



August 26, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,137.90	-\$2.50	\$1122.40	\$1,103.50	\$1286.50

Gold prices fell on Tuesday after data showed that U.S consumer confidence improved to a seven month high in August. December gold closed down \$16.90 an ounce at \$1,136.70 an ounce and spot gold ended the day at \$1140.10 per ounce.

The rollercoaster ride in global stocks continued yesterday after having wiped out more than \$3 trillion across the globe.

The Shanghai Composite Index tumbled another 7.6% to 2,964.97 at the close, sinking below the 3,000 level for the first time in eight months, and despite another move taken by the Peoples Bank of China (PBoC). The benchmark index has dropped 22% in four days since Aug. 19.

The PBoC cut interest rates for the fifth time since November and lowered the amount of cash banks must set aside.

The one-year lending rate will drop by 25 basis points to 4.6% effective today, while the one-year deposit rate will fall a quarter of a percentage point to 1.75 percent. The required reserve ratio will be lowered by 50 basis points for all banks to cover liquidity gaps.

The Hang Seng Index rebounded 0.7%, while the European indices also rebounded with DAX up 4.7%, CAC up 4.7% and FTSE up 3.0%. In the U.S, the Dow opened firmer but after a volatile session, the index ended the day in negative territory.

Earlier in the day, the price of the yellow metal was trading at around \$1150 an ounce, but fell after the release of some positive economic data in the U.S.

U. S consumer confidence improved to a seven-month high in August. The Conference Board said its index of consumer confidence jumped to 101.5 this month from a reading of 91.0 in July.

According to the latest sales data from the U.S. Commerce Department., new-home sales rose 5.4% percent last month to a seasonally adjusted annual rate of 507,000, compared with June's revised annualized rate of 481,000.



**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.