

Rand Refinery Daily Gold Update



Rand Refinery Limited | Tel: (+27) (11) 418 9000
E-mail: gold@gold.co.za | www.randrefinery.com



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Gold	Today	Change	Week Ago	Month Ago	Year Ago
	\$1,235.60	-\$0.80	\$1,218.90	\$1,166.00	\$950.00

On Monday, after an emergency meeting, the Bank of Japan (BoJ) announced additional easing measures to boost Japan's economic recovery. The BOJ will provide 10 trillion yen of loans for 6 months, in addition to the 20 trillion yen for 3 months announced in March. At first the Yen weakened against the greenback, but later it reversed these losses and moved higher. The USD/JPY dropped from intraday high of 85.89 and reached as low as 84.54.

Australian gold production in the June quarter rose to its highest level in six and a half years, according to the latest survey of the Australian gold mining industry by Melbourne-based industry consultants Surbiton Associates. Gold output rose by 11 per cent or 6.5 tons to 67 tons (2.2 million ounces), compared with the March quarter and was up 20 per cent on the June quarter 2009. Gold production for 2009-10 rose 11 per cent to some 245 tons compared with 222 tons in 2008-09.

Gold held by exchange-traded funds (ETF) in India may increase as much as 17 times in the next three years as investors seek a refuge from financial turmoil and inflation. Rajan Metha, executive director of Benchmark Asset Management Co., which runs the nation's first and biggest gold (ETF). "The growth will definitely be faster than what we have seen in the past."

Holdings in gold ETF's increased by 291.3 tons in the second quarter, the second-highest amount on record, as prices climbed to an all-time high of \$1,265.30 an ounce during the sovereign-debt crisis in Europe, the World Gold Council said on Aug. 25. London-based researcher GFMS Ltd. and Goldman

Sachs Group Inc. expect gold to advance to \$1,300 this year as the metal heads for a 10th straight annual gain.

Gold traded in a very quiet, narrow-range on Monday. A bank holiday in the U.K. had London businesses closed, which put a damper on the world gold market trade. December gold traded around \$1,239.10/oz on Comex and spot gold was down \$0.70 at \$1,238.00/oz. Today, spot gold traded at \$1236.75 an ounce at 12.00 noon Singapore time while December gold was trading at \$1,238.60 an ounce. Spot gold was \$1235/oz in Zurich trading at 10.00 am Zurich time.



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

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