess the case at forthcoming meetings.

A new electronic daily gold pricing mechanism, set to launch on March 20, will include some new participants in setting the benchmark price of gold including the Chinese banks such as Industrial and Commercial Bank of China.

The Intercontinental Exchange and the London Bullion Market Association will replace the current system that has existed since 1919 with a new electronic platform.

ICBC confirmed it had already laid the foundations for its participation in a press release on Monday.

"ICBC has become the world's largest gold retail bank and has a significant number of clients in China," the release said.

Ukraine's central bank increased its refinancing rate to 30% as part of a package of measures aimed at

stabilising the country's financial system.

The rate rise, which will take effect today was announced on Tuesday by central bank chief Valeria Gontareva. The rate currently stands at 19.5%.

Ukraine's hryvnia has rapidly lost value in recent weeks amid the conflict in the country's east that is draining reserves and scaring off investors. After soaring to over 30 to the US dollar last week, the hryvnia has recovered in recent days, and was trading below 25 on Tuesday, according to central bank data.

Ukraine's parliament on Monday passed several laws, including amendments to the budget, a condition for a \$US17.5 billion (\$A33.6bn) lending program from the International Monetary Fund. The IMF's board is set to decide on the program on March 11.



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

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