



March 17, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,155.60	+\$1.30	\$1160.80	\$1,224.70	\$1379.00

Gold prices held at the lowest level in over three months on Monday as market participants await an announcement from the U.S. Federal Reserve. April gold closed up \$1.60 an ounce at \$1,154.00 an ounce and spot gold ended the day at \$1154.30 per ounce.

The U.S. dollar index was slightly weaker after hitting a 12-year high last week. The dollar has been boosted by prospects of higher interest rates in the U.S.

According to the latest data from the New York Federal Reserve, manufacturing in the New York region is slowing further as it feels the effects of harsh winter conditions,

The general business conditions index in the Empire State manufacturing survey fell to a reading of 6.9 in March, compared to February's reading of 7.8. According to consensus estimates, economists were expecting to see a modest rise in the region's manufacturing sector, forecasting a reading around 8.1.

Investors will be watching the Fed's two-day policy meeting that begins on Tuesday for clues on how soon it could raise interest rates. does not pay any interest.

While holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell 0.28 tons to 750.67 tons on Friday - the lowest since late January, demand for physical gold has remained

relatively robust.

Premiums on the Shanghai Gold Exchange were about \$5-\$6 an ounce above the global benchmark, stronger than Friday's premiums.

In India, the government has cut the import tariff value on gold to USD 375 per 10 grams from USD 393 per 10 grams.

In February, gold imports jumped by 49% to USD 1.98 billion as compared to same period a year-ago. Gold is the second-largest import item for India after petroleum. Higher gold import bill adversely affects the country's current account deficit (CAD).

The government has been repeatedly trying to get individuals to invest in other forms of savings instead of gold.



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

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