



March 11, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,162.80	+\$1.30	\$1207.70	\$1,237.70	\$1348.00

Gold prices continued to slide on Tuesday hitting a 3.5-month low in early U.S. trading as the U.S. dollar extended recent gains. April gold closed down \$7.00 an ounce at \$1,159.70 an ounce and spot gold ended the day at \$1161.50 per ounce.

The dollar continued its unrelenting climb on Wednesday, supported by expectations for a mid-year US rate hike and diverging policy paths between the Fed and other major central banks. U.S equities fell sharply on concerns about an earlier U.S. interest rate hike, prompting a bit of safe-haven demand for gold.

The U.S. dollar's rise continued to hit multi-year highs against Euro, Yen and Aussie. The dollar hit a 12-year high against the euro and a seven-year low against the yen.

The Mexican peso and Turkish lira weakened to a record low while other currencies in Malaysian, South Korean, Brazilian, Thailand, South Korea, Indonesia, Thailand, Philippines and South Africa all suffered losses against the greenback.

The dollar climbed to 1,128.55 South Korean won, 44.35 Philippine pesos and 32.69 Thai baht. The greenback soared to 13,191 Indonesian rupiah, its highest since 1998.

The South African Rand weakened further to a fresh 13-year low against the dollar. At 3.37pm, the rand was trading at R12.2528 against the dollar, 15c weaker than Monday's close of R12.1073. It reached

an intraday level of R12.3095 against the dollar. The rand has now fallen by more than 8% since February 20th.

German, Italian, Spanish and Irish 10 year yields dropped to record lows as the European Central Bank (ECB) began its bond purchase program this week. In addition to the ECB's starting its bond buying, Greek concerns are putting some pressure on the euro again this week between Greece and its international creditors continue.

In economic news, China's headline inflation accelerated to 1.4% year-on-year in February, from 0.8% in January. However, PPI fell to 4.8% on an annualised basis down from 4.3% in January.



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.