



March 23, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,183.20	+\$0.80	\$1161.30	\$1,203.10	\$1338.50

Gold prices rallied after the opening of the U.S session on Comex on Friday while the U.S. dollar index suffered a big sell off. The price of yellow metal ended the day at \$1182.40 an ounce.

The price of the gold hit a two-week high on track for its biggest weekly jump since January. At the same time, the U.S dollar headed for its worst weekly performance against the euro in 18 months after the Fed downgraded its growth and inflation projections, signalling it is in no rush to push borrowing costs to more normal levels.

The new London Bullion Market Association (LBMA) Gold Price went live for the first time on Friday, with Goldman Sachs and UBS joining the four members of the now defunct gold "fix" in setting its electronic replacement.

Goldman and UBS joined Barclays, HSBC, Bank of Nova Scotia and Societe Generale to set the new benchmark gold price, administered by ICE Benchmark Administration, at 1030 GMT on March 20.

The first LBMA Gold Price was set at \$1,171.75 an ounce, after five rounds of an auction to strike a balance between bids and offers.

Similar to the old benchmark, the new London Gold Price will be set every day at 10:30 a.m. and 3 p.m. London time.

The new price-discovery mechanism will be

administered by ICE Benchmark Administration (IBA), a subsidiary of Intercontinental Exchange (ICE).

ICE Benchmark Administration (IBA) was named by the LBMA in February as the new gold price benchmark operator. From Friday, it will provide the price platform and methodology as well as the overall administration and governance for the LBMA Gold Price.

Ten banks are currently under investigation for possible manipulation of gold prices. They are: The Bank of Nova Scotia, Barclays PLC, Credit Suisse Group AG, Deutsche Bank AG, Goldman Sachs Group Inc., J.P. Morgan Chase & Co., Société Générale SA, Standard Bank Group Ltd., UBS AG and HSBC.



**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.