

Rand Refinery Daily Gold Update



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Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,168.70	+\$2.20	\$1,199.80	\$1,240.50	\$932.00

Prices of Comex gold futures closed higher and nearer the session high on Thursday, supported by short covering and some fresh bargain-hunting buying interest at lower price levels. December gold closed up \$8.80 an ounce at \$1,171.20/oz. Spot gold was last quoted up \$4.50 at \$1,168.50/oz. On Wednesday gold futures hit a fresh three-month low of \$1,159.30/oz.

The Euro continued higher against the Dollar during the European session, breaking above the 1.3045 session high. On Thursday, the euro extended its rally due to the solid employment data from Germany and improving confidence in Eurozone. Germany unemployment rate dropped to 7.6% in July, hitting the lowest level since November 2008. Economic confidence rose to a two year high of 101.3 in July versus expectation of 99. It has now rallied from last week's low at 1.2730 to a fresh 11-week high at 1.3090 before pulling back to 1.3060.

The Dollar index was under pressure on Thursday, and dropped to as low as 81.53. Traders are now eyeing the 80 psychological level which is also a 61.8% retracement.

The Initial Jobless Claims released by the US Department of Labor declined to 45,000 during the period 19-23 July, improving from a previous revised reading at 468, 000 in July 16.

The world's largest gold exchange-traded fund – SPDR Gold Trust – saw one of the biggest one-day outflows in more than two years on Wednesday as its

holdings fell by 18.55 tons from 1300.829 tons to 1282.279 tons.

On Thursday morning the gold price in Euros € 890/oz fell to its lowest level since May 3rd, and the single currency also hit a new 11-week high against the Dollar.

Gold eased in thin Asian trade Friday, ahead of a key US second quarter GDP data, as the greenback rebounded against the euro.

Spot gold in London was trading at \$1168.70/oz at 10:00 am London time.



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

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