

Gold in a freefall; drops over ₹1,000 in a day

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Mumbai: Gold just got cheaper.

In line with global markets, which had prices plunge on Friday below the \$1,500 per troy ounce mark for the first time in 20 months, the yellow metal saw prices come off by more than Rs1,000 per 10 gram in Mumbai trade on Saturday.

This is the biggest single-day loss in the commodity's value in more than a year.

Gold now stands at Rs27,880, about 14% below

the peak of Rs 32,500 logged in November last year.

Prithviraj Kothari, MD of Riddhi Siddhi Bullion attributed the free fall to the proposed sale of over \$500 million of Cyprus gold reserves. "Moreover, there were rumours that Merrill Lynch sold 4 million ounces at the start of the trade in New York and that led to panic selling."

Industry experts and traders believe prices will fall some more – possibly below the Rs27,000 mark – in coming days.

