



April 14, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,192.10	-\$5.90	\$1212.70	\$1,158.80	\$1321.50

Gold prices were marginally weaker on Monday mainly due to the lack of any major new developments in the financial markets as well as a slightly firmer U.S. dollar. June gold closed down \$4.90 an ounce at \$1,199.70 an ounce and spot gold ended the day at \$1198.00 per ounce.

The greenback has made a very strong rebound from recent selling pressure and hit a four-week high Monday. The euro was last down 0.28% against the dollar at \$1.05770 after earlier hitting a nearly 1-month low of \$1.05205. The dollar was last down 0.07% against the yen at 120.190 yen.

The dollar index, which measures the greenback against a basket of six major currencies, was last up 0.12% at 99.456.

German 10-year Bund yields held near a record low of 0.14% touched last week, also hurting demand for the euro.

Data showing a 15% contraction in Chinese exports in March, the worst in about a year also supported the dollar against the euro as well as the Australian dollar.

It now looks as though Q1 gold withdrawals from the Shanghai Gold Exchange (SGE) will be around 623 tons – a 10.5% increase on last year’s record figure of 564 tons.

The actual figure for the week ending March 27th (no Easter holiday in China) was just under 46 tons and

that for week ending April 3rd 40 tons making the Q1 figure around 623 tons

Large scale speculators in gold futures continue to add to bets on a rising price even as the metal struggles to hold onto the \$1,200 an ounce level.

According to data from the Commodity Futures Trading Commission, in the week to April 7 the weekly COT report showed that hedge funds slashed short positions and at the same time added to long positions in gold.

That resulted in a 43% increase in their net long positions – bets that price will rise – for the week and a similar rise as the week before. Hedge funds are now long 6.5 million ounces compared to 3.1 million ounces mid-March



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

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