Dg | **Daily Gold Update** | 2013

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Gold	Today	Change	Week Ago	Month Ago	Year Ago
	$1,181.50	-$2.00	$1188.60	$1,195.50	$1289.00

Gold prices were marginally lower on Monday mainly due to the strong dollar. June gold closed down $4.80 an ounce at $1,184.10 an ounce and spot gold ended the day at $1183.50 per ounce.

The PBOC reduced both the 1-year benchmark deposit rate and the lending rate by -25 bps to 2.5% and 5.1% respectively. This is the 3rd consecutive interest rate cut in the current easing cycle, after the 2 cuts in March 2015 and November 2014.

Greece's cash-strapped government has begun payment of €750m (£544m, $834m) in debt interest to the International Monetary Fund.

The move was carried out as Eurozone finance ministers met in Brussels in a bid to unlock the final €7.2bn tranche of Greece's €240bn EU/IMF bailout.

Ministers said Greece had made "progress" but more work was needed.

Greek Finance Minister Yanis Varoufakis said the country faced a cash crisis within a "couple of weeks".

"The liquidity issue is a terribly urgent issue. It's common knowledge, let's not beat around the bush," he told reporters after the talks.

The Athens government has until the end of June to reach a reform deal with its international creditors.Eurozone governments have insisted that Greece agree to economic reforms in return for further bailout funding, and there had been fears that the country could default on its latest IMF debt repayment.

For over three months, talks have dragged on as the Greek government tries to come up with a series of economic and budget reforms that will convince the creditors to pay out 7.2 billion euros ($8 billion) of bailout cash.

Greeks have been pulling money out of banks and investors have shied away from the country.

If the bailout talks fail, the country could default on its debts, have to put limits on the free flow of money and eventually even exit the euro. Most economists think that would cause a massive recession in Greece for at least a year as the country tries to adjust to a new, weaker currency.

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