



May 4, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,183.30	+\$5.40	\$1185.50	\$1,210.50	\$1292.00

Gold prices fell sharply last Thursday following the release of the Federal Open Market Committee (FOMC) latest monetary policy statement on Wednesday. Also, better-than-expected weekly jobless claims added to the sell-off. While Major markets in Europe, China and Singapore were closed for the May Day holiday on Friday, gold was traded and prices continued to fall. The price of spot gold ended the week at \$1177.90 per ounce down \$6.10 on the day.

The initial selloff started during the U.S session on Comex after the U.S. Labour Department reported that weekly jobless claims fell to a 15-year low. The initial selling pressure then triggered technical sell stops in the marketplace, exacerbating the selloff.

According to the Labour Department, initial weekly jobless claims in the U.S. fell by 34,000 claims to a seasonally adjusted 262,000 during the week to Saturday, the Labour Department said Thursday.

The latest economic data showed that the UK PMI manufacturing dropped sharply to 51.9 in April, compared to the previous month's reading of 54.4 and expectation of rise to 54.6.

In China, the official PMI manufacturing was unchanged at 50.1 in April. Non-manufacturing PMI dropped to 53.4. It's noted in the accompanying statement that the manufacturing sector is still facing "downward pressures".

Switzerland's central bank reported a first-quarter loss of 30 billion Swiss francs (\$32 billion) as the

rapid appreciation of the national currency led to high foreign exchange losses.

The Swiss National Bank said Thursday that its loss on foreign currency positions alone came in at 29.3 billion Swiss francs in the quarter, which ended March 31, while the value of its gold reserves dropped 1 billion francs.

The French Ministry of Labour has reported that the number of unemployed in France hit a new record in March at 3.51 million people, up 0.4% from February.

While the INSEE national statistics office has forecast more positive economic growth for France this year, it says it will be insufficient to drive down the country's stubbornly high unemployment.

The jobless rate was forecast to hit a 20-year record high of 10.2% in mainland France.



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

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