Dg Daily Gold Update 2013

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Gold	Today	Change	Week Ago	Month Ago	Year Ago
	$1,179.60	-$5.30	$1187.70	$1,210.00	$1295.50

Gold prices fell more than one percent on Monday, as the dollar climbed following the remarks made by Federal Reserve Chair Janet Yellen last Friday. April gold closed down $15.60 an ounce at $1,181.80 an ounce and spot gold ended the day at $1184.90 per ounce.

On Friday, Chairwoman Janet Yellen said an increase in the Fed's benchmark rate "may well be warranted later this year" given sustained improvement in U.S. economic conditions.

The U.S. dollar index started this week on a higher note and has made a recovery from the selling pressure seen last week. The dollar index is back above 98 handle.

Withdrawals of physical gold from the Shanghai Gold Exchange (SGE) remain exceptionally high.

The latest figure from the SGE shows that 53 tons were withdrawn from the Exchange during week 11 (ended March 20), following 51 tons a week earlier and 45 tons in week 9. Total to March 20 is thus already 561 tons. So withdrawals from the SGE appear to be rising week on week at a time when they would normally expect to be falling back after the holiday buying spree has ended. Should the gold flows out of the exchange continue at this kind of rate, then the Q1 total figure will be of the order of 620-630 tons.

Hedge funds and money managers slashed their bullish bet in gold for the eighth straight week, data showed on Friday.

Greece doesn’t have much time left to strike a deal and it will run out of money by early April if it doesn’t get more financial help.

Athens may not have enough cash to meet its month-end obligations. But even if it somehow manages to squeeze through, it needs to repay €450 million to the IMF on April 9. And then Athens faces a really big hurdle that may be insurmountable.

To put even more pressure on Greece, the ECB has made it illegal for Greece banks to buy any government debt. Meanwhile, Greece’s cash crisis is worsening there is talk of capital controls as the banking system bleeds out.

U.S. jobs data on Friday will be a major event this week and a robust report could see investors position for tighter monetary policy sooner rather than later.

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