

## The questions of long-term gold

**The mystery of gold continues taking steps worthy of careful analysis. Last week the precious metal experienced its biggest comeback since 2011. The price of gold was at \$ 1,294, which represented an increase of 5.4% in the weekly reckoning.**

It was a considerable rise whose answer may well be understood after the intervention of **Ben Bernanke**. The chairman of the U.S. Federal Reserve had indicated days ago that the U.S. monetary policy had to be more **"accommodative for the foreseeable future"**. These words served as a good catapult for investors and triggered again positive sentiment on gold, increasing its price quickly after clearly bearish trend that has suffered from the month of October. **"Bernanke's comments gave positive sentiment towards gold and the other commodities,"** he argued **Dan Denbow**, manager funds from USAA Precious Metals & Minerals in San Antonio. "The Fed has been working hard to show that the removal of a portion of its bond purchase program will not remove accommodative policy that Bernanke has started and was very adamant about that. What if there has been a certain change in discourse "said the manager. Experts believe that investors who bought gold last week interpreted the message Ben Bernanke was referring merely to a change in interest rate policy in the short term and not in the rest of measures that have characterized the Central Bank in recent years. would explain the appetite for these metals in recent days. **hopes China as** one of the factors which suggest that the price of gold can be held in prices similar to those present in the future is in the Chinese market. The Asian giant last week reported **net gold exports to China rose from 80 tonnes in April to nearly 109 tons in May**. Analysts say that this is an unprecedented demand and to continue and would impact quite straightforward in the gold price in the markets. Indeed, so much so that **China is expected to import around 1,000 tons of gold this year**. Adding to the 400 tons of domestic production will make being the largest consumer of gold in the world. Definitely a halo of light to the narrow tunnel they had gotten over the last dates that precious metal. **downward Evolution** Gold Evolution so far this year has been very negative to investors.'s why this trend is changing with some degree of optimism. **since January the precious metal has fallen more than 20%**. since October 2011, its market price was started a downhill without brakes. changed the trend after reassessed in more than 90% in less than two years, reaching a record high nearly \$ 2,000 per ounce. Similarly, the contrast between the metal price decline and the rise of Standard & Poor's in the U.S. market is relevant. since the beginning of 2013 the index stood at record highs and, in return, the price of gold has suffered a significant decline. **Uncertainty long term** Contrary to the thesis optimistic arises speech he made **many analysts believe that in the more distant future the price could drop to \$ 500**. thus considered Campbell Harvey of Duke University, as recorded by CNBC. **"We are now well above the historical average"**, Harvey argued that believes that the price of the yellow metal should be corrected up to \$ 800 an ounce. **"If you look historically, not just go to the middle and stay there. Really crosses and falls below and then rises again"** he said. "It may not be tomorrow," Campbell said, but "the cycles are 10 to 15 years, and we are in one of these cycles."



XAUUSD:CUR 1770.5    SPX:IND 1495.71

