



August 11, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,106.10	+\$2.00	\$1087.80	\$1,160.50	\$1317.50

Gold prices moved above the psychological resistance barrier of \$1,100.00 and hit a three-week high Monday due to short covering in the futures markets and some bargain buying in the physical market. December gold closed up \$10.50 an ounce at \$1,104.60 an ounce and spot gold ended the day at \$1104.10 per ounce.

The dollar hit a two-month high of 125.07 yen on Friday, while the Australian and New Zealand dollars both lost about 1%. The dollar index was up 0.15% at 97.71, after rising as high as 98.334 on Friday, its strongest since April 23, after data showed U.S. nonfarm payrolls rose by 215,000 last month.

The Malaysian ringgit dropped to its lowest level in 17 years after a fall in foreign exchange reserves raised doubts over the currency's ability to withstand pressure from political uncertainty and slower growth.

Most commodity-related currencies weakened after the release of economic data from China which showed that Chinese producer prices in July hit their lowest point since late 2009 and exports tumbled 8.3% in the same month. As a result Chinese equities were up by between 2% and 4% on expectations of more action from the central bank and hopes of more policy stimulus.

London copper traded at six-year lows and crude oil futures touched multi-month lows before recovering.

There was renewed optimism over Greece, as negotiations to secure a third bailout deal in time to prevent Greece from defaulting this month on bonds owned by the European Central Bank appeared to advance after weekend-long meetings between officials from Athens and the country's creditors.

Greek officials said they discussed the economic overhauls and budget cuts the government needs to complete to clinch a third loan package of up to €86 billion (\$94 billion), and secure the first tranche of aid from the bailout.

Greece is due to pay €3.2 billion of Greek government bonds owned by the ECB before Aug. 20.

Speculators increased bullish dollar bets to their highest since early June, according to Reuters calculations and data from the Commodity Futures Trading Commission released on Friday.



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

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