



April 1, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,185.00	+\$2.30	\$1190.90	\$1,218.00	\$1286.50

Gold prices were marginally lower on Tuesday mainly on account of a stronger U.S. dollar and weaker oil prices. April gold closed down \$1.70 an ounce at \$1,184.80 an ounce and spot gold ended the day at \$1182.70 per ounce.

The U.S. dollar is on track for its strongest quarterly performance since 2008, gaining ground on the euro but losing some versus the Japanese yen.

The U.S. dollar index, a measure of the U.S. unit against a basket of six major rivals, traded at 98.435 in recent action, up from 97.980 in North American trade late Monday. The index has seen a quarterly gain of 9%, its strongest since a 9.6% rise in the third quarter of 2008.

The dollar has risen in large part due to expectations for diverging monetary policy, with the U.S. Federal Reserve seen preparing to raise interest rates later this year as the European Central Bank, Bank of Japan and several other central banks continue with an aggressive loose monetary policy.

The euro fell against most major currencies in spite of some improving economic data. The common currency has experienced its' worst quarter on record since its launch in 1999.

Greece failed to reach an initial deal with the European Union and the IMF to unlock aid after the creditors dismissed a package of reforms from Athens as ideas rather than a concrete plan, officials said on Tuesday.

The lack of a deal further raises pressure on Athens, which faces the prospect of running out of money in a few weeks unless it can convince lenders to dole out more financial help.

U.S. consumer confidence was up in March, reversing most of the weakness reported in February, according to the latest data from the U.S. Conference Board. The board report showed that its monthly Consumer Confidence Index rose to 101.3, from February's revised reading of 98.8.

Although consumer confidence remains above pre-recession levels, it still hasn't filtered through to the broader economy. Economists have been expecting to see a pickup in consumer spending as a result of optimistic consumers.



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

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