



May 19, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,221.80	-\$4.00	\$1181.50	\$1,204.00	\$1293.75

It was a choppy trading day for the global gold market on Monday, but for most of the day, the price of the yellow metal managed to hold above \$1225 an ounce. June gold closed up \$1.40 an ounce at \$1,226.70 an ounce and spot gold ended the day at \$1223.80 per ounce.

The yield on the Greek 10-year bond climbed to a 2-week high of 11.40% on concern the ongoing impasse may prompt the ECB to increase the discount on the collateral Greek banks pledge in exchange for cash under its Emergency Liquidity Assistance program. That may prompt further outflows of bank deposits and force Greek Prime Minister Tsipras to choose between doing a deal with Greece's creditors or implement capital controls in an attempt to keep Greece's banks solvent.

According to the World Gold Council (WGC) India's gold demand during the January-March quarter increased by 15% to 191.7 tons compared with the same period last year, mainly on account of positive sentiment and favourable policy changes. The total demand stood at 167.1 tons during the corresponding quarter last year.

According to Revenue Secretary, Shaktikanta Das, India imported 85 metric tons of gold in April. Shipments have totalled about 60 tons so far in May, Das said in an interview in New Delhi on Friday.

Purchases jumped 78% in value terms to \$3.13 billion in April compared to the same period last year.

Imports in March more than doubled to 125 tons from a year earlier, according to the Finance Ministry.

Meanwhile, the World Gold Council estimates that around 175 tons of gold (which is worth around US\$7bn) was brought illegally into the territory of India.

In Mumbai, in the financial year 2012-13, 64 Kgs of gold was seized at the Chatrapati airport which rose to around 345 Kgs in 2013-14 and further spiked alarmingly to 943 Kgs in 2014-15.

At the Indira Gandhi International airport of Delhi, custom officials captured around 575 Kgs of gold in last year. In 2013-14 the figure was 378 Kgs and an insignificant 6 Kgs in 2012-13.



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

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