

Gold rebounds after two sessions' drop

CHICAGO, April 16 (Xinhua) -- Gold futures on the COMEX division of the New York Mercantile Exchange rebounded Tuesday to recoup a small portion of the more than 200 U.S. dollars an ounce they lost in the previous two trading sessions. The most active gold contract for June delivery rose 26.3 dollars, or 1.93 percent, to settle at 1,387.4 dollars per ounce. The bulk of the gold selloff occurred Monday, which marked the largest one-day loss since the 1980s and prompted an increase in the amount of money investors needed to trade gold-futures contracts. Some buyers waded into the gold market Tuesday, driving prices up almost 2 percent by the close following a two-session loss of more than 200 U.S. dollars an ounce, according to market analysts. Some analysts reckon, however, the bounce was weak as gold bulls were badly shaken, and it would take some time for gold to stabilize and for buyers to regroup. Some traders believe the near-term effect of the plunging prices of gold is that the demand for holding gold as an investment will be dampened, but it does nothing to change the long-term, fundamental reasons for gold holdings, including hedging against the infinite creation of fiat currencies. Given that backdrop, silver for July delivery rose 26.6 cents, or 1.14 percent, to close at 23.667 dollars per ounce.