



June 23, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,185.90	UNCH	\$1184.00	\$1,210.00	\$1313.50

Gold fell more than 1% on Monday on possible signs of progress in Greek debt talks, which curbed safe-haven demand for the metal. August gold closed down \$17.70 an ounce at \$1,184.20 an ounce and spot gold ended the day at \$1185.90 per ounce.

Greece and EU officials are met Monday to try to finalize a debt-restructuring deal. While no agreement was reached, both parties expressed some renewed optimism for an agreement to be reached this week.

Jeroen Dijsselbloem, chairman of the 19-nation Eurogroup, told a news conference: "We will work very hard in the next few days, the institutions with the Greek government, to get that deal this week."

The ministers agreed to reconvene later this week, after Greece has thrashed out details with its international creditors - the European Commission, the European Central Bank (ECB) and the International Monetary Fund (IMF).

The forex markets were relatively stable yesterday in spite of all the news from Greece. Eurozone finance ministers welcomed the new Greek proposal for a cash-for-reform deal, but said they required detailed study and it would take several days to determine whether they can lead to an agreement to avert a default.

The ECB increased the limit on the Emergency Liquidity Assistance program for Greek banks for the third time in less than a week. The central didn't

specify the amount of the increase. Last Wednesday, the limit on ELA was lifted by EUR 1.1 billion to EUR 84.1 billion. On Friday, the limit was raised a further EUR 1.8 billion.

The Intercontinental Exchange announced that two new direct participants have been approved by ICE Benchmark Administration (IBA) to participate in the gold auction, which is used to determine the LBMA Gold Price.

The new direct participants are Morgan Stanley and Standard Chartered. It was announced last week that Bank of China has been approved to participate in the gold auction.

IBA operates twice daily, physically settled, electronic and tradable spot gold auctions at 10.30am and 3.00pm UK time. The price formation is in US Dollars (USD), with indicative settlement prices in Euro (EUR) and Pound Sterling (GBP). At the end of the auction IBA publishes the benchmark in USD, EUR and GBP.



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

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