



August 21, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,154.50	+\$1.40	\$1116.50	\$1,105.70	\$1294.50

Gold prices surged by 2% on Thursday, after the release of the dovish Federal Reserve minutes as well as sharp stock-market declines in the U.S. and abroad that increased its safe-haven appeal. December gold closed up \$24.50 an ounce at \$1,152.40 an ounce and spot gold ended the day at \$1153.10 per ounce.

In the U.S initial jobless claims were up by 4000 to 277,000 in the week ended August 15. The International Monetary Fund (IMF) have extended the timeline for the valuation of the current basket of reserve currencies, giving markets sufficient time to adjust with any possible inclusion of Chinese yuan into the basket.

The Executive Board of the IMF approved the extension of the current Special Drawing Rights valuation basket by nine months to September 30, 2016.

China is eager to have the IMF add the yuan to its basket of reserve currencies. However, IMF policymakers want to first assess the currency as "freely usable" before adding it to the basket.

The IMF said last week China's currency devaluation has no direct effect on the SDR review. The lender formally reviews the composition and valuation of the SDR basket every five years.

The next review is expected to be completed by end 2015, with any decisions affecting the current SDR basket to become effective starting October 2016.

The SDR's value is currently based on a basket

composed of the US dollar, the euro, the pound sterling and the Japanese yen.

The German parliament approved a third bailout for Greece on Wednesday after Finance Minister Wolfgang Schaeuble said the country should get "a new start", while in Athens the government agonized over whether to call a snap election.

On Thursday Greece was given €13 billion as part of the debt deal which it promptly repaid to the European Central Bank to avoid default.

Greek leader Alexis Tsipras will make an announcement on 20 August where he will call snap elections towards the end of September and unconfirmed reports say he will resign to re-establish confidence in his Syriza party.



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