



May 15, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,220.00	-\$1.40	\$1185.40	\$1,192.10	\$1300.25

Gold prices extended recent gains on Thursday, hitting a three-month high as the dollar came under pressure following the release of some mixed U.S. data that pushed back expectations of when interest rates in the world's largest economy will rise. June gold closed up \$6.70 an ounce at \$1,225.00 an ounce and spot gold ended the day at \$1221.40 per ounce.

The U.S. Labour Department reported that initial weekly jobless claims in the U.S. fell by 1,000 claims to a seasonally adjusted 264,000 during the week to Saturday.

The figure was considerably better than economists' expectations, which, according to consensus forecasts, were for claims to rise to 272,000. Last week's claims were unrevised at 265,000.

That fact that U.S. jobless claims has remained at a 15-year low for the last three weeks suggests an improvement in the labour market.

According to the latest figures from the World Gold Council (WGC), Germans increased their buying of gold coins and bars of bullion by 20% to 32.2 tons in the last quarter, the highest rate of purchases seen in a year.

German investors piled into gold bars and coins in the first quarter of the year as a hedge against European Central Bank policy and the threat of a Greek default.

The increased demand - which is traditionally seen by investors as a safe-haven asset - was seen across Europe amid growing uncertainty over central bank policy and the standoff between Athens and its creditors.

"This was the strongest start in Europe for gold coins and bars that we have seen since 2011," Alistair Hewitt, head of market intelligence at the World Gold Council told The Telegraph. "German investors are fretting over the ECB, Greece and Ukraine."

The WGC revealed that the total global demand in the first quarter fell 1% to 1,079 tons compared with the same period last year.

Despite higher demand in Europe, Asia dominated the gold market in the first quarter with China and India accounting for 54% of consumer demand in the first three months of the year.



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

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