



May 7, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,187.00	-\$4.20	\$1204.80	\$1,212.70	\$1308.00

Gold prices were marginally lower on Wednesday. June gold closed down \$2.90 an ounce at \$1,190.30 an ounce and spot gold ended the day at \$190.40 per ounce.

The U.S. ADP national employment report for May came in at 169,000, which was lower-than-expected. A rise of 205,000 was expected. The market place is now awaiting Friday's U.S. employment report for April.

Sterling weakened against the euro ahead of the UK election. The polling stations open on Thursday, but it remains unclear which party will win the most seats, let alone becoming the majority. The latest YouGov poll shows that the Conservatives and Labour are neck and neck on 33%, with UKIP on 12%, and the Lib Dems on 10%.

According to Reuters, China conducted trial runs for the planned launch of a yuan-denominated gold fix last month, three sources familiar with the matter said, in a sign the world's second-biggest bullion consumer was moving closer to creating a benchmark price.

China, the world's largest gold producer and buyer, feels its market weight should entitle it to be a price setter for gold bullion. It is asserting itself at a time when the established benchmark, the century old London 'gold fix', is under scrutiny because of long-running allegations of price manipulation.

Many investors and miners have become disillusioned

with the COMEX system due to concerns that the price of gold is being manipulated lower by the continual use of naked shorts by the large bullion banks causing sharp price falls thus curbing positive sentiment and momentum in the gold market and reduces investment demand.

At the same time, the LBMA has been under pressure in recent years due to lack of transparency in the price fixing process.

Meanwhile central banks are now being considered for membership of the LBMA. This will further undermine the LBMA's credibility among some participants in the physical gold market given concerns that certain central banks may be involved of gold price manipulation.



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