

Rand Refinery Daily Gold Update



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Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,187.40	+\$1.30	\$1,211.00	\$1,235.25	\$945.50

Comex gold futures were mainly near unchanged levels in lackluster trading on Wednesday. However, prices slipped almost \$8 per ounce at around 2 pm New York time. This coincided with Federal Reserve Chairman Ben Bernanke's testimony to the Senate Banking Committee which began in Washington on Wednesday. He said central bankers "remain prepared" to act as needed to aid growth and "we also recognize that the economic outlook remains unusually uncertain." Bernanke also said. "We will continue to carefully assess ongoing financial and economic developments, and we remain prepared to take further policy actions as needed to foster a return to full utilization of our nation's productive potential in a context of price stability." It is widely expected that the Fed will increase monetary stimulus in a bid to keep the economy growing and reduce a jobless rate from close to a 26-year high.

During June, the Russian Central Bank (RCB) purchased another 200,000 ounces of gold. Their total gold reserves now stand at 22.8 million troy ounces... which is 709.2 tons. So far this year, the RCB has purchased 2.1 million ounces for their reserves. In the second quarter of this year, the central banks of Venezuela and the Phillipines also bought gold.

On Tuesday, holdings in the world's largest gold backed exchange traded fund, SPDR Gold Trust (GLD) fell from 1314.211 tons to 1308.128 tons. The holdings hit a record at 1320.436 tons on June 29.

In an article published by Bloomberg on July 21, gold trading in London declined in June as average daily

volumes fell 16 percent, according to the London Bullion Market Association. An average of 20.8 million ounces of gold traded daily, down from 24.7 million in May, the LBMA said in an e- mailed statement.

Markets remain cautious ahead of bank stress test result in the Eurozone due out on Friday. Gold trading in Hong Kong and Singapore remained very flat today with spot gold trading down by \$4/oz at \$1182/oz at 2 pm Hong Kong time. August gold was trading at \$1182.00/oz in Dubai at 10.30 am Dubai time, on very thin volume. At 9.45 am London time, spot gold was seen trading at \$1186/oz; \$5.30 from the low of earlier which was \$1180.70/oz.



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

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