



August 6, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,086.50	+\$2.00	\$1085.20	\$1,167.40	\$1292.75

Gold prices were a fraction lower on Wednesday as the dollar firmed on U.S. services sector data that revived expectations of a U.S. interest rate rise as early as September. December gold closed down \$5.30 an ounce at \$1,085.50 an ounce and spot gold ended the day at \$1084.50 per ounce.

The U.S. service sector built some momentum in July, expanding at a much faster pace than expected, according to the latest data from the Institute for Supply Management.

The ISM's national non-manufacturing purchasing managers' index recorded a reading of 60.3% last month, compared to June's reading of 56%. Consensus forecasts showed economists expected the index to rise modestly to 56.3%.

Readings above 50% in such diffusion indexes are seen as a sign of economic growth, and vice-versa.

A separate report showed that the U.S. labour market lost significant momentum as private companies created less than 200,000 jobs, According to the latest employment data released by payroll processor ADP, private-sector employers created 185,000 jobs in July, down from June's slightly revised print of 229,000. The initial June report pegged the job growth at 223,000 jobs.

According to consensus estimates, economists were forecasting a modest decline, expecting that about 216,000 jobs were created last month.

Holdings of the SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, dropped further on Tuesday to 21.56 million ounces, the lowest since September 2008.

Another debt crisis is brewing, this time in Puerto Rico. The country has suspended deposits into a fund that pays its general-obligation bonds and one of its agencies defaulted for the first time, jeopardizing the cash-strapped government's ability to raise money.

Puerto Rico temporarily halted monthly transfers into a fund that pays down \$13 billion of general-obligation debt, it said in a regulatory filing late Monday. That came after its Public Finance Corp. made only \$628,000 of a \$58 million debt-service payment because the legislature didn't appropriate enough money.



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

© 2013 all rights reserved.

Information contained herein has been obtained from sources believed to be reliable, but its accuracy cannot be guaranteed. Any opinions expressed herein reflect judgements at this date and are subject to change without notice.