



September 10, 2015

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,107.00	+\$1.20	\$1132.40	\$1,105.50	\$1254.25

Gold prices came under selling pressure shortly after the opening of the U.S session on Comex, hitting a four-week low as a stronger U.S. dollar and rallying global equity markets reduced the appeal of the precious metal. December gold closed down \$16.70 an ounce at \$1,104.30 an ounce and spot gold ended the day at \$1105.80 per ounce.

Global equity markets jumped on Wednesday, led by a surge in Japanese stocks The Nikkei 225 Stock Average surged by 7.7% to 18,770.51 in Tokyo, posting its biggest one-day gain since October 2008.

The Japanese Prime Minister Shinzo Abe has pledged to follow through with a 3.3% cut to Japan's 34.62 percent corporate tax rate in 2016, which may have also helped propel stocks upwards.

The Shanghai Composite closed 2.3% while Hong Kong's Hang Seng was up 4.5%.

China's Finance Ministry said on Wednesday it would strengthen fiscal policy, boost infrastructure spending and speed up tax reform, helping lift Chinese shares for a second day.

The upbeat sentiment carried over to European markets, where Germany's DAX, France's and London's were all up almost 2% in afternoon trade.

In contrast, Wall Street's reaction to the overseas rally was muted.

According to Bloomberg, South Africa's gold mines, the deepest and among the oldest in the world, are

in big trouble.

The four largest producers in the country are losing money on about 35% of production at current prices, according to company data compiled by Bloomberg. At the same time, higher costs are cutting into profits as electricity bills climb to a record. Workers are also pushing for wage increases, with some threatening to strike if salaries aren't doubled.

The New Zealand dollar tumbled today after RBNZ cut the official cash rate by 25bps to 2.75% as widely expected. The central bank maintained a dovish stance and signalled in its statement that "some further easing in the OCR seems likely." It said that globally, outlook was "revised down" due to weaker activity in developing economies particularly in China and East Asia.



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

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