



June 10, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,184.60	+\$8.20	\$1189.30	\$1,186.50	\$1253.50

Gold prices were marginally higher on Tuesday as some investors opted for safe-haven buying while traders covered short positions. The U.S. dollar was also slightly softer against a basket of currencies. August gold closed up \$3.80 an ounce at \$1,177.40 an ounce and spot gold ended the day at \$1176.40 per ounce.

It was reported that Greece submitted a new proposal to its international creditors to unlock additional bailout funds with just three weeks to go before the country's financial safety net expires.

Two documents were handed to European Economic Affairs Commissioner Pierre Moscovici to supplement plans submitted last week. The papers address creditors' concerns about Greece's budget targets and include a proposal to ensure the sustainability of Greek debt.

"We have received new proposals and we are examining them with diligence and care," European Commission spokesman Margaritis Schinas said at a press conference in Brussels.

It has been almost four months since any new funds have been disbursed to Greece and the standoff between creditors and the anti-austerity coalition in Athens risks leaving Europe's most-indebted state unable to meet debt payments.

Sentiment among gold buyers remains as investors in exchange traded funds backed by physical gold continue to liquidate some positions. In the first

week of June some 9.5 tons was withdrawn from global gold ETFs.

It was the fifth week in a row of outflows with some 35 tons leaving funds during the period. Total holdings have now fallen to 1,592 tons or 56 million ounces – below 1,600 tons for the second time since April 2009 and 120 tons below this time last year. The ETF market rebounded at the beginning of 2015 with roughly 60 tons of inflows in January, but the gold price drop mid-March prompted a loss of confidence and a renewed sell-off.

Annual outflows from gold-backed ETFs were 159 tons in 2014 following a staggering 880 ton drop in 2013. Global ETFs hit a record 2,632 tons or 93 million ounces of gold in December 2012.



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

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