

Gold prices dip: Investors jeer, households cheer

NOT ALL GLITTER Market experts expect prices to stay down for next few days

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MUMBAI Investors have become wary of buying gold, with its price dropping sharply in the past few days. But household buyers, especially those with upcoming weddings in the family, are taking the opportunity to stock up on the yellow metal.

The price of gold has dipped from Rs62,800 per 10g last Dowd to the current Rs26,490. Moreover, from the last week-end closing (on Friday), gold witnessed a fall of Rs1,700 per 10g.

"Sentiment in the market is bad. Investors have been sidelined," said Prithviraj Kothari, director, RiddiSiddhi Bullions Ltd. However, he expected the market to bounce back next week.

Shailendra Arora, an investor, said he expects a further fall in the next few days. "I did buy some quantity of it on Monday as nobody can guarantee such a price in the future. I will buy in bulk if the price reaches close to Rs26,000 per 10 gram," he said.

For household buyers the fall is a welcome opening. "The number of marriages will increase between April-end and July, so many people are using this fall to buy as much



■ A woman tries on ornaments at a store on Monday. With the prices falling, household buyers are rushing to purchase gold.

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Mumbai Jewellers Association. Jain said jewellers expect around 50% rise in sale this marriage season as compared with last year at the same time.

However, with prices coming down, Jain said that no jeweller is keeping extra stock at present and is buying only as per requirement.

Jayes Deshmukh, a resident of Goregaon, said that the fall was a surprise. "There was a time when it had become extremely difficult to buy gold," she said. Deshmukh who bought an engagement ring this month, is looking to buy some more ornaments immediately for her wedding which will take place next month.

Santosh Tated, who has come to Mumbai from Hubli, rushed to a jewellery store to buy gold. "The moment I heard that rates were down, I went to a jewellery shop and bought some gold for my function that may come up in the future," Tated said.

GOLD PRICE PERFORMANCE



as they can. The retail market is witnessing a rush because people are buying jewellery

even for functions that are slated after a few months," said Kumar Jain, vice-president of