



April 29, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,209.40	-\$2.40	\$1199.70	\$1,193.10	\$1302.00

Gold prices extended recent gains on Tuesday, after disappointing U.S. data hit the dollar and dampened expectations that the Federal Reserve will hint at this week's policy meeting at an interest rate hike in coming months. June gold closed up \$11.00 an ounce at \$1,214.20 an ounce and spot gold ended the day at \$1211.80 per ounce.

According to a report by the Conference Board, a market research group, its index of U.S consumer confidence fell to 95.2 this month from a reading of 101.4 in March, whose figure was revised from a previously reported 101.3. Analysts expected the index to increase to 102.5 in April.

Market participants are awaiting the conclusion of the Federal Reserve's two-day monetary policy meeting on Wednesday, which could provide indications over the timing of a future rate hike.

The Fed is widely expected to keep policies unchanged and a recent run of disappointing U.S. economic data has dampened the optimism over the recovery, fuelling speculation the Fed could delay hiking interest rates until late 2015, instead of tightening mid-year.

Fitch Ratings downgraded Japan's credit rating by one notch after the government failed to take steps in this fiscal year's budget to offset a delay in a sales tax increase.

Fitch cut its rating on Japan by one notch to A, which is five notches below the top AAA rating. The outlook

is stable.

"One reason why Japan is at single A, which is a low rating, is the fragility around the baseline case for the public debt," said Andrew Colquhoun, head of Asia-Pacific sovereigns at Fitch.

Fitch's move follows a similar downgrade by Moody's Investors Service late last year. In December, Moody's downgraded Japan to A1, which is one level above Fitch's rating, due to a delay in the sales tax increase.

Standard & Poor's has an AA- rating on Japan, which is three notches from the top rating of AAA. S&P's rating on Japan has a negative outlook, meaning a downgrade is possible.



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

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