

Rand Refinery Daily Gold Update



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23 July, 2010

Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,199.80	+\$5.30	\$1,205.10	\$1,243.00	\$955.25

European markets rallied after reports yesterday showed a surge in the pace of growth in the region, with both German and Eurozone Manufacturing /Service PMI figures beating consensus estimates. Fueling the rally was better than expected industrial orders, with new orders crushing forecasts with a gain of 3.8%. Markets were looking for a reading of -.1% from 0.9% the previous month. The Euro halted the two-day decline and rallied to a high of 1.2933 during the trading session yesterday. However, the EUR/USD is likely to face increased volatility ahead of stress test to be released by the European Central Bank at 16:00 GMT today.

Soon after the opening, August gold traded at the Comex division of the New York Mercantile Exchange rallied around \$10 per ounce on low volume. The gold price Thursday traded as high as \$1,201.20 and as low as \$1,180.70. August gold settled at \$1,195.60 an ounce, closing under the key \$1,200 mark for the fifth consecutive session.

Crude-oil futures rallied Thursday, buoyed by rising stocks and hopes positive earnings momentum will

translate to speedier growth and demand for oil. September oil added \$2.74, or 3.6%, to \$79.30 a barrel on the New York Mercantile Exchange. That was oil's highest price in nearly one month.

While gold is struggling for direction as formerly strong concerns over debt levels retreat in the euro zone's Portugal, Italy, Ireland, Greece and Spain, all the markets around the world are awaiting the results of the bank stress test due out later today.

Gold trading in Asia today was very dull, but prices have edged up slightly in European trading and spot gold was last traded at \$1,199.80 at 9.30 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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