



September 8, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,120.70	-\$2.10	\$1141.40	\$1,095.00	\$1267.25

Gold prices were slightly lower on Monday in a subdued trading environment due to the Labour Day holiday in the US. The price of spot gold settled the day at \$1122.80 per ounce.

The U.S. jobless rate fell to 5.1% in August, the lowest in more than seven years. Employers added a less-than-forecast 173,000 workers in August.

Gold may well remain range-bound until the next U.S. Fed meeting when it will announce its next policy decision on Sept. 17.

Japan's economy shrank less than expected in the second quarter. The world's third-largest economy shrank an annualised 1.2% cent in April-June, less than the initial estimate of a 1.6% contraction. Economic data from China showed a further worsening in foreign trade in August. Both exports and imports contracted more than expected and raised much doubt on the health of the economy. Exports dropped by 6.1% annualised, while imports dropped by 14.3%. Overall trade contracted by 9.7% year-on-year and the trade surplus widened to USD 57.8 billion.

China's foreign currency reserves fell by a record amount last month. The reserves declined US\$93.9 billion, or 2.6%, to US\$3.56 trillion from July, the biggest monthly fall on record, according to data released on Monday by the People's Bank of China.

According to the latest Commitment of Traders (COT)

data released by the Commodity Futures Trading Commission (CFTC) on Friday, gold speculator and large futures traders increased their bullish positions last week for a fifth straight week of gains.

The non-commercial gold futures contracts of Comex, traded by large speculators and hedge funds, totalled a net position of +72,685 contracts in the data reported through September 1st. This was a weekly change of +1,952 contracts from the previous week as total of +70,733 net contracts that was registered on August 25th.

The increase in the weekly net speculator positions (+1,952 net contracts) was due to a bigger decline in the weekly bearish positions by 9,092 contracts that overtook a decrease in the weekly bullish positions by 7,140 contracts.



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

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