

Gold fell 1% to its lowest level in the year

Gold prices fell 1% on Tuesday to their lowest level in 2019 as a series of strong economic data boosted demand for riskier assets such as stocks, while gold prices were further hampered by a stronger dollar.

Spot gold fell 1.1% to \$1,273.91 an ounce at 1745 GMT, earlier falling to its lowest level since December 27 last year at \$1,272.70.

U.S. gold futures closed down 1.1% at \$1,277.20 an ounce.

Bob Haberkorn, senior market strategist at RJO Futures, said, "Gold prices may face more pressure in the next few days, especially as earnings announce, the stock market will continue to strengthen." China's strong economic data and better-than-expected U.S. employment report last week also depressed gold prices, he said.

Wall Street stocks climbed as healthcare giants performed better than expected, increasing the momentum for China's economic data and German gas improvements to drive global stock market gains.

The dollar also strengthened, making gold more expensive for holders of other currencies.

Investors are now waiting for China's gross domestic product (GDP) data to gain a better understanding of global economic growth. Reuters surveys predict that economic growth will fall to 6.3% in the first quarter, the lowest in at least 27 years, but a series of measures to boost domestic demand may support economic activity in March.

"If the data is below 6%, it will be enough to boost gold prices, but if the data is above 6%, the gold price will be on the defensive," said Hoaberkorn of RJO.