



- Futures Brokers
- Futures Brokers Table
- Contact a Futures Broker
- News

Latest Futures News

- Quotes
- Currency Futures
- Financials
- Indices
- Metals
- Other Commodities
- Charts
- Currency Futures
- Financials
- Indices
- Metals
- Other Commodities
- Reports
- Currency Futures
- Financials
- Indices

Home > Futures > News >

Send Print Add To

Analyst: Faltering market conditions could push gold to \$1,800/oz within year

Mon, Mar 17 2008, 17:50 GMT
<http://www.afxnews.com>

SAN FRANCISCO (Thomson Financial) - Gold could reach \$1,800 an ounce within the year as investors turn to the yellow metal for shelter amid deterioration in capital markets, an analyst said Monday.

In the shadow of Sunday's "bailout" of Bear Stearns "conditions in the major financial markets have deteriorated further, which we believe increases the probability of a sharp upward spiral in the gold price," analyst Paradigm Capital Analyst Don MacLean said.

MacLean said he now believes there is a 40% to 50% chance that gold will reach \$1,800/oz within a year, up from a previous estimate of a 25% chance back in January.

April gold futures were last trading up 60 cents at \$1,000.10 an ounce, after reaching a record high of \$1,033.90 in intraday trading.

In a note to clients MacLean cited the emergence of a confluence of factors that, historically, have pushed the price of gold upward, such as high amounts of liquidity provided by central banks, record high risk spreads, declining interest rates in major economies and a weakening U.S. dollar.

Soaring gold prices also have the effect of drawing more interest in the gold sector, he noted.

If the gold price spirals upwards, gold stocks should rise with the metal's price, MacLean said.

However, gold stocks are still equities, and broad downward pressure on equities will probably hinder their performance, he said.

"[P]ast experience suggests that gold equities will lag, viewing the spiral as unsustainable. In this case the metal is liable to outperform. It would make sense for investors to hold a meaningful portion of their gold position in ETFs for the metal."

Shares of the iShares COMEX Gold Trust (IAU) were up 43 cents at \$99.58 in intraday trading. The streetTRACKS Gold Shars ETF (GLD) was up 53 cents at \$99.24.

EUR/USD	
SELL	BUY
1.1815	1.1818
15	18
LOW	HIGH
1.1859	1.1929
DAY-TRADER	
ACTION : SELL	
ENTRY : 1.1885 ✓	
TARGET 1 : 1.1860 ✓	
TARGET 2 : 1.1845 ✓	
TARGET 3 : 1.1820 ✓	
STOP-LOSS : 1.1915	
TIME : 8:42 AM 3/10	
● TARGET 2 REACHED...	
FLOATING P/L: 67	
TRADE ANALYSIS	
MARKET SENTIMENT	
BEAR [-11] BULL	
VOLATILITY	
LOW HIGH	
TREND	08-05

DashBoard EV

- Metals
- Energy
- Market Review

Meanwhile, the Market Vectors Gold Miners ETF (GDX) was down 3.2% at \$54.61.

MacLean rated shares of gold miners at buy and recommended the most liquid stocks among gold-oriented holdings, including Yamana Gold Inc. and Agnico Eagle Mines Ltd. Yamana stock was down 25 cents at \$19.14. Agnico Eagle shares were up 35 cents at \$80.40 on volume around 30% higher than the 30-day trading average.

Brigid Gaffikin

bg/tk1

COPYRIGHT

Copyright Thomson Financial News Limited 2007. All rights reserved.

The copying, republication or redistribution of Thomson Financial News Content, including by framing or similar means, is expressly prohibited without the prior written consent of Thomson Financial News.



The copying, republication or redistribution of AFX News Content, including by framing or similar means, is expressly prohibited without the prior written consent of AFX News AFX News and AFX Financial News Logo are registered trademarks of AFX News Limited For more information and to contact AFX: www.afxnews.com and www.afxpress.com

Special Coverage

Special Coverage - [Central Banks money injection](#) by FXstreet.com
Mar 11, 14:53 GMT

Central Banks: ECB and BoE - [Review of Mar 6 meeting: Both banks on hold](#) by FXstreet.com
Mar 7, 14:02 GMT

Central Banks: Fed - [Jan 30 Meeting: 50bp rate cut](#) by FXstreet.com
Jan 31, 08:46 GMT

Central Banks: BoJ - [November 13th Meeting Review](#) by FXstreet.com
Nov 13, 09:14 GMT

[\[View All\]](#)

New Quotes & Charts available

Check now our **brand new** Quotes and Charts sections, with all the information you may need about:

- [Euro Bund](#), [Short Sterling](#) or [DAX](#)

Working with huge exchanges such as CBOT, EUREX, CME, ICE, LIFFE or Euronext we will be able to offer one of the most complete Q&CH service in the whole net. [Stay tuned!](#)

• Latest Futures News

[CBOT Dow Jones Index Futures Close - Mar 17](#)

Dow Jones | Mon, Mar 17 2008, 21:23 GMT

[Treasurys rally after](#)

• Latest Updated Reports

[Forex Commentaries and Forecasts - The investors are ready for 100 bps interest rates cut](#) by

World-Signals®
Mon, Mar 17 2008, 18:37

Bear Stearns deal

Thomson Financial News | Mon, Mar 17 2008, 21:04 GMT

▶NI! Treasurys rally after Bear Stearns deal

Thomson Financial News | Mon, Mar 17 2008, 21:04 GMT

▶NI! CME Nikkei 225 Stock Index Futures Settle Down 305 Points

Dow Jones | Mon, Mar 17 2008, 20:57 GMT

▶NI! CME Goldman Sachs Close - Mar 17

Dow Jones | Mon, Mar 17 2008, 20:47 GMT

▶NI! ICE FCOJ Review: Slips In

GMT



Weekend Commodities Review - **For the Week Ending March 16th, 2008** by

James Mound Trading Group Mon, Mar 17 2008, 16:41 GMT



Flash Comment - **FOMC: Preview of policy meeting** by

Danske Bank A/S Mon, Mar 17 2008, 16:28 GMT



Chart of the Day - **Chart of the Day - GBP/USD** by

FX Solutions Mon, Mar 17 2008, 16:16 GMT



Daily Outlook - **EUR/USD daily** by Karoll

Mon, Mar 17 2008, 16:16 GMT



U.S. Forex Market Commentary

by GCI Mon, Mar 17 2008, 16:01 GMT

Tech Weakness, Sustains Downtrend

Dow Jones | Mon, Mar 17 2008, 20:22 GMT

CBOT Soy Review: Tumbles Lower On Economic Worries

Dow Jones | Mon, Mar 17 2008, 19:54 GMT

US Wheat Review: Tumbles Limit Down On Economy Jitters

Dow Jones | Mon, Mar 17 2008, 19:51 GMT

[\[View All\]](#)



Technical Summary for Majors - **Technical Summary for Majors** by Windsor Brokers Ltd Mon, Mar 17 2008, 15:53 GMT

[\[View All\]](#)

Interested in forex trading? forex brokerage firms!



Contact the broker/FDM



Contact the broker/FDM



Contact the broker/FDM



Contact the broker/FDM

Placing FXstreet.com as your referral agent on your FX trading account and generating rebates higher than the Premium fee, FXstreet.com will give you access to the premium subscription for free.

Become an [FXstreet.com Premium Member](#) for only 45 EUR a month or 450 EUR a year if you are private trader, 900 EUR a year if you are a corporate trader.

[More info](#)

- | Rates | News | Reports | Other |
|--|---|---|---|
| <ul style="list-style-type: none">• Streaming Forex Rates | <ul style="list-style-type: none">• Latest Forex News• Currency Focus• Central Banks• Economic Indicators• More ... | <ul style="list-style-type: none">• Fundamental Reports• Market View• World Interest Rates• Economic Indicator Reports• Interest Rate Reports• Technical Analysis Reports• Technical Market View• Forecasts• Trading Strategy• Signals• Full Technical and Fundamental sections | <ul style="list-style-type: none">• Looking for a Broker/FDM?• Futures• Premium section• Workshops and Conventions• Forex Books |
| <ul style="list-style-type: none">• Live Currency Rates• World Currencies• Exchange Rate Table | <ul style="list-style-type: none">• Live Session Schedule• Forex Showroom• Forex Chat• More ... | <ul style="list-style-type: none">• Full Technical and Fundamental sections | <ul style="list-style-type: none">• Full Site Map |
| <ul style="list-style-type: none">• Full Charts & Rates section | | | |

Note: All information on this page is subject to change. The use of this website constitutes acceptance of our [user agreement](#). Please read our [privacy policy and legal disclaimer](#).

Opinions expressed at FXstreet.com are those of the individual authors and do not necessarily represent the opinion of FXstreet.com or its management.

Risk Disclosure: Trading foreign exchange on margin carries a high level of risk, and may not be suitable for all investors. The high degree of leverage can work against you as well as for you. Before deciding to invest in foreign exchange you should carefully consider your investment objectives, level of experience, and risk appetite. The possibility exists that you could sustain a loss of some or all of your initial investment and therefore you should not invest money that you cannot afford to lose. You should be aware of all the risks associated with foreign exchange trading, and seek advice from an independent financial advisor if you have any doubts.

©2008 "FXstreet.com. The Forex Market" All Rights Reserved.