



July 27, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,104.50	+\$5.00	\$1116.20	\$1,175.60	\$1300.00

Gold prices sank to a fresh five-year low of \$1,077.00 on Friday breaching this week's previous low of \$1,080.00. But, later on in the session, prices rebounded to end up on the day. Spot gold closed out the week at \$1099.50 an ounce, up \$9.10 an ounce on the day.

In the U.S, fewer Americans bought new homes in June, a possible sign that the real estate market is cooling down after months of hot sales.

The Commerce Department says new-home sales slumped 6.8 percent last month to a seasonally adjusted annual rate of 482,000. The report also revised May sales down to a rate of 517,000 from 546,000.

According to the latest flash Purchasing Managers Index data, the U.S. manufacturing sector saw a slight rebound in July, following multi-year weakness reported in June,

Friday, private research firm Markit said its June PMI estimate rose to a level of 53.8, compared to June's final reading of 53.6. According to consensus reports, economists were expecting to see a reading at 53.7.

A reading above 50.0 signals an improvement in business conditions, while readings below 50.0 signal deterioration.

In other economic news, the Eurozone PMI manufacturing was unchanged at 52.5 in July but PMI services dropped to 53.8. German PMI manufacturing dropped to 51.5 while services PMI

dropped to 53.7. Chief economist at Markit noted that "Eurozone economic growth lost only slight momentum in July amid the roller coaster events of the Greek debt crisis during the month." And, "amongst all that tension, the fact it has held up at a reasonable rate of growth is pretty encouraging."

In Japan, the manufacturing PMI rose 1.3 points to 51.4 in July. However, Japanese investor sentiment was weighed down by IMF's warning that Japan's debt would probably triple the size of the economy by 2030 if the government fails to act now.

After HSBC terminated its PMI survey for China, the newly renamed Caixin-Markit flash manufacturing PMI showed a decline to 48.2 in July, the lowest in 15 months. It was worse than June's final reading of 49.4 and consensus of 49.7.



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

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