

# Gold falls below ₹26K/10 grams level

ENS ECONOMIC BUREAU

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GOLD, on Monday, plunged further to close below the Rs 26,000 level in Mumbai with international prices on track for their longest run of losses since March 2009.

Investors have been dumping gold and silver across the world, which are down 20 per cent and 30 per cent respectively this year, while stocks and the dollar have risen on an improving global economic outlook. Standard gold (99.5 per cent purity) fell by Rs 220 to finish at Rs 25,900 per 10 gm from last Saturday's closing level of Rs 26,120. Pure gold (99.9 per cent purity) dropped by Rs 205 to conclude at Rs 26,050 per 10 gm from Rs 26,255. Silver ready (.999 fineness) plunged by Rs 830 to close at a 30-month low of Rs 42,970 per kg, as compared to Rs 43,800 last weekend.

Gold has now fallen nearly Rs 7,000 per 10 grams in the last six months from around Rs 32,750. Gold futures had crossed Rs 33,000 in Mumbai seven months ago.

"One of the reasons behind this decline in gold prices is the perception of investors that gold below \$1400 an ounce will take much time to bounce back and hence put near-term pressure on gold," said Prithviraj Kothari, MD, RSBL.

In London, gold prices fell to a month low of \$1,338.95 a troy ounce, threatening to breach the two-year low of \$1,321.35 hit in April.

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