



August 28, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,132.60	+\$7.10	\$1154.50	\$1,096.10	\$1288.00

Gold prices drifted marginally lower on Thursday, trading in their narrowest range since Sept. 17. December gold closed down \$1.30 an ounce at \$1,123.30 an ounce and spot gold ended the day at \$1125.50 per ounce.

The global gold market seems to be stabilizing around the current levels, but prices were pressured by the firmer dollar and stronger stock markets around the globe. Shanghai stocks, which led the recent sharp correction lower, bounced back by 5.3%. The Dow Jones Industrial Average was up by around 357 points, or 2.2%.

Global stock markets continued to gain after China unveiled fresh stimulus measures in a bid to shore up growth in the world's second-largest economy on Wednesday.

The Dow Jones extended gains after its huge surge of more than 600 points in its third-biggest one-day point gain in history that occurred on Wednesday. The gains on Wednesday helped U.S. stocks snap a six-day losing streak.

U.S. Economic growth was stronger than expected in the second quarter, according to preliminary gross domestic product (GDP) report from the Bureau of Economic Analysis.

Second quarter GDP growth was revised higher to 3.7%, up from the initial reading of 2.3%, and initial jobless claims dropped by 6000 to 271,000 in the week ended August 22.

According to Bloomberg, China has cut its holdings of U.S. Treasuries in August to raise dollars needed to support the yuan in the wake of a shock devaluation two weeks ago.

According to sources, such transactions include China selling directly, as well as through agents in Belgium and Switzerland. China has communicated with U.S. authorities about the sales, said another person. They didn't reveal the size of the disposals.

The price of crude oil scored its biggest one-day gain since 2008, lifted by the rebound in global equity markets and a report showing the U.S. economy grew faster than previously reported in the second quarter.

WTI jumped \$3.96, or 10.3%, to \$42.56 in New York. The last time it posted a similar gain was a 10.3% jump on Dec. 11, 2008. Brent crude rose more than 9% in London.



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

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