



July 28, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,1096.10	+\$1.60	\$1105.70	\$1,177.00	\$1292.50

The gold price was marginally higher on Monday as the U.S. dollar slid against most major currencies and as equities in China tumbled. August gold closed up \$9.90 an ounce at \$1,095.40 an ounce and spot gold ended the day at \$1094.50 per ounce.

World stock markets came under some selling pressure after the Chinese stock market plummeted in the biggest one-day drop in eight years.

The Shanghai Composite Index plunged 8.5% to 3,725.56 at the close, with 75 stocks dropping for each one that rose. PetroChina Co., long considered a target of state-linked market support funds, tumbled by a record 9.6%.

The rout dented investor confidence from Hong Kong to Taiwan and Indonesia, helping send the MSCI Emerging Markets Index to a two-year low.

The Shanghai gauge had rebounded 16% from its July 8 low through Friday as officials went to extreme lengths to halt a rout that erased \$4 trillion from the nation's equities. Officials allowed more than 1,400 companies to halt trading, banned major shareholders from selling stakes and armed a state-run financing vehicle with more than \$480 billion to support the market.

U.S. data released Monday didn't offer much of an economic hint for the Fed's next move. They showed that orders for durable goods jumped 3.4% in June, but U.S. business investment rose just modestly.

Market participants will be closely watching the

Federal Reserve meeting later in the week that could determine the trading action in currencies and commodities in coming weeks.

The U.S. central bank is widely expected to keep interest rates at a record low at the meeting, but expectations are rising that a rate hike could come before the end of the year.

Rajesh Exports Ltd., India's biggest exporter of gold jewellery, agreed to buy Swiss refiner Valcambi SA from owners including Newmont Mining Corp. for \$400 million.

The cash purchase helps ensure gold supplies to India, the Bangalore-based Rajesh Exports said in an exchange filing.



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

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