

Gold falling as US interest rate rise looks imminent

The price of gold is falling back as the likelihood of a June or July US interest rate hike looks increasingly likely.

The buzz has gone from gold as the focus has switched to a higher US interest rate, probably in July.

Gold losing its shine as rate hike looks likely

The price of gold has lost its shine in recent days as a US interest rate hike looks ever more likely.

This fall in the POG is coinciding with the normal May selloff, and is having the effect of subduing the enthusiasm for gold stocks which has buoyed the market recently and renewed investor interest.

This is a shame as the market had gained significant momentum, and investor interest was returning strongly after four long years of decline.

Predictions that the POG could fall to \$1,050 before launching forward again are returning, and it would take a brave investor to be buying stocks at their recent highs as the POG continues to fall and traditionally stocks are sold off at this time of year.

Those with patience may well obtain better prices later on in the summer, with August 1st being considered the best day to buy a gold stock, with the price of gold normally in the summer doldrums before driving forward again in September.