

[Gold prices](#) inched up early on Friday after hitting a 6-month low the session before, with the [dollar](#) retreating from an 11-month peak.

Spot gold was 0.1-per cent higher at \$1,268.24 an ounce by 0057 GMT. It touched its lowest since Dec. 19 at \$1,260.84 on Thursday. U.S. gold futures for August delivery were nearly unchanged at \$1,270.20 per ounce.

The [dollar](#) index, which measures the greenback against a basket of six major currencies, stood at 94.818. It hit 95.529 in the previous session, its highest since mid-July 2017. The number of Americans filing for unemployment benefits unexpectedly fell last week, pointing to a further tightening in [labour market](#) conditions.

An increasingly shrill exchange of words between the United States and [China](#) that is threatening to trigger a global [trade war](#) has claimed another victim - Germany's auto sector. China's commerce ministry on Thursday accused the United States of being "capricious" over bilateral trade issues, and warned that the interests of U.S. workers and farmers ultimately will be hurt by Washington's penchant for brandishing "big sticks".

[Bank of Japan](#) board member Yukitoshi Funo said on Thursday that the central bank needs to patiently continue its strong monetary easing under the current policy, as slowing inflation keeps the BOJ's 2 per cent price target a distant objective.

Holdings of SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell 0.50 per cent to 824.63 tonnes on Thursday.

Russia produced 51.6 tonnes of gold in the first three months of 2018, up from 50.9 tonnes in the same period in 2017, the finance ministry said on Thursday.

Hundreds of feet below thick boreal forest blanketing the Canadian Shield, a squad of near-silent, battery-powered machines are tunnelling toward gold in a multimillion-[dollar](#) mining experiment to ditch diesel.

Japanese trading house Sumitomo Corp on Thursday said it had agreed to buy a 5-per cent stake in the Yanacocha gold mine in Peru for \$48 million, as it looks to boost its assets in the metals sector.